



KINGDOM OF CAMBODIA
NATIONAL RELIGION KING

DEMAND FOR GOOD GOVERNANCE PROJECT
World Bank-IDA-Grant No H4410-KH

2nd QUARTERLY PROGRESS REPORT 2011

Support to the Arbitration Council

ABBREVIATIONS AND ACRONYMS

AC	Arbitration Council
ACF	Arbitration Council Foundation
AC/F	Arbitration Council and Arbitration Council Foundation
AusAID	Australian Agency for International Development
AWP	Annual Work Plan
DFGG	Demand for Good Governance
EOI	Express of Interest
IDA	International Development Agency
ILO	International Labour Organisation
MEF	Ministry of Economy and Finance
MOI	Ministry of Interior
MOLVT	Ministry of Labour and Vocational Training
MONASRI	Ministry of National Assembly-Senate Relation and Inspection
NGOs	Non-Governmental Organisation
NZAID	New Zealand Agency for International Development
OWSO	One Window Service Office
PCC	Project Collaboration Committee
PCO	Project Coordination Office
PRC	Procurement Review Committee
RNK	Radio National Kampuchea
RFP	Request for Proposal
SAC	Secretary of Arbitration Council
SAG	Stakeholder Advisory Group
TOR	Terms of Reference
WB	World Bank

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SECTION I: PROJECT PROGRESS REPORT

A. Project Introduction

The Arbitration Council (AC) Sub-Component of the DFGG Project aims at improving the dispute resolution services delivered by the AC, and to expand these services throughout the country and into a broader range of industrial sectors. To this end, the AC Sub-Component plans to use DFGG funds for strengthening the AC governance structure; providing critical capacity building to arbitrators and staff; developing strong and wide partnerships with relevant stakeholders and partners; implementing a targeted outreach and communication strategy, including improved media relations; and providing necessary training and capacity building for the AC's stakeholders throughout the country. Importantly, the AC Sub-Component provides for the development and implementation of strategies, which will help the Arbitration Council to become a sustainable institution into the future.

A. 1. Project Background

Good governance is a critical challenge facing Cambodia in its efforts to sustain economic growth, reduce poverty and attain the Cambodia Millennium Development Goals. Accordingly, the Royal Government of Cambodia (RGC) gives prominence to improving governance in its Rectangular Strategy 2004-2008, the Governance Action Plan, and the Decentralization and De-concentration Strategic Framework. One important initiative of RGC in this regard is the planned Demand for Good Governance (DFGG) Project, which will be supported by grant financing from the International Development Association (IDA) and Australian Agency for International Development (AusAID).

The development objective of the DFGG Project is to promote good governance in Cambodia in order to sustain economic growth and poverty reduction. As elsewhere, efforts to improve governance in Cambodia have focused predominantly on supply-side instruments (e.g., more effective public administration and financial management, delivery of public services, etc.). While these are necessary and useful, better and more lasting results will be achieved if complemented by increased social accountability (i.e., more demand-side engagement).

The DFGG Project aims to improve governance quality in Cambodia by building the capacities of institutions, and supporting programs/projects and coalitions, that promote, mediate or address demand for good governance in the context of a few key areas in RGC's reform agenda. This will result in more effective design, implementation and monitoring of key reforms, and more transparency, accountability and responsiveness of the state to citizens.

A. 2. Project Development Objective

The overall objective of the AC Sub-Component of the DFGG Project is to contribute to an effective governance environment for private sector development by enhancing the extent to which a well-functioning labour arbitration system builds workers' and employers' confidence that labour disputes will be resolved effectively and fairly.

A. 3. Project Component

As the sub-components of DFGG project, Arbitration Council comprises of four components and activities to be implemented during the lifetime of the DFGG Project. Those are:

Component 1: Institutional Integrity and Sustainability: Independence, Credibility, Sustainability

Key Activity 1: *Selection/ recruitment of arbitrators:* assess the need for the appointment of additional arbitrators.

Key Activity 2: *Arbitration Council governance:* maintain and strengthen appropriate governance structures including the ACF Board of Directors, Representatives of the Arbitration Council, Regular Arbitrator Meetings, Arbitrators' Retreat and Arbitrator Working Groups.

Key Activity 3: *Sustainability:* develop and implement strategies that will help to ensure the AC's institutional and financial sustainability in the long term.

Component 2: Labour Dispute Resolution

Key Activity 1: *Resolution of Labour Dispute Cases:* continue the AC/Fs core work of conciliating and arbitrating labour disputes.

Key Activity 2: *Capacity Building of AC/F and SAC:* undertake training and other activities to develop the legal and administrative capacity of Arbitrators, ACF and SAC staff.

Key Activity 3: *Expansion of Arbitration Council Services:* aim to expand AC's dispute resolution services throughout the country and into a broader range of industrial sectors.

Component 3: Partnerships and Stakeholder Outreach and Training

Key Activity 1: *Establishing and maintaining partnerships:* develop and maintain relationships with key partners as well as with other relevant organisations and institutions

Key Activity 2: *Dissemination of publications and other information to raise stakeholder awareness:* produce, publish and disseminate arbitral awards and other relevant information in order to raise stakeholder awareness and ensure transparency.

Key Activity 3: *Media relations and promotion:* use media tools to promote AC/F to a wider audience

Key Activity 4: *Stakeholder training*: continue to run training for relevant stakeholders to promote awareness of the AC and the labour dispute resolution process.

Key Activity 5: *Enhancing the Enabling Environment for Implementation of the Memorandum of Understanding on Improving Industrial Relations in the Garment Industry*: works with partners to facilitate the implementation of the MoU signed by Garment Manufacturers Association of Cambodia (GMAC) and six major union federations and confederations, in which parties and their members agree to binding arbitration by the Arbitration Council for labour rights disputes.

Component 4: General Operation and Project Management

Key Activity 1: *Equipment & occupancy*: AC/F will purchase additional equipment and furniture and relocate to a larger space to accommodate the expansion in activities and increased staffing levels under DFGG. ACF will continue to provide managerial, technical and financial support to the Council.

Key Activity 2: *Monitoring and evaluation*: ACF will maintain M&E system; procure and coordinate with consultant/NGO/firm to conduct studies.

B. Summary of Key Activities and Completed Milestones undertaken in the Quarter

B1. Outputs

B1.1 Narrative of Key Achievements

Arbitration Council Governance

ACF Board of Directors Meeting: ACF organized a special meeting during this reporting period. This meeting was the 22nd Board of Directors Meeting held on 22 June 2011 [and participated by 6 participants \(2 females\)](#). In this meeting, ACF management team discussed with the Board of Directors the audit report of KPMG, findings of the Mid Term Review which was completed by the World Bank mission, and discussion on the sustainability of the AC. For the long term sustainability of AC, the Board of Directors raised that a permanent AC office should be built in order to provide its services. To ensure stakeholders' participation in the decision, ACF has consulted with union federations and employer associations regarding this matter before making its final decision.

Regular Arbitrator Meeting and Representatives of the Arbitration Council meeting: During this reporting period, ACF has not organised any meetings because there were no urgent or important issues that need to be discussed with the AC and SAC.

Working Groups: On 4 May 2011, the Conflict of Interests (CoI) Policy/Mechanism working group met and discussed the draft paper. As a result of the meeting, the working group suggested to LSD that it should link the policy to references in Cambodian law and also change the structure of the paper. Currently, LSD is working on implementing the recommendations from the working group.

Sustainability

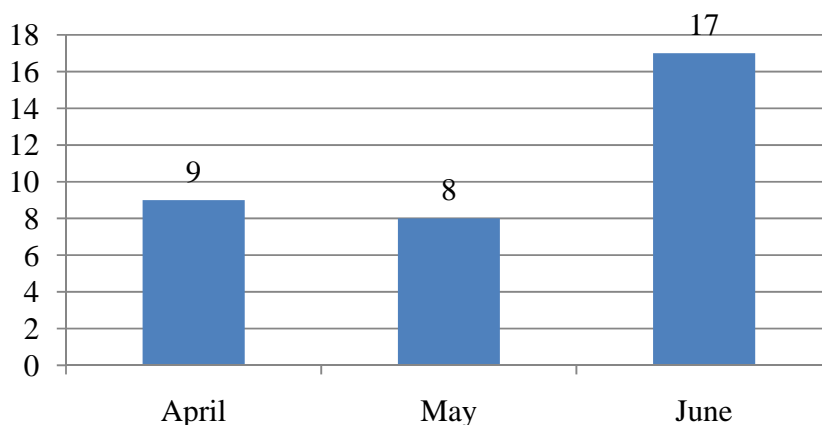
- *Individual Labour Dispute Resolution Program:* Starting on 14 March 2011, the ACF, in partnership with four business school students from the University of Michigan, USA, conducted a study to develop a business and marketing plan to implement a new individual labour dispute resolution (ILDR) pilot program. The pilot ILDR program would allow employers and individual workers (that is, not only collective disputes brought by a group of workers or represented by unions) to seek the assistance of AC/F to help them resolve their labour disputes; and parties/customers would be assessed a fee for such services by the AC/F. As a revenue-generating activity, the ILDR program is one component of ACF's overall growth strategy, with the long-term objective of achieving financial sustainability while maintaining the institutional integrity of the AC. The study involved conducting interviews with various potential sectors such as hotel, finance and banking, local and international NGOs, telecommunications and services. The Michigan team completed the interviews on 8 April 2011 and the final report and presentation of the findings were concluded on 28 April 2011. As a result of the study, the report showed that the demand for individual dispute resolution services may be low in the short term but that the demand will likely increase when the potential industries understand the benefits of such services. It was recommended that by providing a body that interprets the labour

law and helps ensure that rights are upheld according to the law; ILDR has social benefits for the working population in further promoting good governance through rights education and accessible legal remedies and promotes economic development in Cambodia.

- *Possibility of receiving DFGG grants for the building of AC facilities:* Following informal notification from the DFGG Project and PCO, ACF management team met on 21 and 23 June 2011 to discuss, among other things, the possibility of receiving DFGG grants for the building of AC facilities. ACF management team began consulting our stakeholders in face-to-face meetings and on the phone with leaders of major union federations and employer associations regarding this matter. As a result of the discussions, the consensus among the stakeholders was that the AC building should be located outside the MoLVT’s main compound on Russian Boulevard but that they would still strongly support a move to relocate the AC building there if it is the only option and as long as the AC building is a stand-alone building which accommodates only the AC’s work. Furthermore, the stakeholders asserted that the risk of fostering a perception of bias through possible outside interference in the decision making of the AC could be mitigated if the AC maintains its quality and independence, by strictly following its set procedures.

Resolution of Labour Disputes Cases

During the 2nd quarter of 2011, AC received 34 cases of labour disputes (registration number: 45/11 - 78 /11). An average, AC received 11 cases per month which was lower than the first quarter 2011 (14 cases per month). During this reporting period, 14 (41%) out of 34 were cases covered by Memorandum of Understanding involving binding arbitration on rights disputes in the garment industry. In resolving the labour dispute cases in the second quarter of 2011, (not taking into account the actual registration dates as some of the cases were pending from the previous reporting quarter), the AC successfully conciliated 10 cases, and issued arbitral awards for 22 cases. At the end of the reporting period, 15 cases were pending at the AC. Since May 2003 until June 2011, 1056 cases were brought to the AC.



Among the 34 cases above, there were 33 enterprises involved in these disputes but one enterprise appeared more than once. Moreover, there were 44, 922 workers involved in the

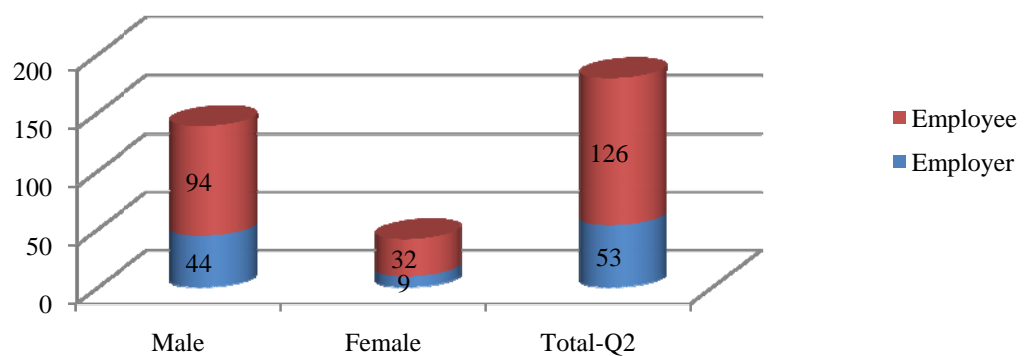
disputes **who majority of workers were females**. For all of these cases, the AC was able to address them in a speedy and transparent manner. Such a quick and impartial service reflects the AC’s response to the needs of the enterprises and workers in dispute resolution.

The AC has continually addressed and resolved the labour disputes it received within 15 days or a reasonable extended timeline agreed to by the dispute parties. With its resilient case management and speedy resolution, the AC was able to address the cases for the workers and the employers without any backlog. The AC’s ability to mediate and respond effectively to the demand for its stakeholders has made the AC one of the very few state institutions in Cambodia to lead in the push for good governance for the benefits of Cambodia and her people.

During this reporting period, 53 (30%) employers and 126 (70%) employees attended the hearing. Among the 179 participants, 9 (17%) out of 53 were female employer representatives while 32 (25%) out of a total of 126 employee representatives were female. Below is a chart which indicates the number of employers and employees who attended the hearings from April to June 2011.

Through the AC’s labour mediation and arbitration process, representatives of the employers and workers are accorded full due process to present their cases before the arbitration panel they have selected. Employers and employees present their cases, by stating what happened, the governing law and regulations, and why their case has merits, for consideration by the arbitration panel. The employers and workers are given full opportunity to submit evidence and witnesses to support their cases. Such participation and due process enjoyed by the parties has helped promote the effectiveness of the Arbitration Council in resolving their disputes.

Arbitration Council - Number of Employers and Employees Representatives Attending the Hearing (From April - June 2011)



Capacity Building of AC/F and SAC

During this reporting period, ACF organised a number of capacity building sessions for AC/F and SAC staff as part of its continuing endeavour to improve the quality of labour dispute resolution work for employers and employees:

- *Leadership Course on Frontiers of Development Policy:* On 4-8 April 2011, Mr. Y Samphy, Manager of Training & Communications, attended this leadership course jointly organised by the World Bank Institute (WBI) and Korean Development Institute (KDI) in Washington DC, USA. Mr. Y was exposed to a wide range of topics covering development policy. In attendance were over 40 participants from various countries around the world. Corporate Social Responsibility (CSR) policy was of particular interest and relevance to the AC. One implication is that the AC could, in addition to the national law, base its decisions on the responsibilities set out in the CSR policy upon which workers and enterprises in dispute are bound due to their affiliation with the larger, international brands.
- *In-house training on Effective Communication:* On 21 April 2011, Ms. Kim Sonya conducted training on effective communication for 13 staff (9 females) so that ACF staff could improve their productivity and working relationships with one another. Ms. Kim focused on the 7 C's of effective communication: Correctness, Conciseness, Clarity, Completeness, Concreteness, Courtesy, and Clarity. After this participatory training, ACF staff began to apply the principles in their email communication immediately.
- *In house training for Management Team – Strategic planning - Part III:* Under the guidance of Ms. Kim Sonya, Mr. Bun Vuthy, Monitoring & Evaluation Coordinator, and Ms. Teng Ratana, Finance & Admin Manager, conducted part III of the session on strategic planning for the 6 management staff (3 females) of the ACF on 22 April 2011. The three-hour training session focused on understanding the ACF work plan and improving report writing to better inform donors and stakeholders of the work of the AC. We concluded that ACF reports should focus on the outcomes of each activity, and written in a way that is easy for public audience to understand. This series of training was intended for ACF management to review and, if necessary, modify its work plan to drive the development of the organisation.
- *Advanced training on legal drafting and review of AC's arbitral awards on rights and interests disputes:* Ms. Susan Brown, US mediator and arbitrator, conducted training on arbitral award writing to members of the AC family on 23 April 2011. 25 arbitrators and staff (11 females) attended the training, in which they were divided into groups to review and commented on two AC arbitral decisions. Then on 25 April, Ms. Brown reviewed a few selected arbitral awards and provided expert advice to LSD staff and AC on how to improve their writing skills. Improved capacity to write arbitral decisions has always been the focus of training at the AC. It is important that disputant parties at the AC can understand what is written for them. Also, the AC decisions have served as educational tools for law students, professors and researchers. Human resources personnel in Cambodia rely on the AC decisions to ensure their organisations' compliance with the labour law and regulations.
- *In-house training on Microsoft Excel:* On 28 April, Mr. Bun Vuthy conducted training for 11 ACF staff (6 females) on how to develop charts in Microsoft Excel, using simple formulas and key functions used for reporting. Through the training, the audience

understood how to use Excel's graphic capabilities to display data in the form of charts and other drawing tools to enhance worksheets.

- *One-on-one sessions for professional development of ACF management:* At various times during the reporting period, Ms. Kim Sonya, Legal Advisor to ACF, organised one-on-one sessions with ACF management team (bimonthly) and LSD officers (quarterly) in order to discuss actions they could take for their personal and professional development. The program resulted in various actions for them to take in the coming months. Ms. Kim believes that building the capacity of staff through such individual coaching will enable the AC family to provide a deeper, positive impact to its users as well as Cambodia as a whole.
- *In-house training on World Bank Procurement:* On 6 May 2011, the Senior Procurement Officer conducted training on World Bank Procurement to [15 ACF staff \(9 females\)](#). The training focused on three main topics: 1) Procurement of goods. 2) Procurement of services and 3) Procurement of Incremental Operating Costs. Staff understood the WB/RGC's procurement procedures and guidelines and the purpose of the procurement process for goods, services and IOC. This training allowed them to develop the project plan more realistically and effectively. In turn, this ensures that AC/F will serve the project beneficiaries in a better way.
- *Exchange of experiences with a French labour lawyer:* On the 19 May 2011, Mr. Gilles Bélier, a prominent labour lawyer in France, shared his experience in practicing labour law with ACF staff and arbitrators. Central to the discussions were issues related to employment contracts, types and nature of labour disputes and work suspension. That was the first time for AC/F to meet with a French lawyer. The session resulted in AC/F gaining fresh perspectives regarding the legal practices in France related to these issues that the AC could apply to future cases since the Labour Law was originally drafted in French.
- *Officer learns about finance:* On 23-27 May 2011, ACF's Training Coordination Officer (TCO) attended the training on *Getting the Basics Right for Financial Management* organised by Mango, a UK-based training centre that provides award-winning practical financial management training for staff of non-profit organisations around the world. The TCO, Ms. Soeung Sophea reported that this training could help her perform her work better since she has an important role to play in ensuring effective and proper use of financial resources for the organisation on training and other public events for the ACF.
- *In-house training in supervisory skills:* Over four weeks in June 2011, Ms. Kim Sonya, ACF Legal Advisor, conducted training sessions on supervisory skills for [7 ACF supervisors and managers \(4 females\)](#). The topics included the different aspects of supervision: guiding the work, organising the work, developing staff, managing performance and managing relations. As a result of the training, the participants acknowledged that it was very important for them as managers to put into practice the principles of good supervision, in order to be more effective as an organisation.

- *Legal drafting training:* Mr. Julian Brody, a JD candidate from Michigan University's School of Law undertook an internship with the ACF. As part of his internship, he conducted training on logical thinking and shared with LSD how they could be applied in the drafting of an arbitral award. Examples from an LSAT (Law School Admission Test) were utilised in the session conducted on 24 June 2011. This resulted in knowledge sharing between the ACF and the international intern with the objective of improving the quality of arbitral awards.

Establishment and Maintenance of Partnerships

- *TV drama features an episode on dispute resolution at the AC:* On 7-8 April 2011, ACF provided venue for the filming of *Scales of Justice*, a popular TV drama produced by Women's Media Centre (WMC) which is shown on various TV channels. The episode focused on labour disputes resolved at the Arbitration Council. It is expected that the episode will be broadcasted on TV by the end of 2011.
- *Partnership with the Ministry of Labour and Vocational Training (MoLVT):* During the reporting period, ACF and MoLVT agreed to jointly organise training on 24-25 May, 14-15 June and 12-13 July 2011 for **61 MoLVT' conciliators and inspectors (6 females)** from all over Cambodia so that they become more capable of settling labour disputes and contribute to industrial peace in Cambodia.
- *Training on labour dispute resolution:* On 26 April 2011, the ACF and IHQ jointly organised training on Labour Dispute Resolution for 21 management representatives (**6 females**) from various enterprises in the Greater Phnom Penh region. Arbitrator Kong Phallack, who was invited to provide the training, presented the benefits of binding arbitration for both workers and employers. In the one-day training, IHQ's trainers discussed other topics such as basic labour law, role of unions and management and how they could work together for the benefits all the concerned parties.
- *Employers Meet and Greet Arbitrators for the 5th time:* The networking workshop, known as 'Meet & Greet', was jointly organised by the ACF and Cambodian Federation of Employers and Business Associations (CAMFEBA). Employer representatives and arbitrators from the employer list of the AC met on 30 June 2011 at Hotel Cambodiana. At the half-day workshop, employer representatives learned more about the arbitrators who help resolve their labour disputes. Likewise, the arbitrators learned from the feedback and sharing of concerns from the employers, given in a spirit of collaboration, to improve the effectiveness of the AC's dispute resolution services. More than 40 employer representatives (**12 females**) joined the event and they were from various industries including hotel, telecommunications, garment, health security services and law firms.

As a result of this networking, employer representatives learned about the Cambodian labour dispute resolution process and case preparation at the AC, as presented by Ms. Sou Sorphea, ACF Director of Legal Services, and Mr. Som Chamnan, CAMFEBA Executive Director respectively.

Participants welcomed the event and suggested that they be invited to future Meet & Greets. “*It is a great opportunity to know more about the arbitrators. I suggest such an event be held in the future as my colleagues and I, as well as others [management representatives] are interested in meeting the ‘face of the AC’ – the arbitrators*” Ms. Heng Sovann added.

At the meantime, Arbitrators’ biographies, AC newsletters, case preparation leaflets, and Q&A booklets were handed to all participants so they can share the information with their colleagues and learn to prepare their cases well in the future.

Production of Training Video and Public Service Announcement

- *Production of training video and Public Service Announcement (PSA):* The production of the training video was not completed in the third week of June 2011 as planned due to urgent matters arising on the producers’ side but it was expected to be completed by early July 2011. Both radio and televised PSA will be broadcasted soon. The training video will be screened at the waiting room of the Arbitration Council office and distributed to stakeholders after completion. During this reporting period, the working group also drafted the TORs and concept notes for the production of a further PSA and Soap Opera but due to the plan to revise the Annual Work Plan 2011 following Mid Term Review in June 2011, ACF would have to decide whether or not it will proceed with the plan. The revision was expected to be completed by end of July 2011.

Development and Publication of Other Tools

- *Database and website:* The database and website (Khmer and English version) of the Arbitration Council is fully functional with all useful documents and information available for viewing and downloading. Particularly, through the AC website, AC has promoted access to information by its current and potential stakeholders and well as the public when it has made available information about the Arbitration Council, guides to parties about how to utilise labour dispute resolution process and Arbitration Council dispute resolution procedure, issued decisions of the Arbitration Council, complaints-handling mechanism at the Arbitration Council, and code of professional ethics of the Arbitration Council, and other information. For the employers and workers, the information assists them in understanding their rights and responsibilities about their job and their role within Cambodian industrial relations.

However, ACF has planned to procure an IT firm to maintain and further improve the website and database.

- *Publication of arbitral decisions (awards and orders):* the Compilation of Arbitral Orders & Awards volume 6 to 10 in Khmer and 6 to 11 in English were reprinted 100 copies and 250 copies of Volume 15 of Compilation of Arbitral Awards and Orders were printed during the reporting period. Also, all arbitral awards of the AC are published on the website of the Arbitration Council at www.arbitrationcouncil.org and available in hardback series Compilation of Arbitral Awards and Orders. Copies of all the

compilations are now available at ACF warehouse and libraries and have been distributed to the members of the AC community. These publications help players in the industrial relations community including worker and employer organisations and human resources to effectively apply the Cambodian labour law and regulations. They also serve as important educational tools for law students, professors and researchers. To date, the Arbitration Council is the only institution in Cambodia that provides reasons in their decision making. All of these contribute to the long-term building of understanding and knowledge about the law and rule of law in Cambodia as well as to the stability of the private sector development due to the increasing information related to labour and industrial relation laws and policy made available by the AC.

Media Relations and Promotion

- *Production of training video and Public Service Announcement (PSA):* The production of the training video was not completed in the third week of June 2011 as planned due to urgent matters arising on the producers' side but it was expected to be completed by early July 2011. Both radio and televised PSA will be broadcasted soon. The training video will be screened at the waiting room of the Arbitration Council office and distributed to stakeholders after completion. The working group also drafted the TORs and concept notes for the production of a further PSA and Soap Opera but due to the plan to revise the Annual Work Plan 2010 following Mid Term Review in June 2011, ACF has instead decided to produce training videos which can be utilised in a bigger variety of settings such as training, public events, and educational TV and radio programs. They can also be used in the orientation for new parties at the Arbitration Council. In short, training videos have several advantages over soap operas and public service announcements.
- *Speaking on Radio FM102.5:* On 15 June 2011, Mr. Sok Lor, ACF Executive Director, spoke about labour dispute resolution process and the Arbitration Council on Radio FM102.5. At the session, he introduced the DFGG Project and the work of the AC in resolving labour disputes for employers and workers under the Project.
- *TVK on June Textile case:* Mr. Sok Lor was interviewed by TVK about the AC decision in Case 054/11-June Textile on 21 June 2011. The interview was to be aired in TVK's Social Equity Program, which is shown every Sunday and Monday night. June Textile, a textile and garment factory employing more than 4,000 workers burnt down on 31 March 2011, and captured a great deal of media attention. The story was reported in several newspapers in May and June 2011. No agreement was reached despite a series of negotiations between the employer and worker representatives and conciliation by the Ministry of Labour and Vocational Training. The case was forwarded to the Arbitration Council in early May 2011 for further resolution of the dispute over severance pay following the burning down of the factory.
- *IR in Press updates:* ACF monitored the news as usual during the reporting period. Collective bargaining, strikes, draft union law and wages were the main stories in local newspapers in English and Khmer.

- *Newsletter –2nd Quarterly 2011*: In June 2011, ACF produced the newsletters for the 1st quarterly newsletter and delivered to AC members and stakeholders. The issues contained in the newsletters were:
 - Statistics about labour dispute resolution at the AC;
 - Agreement reached following four sessions;
 - Arbitration Council and courts discusses synergies for improved labour relations;
 - University of Michigan studies Arbitration Council’s sustainability;
 - Lawyers students learn arbitration;
 - Management and workers find solution to strike;
 - Announcement of sale publication; and
 - Upcoming Events (training sessions for conciliators and labour officers from throughout Cambodia and “Meet and Greet” with Employers).

- *E-newsletters*: Starting in January 2011, ACF continuously produced another three issues of the monthly e-newsletter in its effort to communicate and update the results of the AC dealing with cases that involve the garment industry MoU on AC binding arbitration. The e-newsletters are circulated by e-mail to a broad range of the AC stakeholders and partners on a monthly basis. It is intended that, with sufficient information about the impact of the MoU provided by ACF, the employers and unions aspire to continue their commitment to submit their disputes to AC binding arbitration beyond October 2011 – currently the date when the MoU can be formally objected to in order to suspend its operation. In addition, all these e-newsletters were downloadable from AC’s website.

Stakeholder Training

- *Training on labour dispute resolution*: On 26 April 2011, the Arbitration Council Foundation and IHQ jointly organised training on Labour Dispute Resolution for 21 management representatives (6 females) from various enterprises in the Greater Phnom Penh region. Arbitrator Kong Phallack, who was invited to provide the training, presented benefits of binding arbitration for both workers and employers. In the one-day training, IHQ’s trainers discussed other topics such as basic labour law, role of unions and management and how they could work together for the benefits all the concerned parties.

- *Joint training for MoLVT officers*: On 24-25 May and 14-15 June 2011, the ACF in partnership with the Ministry of Labour and Vocational Training conducted training at ACF’s training room for conciliators, inspectors and labour officers. First training session, 20 participants (2 females) came from 5 provinces (Kandal, Kompong Speu, Kompong Chhnang, Kompong Cham, Kompong Som), and Ministry’s Department of Labour Dispute and Department of Labour Inspection in Phnom Penh. The trainers were from the MoLVT and AC and SAC. The second session was held on 14-15 June 2011. Also, there were 20 participants (2 females) from 7 provinces (Svay Rieng, Takeo, Kratie, Stung Treng, Ratanakiri, Mondolkiri, Kompong Thom and Pursat. However, ACF and MoLVT planned to the conduct the third training for the rest provinces on 12-13 July 2011.

After receiving those training sessions, the participants appreciated the courses provided and recognised that their understanding of labour law and AC were much improved and

would help their job once they come back. They expressed that they are now more capable of settling labour disputes, and contributing to industrial peace in Cambodia.

Enhancing the Enabling Environment for Implementation of the Memorandum of Understanding on Improving Industrial Relations in the Garment Industry

- *Contract with the International Labour Organisation (ILO) to facilitate the implementation of the garment industry MoU on binding arbitration by the AC:* In late May 2011, ACF received the technical and financial proposal from the ILO via email, reviewed it and over Skype, discussed its comments with the ILO contact based in Bangkok, Thailand, in charge of the project. ILO took the comments and undertook to send another draft to ACF.

During this reporting period, however, the main contract is still being negotiated by ACF and ILO. ACF is going to request an extension from the World Bank after the mid-term review of the DFGG project. ACF anticipates that the contract can be implemented in early September 2011.

Study to Quantify the AC Service Value and Other Studies

The procurement for the Study to Quantify the AC Service Value is in progress. The procurement is undertaken by the International Procurement Agency (CKP), pending pre-contract negotiation with the applicant. After several meetings between the ACF, World Bank and CDRI, this study needed more qualified research technical consultants. Thus, CDRI had rearranged for new team members for this study who are experienced in using the Propensity Score Matching (PSM) method to adopt this approach recommended by the Bank. By doing so, the sample size increased from 120 to 300, and also focus group discussion (FGD) increased from 6 to 8. Additional local technical adviser is also included. Therefore, the final total cost a bit increased from the previous one. In addition, the research agency may need additional time, as the sample is increased and workload will also increase, but the time has not been changed. On 14 June 2011, CDRI delivered a draft note on the proposed change method and CVs of new members, including their technical adviser. Thus, ACF will continue to work with the new team members in order to brief them about AC processes.

B.1.2 Summary Table to Measure the Achievements of PIP + Current Quarter Activities

No.	Key Activities	Activities for the Current Quarter of the proposed Project Implementation Plan (PIP)	Achievements in the Current Quarter (briefly description)	If not Achieved in the Current Quarter, the Reasons/Constraints:
Component 1: Institutional Integrity and Sustainability				
1.1	<i>Selection/ recruitment of arbitrators</i>	1.1.1 Assess the need for additional arbitrators	Completed: No further arbitrators are needed. Thus, on 25 Apr 11, ACF was requesting the MoLVT to issue a Prakas to re-nominate the Arbitrators for the	

			next term (term 9).	
1.2	Arbitration Council governance	1.2.1 ACF Board of Directors	Completed: ACF organised 2 nd meeting was held on 22 June 11.	
		1.2.2 Representatives of the AC		No meeting organised during this reporting period since there is no urgent issues.
		1.2.3 Regular Arbitrator Meetings		No meeting organised during this reporting period since there is no urgent issues.
		1.2.5 Arbitrator Working Group	Completed for 1 st quarter 2011 on Evidentiary Guideline	
1.3	Sustainability	1.3.1 Study to quantify the AC value		In progress: ACF's ED met and asked CDRI to refine the methodology and expand a qualified international technical advisor. However, The negotiation was still on the process.
		1.3.2 Procure and produce draft sustainability strategy (including individual labour disputes by AC), with Phase 1 on preparing preliminary note on sustainability issues and options and Phase 2 on finalising the strategy based on further information from the Study to Quantify AC value		Delayed. ToRs being updated.
		1.3.3 Conduct in-house strategic planning exercise and generate updated strategy from the exercise and a note on sustainability issues.		In progress: Some in-house training on the following dates. <ul style="list-style-type: none"> • Strategic planning training was held on 23 Feb 11 • 2nd session was held on 9 Mar 11 • 3rd session held on 22 Apr 11 • 14 Mar – 29 Apr 11: Students from Ross School of Business, Michigan University, US, conducted a study, Feasibility on Individual Labour Dispute Resolution Service
		1.3.4 Update AWP 2011 based on the outputs of strategic planning (including a note on the sustainability issues), the draft sustainability strategy phase 1, and the results of the study to quantify AC value		Note on AC sustainability being developed. After AM MTR, the update AWP 2011 is revising and will submit as 27 July 2011.
		1.3.5 Sustainability & Fundraising consultant (procure the consultant and the consultant raises funds.)		Delayed. Due to delay of the Study to quantify AC value.
Component 2: Labor Dispute Resolution				
2.1	Resolution of Labour Dispute Cases	2.1.1 Hearing labour dispute	Completed for 2 nd quarter 2011: AC received 34 cases. From Jan-Jun 11,	

			78 cases brought to AC.	
		2.1.2 SAC admin support to AP	Completed for 2 nd quarter 2011. Three SAC staff were being supports the AP such as case registration, contact to the parties (hearing date, award issues ...) and so on.	
		2.1.3 ACF legal support to AP	Completed for 2 nd quarter 2011. Legal Service department keeps supports to the AP such as MoU on Rights and Interest Disputes prepared to assist the Arbitrators for analysis the MoU cases.	
2.2	<i>Capacity Building of AC/F and SAC</i>	2.2.1 Develop tool benchbooks	Completed for 1 st quarter 2011. Legal Benchbook, 2nd Edition, 2010 was published and distributed to the Arbitrators during the RAM on 11 Feb 11 (completed since Feb 11)	However, another Benchbook on Termination, work suspension, individual vs collective and Maternity and associated benefits are being developed.
		2.2.2 Continued professional education: international trainers and external training abroad	Completed for 2 nd quarter 2011. <ul style="list-style-type: none"> • 23 Apr 11: Ms, Susan R. Brown, US trainer delivered an advance training session to AC/F. 	
		2.2.2 Continued professional education: In-house training	Completed for 2 nd quarter 2011. <ul style="list-style-type: none"> • 21 Apr 11: In-house training on Effective communication • 28 Apr 11: In-house training on how to use Ms. Excel to develop charts for reports and Training on Feedback on email correspondence • 6 May 11: 	

			<p>Presentation on mentoring and coaching for personal and professional success by arb. Chhiv Phyrum.</p> <ul style="list-style-type: none"> • 6 May 11: World Bank Procurement trained by ACF senior procurement • June 11: Several training sessions on Supervision Skill was delivered to ACF by Legal Advisor. 	
		2.2.3 Exchange visits & international conferences	<p>Complete for 2nd quarter 2011.</p> <ul style="list-style-type: none"> • 1-8 Apr 11: Leadership Course on Frontiers in Development Policy organised by WB Headquarter, Washington DC. 	
		2.2.4 SAC capacity building	<p>Completed for 2nd quarter 2011. SAC received in-house training delivered by ACF such as:</p> <ul style="list-style-type: none"> • June 11: Several training sessions on Supervision Skill was delivered to SAC's chief by Legal Advisor. 	
2.3	<i>Expansion of AC services</i>	2.3.1 Mobile teams at regional, provincial level (partnership, outreach and training, mobile hearing, etc)		In-progress: Depending on demands. Most cases from provinces preferred to have hearing at AC office based in Phnom Penh. In addition, two training sessions, Inspection and Labour officers from provinces also preferred to have training at AC office based in Phnom Penh.
Component 3: Partnerships and Stakeholder Outreach and Training				
3.1	<i>Establishing and maintaining partnerships</i>	3.1.1 DFGG Project Collaboration Committee		No meeting organised during this reporting period since there is no urgent issues.
		3.1.3 Meet & greet between arbitrators, ACF, SAC and employee/employer	<p>Complete for 2nd quarter 2011.</p> <ul style="list-style-type: none"> • 30 June 2011: 	However, the Meet and Greet between arbitrators from employee list and employee

			'Meet and Greet' between arbitrators from employer list, employers and its association (GMAC and CAMFEBA)	representatives (union & federations) planned to conduct in July 2011.
		3.1.5 Membership in professional bodies		In progress: ACF builds good relationship with other bodies.
		3.1.6 Establish and maintain institutional relation with other dispute resolution bodies and other organisations		In progress: ACF builds good relationship with other bodies.
3.2	<i>Disseminate publications and other information to raise stakeholder awareness</i>	3.2.1 Website and database maintenance and improvement	Completed for 2 nd quarter 2011. AC website (Khmer and English versions) is maintenance and update regularly.	
		3.2.2 Publication of arbitral award (AA)	Completed for 2 nd quarter 2011: <ul style="list-style-type: none"> • 100 copies each of AA compilations volume 6-10 were reprinted. • 250 copies of Volume 15 of Compilation of Arbitral Awards and Orders were printed and upload on AC website. 	
		3.2.3 Development and publication of other tools		In progress: They are being developing such as Annul Progress Report, Monthly reports.
		3.2.4 AC library		In progress: Library is open for the public from Monday to Friday during working hours.
3.3	<i>Media relations and promotion</i>	3.3.1 Media & communication consultant		The plan was to conduct a recruitment process in June 2011 but due to restructuring of DFGG Project, it was delayed pending revision of the annual work plan.
		3.3.2 Soap operas		TORs and creative brief have been drafted. It is expected that the submission will be made for the World Bank's approval in June 2011, before the expiration of the current

				contract with WMC. Due to restructuring of DFGG Project and ACF revision of annual work plan, ACF needs to reconsider whether or not to go ahead with this.
		3.3.3 Produce and broadcast public service announcements		<ul style="list-style-type: none"> • 1st PSA was expected to be broadcast on TV and radio in June 2011. • Due to restructuring of DFGG Project and ACF revision of annual work plan, ACF needs to reconsider whether or not to proceed with the 2nd PSA.
		3.3.4 Radio Talk Shows	Completed for 2 nd quarter 2011: On 15 June 2011, Mr. Sok Lor, ACF Executive Director, spoke about labour dispute resolution process and the Arbitration Council on Radio FM102.5	
		3.3.5 Annual media campaign		N/A. Media and communication consultant will work on this once he/she is recruited.
		3.3.6 Media briefing	Complete for 2 nd quarter 2011. <ul style="list-style-type: none"> • 21 June 2011: ACF organised a media briefing on Rulings of Arbitration Council in June Textile case with TVK for Equity Program 	
3.4	<i>Stakeholder training (including training on binding arbitration)</i>	3.4.1 Employees/employers in Phnom Penh	Completed: This activity was completed since 1 st quarter 2011.	
		3.4.2 Employees/employers in province		ACF needed to focus on the sustainability issue. The Training Coordination Officer was assigned to work on marketing and sales of publication and development of fee-based training.
		3.4.3 Conciliators	Completed for 2 nd quarter 2011: <ul style="list-style-type: none"> • 25-26 May 11: 	The last training session planned to conduct in 12-13 July 2011.

			ACF organised training for 20 participants from 5 provinces included PNP. <ul style="list-style-type: none"> • 14-15 June 11: ACF organised training for 20 participants from 10 provinces. 	
		3.4.4 Provincial labor officers/local authority	Completed for 2 nd quarter 2011: <ul style="list-style-type: none"> • 25-26 May 11: ACF organised training for 20 participants from 5 provinces included PNP. • 14-15 June 11: ACF organised training for 20 participants from 10 provinces. 	The last training session planned to conduct in 12-13 July 2011.
		3.4.6 Judges (student or sitting judges)	Completed since 1 st quarter 2011: <ul style="list-style-type: none"> • 20 Jan 11: Arb. Anold Zack provided a training to sitting judge on Court vs Arbitration 	
		3.4.7 Advocates		n/a
		3.4.8 Lawyer students	Completed since 1 st quarter 2011: 18 Jan 11: Arb. Anold Zack provided a training to lawyers students on History of Arbitration	
		3.4.9 Law student at universities		Training for RULE students in Legal Clinic Program was scheduled to take place on 14 July 2011.
		3.4.10 Mock arbitration for university students		This activity will remove from the AWP 2011.
3.5	<i>Enhancing the Enabling Environment for Implementation of the Memorandum of Understanding on Improving Industrial Relations in the Garment Industry</i>	3.5.1 Contract with the International Labour Organisation (ILO) to facilitate the implementation of the MoU signed by Garment Manufacturers Association of Cambodia (GMAC) and six major union federations and confederations, in which parties and their members agree to binding		It is expected that implementation of the contract starts in September 2011.

		arbitration by the Arbitration Council for labour rights disputes.		
		3.5.2 Under DFGG NSAC grants, IHQ to work with ACF to promote binding arbitration throughout activities conducted under the grant.		In progress: ACF is working with IHQ. One session were provided in April 11 by IHQ.
		3.5.3 Inform parties of changes in AC process pursuant to effectiveness of MoU	Completed: This activity was complete since 1 st quarter 2011.	
Component 4: General Operations and Project Management				
4.1	<i>Equipment and occupancy</i>	4.1.1 Salary	Completed for 2 nd quarter 2011. Salaries were paid to all staff.	
		4.1.2 Occupancy	Completed for 2 nd quarter 2011. AC office have space enough for operations such as two hearing rooms, space for staff, arbitrators	
		4.1.3 Supplies	Completed for 2 nd quarter 2011.	
		4.1.4 Equipment	Completed for 2 nd quarter 2011.	
		4.1.5 Contractual services	Completed for 2 nd quarter 2011.	
4.2	<i>Project monitoring and evaluation</i>	4.2.1 Maintain M&E system	Completed for 2 nd quarter 2011. M&E system was maintained in order to keep records the data/information.	
		4.2.2 Result output monitoring on monthly and quarterly basis (case receive, success rate, legal toolkits, capacity building, material produce and disseminate, etc)	Completed for 2 nd quarter 2011. Those results were consolidate into the monthly and quarterly report	
		4.2.3 Coordinate with PCO in conducting evaluation studies of outcome indicators (i.e., institutional capacity, staff capacity building, number of partnership formed, etc.)	Completed for 2 nd quarter 2011. ACF always made a good cooperation with PCO in baseline study.	
		4.2.4 Implement and update GGF and RMM	Completed for 2 nd quarter 2011. It was already sent PCO.	

B.1.3. Summary Table to Measure the Achievements of Key Milestones + Current Quarter Activities

No.	Activities for the Current Quarter of the proposed Key Milestone	Achievements in the Current Quarter (briefly description)	If not Achieved in the Current Quarter, the Reasons/Constraints:
1	Complete study to quantify AC value		- ACF sent a request to bank for NOL to increase in budget for assignment on 25

			<p>Jan.2011. Bank NOL on 28 Jan 2011. Bank NOL on 28 Jan 2011.</p> <ul style="list-style-type: none"> - On 23 Feb, ACF sent WB again to review the revised methodology. - CKP is expected to send the draft contract for ACF's review and then award the contract to the selected Consultant within the first week of March 2011. - 11 Mar 11, ACF, CDRI and Daniel had a meeting to discuss the concern of the Research Methodology - 16 Mar 11, CDRI sent the revised Research Methodology but not yet finalized and plan to have a meeting in late April 11 - 20 Apr 11, CDRI and Daniel had a meeting to further discuss on the research methodology - 27 April: ACF's ED met Lee in order to ask CDRI to refine the methodology and expand an qualified international technical advisor - 14 June: CDRI had submitted ACF the draft note of the proposed change on method and team
2	Implement and update GGF for 1 st Quarter 2011	Completed for 1 st quarter 2011	
3	Update complaints-handling mechanism	Completed and uploaded into AC website by 14 Jan 2011	
4	Organise and conduct meetings/ training on the implications of binding arbitration for AC stakeholders	Completed for 1st quarter 2011 by several training sessions provided to the workers and employers associations.	
5	Implement and update GGF for 2 nd Quarter 2011	Completed for 2 nd quarter 2011 and submitted to PCO.	
9	Convene governance session of AC for 1 st half 2011		The first BoD meeting conducted on 15 February 2011 and 2 nd BoD meeting conducted on 22 June 2011.
11	Conduct awareness raising and knowledge building training for AC stakeholders, for 1 st half 2011	<p>Completed</p> <ul style="list-style-type: none"> • Lawyer students were trained by Arnold Zack on 18 Jan 11 • Seminar on the role of court and arbitration with sitting judges by Arnold Zack on 20 Jan 11 • Roundtable discussion among representative of employers and work on 21 Jan 2011 • 22 February 2011: LDR and AC and information sharing 	

		<p>re adjustments to AC process following MoU at Koh Pich.</p> <ul style="list-style-type: none"> • 26 March 2011: Training for 30 worker representatives in LDR and AC. • 26 April 2011: training for 21 management representatives on LDR and AC. • 30 June 2011, Ms. Sou Sorphea provided training to more than 40 employer representatives from several garment and textile factories, law firms and companies such as Smart Mobile, Uniliver, MPA International Ltd., BITSOFT Consulting, Sunway Hotel, Chevron, RMA, and SOS. The training was part of a multi-purpose event co-organised by CAMFEBA and ACF at Cambodiana Hotel. 	
12	Conduct awareness raising and knowledge building training for AC stakeholders, for 1 st half 2011	Completed: During this reporting period, AC/F organised various trainings to its stakeholders such as trainings for Labour Officers and Conciliators of MoLVT, Meet and Greet events.	
13	Conduct media briefing on labour dispute resolution and AC		In progress: 21 June 2011: ACF organised a media briefing regarding the AC ruling on 054/11-June Textile. TVK reporters attended and interviewed ACF Executive Director for Social Equity Program showed on Sundays and Mondays at 10:00 p.m.
14	Form and maintain partnership		On going
15	Develop draft strategy on long term sustainability (including on individual labour dispute resolution by AC)		Strategic planning training was conducted on 23 Feb 11. Draft note sustainability strategy to be developed in March 2011. Procurement of Individual Consultants to produce the Sustainability Strategy to commence in end July – early August 2011.
16	Produce and broadcast public service announcements		Expected to be broadcast in the 3rd quarter of 2011.
17	Produce and distribute training video		To be finalised by July 2011.
18	Produce and broadcast soap opera episode 1		TORs and creative brief have been drafted. It is expected that the submission will be made for the World Bank's approval in June 2011, before the expiration of the current contract with WMC.

			Due to restructuring of DFGG Project and ACF revision of annual work plan, ACF needs to reconsider whether or not to go ahead with this.
19	Produce and broadcast soap opera episode 2		TORs and creative brief have been drafted. It is expected that the submission will be made for the World Bank's approval in June 2011, before the expiration of the current contract with WMC. Due to restructuring of DFGG Project and ACF revision of annual work plan, ACF needs to reconsider whether or not to go ahead with this.
20	Contract International Labour Organisation to promote MoU on Improving Industrial Relations in the Garment Sector and binding arbitration by the AC		Procurement in progress. Implementation of the contract is expected to commence in September 2011.
21	Implementation of an agreed information and training campaign on the MoU and its importance including the production of printed materials, media tools, and training packages targeted to the needs of different stakeholder groups		In progress.

B.1.4. Outputs Indicators

No.	INDICATORS	2009		2010		2011 (Jan-Jun)		Remark	TOTAL		
		AWP Target	Actual	AWP Target	Actual	AWP Target	Actual		AWP Target	Actual	% achievement
1	Number of Training Programs (This refers to only training which is/are provided/organised by AC/F to its stakeholders)	Actual Value	11	Actual Value	28	Actual Value	10		Actual Value	49	
<i>a</i>	<i>Total number of participants</i>	Actual Value	411	Actual Value	1102	Actual Value	450		Actual Value	1963	
<i>b</i>	<i>% female</i>	Actual Value	31% or 129 Females	Actual Value	30% or 333 females	Actual Value	(28%) or 125 females		Actual Value	30% or 587 females	
2	Number of Workshops/Seminars (This refers to only training which is/are provided/organised by AC/F)	Actual Value	1	Actual Value	1	Actual Value	1		Actual Value	3	
<i>a</i>	<i>Total number of participants</i>	Actual Value	150	Actual Value	180	Actual Value	30		Actual Value	360	
<i>b</i>	<i>% female</i>	Actual Value	20% or 30 females	Actual Value	25% or 45 females	Actual Value	63% or 19 females		Actual Value	26% or 94 females	
3	Number of Study Tours	Actual Value	3	Actual Value	4	Actual Value	3		Actual Value	10	
<i>a</i>	<i>Total number of participants</i>	Actual Value	3	Actual Value	11	Actual Value	3		Actual Value	17	
<i>b</i>	<i>% female</i>	Actual Value	33% or 1 female	Actual Value	55% or 6 females	Actual Value	33% or 1 female		Actual Value	47% or 8 females	
4	Number of Arbitration Meetings conducted (including retreats)	Actual Value	4	Actual Value	5	Actual Value	5		Actual Value	14	
<i>a</i>	<i>Total number of participants</i>	Actual Value	73	Actual Value	95	Actual Value	65		Actual Value	233	
<i>b</i>	<i>% female</i>	Actual Value	38% or 28 participants	Actual Value	41% or 39 females	Actual Value	22% or 14 females		Actual Value	35% or 85 females	
5	Other event (specify)	Actual Value	2	Actual Value	2	Actual Value	1		Actual Value	5	
<i>a</i>	<i>Total number of participants</i>	Actual Value	57	Actual Value	64	Actual Value	50		Actual Value	171	
<i>b</i>	<i>% female</i>	Actual Value	25% or 14 females	Actual Value	16% or 10 females	Actual Value	22% or 11 females		Actual Value	20% or 35 females	

6	Consolidating the process of selection of arbitrators completed (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
7	Working Group formed (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
a	Total members in the working group	Actual Value	8	Actual Value	13	Actual Value	13		Actual Value	34	
b	% female	Actual Value	38% or 3 females	Actual Value	62% or 8 females	Actual Value	62% or 8 females		Actual Value	56% or 19 females	
8	Administrative and legal support to Arbitration Panels given (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
9	Development of legal tools and systems for legal and industrial relations research done (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
10	Creating legal bench books and a legal research database completed (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
11	Project Collaboration Committee established (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
12	Conducting an Annual National Industrial Relations Conference (Yes or No)	Yes	Yes	Yes	Yes	Yes	No		Yes	No	
13	Establishing an Stakeholder Advisory Group (Yes or No)	Yes	No	Yes	Yes	Yes	Yes		Yes	Yes	
14	Maintaining the AC website (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
15	Publishing and disseminating AC awards (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
16	Media and promotional tools										
a	Number of AC soap operas	n/a	n/a	1	0	1	n/a		1	0	0%
b	Number of public service announcements	n/a	n/a	0	0	2	1		2	1	50%
c	Dispute resolution training video prepared (Yes or No)	n/a	n/a	Yes	Yes	Yes	Yes		Yes	Yes	
d	Use of training video in training	n/a	n/a	n/a	n/a	Yes	No		Yes	No	
e	Broadcasting public service announcement	n/a	n/a	n/a	n/a	n/a	n/a		n/a	n/a	
17	DGFF Framework Document completed (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
18	Complaint Handling System established (Yes or No)	Yes	No	Yes	Yes	Yes	Yes		Yes	Yes	

	<i>Number of complaints received</i>	Actual Value	0	Actual Value	0	Actual Value	0		Actual Value		
19	Improved financial management system launched (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
20	Number of staffs benefited by POC/PMG systems	n/a	n/a	n/a	n/a	n/a	n/a		n/a	n/a	
	<i>% female</i>	n/a	n/a	n/a	n/a	n/a	n/a		n/a	n/a	
21	M&E System established (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	
22	Baseline Survey conducted	Yes	No	Yes	Yes	N/A	N/A		N/A	N/A	
23	Financial Management System fully functional (Conical Hat software)	n/a	n/a	n/a	n/a	n/a	n/a		n/a	n/a	
24	Procurement Management System efficiently tracks the :										
a	<i>On-going contracts</i>	n/a	n/a	Service: 19,288.00	Service: 19,288.00	Service: 27,288.00	Service: 27,288.00		Service: 46,576.00	Service: 46,576.00	Service: 100%
b	<i>Completed contracts</i>	Goods: 30,350.00 Service: 53,880.00	Goods: 24,318.80 Service: 33,064.40	Goods: 33,398.70 Service: 49,514.00	Goods: 29,631.00 Service: 41,423.73	Goods: 1,500.00 Service: 7,440.00	Goods: 1,620.00 Service: 4,800.00		Goods: 65,248.70 Service: 110,834.00	Goods: 55,569.80 Service: 79288.13	Goods: 85% Service: 72%
26	M&E system in place	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	

C. Provisional Results Indicators

Indicators	Baseline [Year]	Cumulative Target Values and Actual Values (<u>underline</u>)								Data Collection and Reporting		
		2009		2010		2011		2012 / Endline		Target	Actual	% achieved
		Target	Actual	Target	Actual	Target	Actual	Target	Actual			
PDO LEVEL INDICATORS												
1. Promoting DFGG in priority reform areas.												

1.1: % of union and employer organization leaders and representatives aware of the Arbitration Council and labor arbitration process	41% [2010]	-	-	-	<u>41%</u>	-	-	10% increase	-	-	<u>41%</u>	-
2. Mediating DFGG in priority reform areas.												
2.1: Number of labor dispute cases handled by Arbitration Council	148	Actual value	<u>180</u>	Actual value	<u>325</u>	Actual value	<u>403</u>	Actual value	-	-	<u>403</u>	-
... of which percentage resolved.	68% [2008]	Actual value	<u>69%</u>	Actual value	<u>70%</u>	Actual value	<u>70.12%</u>	Actual value	-	-	<u>70.12%</u>	-
2.2: % of union and employer group representatives and other stakeholders that report a high confidence in the independence, credibility and effectiveness of the AC.	72% [2010]	-	-	-	<u>72%</u>	-	-	76%	-	-	<u>72%</u>	-
4. Monitoring to inform DFGG in priority reform areas:												
4.3: Percentage of AC clients who do not report paying unofficial feesto arbitrators, SAC or ACF staff for resolving their labour disputes.	ACF	N/A	-	N/A	-	N/A	-	Nil	-	-	-	-
INTERMEDIATE OUTCOME INDICATORS												
Component 1: Support to State Institutions												
IO1.1: % of Arbitration Council awards considered to be of satisfactory quality or better.	N/A	N/A	-	N/A	-	-	<u>79%</u>	-	-	-	-	-
IO1.2: Revenue generated through tripartite contributions by AC as % of operating costs	0	2.50%	<u>12% above target (or \$56,005.62)</u>	5%	<u>82% above target (or \$25,205.20)</u>	10%	<u>76% above target (\$35,287.40), as 5% targets in 2nd quarter 2011.</u>	15%	-	-	-	-
Component 3: Coordination and Learning												
IO3.3: Lessons (cases, reports, studies) and experiences from within the project are documented, and used in training and capacity building programs	N/A	N/A	-	N/A	-	N/A	-	*	-	-	-	-

C.1 Results/Outcomes

Case Follow-up: Overall Success Rate on Labour Disputes Resolution

From May 2003 to 30 June 2011, the AC received a total of 1,056 cases. To monitor the progress of the dispute resolution through arbitration process, ACF keeps conducting the case follow-up for the outcome of the cases it has received, through phone calls to the relevant dispute parties after 60-90 days of awards issued (at the end of each quarter). In addition, ACF used the database system in order to track the implementation of awards. As results, the success rate of the dispute resolution at the AC from May 2003 to the end of June 2011 is at 70.12%. The ACF considers a successful outcome to be one where the Arbitration Council has either:

- a) facilitated an agreement between the parties to settle the dispute;
- b) issued an award which (even if it was opposed) has been fully or substantially implemented to resolve the dispute; or
- c) issued an award which (although it was opposed) has formed the basis for a post-award settlement between the parties and which resolves the dispute.

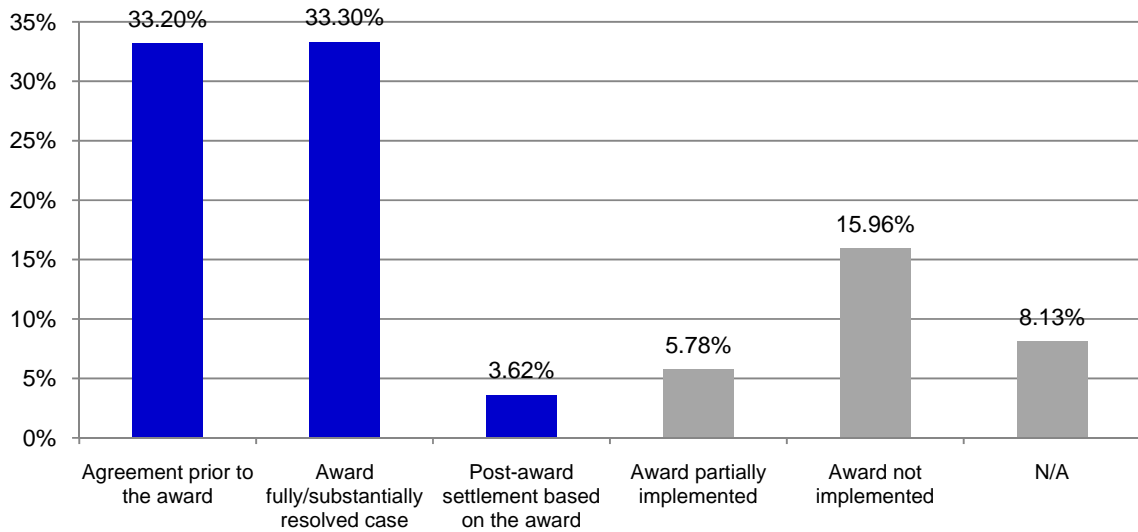
Using this outcome-based analysis, the implementation rates for all cases received by the Arbitration Council up through the current reporting period are presented below.

Outcomes through case 44/11		
Outcome	% of cases	# of cases
Agreement prior to the award	33.20%	339
Award fully/substantially resolved case	33.30%	340
Post-award settlement based on the award	3.62%	37
Award partially implemented	5.78%	59
Award not implemented	15.96%	163
N/A	8.13%	83
Total	100%	1021

Success rate = 70.12%

- = Cases settled by agreement prior to an award (33.20%)
- + Cases where the award was fully or substantially implemented to resolve the case (33.30%)
- + Post award settlement based on the award (3.62%)

The highlighted categories combine to make a **success rate of 70.12%**, as can also be seen in the graphic representation below.



The N/A category in the graphic representation above refers to the cases where the Arbitration Council decides to close the case, such as non-appearance of parties or strike or lockout during the Arbitration Process.

Case Study 1: ACF partners with the labour ministry to improve the officials’ skills

Labour conciliators, inspectors and officers from all over Cambodia have improved their knowledge through two training sessions organised under the partnership between the Arbitration Council Foundation (ACF) and the Ministry of Labour and Vocational Training (MoLVT) on 24-25 May and 14-15 June 2011. The Ministry officials were trained in the Labour Law, labour inspection and labour dispute resolution process at MoLVT and Arbitration Council (AC) by experts in the MoLVT, the AC and Secretariat of the AC. The training provided them with necessary knowledge in order to ensure that they became more capable of fulfilling their duty, therefore improving labour relations between Cambodia’s workforces and enterprises.

“I have gained an in-depth understanding of labour disputes and labour inspection, especially the proper procedures to take [so that both enterprises and their workers could enjoy the benefits from compliance with the Labour Law],” said Mr. Kem Sochet, a labour inspector from Prey Veng province, *“I request the Ministry and the ACF to provide more training for us in the future so that we can learn more.”*

“We are pleased that we could partner with the ACF. Labour officers were enthusiastic to absorb skills from the Arbitration Council to resolve [the labour disputes] more effectively”, stated Mr. Tho Bunthan, the Deputy-Director of the Department of Labour Inspection of MoLVT. *“The training went really smoothly. It sure benefitted labour officers, inspectors, conciliators, workers, and business people as well as Cambodia as a whole for now and into the future. We wish to cooperate with the ACF in organising more training for labour officers in the future,”* he added.

As a result of the training, participants recognised that their knowledge was improved and help them in implementing their duties. Furthermore, it was noted that the partnership between the ACF and MoLVT was meaningful and played a crucial role in linking the Cambodian government to civil society and therefore promoting and responding to demand for effective resolution of labour disputes.

D. Partnership and Learning Summary

D. 1 Partnership Activities

The Arbitration Council and the ACF built on the past experience to develop a strong and wide ranging partnerships with all relevant stakeholders and partners, which were essential in developing program content, including diversity of viewpoints, and building overall support and sustainability for the DFGG Project. In total, there were 27 partners (including 2 MoU partners from state institutions and 2 MoU partners from non-state institutions). However, there were no new partnerships established during this reporting period. Please see details in the following table:

No.	(A) Name of Partner Organisation	(D) Key Outcomes to date	(E) Key Challenges in Maximizing the Value of this Partnership
1	Ministry of Labour and Vocational Training (MoLVT)	<ul style="list-style-type: none"> • Three officials of MoLVT are seconded to assist the Arbitration Council in case management. • MoLVT conciliators received training on conciliation techniques from US experts in arbitration and mediation in March 2010 and Australian arbitrator in September 2010. • H.E. Seng Sakda and AC delegation exchanged Cambodia lessons and experience with US arbitrators in May 2010. • Chief of Secretariat of the Arbitration Council interned with Fair Work Australia, an arbitration and conciliation institution, in November-December 2010. • Project Collaboration Committee met in April and August 2010. • ACF consulted with MoLVT and organised National Industrial Relations Conference 2010, on 1 October 2010. • Project Collaboration Committee met on 22 February 2011. • ACF jointly organised training for some 65 MoLVT officials in charge of labour dispute resolution and inspection from all over Cambodia on 24-25 May, 14-15 June and 12-13 July 2011 respectively. 	Funding necessary to support staff seconded from MoLVT to assist the AC in case management is not covered by DFGG.
2	Ministry of National Assembly - Senate Relations and Inspection (MONASRI)	N/A: The two organisations have not organised an event inappropriate for effective distribution of the promotional materials. However, representatives of both organisations did provide feedback to each other for improvement of project implementation at various forums such as MONASRI's stakeholder advisory group meeting.	The beneficiaries of the projects of MONASRI and ACF seem different with those of ACF being workers and employers and their professional organisations and those of MONASRI being Cambodian farmers living in the rural areas.
3	Radio National Kampuchea (RNK)	RNK sent its journalists to report about the National Industrial Relations 2010 held on 1 October 2010 at Raffles Hotel Le Royal. ACF's Executive Director was also	RNK's Talkback Programme targets general public. Target audiences of the ACF

No.	(A) Name of Partner Organisation	(D) Key Outcomes to date	(E) Key Challenges in Maximizing the Value of this Partnership
		invited to speak at the Talkback programme in 28 June 2010 on Labour Dispute Resolution Process in Garment Industry.	programme should be workers and employers covered by the Cambodian labour law. It would be more effective if RNK and ACF could work together to establish a separate programme exclusively for ACF to target its appropriate audiences.
4	Australian Institute of Mediators and Arbitrators (AIMA)	None. ACF tried contacting IAMA a few times in 2009 and 2010 but there were no response.	Distance and lack of fund on IAMA side may contribute to the challenges in maximizing the value of this partnership. Another challenge could also have to do with staff turnover on both sides.
5	Integrating Human to Quality (IHQ)	<ul style="list-style-type: none"> • ACF and IHQ worked together to select worker and employer representatives for training. • IHQ consulted ACF in the development of the tools for SWOT analysis to identify and work with selected unions to develop their communication strategy with their audiences, union members, other unions and management • IHQ developed their training strategies in consultation with ACF. • AC arbitrators conducted training on labour dispute resolution and the AC process on 26 March 2011, 23 and 25 July 2011. 	Sustainability of the partnership may be an issue. IHQ was selected to partner with ACF under NSAC grants of DFGG, for only a limited period of time.
6	The Asia Foundation (TAF) through NSAC grants:	<ul style="list-style-type: none"> • TAF organised a forum in which ACF was invited to display its products. • TAF consulted the ACF for the next round of NSAC grants. • Integrating Human to Quality (IHQ) was selected under the partnership grants to partner with ACF. 	N/A
7	East-West Management Institute (EWMI)	<ul style="list-style-type: none"> • ACF organised the mock arbitration organised at Pannasastra University of Cambodia (PUC) in September 2010, in consultation with EWMI. • ACF staff learned from EWMI staff production of broadcast media tools since the latter was experienced in production of Scale of Justice. • Once a year, ACF train EWMI's sponsored Legal Clinic students in alternative labour dispute and labour dispute resolution. • Once a year, ACF host Q&A session regarding labour dispute resolution and the AC process as a follow-up session from the training conducted for the Legal Clinic Students. 	N/A
8	Royal Academy for Judicial Profession and Lawyers Training	Lawyer students receive training on labour dispute resolution and the AC process in January 2011.	N/A

No.	(A) Name of Partner Organisation	(D) Key Outcomes to date	(E) Key Challenges in Maximizing the Value of this Partnership
	Center		
9	Cambodian Federation of Employers and Business Associations (CAMFEBA) and Garment Manufacturers Association of Cambodia (GMAC)	<p>This partnership aims at educating representatives of enterprises about labour dispute resolution process and case preparation at the AC. Increased capacity of the representatives, users of AC services, is essential for effective dispute resolution by the AC.</p> <p>Meet & Greet and training on labour dispute resolution and case preparation and presentation at the AC on 30 June 2011.</p>	Various training sessions on labour dispute resolution and case preparation were organised for officers of enterprises in partnership with GMAC and CAMFEBA.
10	Labour Union	<p>Various training sessions on labour dispute resolution and case preparation were organised in partnership with a number of active labour union federations and confederation.</p> <p>Meet & Greet and training on case preparation and presentation at the AC on 22 July 2011.</p>	N/A
11	American Center for International Labor Solidarity (ACILS)	Various training sessions on labour dispute resolution and case preparation were organised for ACILS staff.	N/A
12	Australian Volunteers International (AVI)	In partnership with Australia's Macquarie University, AVI recruited Ms. Angelica Nikolausson, a law student at the university, to intern with ACF's Legal Services Department in September-October 2010.	N/A
13	Better Factories Cambodia (BFC)	<ul style="list-style-type: none"> • ACF contributed to the development of the Joint Garment Training Directorate initiated by BFC. • ACF discussed with BFC AC sustainability issues and effective implementation of the garment industry MoU concerning binding arbitration by AC. • ACF informed BFC staff of the adjustments to AC process following the garment industry MoU concerning binding arbitration by AC. • BFC contacted ACF from time to time for assistance in arbitral awards of the AC. 	N/A
14	ILO Labour Dispute Resolution Project (ILO-LDRP)	<ul style="list-style-type: none"> • ILO-LDRP organised training of trainers on collective bargaining for legal educators of labour union federations, in which ACF trainer taught on the topic of legal framework for collective bargaining in Cambodia on 25 August 2010. • ACF consulted from time to time with ILO-LDRP regarding the appointment of new arbitrators of the AC. • ACF regularly disseminated information about the work of the Arbitration Council to ILO-LDRP. 	ILO-LDRP is to be concluded by the end of 2010.
15	ILO Worker Education Project (ILO-WEP)	<ul style="list-style-type: none"> • ILO-WEP helped promote awareness of, and understanding in, the garment industry MoU concerning binding arbitration by the AC among labour unions. 	N/A

No.	(A) Name of Partner Organisation	(D) Key Outcomes to date	(E) Key Challenges in Maximizing the Value of this Partnership
16	Community Legal Education Center's Workplace Relations Group (CLEC-WRG)	<ul style="list-style-type: none"> • ACF regularly disseminated the arbitral award announcements to ILO-WEP. • CLEC-WRG helped promote awareness of, and understanding in, the garment industry MoU concerning binding arbitration by the AC among labour unions. • ACF regularly disseminated the arbitral award announcements to ILO-WEP. • ACF conducted training for legal staff of American Center for International Labour Solidarity (ACILS) and advocates of labour advocates from unions and union federations in February, and June 2010. 	N/A
17	Fair Work Australia (FWA, formerly known as Australian Industrial Relations Commission or AIRC)	<ul style="list-style-type: none"> • A commissioner of FWA paid a one-week visit to Cambodia in September-October 2010. Among other things, he discussed legal issues and arbitration techniques with AC arbitrators and legal support staff, trained labour conciliators of the Ministry of Labour and Vocational Training in conciliation skills, guest lectured on arbitration in Cambodia and Australia for more than 100 law students, and spoke at the National Industrial Relations Conference 2010 organised by ACF. • A delegation of four people consisting of an AC arbitrator, ACF Communications Officer, Director of Legal Services Department, and head of Secretariat of the Arbitration Council went on a two-week internship with different departments of FWA in November-December 2010. • Commissioner Michael Gay offered to provide legal audit of the decisions of the AC free of charge. 	N/A
18	Royal University of Law and Economics (RULE)	Five training sessions were conducted for law students in 2010.	N/A
19	Pannasastra University of Cambodia (PUC)	<ul style="list-style-type: none"> • ACF conducted training on labour dispute resolution for PUC law students in 2010. • PUC and ACF co-organised a mock arbitration in September 2010. 	N/A
20	University of Cambodia (UC)	None in 2010.	N/A
21	Australian Business Volunteers (ABV)	Upon request from ACF, ABV recruited Commissioner Michael Gay of Fair Work Australia (FWA) to pay a one-week visit to Cambodia. Among other things, he discussed legal issues and arbitration techniques with AC arbitrators and legal support staff, trained labour conciliators of the Ministry of Labour and Vocational Training in conciliation skills, guest lectured on arbitration in Cambodia and Australia for more than 100 law students, and spoke at the National Industrial Relations Conference 2010 organised by ACF.	
22	Volunteering for International Development from Australia (VIDA) and Australian Youth	VIDA recruited an Australian legal expert to work with ACF until late 2011.	N/A

No.	(A) Name of Partner Organisation	(D) Key Outcomes to date	(E) Key Challenges in Maximizing the Value of this Partnership
	Ambassadors for Development (AYAD)		
23	Cambodia Center for Human Rights– Cambodian Business & Human Rights (CCHR-CBHR)	ACF provided comments on the implementation and development of CCHR-CBHR project.	N/A
24	Mekong University of Cambodia (MUC)	ACF Legal Advisor gave guest lecture on Arbitration in Practice to MUC law students in September 2010.	N/A
25	Worker Information Center (WIC)	<ul style="list-style-type: none"> • ACF spoke to workers about labour dispute resolution process at the labour’s day event organised by WIC in 2010. • ACF informed WIC staff of adjustments to AC process following the garment industry MoU concerning AC’s binding arbitration. 	
26	University of Michigan Ross School of Business	A 54-page report was written and shared with ACF in late April 2011 as a result of the study about the demand for individual dispute resolution services by AC/F.	N/A
27	University of Michigan Law School	Mr. Julian Brody, a law student at the University, will be commenced as intern with ACF Legal Services Department from 30 May 2011 to 29 July 2011.	

D. 2 Lessons Learnt and Learning Activities

During this reporting period, three new lessons learnt were found as following:

- Success of AC relies on effective communication with dispute parties – e.g. ease of working with clients on MoU when trainings have been conducted for them and SAC has explained them on a case by case basis.
- Success of AC relies on fundamental quality of AC services and AC decisions – e.g. June Textile – strong and clear decision to resolve the disputes – good commentary by the media regarding AC as a model institution of justice for workers and employers/business in Cambodia
- Success of AC relies on strategic partnership with its stakeholders: effective communications and relationship management with MoLVT through ongoing consultation, joint trainings with MoLVT; joint programs with CAMFEBA; programs/consultations with unions – they have some inputs in some administrative decisions of AC, e.g. regarding whether moving the AC building into the main compound of the MoLVT will allow the AC to continue playing a meaningful role for the employers and workers in Cambodia.

E. Progress on Specific Grant Covenants

Activity	Responsible Agency	Expected Outputs	Expected Delivery	Result	Others
<i>Submit to World Bank / MEF financial auditors' reports 2011</i>	<i>ACF</i>	<i>Financial auditor's reports 2011</i>	<i>30 June 2011</i>	<i>n/a</i>	
<i>Submit 1st quarterly report 2011 to World Bank</i>	<i>ACF through PCO</i>	<i>1st quarterly report 2011</i>	<i>21 April 2011</i>	<i>It was first sent by 26 Apr 11 but it was asked to revise & resent to PCO on 9 June 11 based on new formats. Final version was sent by 23 June 11.</i>	
<i>Submit 2nd quarterly report 2011 to World Bank</i>	<i>ACF through PCO</i>	<i>2nd quarterly report 2011</i>	<i>21 July 2011</i>	<i>It was sent PCO by 30 July 2011</i>	

Activity	Responsible Agency	Expected Outputs	Expected Delivery	Result	Others
Submit 3 rd quarterly report 2011 to World Bank	ACF through PCO	3 rd quarterly report 2011	21 October 2011	n/a	
Submit annual report 2011 to World Bank	ACF through PCO	Annual report 2011	15 February 2012	n/a	

F. Gender Mainstreaming Activities (Based on Annual Work Plan)

No	Key Activities	Actual Output (Jan-Jun 11)			Remarks
		Total	F	%	
Proposed Gender Mainstreaming					
1	<i>Recruitment of ACF staff</i>				
	ACF encourages female candidates to apply for positions with ACF: 50% of staff are female	22	13	59%	ACF's female staff is higher than males.
2	<i>Selection of ACF interns</i>				
	ACF encourages female candidates to apply for its internship programmes: At least one female intern will be selected	4	1	25%	A female translator intern is recruited for LSD.
3	<i>Capacity Building of AC/F and SAC</i>				
	ACF includes female staff in its capacity building programmes: At least one female will be included in each capacity building programme	25	14	56%	ACF often conducted in-house training who also participate by females.
4	<i>Gender focal person</i>				
	ACF nominates female staff member to take the role as gender focal person: One female staff nominated as gender focal person at ACF and ToR for the gender focal person developed	1	1	100%	ToR was already produced. As results, a female staff is nominated as gender focal person in order to take lead.
5	<i>ACF in-house training</i>				
	ACF trains on gender equality: At least one training will be delivered to staff on the topic of gender equality and benefits of promoting gender equality	-	-	0%	A focal gender staff will provide an in-house training to the ACF staff once she received a training that is going to organise by PCO.
6	<i>Hearing at the Arbitration Council</i>				
	ACF track the number of female parties to a dispute at AC hearing: Actual number of female employers workers/union members participating in the hearing process (ACF has no control of whether the parties to dispute parties and their	385	98	25%	Female participants were always encouraged to participate the hearing if they are

	advocates will be male or female.)				involved.
1	<i>Stakeholder training and Conference, and meets and greets events</i>				
	ACF encourages female candidates to participate: 35% of female (both from employers and workers/unions will attend in the training and Conference organised by ACF	151	45	30%	Few training sessions were provided in this reporting period. However, Females are always encouraged to participate.
3	<i>AC awareness raising tools</i>				
	ACF includes women actresses for starring in the production of TV PSA, training video, and soap opera: About 30% - 50% of women actresses will be included in the TV PSA, training video, and soap operas	46	21	46%	1 st PSA is being produced by Cambodian Women Media Center in consultation with AC/F. As results, 21 out of 46 actors were actresses.

G. Issues Raised by Aid Memoire of the World Bank Supervision Mission and Action Taken

Area/	Action/Description	Date		Remarks
		Requested Date (WB)	Completed Date (IA)	
ACF				
1. Disbursement	AC to review 2010 budget and disbursement experience and use this to prepare a more realistic disbursement projection for 2011	By November 15, 2010	31 Dec 2010	<p>Partially achieved.</p> <p>2011 draft AWP Budget = \$1,000K v. 2010 spend = \$556K (or 61% of budget)</p> <p>Increase justified largely by proposed \$200K contract with ILO, consultancies carried over from 2010 and projections for increased case load.</p>
2. Financial management	AC to work with the consultant to bring the FM system into full operation	Immediately	November 2010	<p>Completed</p> <p>They have received the official FMDM from PCO in late February 2011 and have been implementing its FM system based on the procedures and files set out in the FMDM manual.</p>
	AC to complete FM requirements set out in para 9	Next mission	On going	<p>Completed</p> <p>The reference in the AM is para 11, not para 9. ACF reports as follows:</p> <p>a. Implemented since November 2010.</p> <p>b. Finance Department was full compliance by 13 April 2011. The reconciliation has been reconciled.</p> <p>c. In compliance. Finance and Administration Department was full compliance by 13 April 2011. The ledger and asset register have</p>

				reconciled. d. In compliance. The physical count of fixed assets will be counted and recorded twice a year. e. In compliance. ACF has implemented Advance Control Book since November 2011. f. ACF has continued sharing IFRs regularly with the World Bank.
3. Procurement	AC to develop TORs for the ILO to provide appropriate services in relation to awareness raising, stakeholder engagement and sustainability.	By November 30, 2010	15 December	Completed TORs circulated Jan 2011. Awaiting proposal from ILO.
4. Project governance	AC to complete Disclosure Tracking Sheet and submit to the Bank	By November 30, 2010	25 January 2011	Completed Disc. tracking sheet received 21 Oct '10; Updated March '11, largely compliant.
	AC to prepare the overview of their complaints handling mechanisms and submit to the PCO	By December 15, 2010	17 August 2010 ACF disclosed the CHM on its website since 13 January 2011	Completed Circulated by PCO, Jan 2011. On AC website (revised date 13 Jan '11)
5. Risks update	AC to update risk management matrix and incorporate in the final 2011 AWP.	Prior to finalizing 2011 AWP	December 24, 2010	Completed Updated RMM Included in 2011 AWP
6. Annual Work Plan 2011	AC to submit revised draft of the AWP 2011 for review by the Bank task team.	By November 15, 2010	14 January 2011; additional revision on 09 March 2011	Completed Bank NOL for AWP provided, March 2011

H. Complaints Summary

ACF's complaints handling mechanism (CHM) was completely developed and posted on AC website since 14 January 2011. Furthermore, a suggestion forms and box is available outside the office to ease for complainers if they have any concern regarding to the implementation of DFGG project. As a result, AC/F has not yet received any complaints in this reporting period.

I. Emerging Concerns

There is no significant emerging concern for implementing project activities within ACF during the reporting quarter.

J. Procurement Status

1. Procurement Status

A- Purchased under petty cash/purchase order

- Prepared a Request for Quotations for:
 - Publication of Arbitral Awards, Khmer & English versions
 - Catering service for 6 days of conciliator training held on 24&25 May, 14&15 June and 12&13 July 2011 at the ACF office.
 - Printing of ACF's newsletters, AC/F envelopes and letters
 - Supply, delivery and installation of 30 lecture chairs
 - Publication of Arbitral Award Volume 15 Khmer version
 - ACF signed a one year contract with the Royal Security Service (Cambodia) Co., Ltd. for security services for the ACF from 26 June 2011 to 25 June 2012.

B- Procurement of Goods

- **Office equipment:** Under the procurement plan 2011 approved by the Bank on 12 April 2011, ACF-G-1 package for two lots: lot 1: Desktop and Computer and lot 2: Audio Visual Equipment. The advertisement was made on 19 May 2011. The deadline for submission and bid opening date was 7 June 2011. Lot 1 has been awarded to SI for US\$1,624. Lot 2 has been cancelled due to the bidders not completing all the requirements stated in the bidding document. The re-advertisement for the lot 2: Audio Visual Equipment was made on *Reaksmey Kampuchea* on 22 June 2011 and the deadline and opening date will be 6 July 2011.

C- Procurement of Services

1- Consulting Firm/NGO

- **Study to quantify the value of AC service:** the procurement of this study is in progress. The technical proposal submitted by CDRI, the research methodology and the sample size, was not satisfactory. ACF, CDRI and Bank's representative Mr. Daniel Adler discussed the issues and agreed to revise the research methodology and add a qualified Technical Research Advisor in this study. The date of submission for the combined Technical and Financial Proposal was extended to 26 July 2011. CDRI team was responsive to the request.
- **Financial Audit:** KPMG have completed the auditing field work on 8 April 2011 for the auditing of ACF's financial statements in 2010. ACF received the draft financial report from KPMG on 27 April 2011. The revised draft report has been reviewed and accepted on 19 May 2011, and the 1st payment of US\$1,870.00 was released on 27 May 2011. The final audit report is expected to be delivered on 1 July 2011.
- **Enhancing the enabling environment for implementation of binding arbitration by AC:** On 10 February 2011, the Request for Proposal was issued to ILO. The deadline for submission of the Proposal was 11 March 2011. The deadline was delayed upon ILO's request. However, this package is pending the revision of the ACF sustainability strategy and the DFGG AM mid-term review 2011.
- **Media Production Firm for (1) one public service announcement and (2) training videos:** The contract was awarded to Women's Media Centre of Cambodia (WMC) and signed on 20 December 2010 for period of 5 months assignment. The first draft PSA's production and final draft report has been reviewed and satisfied by ACF's technical staffs. WMC requested the validity of the contract to be extended for 30 days until 17 June 2011 for completing the training video production. ACF's technical staffs have been review and accepted for the revised training video production.

2- Individual Consultant

- **Media and Communications Consultant (MCC):** In the procurement plan of 2011, ACF planned to recruit a MCC in May 2011 with the value of US\$17,000 .00. The drafted TOR and EoI are being finalised. However, this package is held up pending ACF's strategy review.
- **Feasibility Study on Individual Labour Dispute Resolution Service to Support the Arbitration Council and Arbitration Council Foundation:** ACF has signed a contract with the Stephen M. Ross School of Business, University of Michigan on 9 March 2011 for period of four weeks to conduct a study on individual dispute resolution services by developing a business and marketing plan to implement a new individual labour dispute resolution (ILDR) incorporating an analysis of the market viability for ILDR and pursuing an alternative avenue for income generation.

- **Training on the arbitration of rights and interests disputes services:**
The training on the arbitration of rights and interests disputes services was provided by Ms. Susan Brown on 23 April 2011 and 26 April 2011. It facilitated peer review of arbitral awards, feedback on a selection of decisions written by arbitrators and case supporters from LSD.
- **Finance and Administration Officer:** ACF has experienced some difficulties in recruiting Finance and Administration Officer. The first and the second candidates did not accept the contract since they have accepted other offers. The third candidate accepted the offer, and then revoked the acceptance. The fourth candidate has accepted the offer. Ms. Heng Kanitha and commenced work with ACF on 13 June 2011.
- **Legal Officer:** One Legal Officer of ACF has resigned from the position due to gaining employment with the ILO-BFC; her last day of employment with the ACF is 22 July 2011. Bank has no objection to ACF starting the procurement process to fill this position on 20 June 2011 and recommends it to be a prior review contract. The job advertisement was posted on the *Bongthom* website on 21 June 2011 and on local newspapers on 23 and 27 June 2011. The deadline of the application submission is 7 July 2011.
- **Driver:** The Driver of ACF has also resigned from the position; his last day of the employment with ACF is 8 July 2011. The job advertisement for the position was posted on *Bongthom* website on 22 June 2011 and the closing date of the application submission is 6 July 2011.
- 3- Recruitment of local Internship for ACF:** Three local interns (two Translation interns and one Legal Database intern) were recruited to assist the Legal Services Department. They have completed their internships by June 2011. Two other interns were recruited:
 - **International Legal Intern:** Julian Brody from 30 May to 29 July 2011.
 - **Administrative Intern:** Mr. Seng Phalla to assist the Training and Communications Department from 21 June 2011 to 20 September 2011.

4- Discloser Tracking Sheet

- ACF has upload procurement documents on the AC website, which includes:
 - Revised Procurement plan 2011
 - Tender process
 - Tender result
 - Invitation for Bidding and other bidding documents of goods
 - Bid award notification of Desktop computers and Fax machine

- Job advertisement of Legal Officer
- Job advertisement of Driver

K. Financial Status

During this reporting period, ACF spent US\$114,734.26, of which US\$ 110,406.51 was from the International Development of Association (IDA) and another US\$ 4,327.75 was from other donors of the ACF. The expenditure of IDA was pre-financed by the Australian Agency for International Development (AusAID). The comparison of the budget plan against actual expenditure for the quarter is shown below:

Expenditure by Categories		Budget	Actual	Depletion Rate	Balance
1A.	Goods	6,640.00	2,359.00	36%	4,281.00
1A.	Consulting Services	182,831.75	19,614.06	11%	163,217.69
1A.	Training, Workshops, Seminars	74,681.83	10,214.27	14%	64,467.56
1A.	Incremental Operating Costs	52,148.38	38,835.46	74%	13,312.93
1A.	ACF Operating Costs	54,376.33	43,711.48	80%	10,664.85
Total		370,678.29	114,734.26	31%	255,944.03

As shown in the above table, the discrepancy between the budget plan and actual expenditure was at US\$255, 9440.03 which indicated that ACF's expenditure was at 31% of the total budget plan for the reporting quarter. This under-spending was due to the non-procurement of audio visual equipment, the delay in procurement of the Study to Quantify the Value of the AC's Services, delay in payment of the Production of Broadcast Media and Tools and also the payment for the audit of financial statements in 2010, the delay in the implementation of binding arbitration by AC and the deferment of the visit to the United Kingdom and international internship with the Fair Work Australia.

SECTION II: INTERIM FINANCIAL REPORT (IFR)

2.1 Financial Report (Discussion of Financial Project Progress Report)

A. Project Balance Sheet

	<u>As of June 2011</u>	<u>As of March 2011</u>
Cash and Cash at Bank		
Petty Cash Float	941.68	2,134.77
Bank-AusAID	136,129.37	158,615.87
Bank-Stakeholders	21,163.78	8,044.63
Advance	-	3,005.00
Retension and security	-	-
Deposit	8,709.00	8,709.00
Payable	(1,195.29)	(1,606.33)
	<u>165,748.54</u>	<u>178,902.94</u>
Project Expenditures		
Goods	85,998.88	83,639.88
Consultants' Services	100,102.05	80,487.99
Training	144,367.00	134,152.73
Incremental Operating Costs	337,823.90	298,988.45
ACF Operating Costs	393,772.66	350,061.19
	<u>1,062,064.48</u>	<u>947,330.22</u>
Total Assets	<u>1,227,813.02</u>	<u>1,126,233.16</u>
Funds Received from IDA	946,040.45	863,697.74
Fund Received from AusAID	199,785.01	199,785.01
Fund Received from Stakeholders	81,987.57	62,750.42
	<u>1,227,813.03</u>	<u>1,126,233.17</u>
Surplus/ (Deficit):	0.01	0.01

B. Sources and Uses of Funds by Category
Cambodia: Demand for Good Governance Project
Sources and Uses of Funds by Category
For the quarter ended June/30/11

Component 1A	Actual			Budget			Variance			PAD	
	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date		
	Opening Balance										
	AusAID Account	158,615.87	128,974.99	-							
	ACF Saving Account	6,734.05	14,626.04	-							
	ACF Current Account	174.39	894.41	-							
	AC Riels-Account	1,136.19	1,735.55	-							
	Advance	3,005.00	-	-							
	Deposit	8,709.00	8,709.00	-							
	Payable	(1,606.33)	(1,562.65)	-							
	Petty Cash	2,134.77	2,635.13	-							
	Total	178,902.94	156,012.47	-							
Add	Sources:										
	Receipt of Funds										
	- From IDA	82,342.71	228,529.71	946,040.45						2,341,685.00	
	- From AusAID	-	-	199,785.01						200,000.00	
	- From Stakeholder	19,237.15	19,282.45	81,987.57						217,605.00	
	- Other Income (document bidding fees... etc.)	-	-	-						0.00	
	Total Funds Received	101,579.86	247,812.16	1,227,813.03						2,759,290.00	
	Total Sources	280,482.80	403,824.63	1,227,813.03						2,759,290.00	
Less	Expenditures by Category										
	- Goods and Equipment	2,359.00	2,533.00	85,998.88	6,640.00	8,190.00	88,575.00	4,281.00	5,657.00	2,576.12	119,950
	- Consulting Services	19,614.06	31,148.82	100,102.05	182,831.75	232,720.75	616,367.92	163,217.69	201,571.94	516,265.87	376,313
	- Training and Workshops	10,214.27	34,134.19	144,367.00	74,681.83	84,876.33	307,412.32	64,467.56	50,742.14	163,045.32	446,187
	- Incremental Operating Costs	38,835.46	79,419.96	337,823.90	52,148.38	102,933.43	439,044.28	13,312.93	23,513.47	101,220.38	908,595
	- ACF Operating Costs	43,711.48	90,840.12	393,772.66	54,376.33	107,984.15	433,823.02	10,664.85	17,144.03	40,050.35	908,245
	Total Expenditures	114,734.26	238,076.09	1,062,064.48	370,678.29	536,704.67	1,885,222.53	255,944.03	298,628.58	823,158.05	2,759,290.00
	Closing Balance (I)	165,748.54	165,748.54	165,748.55							0.00
	Represented by:										
	Balance at Designated A/C										
	AusAID	136,129.37	136,129.37	136,129.37							
	ACF Saving Account	20,953.48	20,953.48	20,953.48							
	ACF Current Account	174.39	174.39	174.39							
	AC Riels-Account	35.91	35.91	35.91							
	Advance	-	-	-							
	Deposit	8,709.00	8,709.00	8,709.00							
	Payable	(1,195.29)	(1,195.29)	(1,195.29)							
	Petty Cash	941.68	941.68	941.68							
	Total (II)	165,748.54	165,748.54	165,748.54							
	Surplus/(Deficit): (I)-(II)	0.00	(0.00)	(0.01)							

**C. Uses of Funds by Category and by Sources of Funds
Cambodia: Demand for Good Governance Project
Uses of Funds by Category and by Source of Funds
For the quarter ended June/30/11**

	Current Quarter				Year to date				Cumulative to date				PAD			
	IDA Grant	Bank - AusAID	Other Donors	Total	IDA Grant	Bank - AusAID	Other Donors	Total	IDA Grant	Bank - AusAID	Other Donors	Total	IDA Grant	AusAID	Stakeholder	Total
Payment by category																
Goods	2,359.00			2,359.00	2,533.00		0.00	2,533.00	85,998.88		0.00	85,998.88	109,950		10,000	119,950
Consulting Services	19,614.06			19,614.06	30,532.32		616.50	31,148.82	98,738.25		1,363.81	100,102.06	351,313		25,000	376,313
Training, Workshops, Seminars	10,214.27			10,214.27	33,194.19		940.00	34,134.19	140,340.54		4,026.46	144,367.00	359,187		87,000	446,187
Incremental Operating Costs	34,507.71		4,327.75	38,835.46	70,073.34		9,346.62	79,419.96	296,491.74		41,332.17	337,823.91	732,990	100,000	75,605	908,595
ACF Operating Costs	43,711.48			43,711.48	89,237.22		1,602.90	90,840.12	387,661.19		6,111.48	393,772.67	788,245	100,000	20,000	908,245
Total Payments	110,406.51		4,327.75	114,734.26	225,570.07		12,506.02	238,076.09	1,009,230.59		52,833.92	1,062,064.51	2,341,685	200,000	217,605	2,759,290

D. Uses of Funds by Project Activity
Cambodia: Demand for Good Governance Project
Use of Funds by Project Activity
For the quarter ended June/30/11

Project Component	Actual			Budget			Variance			PAD
	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	
1A Support to the Arbitration Council (AC)										
a AC Institutional Integrity and Sustainability	3,731.43	5,191.99	12,981.73	96,982.50	117,912.50	259,542.84	93,251.07	112,720.51	246,561.11	169,410.00
1 Selection/recruitment of arbitration	0.00	0.00	0.00		0.00	7,113.00	0.00	0.00	7,113.00	0.00
2 Arbitration Council Governance	686.14	2,078.95	9,868.69	1,882.50	2,812.50	17,329.84	1,196.36	733.55	7,461.15	69,410.00
3 Sustainability	3,045.29	3,113.04	3,113.04	95,100.00	115,100.00	235,100.00	92,054.71	111,986.96	231,986.96	100,000.00
b Labor Dispute Solution	45,244.47	111,432.89	474,802.74	96,224.30	154,825.60	608,386.95	50,979.83	43,392.71	133,584.21	999,536.00
1 Resolution of labour dispute cases	40,890.73	92,148.01	373,980.54	52,971.30	106,872.60	416,004.95	12,080.57	14,724.59	42,024.41	754,974.00
2 Capacity building of AC/F and SAC	4,353.74	19,284.88	93,562.45	42,453.00	46,353.00	165,112.00	38,099.26	27,068.12	71,549.55	208,627.00
3 Expansion of AC services	0.00	0.00	7,259.75	800.00	1,600.00	27,270.00	800.00	1,600.00	20,010.25	35,935.00
c Partnerships and Stakeholders Outreach and Training	17,410.68	31,680.14	119,877.91	118,562.42	147,518.42	439,347.60	101,151.73	115,838.28	319,469.69	467,770.00
1 ACF support to AC outreach and training	6,848.68	13,189.92	47,063.17	7,032.75	14,474.25	55,822.75	184.07	1,284.33	8,759.58	112,320.00
2 Establishing and maintaining partnerships	305.50	1,189.50	14,685.18	2,216.67	2,466.67	24,009.21	1,911.17	1,277.17	9,324.03	39,940.00
3 Dissemination of publications and other information	2,985.27	4,455.27	37,042.29	69,110.00	74,660.00	135,700.49	66,124.73	70,204.73	98,658.20	118,218.00
4 Media relations and promotion	5,786.40	5,786.40	7,865.20	29,528.00	42,735.00	180,975.00	23,741.60	36,948.60	173,109.80	124,380.00
5 Stakeholder training	1,484.83	7,059.05	13,222.07	10,675.00	13,182.50	42,840.15	9,190.17	6,123.45	29,618.08	72,912.00
d General Operations and Project Management	48,347.68	89,771.07	454,402.11	58,909.08	116,448.15	577,945.16	10,561.39	26,677.08	123,543.04	1,122,574.00
1 Salaries	20,889.89	39,594.02	154,807.88	29,011.50	51,873.00	204,171.00	8,121.61	12,278.98	49,363.12	448,440.00
2 Benefits	1,560.84	4,295.34	13,740.93	1,932.58	5,265.15	17,589.85	371.74	969.81	3,848.92	32,743.00
3 Occupancy	11,549.08	22,715.15	97,182.00	11,850.00	24,000.00	112,936.23	300.92	1,284.85	15,754.23	245,400.00
4 Supplies	3,019.23	5,813.07	23,952.89	1,890.00	3,850.00	21,050.00	-1,129.23	-1,963.07	-2,902.89	32,760.00
5 Equipment	2,359.00	2,533.00	59,374.60	5,890.00	6,690.00	43,075.00	3,531.00	4,157.00	-16,299.60	74,750.00
6 Communications and postage	1,795.26	3,287.52	21,358.63	2,435.00	4,870.00	29,012.50	639.74	1,582.48	7,653.87	64,880.00
7 Vehicle and Transportation	264.05	523.80	28,588.54	900.00	1,800.00	51,640.00	635.95	1,276.20	23,051.46	68,400.00
8 Contractual services	6,910.34	11,009.17	33,612.37	5,000.00	13,100.00	49,560.00	-1,910.34	2,090.83	15,947.63	69,201.00
9 Project monitoring and evaluation	0.00	0.00	19,910.00	0.00	5,000.00	47,748.06	0.00	5,000.00	27,838.06	86,000.00
10 Hospitality (Reception/farewell)	0.00	0.00	1,874.28		0.00	1,162.52	0.00	0.00	-711.76	
Total Project Expenditure	114,734.26	238,076.09	1,062,064.49	370,678.29	536,704.67	1,885,222.55	255,944.03	298,628.58	823,158.06	2,759,290.00

SECTION III: PHYSICAL PROGRESS, PROCUREMENT & CONTRACT MANAGEMENT

A. Physical Progress Report by Civil Works

**Cambodia: Demand for Good Governance Project
Physical Progress Report by Civil Works
For the quarter ended June 30, 2011
(In US Dollar)**

Not Applicable

B. Contract Monitoring Report
Cambodia: Demand for Good Governance Project
Contract Monitoring Report
For the quarter ended June/30/11

Contract		Contract Description	Supplier	Contract Value		Amount Paid		Balance to Be Paid
No.	Date			Curr.	Amount	This period	Accumulative	
A	Goods							
	5-Aug-09	Spare part toshiba photocopy mac	Neeka limited	USD	335.50		335.50	
	19-Aug-09	Message expansion card	Trust Global	USD	108.00		108.00	
	12-Oct-09	Spare part toshiba photocopy mac	Neeka limited	USD	149.60		149.60	
107325	28/Aug/09	Office Vehicle 4x4 (Ford Everest)	UNOPS	USD	25,249.28		25,249.28	
01/09	23/Sep/09	Supply and delivery of office	Narita Distribution Cambodia Co., Ltd.	USD	13,874.80		13,874.80	-
02/09	30/Sep/09	Motorcycle	Yamaha Motor Cambodia Co. Ltd	USD	1,375.00		1,375.00	-
03/09	28/Oct/09	Audio Visual Equipment	Sunsomexco	USD	2,385.00		2,385.00	-
	11-Nov-09	Auraro cross cut shredder	IBC	USD	185.00		185.00	
	16-Dec-09	Network& telephone new install.	H.S Technology	USD	2,137.50		2,137.50	
	23/Dec/09	Office Furniture	LEECO	USD	2,189.00		2,189.00	-
			MFC	USD	4,525.00		4,525.00	-
	15/Jan/10	Tables for arb. Hearing room	LEECO	USD	177.00		177.00	
	20/Jan/10	Chair in hearing room	LEECO	USD	29.00		29.00	
	9/Feb/10	UPS	Trust Global	USD	35.20		35.20	
	18/Feb/10	Cool &hot water machine	Sunsomexco	USD	150.00		150.00	
	4-Mar-10	Doc Processor Kyocera	Narita Distribution Cambodia Co., Ltd.	USD	842.00		842.00	
	9-Mar-10	Telephone ports arb. Room	PTC Computer	USD	88.00		88.00	
03/09	21/Sep/10	Office Equipment (Lot 1)	Te Aik Hong	USD	12,609.00		12,609.00	-
02/10	14/Dec/10	Sever Equipment Lot 1	Anana	USD	11,300.00		11,300.00	-
02/10	14/Dec/10	Sever Software Lot 2	Te Aik Hong	USD	5,722.00		5,722.00	-
	23/Feb/11	Chair for hearing room	Century Furniture	USD	174.00		174.00	-
	6/Oct/11	lecture chairs	LEECO	USD	735.00	735.00	735.00	
NS No.01/11	17/06/11	Desktop computers & Fax machine	S.I Computer Technology	USD	1,624.00	1,624.00	1,624.00	-
Total					83,465.88	2,359.00	85,998.88	0.00
B	Consulting Services							
	Employment Services							
01/09	1/Aug/09	Time Based Payment	IC- Mr. Tep Chenda	USD	10,532.00		9,930.47	601.53
05/09	11/Nov/09	Time Based Payment	IC- Ms. Chum Charya	USD	20,714.00	2,840.96	17,290.90	3,423.10
04/09	4/Jan/10	Time Based Payment	IC- Mr. Vandeth Dararoath	USD	13,000.00	1,898.46	10,148.11	2,851.89
04/09	4/Jan/10	Time Based Payment	IC- Mr. Thong Sopymakara	USD	5,464.00	1,465.96	5,395.04	68.96
04/10	22/Oct/10	Time Based Payment	IC- Mr. Bun Vuthy	USD	11,540.00	2,955.96	7,400.36	4,139.64
05/10	24/Nov/10	Time Based Payment	IC- Ms. Chhen Vanny	USD	10,280.00	2,525.96	5,747.85	4,532.15
01/11	19/May/11	Time Based Payment	IC- Ms. Heng Kanitha	USD	5,394.00	270.34	270.34	5,123.66
Total					76,924.00	11,957.64	56,183.09	20,740.91
	Consulting Services							
02/09	9/Sep/09	Short Term Technical Advisor (International Consultant)	IC- Ms. Juanita L. Rice	USD	6,000.00		4,200.00	1,800.00
03/09	15/Dec/09	Baseline Study	NGO- Economic Institute of Cambodia (EIC)	USD	19,910.00		19,910.00	-
04/09	17/Feb/10	Study on Demand for AC Service	NGO- Economic Institute of Cambodia (EIC)	USD	9,085.00		6,813.75	2,271.25
LCS-01/10	11/Aug/10	Auditing financial statement 2009	KPMG Cambodia	USD	3,410.00		3,410.00	-
CQS-0/10	20/Dec/10	Media Production and Tools	Women's Media Centre of Cambodia	USD	19,288.00	5,786.40	7,715.20	11,572.80
SSS-02/11	23/Nov/11	Auditing financial statement 2010&2011	KPMG Cambodia	USD	7,480.00	1,870.00	1,870.00	5,610.00
Total					65,173.00	7,656.40	43,918.95	21,254.05
Grand Total					142,097.00	19,614.04	100,102.04	41,994.96

**C. Procurement Monitoring Report – Goods
Cambodia: Demand for Good Governance Project
Procurement Monitoring Report – Goods
For the quarter ended June 30, 2011**

No.	Description of Goods/Works	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	Bidding Documents (BD) and Bidding Process						Bid Evaluation/ Contract Award Recommendation		Contract				
					ACF sent draft BD to Bank for approval (date)	Approval to draft BD by PRC (date)	ACF sent draft BD to the Bank's NOL (Date)	No object to the draft BD by the Bank (Date)	BID Invitation issued (Date)	Bids Opened (Date)	ACF Sent Evaluation report/award recommendation to the Bank (Date)	No objection to evaluation report/award recommendation by the bank (Date)	Project signed Contract with the Contractor (Date)	Contractor's Name	Contract Amount	Completion date	
I. Goods																	
1	Planned	Office Equipment		Post	SH		4/Apr/11			19/Apr/11	3/May/11	20/May/11		27/May/11		7,500.00	6/24/2011
	Actual	Lot 1: Laptop & Fax machine. Lot 2: Audio Visual Equipment		Post	SH		12/May/11			19/May/11	7/Jun/11			17/May/11	S.I Computer	1,624.00	21/Jun/11
2	Planned	Audio Visual Equipment		Post	SH		19/Jun/11			21/Jun/11	5/Jul/11			15/Jul/11		6,000.00	8/14/2011
	Actual	Audio Visual Equipment		Post	SH		20/Jun/11			22/Jun/11	6/Jul/11			13/Jul/11	Narita Distribution	2,484.00	

**D. Procurement Monitoring Report - Consulting Firm
Cambodia: Demand for Good Governance Project
Procurement Monitoring Report - Consulting Firms/NGOs
For the quarter ended June 30, 2011**

No.	Description of Services	Contract No.	Prior (P) or Post Review (PR)	Procurement Method	Shortlist and Draft Requirement for Proposal (RFP)								□ Technical Evaluation □		Final (Technical-Financial) Evaluation			Contract						
					ACF sent shortlist to the Bank (date)	No objection to the shortlist by the Bank (Date)	ACF sent Draft RFP to PRC (Date)	Approve to draft RFP by PRC (Date)	ACF Sent Draft of RFP to the Bank (Date)	No objection to Draft RFP by the Bank (Date)	ACF Issued RFPs (Date)	ACF received proposal from firms (Date)	ACF sent Tech. evaluation report to the Bank (Date)	No objection to Tech. evaluation report by the Bank (Date)	ACF Open Financial Proposal Publicity (Date)	ACF completes final evaluation	PRC and ACF negotiate contract with consultant	ACF sends draft contract and final evaluation report to the Bank (Date)	No objection to Draft Contract by the Bank (date)	Project signed contract with consultant	ACF signed contract to the Bank (Date)	Consultant's Name	Contract Value (US\$)	Contract/Delivery Completion Date
1	3	2	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	21	22	23	24	26	27	28
1	Planned Study to quantify the value of AC service ACF through IPA		Post	CQS			17/May/10	24/May/10			15/Jun/10	14/Jul/10			30/Jul/10	9/Aug/10	19/Aug/10			1/Sep/10			40,000.00	30/Jan/11
	Actual										30/Aug/10	20/Sep/10					8/Nov/10						53,319.00	
2	Planned Media Production for (1) one public service announcement (2) training video		Post	CQS			21-Jun-10	7-Jul-10			12-Jul-10	11-Aug-10			1-Sep-10		29-Nov-10			14-Dec-10				30-Apr-11
	Actual		#	Post	CQS						27-Jul-10	26-Aug-10			14-Sep-10		29-Nov-10			20-Dec-10		Women's Media	20-Dec-10	17-Jul-11
3	Planned Financial audit		Post	SSS	2-Dec-10	9-Dec-10									20-Jan-11		31-Jan-11	14-Feb-11	21-Feb-11	1-Mar-11	2-Mar-11		28-Mar-11	1-Jun-12
	Actual		02/11	Post	SSS	14-Dec-10	17-Dec-10								17-Jan-11		17-Jan-11	14-Feb-11	18-Feb-11	23-Feb-11	28-Feb-11	KPMG Cambodia	4-Apr-11	12-Jul-11
4	Planned Enhancing the enabling environment for implementation of binding arbitration by AC		Prior	SSS	12-Nov-10	19-Nov-10	6-Dec-10	13-Dec-10	13-Dec-10	20-Dec-10	20-Dec-10	24-Jan-11	17-Feb-11	25-Feb-11	11-Mar-11	21-Mar-11	4-Apr-11	11-Apr-11	18-Apr-11	19-Apr-11	4/19/2011		20-Apr-11	30-Mar-12
	Actual		Prior	SSS	19-Nov-10	30-Nov-10	21-Dec-10	22-Dec-10	22-Dec-10	6-Feb-11	10-Feb-11													

**E. Procurement Monitoring Report - Individual Consultant
Cambodia: Demand for Good Governance Project
Procurement Monitoring Report – Individual Consultants
For the quarter ended June 30, 2011**

No.	Description of Services	Contract No.	Prior (P) or Post Review (PR)	Procurement Method	ToR/EOI						Evaluation		Contract								
					ACF sent ToR and EOI Advertisement to PRC (date)	Approval to ToR and EOI advertisement by PRC (Date)	ACF sent ToR and EOI advertisement to the Bank (Date)	No objection to ToR and EOI advertisement by the Bank (Date)	Advertisement by ACF (Date)	Submission of EOI (Date)	ACF sent Evaluation Report to the Bank (Date)	No objection to Evaluation Report by the Bank (Date)	PRC and ACF negotiate contract with consultant	ACF sent draft contract to the Bank (Date)	No objection to the Draft Contract by the Bank (Date)	Project signed contract with consultant (Date)	ACF sent signed contract to the Bank (Date)	Consultant's Name	Contract Value (US\$)	Contract/Delivery Completion Date	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
A International Consultant/Specialist																					
	Planned																				
	Actual																				
B National Consultants																					
1	Planned		Post	SSS	30/May/11	10/Jun				14/Jun/11			28/Jun/11			21-Jul-11			\$ 20,000.00	30/Jul/12	
	Actual																				
2	Planned		Post	IC - SSS	29/Apr	15/May				20/May/11	3/Jun/11		24/Jun/11			1-Jul-11			\$ 17,000.00	17/Jul/12	
	Actual																				
3	Planned		Prior	IC	22-Nov-10	29-Nov-10	30-Nov-10	8-Dec-10	13-Dec-10	27-Dec-10	17-Jan-11	31-Jan-11	7-Feb-11	11-Feb-11	18-Feb-11	24-Feb-11	25-Feb-11		1-Apr-11	30-Mar-12	
	Actual		1/11	Prior	IC	29-Nov-10	30-Nov-10	1-Dec-10	13-Dec-10	15-Dec-10	28-Dec-10	27-Jan-11	3-Feb-11	10-Feb-11	10-May-11	12-May-11	19-May-11	20-May-11	Heng Kanitha	13-Jun-11	12-Jun-12
4	Planned		Prior	IC	1-Jun-11	3-Jun-11	3-Jun-11	20-Jun-11	21-Jun-11	7-Jul-11	22-Jul-11	29-Jul-11	11-Jul-11	10-Aug-11	17-Aug-11	19-Aug-11	20-Aug-11		18-Sep-11	17-Sep-12	
	Actual			Prior	IC	1-Jun-11	3-Jun-11	3-Jun-11	20-Jun-11	23-Jun-11											

IV. Conclusion and Recommendation

Collective labour dispute resolution was the core activity planned in the DFGG project for 2011. At the end of the second quarter, the success rate was 70.12% which was slightly lower than the past quarter (70.52%) due to the higher number of closed cases (cases where the AC decides to close the case mostly at parties' request or for reasons such as non-appearance of parties or strike or lockout during the Arbitration Process). This showed that AC continuously plays a significant role in resolving the labour disputes between employees and employers at a very satisfactory level.

In order to keep up a higher quality of work, arbitrators, staff of SAC and ACF received several capacity building and experience sharing sessions in the field of labour dispute resolution by a US arbitrator and a French lawyer. With these efforts, ACF attracted the attention of arbitrators who expressed a desire to gain best practice for use in their jobs.

In addition, building partnerships with MoLVT, the Garment Manufacturers' Association in Cambodia (GMAC) and CAMEFA plays a crucial role in linking the Cambodian government and private sectors to civil society and therefore promoting demand for effective resolution of labour disputes. In fact, ACF co-organised a few training workshops with MoLVT for labour officers and conciliators nationwide. Also, the Meet and Greet with employer representatives was helpful to link them to the arbitrators who help resolve their labour disputes. AC/F will maintain its partnership with the above institutions in order to improve industrial relations in Cambodia.

Besides the above-mentioned partners, ACF maintained its good collaboration with other partners and DFGG's implementing agencies. Especially, ACF cooperated well with PCO for conducting the mid-term review of the DFGG project and attended other meetings as required to share the successes and challenges of the project.

In terms of procurement, ACF encountered some delays. In particular, the procurement of the study to quantify the AC's value was delayed due to discussions between ACF, World Bank's representative and Cambodia Development Resources Institute (CDRI). During this reporting period, CDRI have organised a new team and discussed with ACF a new research methodology in order to ensure that the study is of a high quality as well as meet the objectives. ACF is working with the new team to introduce them to the work of the AC and we expect to complete the negotiations in the 3rd quarter of 2011. In terms of the public service announcement (PSA), the first PSA has been produced and will be aired in the 3rd quarter of 2011. ACF is increasing its efforts to solve these mentioned issues.

Finally, AC sustainability beyond the DFGG project remains a key issue that requires ongoing attention and resolution. AC sustainability includes the process for appointing new AC arbitrators, the system and procedures to ensure the quality of the AC services, structural funding to support the AC services, AC partnership strategies and AC facilities. ACF expects to procure a consultant to deliver a sustainability strategy in the third quarter of 2011.