



IRRIGATION SERVICE CENTRE KOMPONG THOM

Proposed strategy / methodology for ISC

1. Target clients: FWUC and agencies in irrigation sector

The ISC will provide services directly to FWUC or local farmers' organizations whatever they are and will provide services to other agencies involved in irrigation projects. These two categories will be distinct in term of strategy, kind of service and pricing.

The possibility to provide service to agencies or farmers' organization outside the irrigation sector (e.g. financial and audit services) should be carefully assessed and will not be a priority at this stage.

The existence of a FWUC organized according to MOWRAM policy is not a requirement for service provision by ISC.

2. Target area

The target area of ISC to provide service directly to FWUC should not be over 100 Km distance from Kompong Thom office. Priority will be given to schemes in Kompong Thom province.

Exception can be done for Sdao Kong and Prey Nup, with services provided from Phnom Penh, but these FWUC should cover travel expenses.

ISC services to agencies or for specific project can be proposed anywhere in Cambodia according to budget proposal.

3. Priorities for selection

The ISC will give priority to:

- Existing and active farmers' organizations
- Schemes with highest potential for economical return for users
- Farmer's organization who are asking for services
- Schemes where ISC services have a potential to increase economical return to farmers and to generate income for ISC
- Schemes at least partially functional
- Schemes without strong conflict between water users
- Schemes that are not supported by other agencies

4. Steps of implementation

- First quick assessment for scheme screening
- Second detailed assessment
- Assessment results presentation to WU
- Contract with WU for proposal study
- Field study, proposal writing and submission to WU
- If approved, service contract negotiation
- Service delivery
- Evaluation of services by WU

5. Proposed services

The ISC will support farmers' organization on the basis of their own existing functioning (more than on formal FWUC statutes or internal rules).

At this stage, services will be designed according to a specific assessment for each scheme situation.

We can consider the following service categories:

A. Direct service to FWUC

- Capacity building to FWUC: training to FWUC members on scheme management tasks:
 - Conflict resolution (rules enforcement)
 - O&M planning and budgeting
 - O&M implementation
 - Scheme improvement planning
 - Financial and human resources mobilization
 - Database creation
 - Financial management
- Tasks delegated by FWUC: ISC will take in charge directly some management tasks delegated by FWUC
 - Infrastructures regular inspection
 - O&M implementation
 - Scheme improvement follow-up and control
 - ISF collection
 - Database maintenance
 - Financial management
 - Financial audit / Management monitoring and evaluation

B. Service to agency:

- Agency staff capacity building
- Scheme identification and assessment, irrigation project monitoring and evaluation
- Support to FWUC organization (building human resources, meeting facilitation, etc.) under agency financial support

- Other services to FWUC through agency financial support (see above)

6. Contract for services

At this stage ISC is not aiming at recovering the full cost for its services to FWUC, but no service should be fully free and service delivery should be done through contract negotiation. Service payment and contracting have two main functions:

- ensure that WU are really interested with the proposed services and aware of their cost
- ensure that the quality of the services provided are controlled and evaluated by WU and if they are not satisfied, some improvement made

Contracts have also to be signed with agencies for the same reason.

7. Proposed Service price:

ISC is aiming at recovering the full costs of services to agencies, including a larger share of ISC administrative and fixed costs in order to allow ISC to keep low prices for direct services to FWUC.

Service prices are not including direct operational costs (e.g. material,...), but staff work and ISC administrative and fixed costs. They are calculated per day of work according to 3 staff categories.

Price for FWUC:

Advisor / expert:	20 US\$ per day sold
Engineer and manager	12 US\$ per day sold
Facilitators	8 US\$ per day sold

Price for agencies:

Advisor / expert:	150 US\$ per day sold
Engineer and manager	80 US\$ per day sold
Facilitators	40 US\$ per day sold

These prices include salary and all administrative costs in the contract.

[Market value is probably around 20 – 40 – 80 US\$ per day for each category]

8. Subsidizing

In the first phases and steps of collaboration with WU, some constraints are expected that will prevent to collect even the minimal price proposed in point 7. These expected constraints are the following ones:

- No farmers' organization is able to negotiate a contract
- No ISF collection or fund mobilization is in place
- Low understanding of the services proposed
- No guarantee that the services will provide economical return

To manage these constraints and risks, some working days can be fully subsidized by the ISC. However a contract must be signed in all cases and this contract should mention how many days are subsidized for which work.

9. Investment fund for infrastructure improvement

For scheme improvement, the ASIrri project has a fund of 40,000 Euros. It is proposed to use this fund not for donation, but as investment loan. The value of the project investment should be reimbursed over time by farmers.

This possibility should be approved by project management and donor. There is a need to explore similar experiences and what reimbursement mechanisms could be proposed. We also need to be careful about the legal aspects for loan operations.

10. Relations with Pdownram / Mowram

ISC aims at keeping good relations with all government agencies. Mowram and Pdownram will be kept informed about project progress and area of intervention. Mowram and Pdownram will be involved in the “Coordination Committee”.

ISC should not substitute Mowram and Pdownram for service provision. So, ISC will not create new FWUC or make them officially recognized by Mowram. In case formal recognition is asked by a farmers’ association, ISC will link farmers with the Pdownram. ISC will not pay Pdownram to implement its own tasks and duties.

If Mowram or Pdownram requests ISC for specific service delivery, their demand will be considered as any demand from other agencies.

11. ISC institutionalization

The ISC will function under the official umbrella of GRET – ASIrri project. GRET is requesting a MoU with Mowram to implement this project.

ISC will build its own identity including:

- A specific logo
- Some communication tools (mentioning AFD – GRET – CEDAC support)
- A bank account (under the formal responsibility of GRET)
- The possibility to sign contracts with other agencies for service delivery and payment made on ISC bank account (not recorded in GRET accounting)
- A specific ISC accounting independent from project accounting
- A specific staff organizational chart including the Steering Committee as the “ISC Management Board”.

The official recognition of ISC as a private (non-profit) institution (local NGO or association or other) should be made before the end of ASIrri project.

The role of FWUC in ISC management should be explored in a later stage.