

MORODOK

BI-ANNUAL REPORT 2017-2018



VISION

The Morodok organization envisions peaceful rural communities in Cambodia where people have equal rights and opportunity to manage and utilize natural resources in a sustainable fashion for the improvement of their quality of life.

MISSION

To improve living conditions, strengthen solidarity and create ownership for the poor people in the coastal communities of Cambodia through building their capacity, supporting their initiatives and facilitating dialogue between relevant actors.

OBJECTIVE

To promote community empowerment toward socio - economic development through enhancing capacity of community groups (CBO and Livelihood groups) to participate in local democratization and good governance processes.

VALUES

The MORODOK organization believes:

1. Transparency and accountability create trust amongst staff and stakeholders and lead to strong organizational management.
2. Capacity development enables organizations and communities to respond to the changing needs and sustainability.
3. Improving communities' livelihoods results from good collaboration between relevant actors.
4. Ownership encourages responsibility and leads to effectiveness and efficiency of performance.
5. Participation, initiative and gender equity enable us to mobilize all possible resources for sustainable development.



The Staff of Morodok



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In April 2014, Morodok received 3-year NGO Governance & Professional Practice (GPP) certification, after being found to comply with the Code of Ethical Principles and Minimum Standards for NGOs in Cambodia.

In Khmer, “Morodok” means ‘heritage’, ‘inheritance’ or ‘legacy.’ According to Morodok’s By-Laws, it is also an acronym for a phrase meaning “ways towards progress with transparency for inheritance of the next generation.”

A Short History of Morodok

Morodok is a local NGO working with rural communities around Kompong Som Bay, Cambodia. It was previously a program of an international NGO, the American Friends Service Committee (AFSC). AFSC's Integrated Sustainable Livelihoods Program (ISLP), commenced its work in Sre Ambel district, Koh Kong, in September 1997. At that time, the area was remote and insecure. The AFSC/ISLP originally provided a full range of services, including agriculture, irrigation, credit, health and educational programs. However, in 2001, the program narrowed its focus to concentrate on helping communities manage and protect their natural resources and improve their livelihood options.

By 2003, the ISLP was completely staffed by Cambodians; and in 2004, the ISLP adopted financial monitoring tools to enable staff to manage their own budget. In order to prepare for full localization, in 2008, AFSC organized a number of internal workshops and meetings for the ISLP staff to explore ideas on how to become a local organization. As a consequence, a three-year localization plan was prepared. Staff developed their future vision and mission, and began a transition process in which the program developed its identity, policies, By-Laws, governance structures, and organizational capacity. In April 2011, the ISLP program team registered as a local NGO under the name "Morodok."

AFSC handed over the program to Morodok as of 1 October 2011. A Handover Ceremony was held in Sre Ambel on 5th October 2011. Since then, Morodok continues to work in the region, encouraging community groups to assert their rights over the use of natural resources and livelihood improvement. Morodok staff work closely with leaders of community groups, helping them to promote community ownership in social enterprise development and claiming their community rights for sustainable natural resource management. Morodok continues to bring community groups together with local government officials, technical officers and development partners to prepare applications and proposals, which are submitted to high-level government institutions to receive official rights to resource tenure, helping create ownership for coastal communities in the Kompong Som Bay region of Cambodia.



In October 2011, AFSC officially handed over the project to the staff, who formed a new local NGO named "Morodok."

Message from the Executive Director



Morodok believes every person has a right to work and a right to food. Therefore, Morodok aims to establish farmer cooperatives, small-medium business enterprises and strengthen community networks on natural resource management. This work helps to ensure enhanced income-generation and improves people's abilities to feed their families. Across all its project activities, Morodok places attention on empowering women and youth through leadership roles and actively involving them in the decision-making process.

Morodok takes a rights-based approach across all its programs, working to strengthen the capacity of community groups to better understand their land rights, participate in local democratization and promote good governance processes. Our team encourages communities to discuss means of enhancing their

wellbeing and identifying livelihood opportunities. We facilitates workshops, establish working groups, and provide the technical support needed to start community projects.

Morodok has experience in organizing many local public forums, and roundtable and network meetings among community groups. Our team works with local officials and technical officers to discuss problems and measures to ease conflict over the use of natural fisheries, forests and environmental protected areas. Morodok builds community networks in the surrounding Kampong Som Bay region to ensure a stronger voice for local communities.

As a community organizer, Morodok has the following principles:

- We are a local, independent, non-profit and non-political organization;
- We do not discriminate on the basis of ethnicity, religion, gender, or disability;
- We work as a community organizer in partnership with individuals and community groups, government institutions, and local and international NGOs, with transparency, initiative, gender equity, ownership and democracy, in order to serve people's common interests;
- We are a public organization that does not belonging to any individual person, group, and family.

A handwritten signature in blue ink, which appears to read 'Oung Tivea'.

Oung Tivea
Executive Director

Strategic Plan 2016-2019

The Goal of Morodok for the period 2016 to 2019 is that:

"Community groups around Kampong Som Bay have better opportunity to sustainably use natural resources in a rights-based manner and to assert ownership over social enterprise development supporting alternative livelihoods."

The program has 3 intended outcomes:

1. Community entrepreneurs use community-owned financial services to customize market-oriented products that enhance their business opportunities.
2. CBO and youth leaders with enhanced capacity work proactively in strong networks to advocate for law and policy enforcement supporting sustainable natural resource management.
3. Morodok improves its institutionalized capacity and policy frameworks necessary to provide competent services to support community driven change processes.

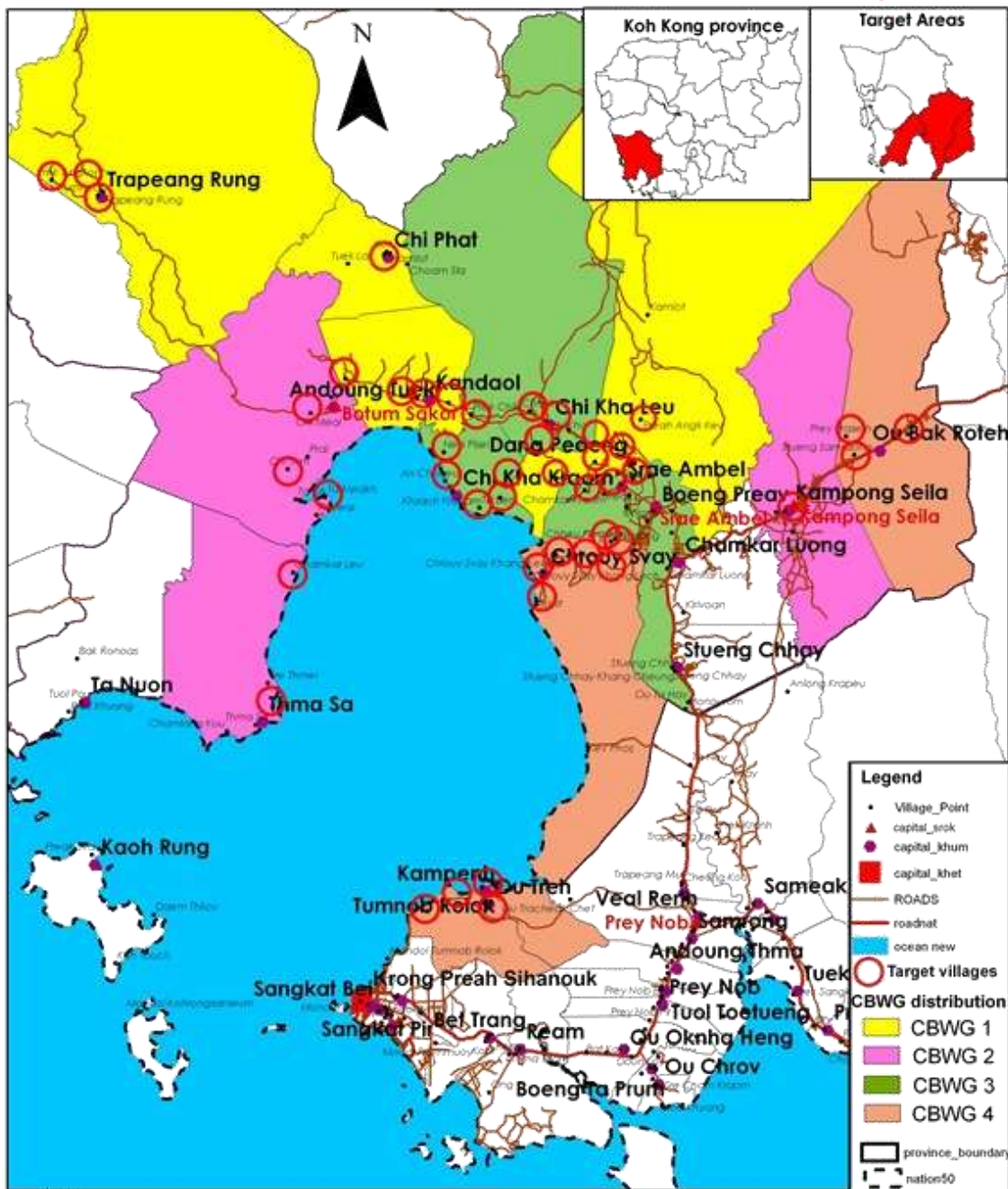
To achieve the above intended outcomes, Morodok will build its capacity to bring about five interrelated dimensions of change, as described in the diagram below.

The Five Dimensions of Change



Morodok continues to operate in 5 districts: Stung Hav, Kampong Seila, Sre Ambel, Botum Sakor, and Koh Kong. Morodok is withdrawing support from well-established projects, such as rice banks, buffalo banks, and phasing in new communes. The project areas are shown on the following map:

Map of Morodok Target Villages and Community Based Working Group Areas Around Kompong Som Bay



Pichara Leang-GIS Mapping Service, Dec 2015

0 5 10 20 Kilometers

Project Achievements in 2017-2018

Community Livelihoods Project

Over the years, the program has gained the trust of local communities and officials for its approach to community empowerment and cooperation with all stakeholders. Many of the systems put in place in previous years, including cow banks, community savings schemes, community forestry, are now sustainably managed by the communities themselves. Morodok's program now spans 14 communes, and focuses on cooperative income generation projects, capacity building of community revolving funds, and improved ability of community-based organizations to protect forests, fisheries and the environment.

With support from Bread for the World (Germany), Morodok completed a two-year project ending June 2018, with the following achievements:

- ✓ 108 community groups worked together to form 28 entrepreneur networks, consisting of 1,036 people (of which 79% were women), and made business plans for improving the livelihoods of over 3,600 people. On average, group members earned an average USD 1,090 over one year from their group projects, which provided, on average, an increase in income of 116% compared to their income from other sources.



Morodok helps savings groups and small businesses get established.

- ✓ Community revolving funds (CRFs) in 14 communes received capacity building, to nurture their ability to finance the entrepreneurial activities of community groups. 11 of these CRFs improved their operations by updating their financial management plans, procedures and structure.
- ✓ 9 market networks were formed (not including an additional 5 market networks supported by ICCO Cooperation under a separate project), to help market the products of community groups in their commune, and reduce the need for middlemen.
- ✓ 14 community-based organizations (CBOs) managing community forests or community protected areas were mentored in updating their internal structures and preparing development plans, and took measures to prevent illegal activities affecting natural resources. The CBOs were empowered to raise their concerns with local authorities and to seek official assistance in their natural re-source management activities.
- ✓ 25 youth (including 15 women) were trained in leadership skills and began to implement social enterprise activities.

Beginning July 2018, a new phase of the project for "Strengthening Community Livelihoods and Fisheries Around Kompong Som Bay" commenced. The project is again funded by Bread for the World (Germany), with additional co-funding from ICCO Cooperation (based in Netherlands).

The eighteen-month project has the following objectives:

1. At least 480 community producer households (80% of 600 community producer households, 70% women, with 3,000 family members) increase their income on average at least 10%.



CRF committee working on monthly closing of accounts with Interest Group members in Dang Peng commune.

2. At least 5 community revolving funds increase their available financial capital to community producer groups, on average by at least 10%.
3. At least 15 community-based organizations (out of 23 CBOs) have developed and implemented internal rules and management plans to protect natural resources (forest, fisheries, and environment protected areas).
4. Local officials approve (and support) plans to protect and sustainably benefit from natural resources proposed by at least 15 community-based organizations.

The project is progressing well towards these targets, achieving the following in the first 6 months:

- ✓ 564 households (out of 817 households with income generation activities) increased their income on average 31% compared to their earnings from other sources; and other households are also likely to make a profit after the completion of their projects.
- ✓ 14 community revolving funds increased their financial capital on average by 6%. Of these, 4 community revolving funds have already increased their financial capital by at least 10%.
- ✓ 10 community-based organizations revised their internal rules and regulations to strengthen the functioning of their management committees and improve the effectiveness of their patrolling activities.
- ✓ Over the six month period, 30 conflicts of illegal fishing and logging were resolved by CBO management committees in collaboration with local authorities and expert officials. 2 community fisheries updated their management plans (for 2019-2020) with support from local authorities, and submitted them to the Fisheries Administration for approval.

Fisheries Project

In November 2016, with support from ICCO Cooperation, Morodok began a new 3-year Fisheries Project, aimed at helping fishing families in 5 communes surrounding Kompong Som Bay to have increased incomes through sustainable fishing practices, access to finance, and improved marketing techniques. The 5 communes are: Chikhor Krom, Chrouy Svay, Andoug Tek, Thmor Sar, and Tumnop Rolok. Beginning July 2018, this project also became a co-funding component of the Community Livelihoods Project.

The project has three objectives:

1. Fishery resources are effectively managed by the community fisheries in a sustainable way.
2. Community Revolving Fund (CRF) committees are effectively managing loan and saving businesses in a profitable, scalable, and sustainable way, thus improving the access of fishing families to sustainable financial services.
3. Fishing families have increased income through "value addition" and better access to markets.

The project is receiving technical support from *Rural Entrepreneurship & Market Inclusion in Cambodia* (REMIC), in order to help improve the community's fishery food processing techniques and their access to markets for their products. Beginning April 2018, the project is also receiving support from *Resilient Enterprise Designs* (RED) to help improve the technical management of the community revolving funds. Morodok's evaluation found that this outsourcing of expertise had contributed to the efficiency and effectiveness of the program.



Morodok helps fishers to prepare their products for the market.

Morodok's evaluation found that this outsourcing of expertise had contributed to the efficiency and effectiveness of the program.

As a result, as of the end of 2018:

- ✓ Community fisheries groups have begun to improve their ability to protect fisheries resources through improving their internal organizational structures and rules.
- ✓ The 5 community revolving funds are implementing new financial management systems, have increased their savings capital by 5.4%, and are serving a total of 684 clients.
- ✓ 5 community business centres, with 82 members (of which 90% are women), were created and developed to improve access to markets.
- ✓ 47 fish processing families improved their income through better production, packaging, and marketing of value-added fisheries products.

Community Based Development Project

This small 15-month project, which ended in March 2018, was funded by the Australian Embassy's Direct Aid Program (DAP) with the aim of strengthening a component of Morodok's much larger Community Livelihoods Project.

The project aimed that "By the end of the project at least 30 community entrepreneur groups (at least 60% of which are women) in 5 target communes around Kompong Som Bay utilize community-owned financial services and improved production techniques to customize market oriented products that enhance their business opportunities." The 5 target communes are: Chikhor Leu, Ou Treh, Kampong Seila, Kandaol, and Tropeang Rung.

Through this project, Morodok assisted and supported 105 of the poorest families (including 88 female heads of household) to organize 29 producer interest groups to implement small business projects in the target areas. Approximately 500 family members, including women and children, benefited from these income generation projects.

29 producer groups jointly organized commune market networks in the 5 DAP-supported communes, and initiated community trade plans through collective buying of products in each commune. The project also provided ongoing technical and administrative support to 5 Community Revolving Fund Management Committees (CRFs) consisting of 20 members (of which 15 are women), through building their capacity to manage their revolving capital to support 105 families running income generation projects.



A food processing consultant provides training on seafood processing.

Evaluation

In February-March 2019, the project commissioned an independent evaluation to assess the relevance, effectiveness, efficiency, impact, and sustainability of Morodok's program over the last few years. The evaluation found that the "Morodok project is highly relevant to, and appreciated by, the target communities. The program has made a significant contribution to the goal of improved livelihoods." The evaluation provided suggestions for improvement, which staff have incorporated into an evaluation implementation plan and future activities. Morodok's intervention is still a work in progress, and the evaluation recommended "future phases should keep same focus."

Case Story: Improving Community Finance

Tumnob Rolok commune is on the coast of Kampong Som Bay in Steung Hav District. The population is mostly poor, and 80% of the people depend on fishing in the sea and seafood processing. The remaining 20% work mainly in the services sector. Their living situation is not good enough for a happy life. They fish in the sea, and they process seafood in traditional ways without the skills and techniques needed for producing foods that meet modern market requirements.

To address this situation, Morodok initiated discussions among community people to consider using community revolving funds (CRF) for the community's development. The community people strongly supported creation of a revolving fund, and 5 committee members were elected to the CRF management committee to assist community people to get loans for improving their businesses.



Tumnob Rolok community revolving fund members receive training from Morodok staff.

Morodok provided technical support to build their capacity in financial management, loan management, and development of structures, rules and regulations for the CRF to run effectively.

Members of the CRF now have the ability to process the funds well. Community members are happy to access the funds for their small businesses.

Mrs. Si Eav, leader of the CRF, said that “Before having the CRF, community people tried to access loans from microfinance institutions where they needed to provide a certificate of property ownership. It is so difficult for poor people. Since the CRF was established, poor people can get loans from the CRF without a certificate of property.”

She expressed that “I almost did not believe myself that I can lead and manage the finances of the CRF effectively with the entrepreneur groups; but I have now obtained skills and received training in leadership, management, loan management and business skills from Morodok. I think that the CRF is good for helping poor people in my community to develop and improve their social economic development, and I will try my best to continue working with the CRF more.”

Case Story: Chroy Svay Community Fisheries

Drive about 165 km from Phnom Penh on National Road No. 4, turn right to continue for another 17 km on National Road No. 48, arrive at an intersection, and then turn left onto the red rock commune road to the Chroy Svay fishing community. The place is very attractive for local, national and international visitors because of its beautiful seaside and mangrove forest, enriched with many varieties of marine fishery resources such as shrimp, crab, snails and fish. There are around 2,000 household members in the Chroy Svay community fishery. Most of them are smallholder fishers.

"Currently, the women in my community are very busy to earn extra income through seafood processing activities. I notice that there is a remarkable increase in the number of visitors coming to our community for eco-tourism, contributing to increased purchase of our community products and eco-tourism services. Thanks to Morodok for facilitation and support for the strengthening of our community fishery, establishment of eco-tourism, and especially



A local fishing boat takes eco-tourists on a site-seeing trip.

support to seafood processing and marketing. Previously only men who caught fish with their fishing nets could make income selling their fresh fish directly to wholesalers at nonnegotiable prices. Today my community could sell both fresh and processed seafood products, not only to visitors, but also to wholesalers coming to our villages and buying the products at a better price" said Mr. Kun Hok, a leader of the Chroy Svay Community Fishery.

Mr. Kun Hok added that the Chroy Svay Eco-Tourism project also substantially contributed to increased income for his community members. The visitors can be individuals, groups, companies or organizations. The visitors can visit the mangrove forest, visit the seaside, swim, catch crabs or snails, and go fishing. The beach is close to the homestay so they can see the beautiful sunrise in the early morning and sunset in the evening. They can also order a wonderful breakfast, lunch and dinner with Khmer dishes from the community sellers.

The design of Morodok's program was based on a needs assessment with local communities to make sure that the intervention is highly responsive to the identified needs. Morodok's program pooled its efforts to improve the co-management of fishery resources and increase opportunities for better livelihoods through increased access to adequate skills, markets and financial services.



Community members in Thmor Sar commune vote to elect leaders of the Community Fishery Committee.

Financial Report

Statement of Income and Expenses

For the Years Ending 31 December 2018 & 31 December 2017

	2018	2017
	USD	USD
INCOME		
Grants income	221,232	184,537
Interest and Other income	179	508
	221,411	185,045
EXPENSES		
Program costs	105,916	83,032
Personnel costs	94,689	79,459
Coordination costs	17,547	14,552
Equipment	3,080	8,577
	221,232	185,620
SURPLUS (DEFICIT) FOR THE YEAR	179	(575)

Statement of financial position

As at 31 December 2018 & 31 December 2017

	2018	2017
	USD	USD
ASSETS		
Current assets		
Cash	150,481	176,848
Other receivables	1,930	16,625
TOTAL ASSETS	152,411	193,473
LIABILITIES		
Current liabilities		
Staff separation payable	-	18,143
Accrued expenses	15,181	1,400
Taxes payable	357	277
Deferred grants	103,754	140,713
TOTAL FUND BALANCES	119,292	160,533
FUND BALANCE		
Fund balance, beginning	32,940	33,515
Excess of income over expenses	179	(575)
	33,119	32,940
TOTAL LIABILITIES & NET ASSETS	152,411	193,473



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MORODOK ORGANIZATION