

# Minutes of Meeting

## Technical Working Group on Forestry & Environment (TWG-F&E)

### The Forestry Administration

#### FA's Meeting Room

10 May 2005

#### 1. Welcome

The meeting began at 08:00 am with a welcome from the Chairman, H.E. Ty Sokhun.

#### 2. Adoption of the Minutes from the Last TWG-F&E Meeting held on 4 Feb. 2005

The minutes from the last meeting were adopted without comments.

#### 3. FA Report on Domestic Timber Supply, by the Forest Management Office

##### a) Transport of Old Logs

The transport of old logs is ongoing, with permits issued one week prior to each transport. Handouts, including a table of royalty payments, were presented. Not all logs have been transported, and specific deadlines for completion are not given. SGS has spot checked the numbers and volumes. It was pointed out that some logs had rotted and others burnt.

##### b) Proposal for Annual Bidding Coupes

FMO stated a domestic need for timber, based on a study conducted, and currently in the process of translation. FA presented a proposal for annual bidding coupes to meet these needs, some of which are within former concession areas and some outside. The four areas under consideration are:

▪ Siem Reap Cantonment	7,500 m <sup>3</sup>
▪ Rattanakiri Cantonment	30,000 m <sup>3</sup>
▪ Kratie Cantonment	5,000 m <sup>3</sup>
▪ Stung Treng Cantonment	5,000 m <sup>3</sup>

Specifics for assessment were not provided, but it was stated that cutting would follow the Forestry Law. Subsequent discussions focused on the process and whether it would follow the codes of practice developed/established for forest concessions, involving disclosure, transparency, open bidding processes and social environmental impact analyses, and led to expressions of concern in relation to the planning phase. No consensus or conclusion was reached. The Chairman informed the meeting that field activities have not begun.

##### c) Status of the concession management plans

FA's technical review team has reviewed all the plans, and six were evaluated as potentially viable, subject to some improvements.

The Chairman expressed regret about the length of time that this process has taken, the amount of confusing procedures, the many companies and experts involved. He concluded that naturally, different results would emerge from different expert evaluation, resulting in the work 'going round in circles'.

The WB informed the meeting that the GFA company had re-reviewed in depth 2 (Everbright and Samrong Wood) of the 6 remaining potentially viable strategic management plans. A number of necessary improvements have been identified, and GFA will be re-hired to review the remaining 4 strategic management plans, beginning within the next few weeks.

CTIA raised the view that the process has been too prolonged and that business is difficult for the concessionaires. The Chairman noted that the FA has still not received management plan improvements, from Everbright or Samrong Wood, in compliance with the recommendations of the Technical Review Team and the GFA review.

This session was concluded by stating that:

- GFA will review the remaining 4 concession management plans as soon as possible, allowing time for the concessionaires to assess and comment on the recommendations prior to the TWG-F&E next meeting.
- The FA will develop a model for the annual bidding coupes to be presented at the next meeting. This will demonstrate sustainable implementation, for example, adherence to the codes of practice developed for concessions, disclosure, the bidding process, consultations, low impact logging, etc. An actual plan on where, when (a time line) and how this is proposed is also required as a basis for discussion in the meeting.

Finally, the logging moratorium as a CG benchmark was highlighted, which continues throughout 2005. There is also a strong concern that the annual bidding coupes will be located within former concession areas that have not been evaluated Technical Review Team and the GFA as viable for sustainable logging.

#### **4. The TWG-F&E Action Plan for 2005**

##### **a) Status of implementation and monitoring**

The evaluation forms were presented, but it was noted that the forms change each quarter and do not follow calendar quarters. For example, the last form covered the period of December-February. It was concluded that ideally the completed forms should be approved by the TWG-F&E before submission to the CDC, but information availability and time were raised as constraints.

##### **b) Proposal by the Secretariat to Modify and Rationalise the Action Plan to the Current Funding Situation**

As the forestry sector has not received further funding, and with reference to the TWG-F&E's ToR on the need for Action Plan revisions in such cases, the Secretariat presented a proposed rationalised Action Plan. Outputs/activities assessed as realistic and with reasonable funding commitments were highlighted in green, those partly funded highlighted in yellow, and those assessed by the Secretariat as unrealistic under the current situation highlighted red. The same procedure was applied to the TWG-F&E benchmarks.

Discussions raised the possibility that there could be many other projects of which the TWG-F&E has no knowledge, but which may contribute in some ways towards the fulfilment of the Action Plan. It was agreed that members would provide information within a week to the Secretariat on the projects that they know of, and that the Secretariat would prepare a simple template for this. Based on the information provided, the Secretariat will rationalise the Action Plan and remove outputs/activities and benchmarks that remain in red. The revised plan will be emailed to all members for their consideration.

##### **c) Status on the 3 WB Proposals Following Comments by the TWG-F&E**

WB representatives reported that the community forestry proposal to be executed through CFI/CFAC will go ahead. Similarly, the review of the remaining four short listed concessions will begin shortly by GFA. The third proposal on policy support will not be implemented.

**d) Suggestions on the Recommendation for Rationalisation and Reclassification of the Protected areas and Protected Forest**

The Secretariat outlined the Independent Forest Sector Review recommendation on the need for rationalisation of the protected area/forest system, to bring valuable areas under conservation management and to convert less valuable areas to other uses. An idea on developing an appropriate methodology was presented and a hand-out distributed. However, the initiative did not receive full support from the TWG-F&E.

**e) Status on the Land Demarcation Process**

The role of the FA in the state land demarcation was outlined, emphasising its role as the main actor for demarcation of the forest estate. This includes the planning phase, legal matters, conflict resolution, and on the ground demarcation. A handout was distributed.

**5. Salary Supplements**

The TWG-F&E Coordinator and donor representatives informed the meeting that salary supplements are counterproductive to sound development. A group of donors has formed a written agreement to phase salary supplements out of ongoing activities, and they would not exist within new activities starting up in 2005. Other donors have expressed agreement with the statement but are, for various reasons, not in a position to sign such a joint statement. A short overview of all the different forms of salary supplements was presented. It was also noted that this is a general problem, although it affects different ministries to varying degrees. This subject will be followed up at the next TWG-F&E meeting.

**6. ADB-NGO Conservation Initiative for the Cardamoms and the North East**

Information on two ADB-supported projects was requested, which seem to have been identified and formulated outside the TWG-F&E framework. The Wildlife Protection Office of FA gave a short orientation of what it knew of these proposals, although no written information was available about these projects. A discussion on the need for alignment to the Donor-Government Action Plan ensued, questioning the productivity of an approach that by-passes bilateral and multilateral stakeholders, projects and the TWG-F&E, raising significant concerns and regret. It was concluded that it is not only a question of orientation with the TWG-F&E and other central partners that is lacking, but additionally, that projects of the character proposed needed to fit into the framework of the Action Plan. The TWG-F&E expressed disappointment with these two initiatives.

It is the responsibility of donors and RGC to ensure that projects and their executers are aligned and coordinated. Therefore, it was agreed that a letter will be sent to the ADB from the TWG-F&E, referring to these two projects and requesting alignment to the TWG-F&E process.

**7. Information on the National Strategic Development Plan 2006-2010**

The meeting's attention was drawn to the fact that the development of such a plan has begun, although little was known about it and its status. This subject will be pursued during the next TWG-F&E meeting.

**8. Funding of the TWG-F&E Secretariat**

Unlike most TWG Secretariats, the TWG-F&E has not yet received funding for staff and operations. As the workload is increasing it was proposed that the Cambodia Tree Seed Project/Danida could cover recruitment and funding for an external, independent secretary (initially probably part-time) who will be the focal point for the Secretariat, and collaborate with MoE and FA for the next year. Other new activities within the TWG-F&E framework must be discussed on a case by case basis.

