

MORODOK

ANNUAL REPORT 2016



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, appearing to read 'Oung Tivea', enclosed in a thin black rectangular border.

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.

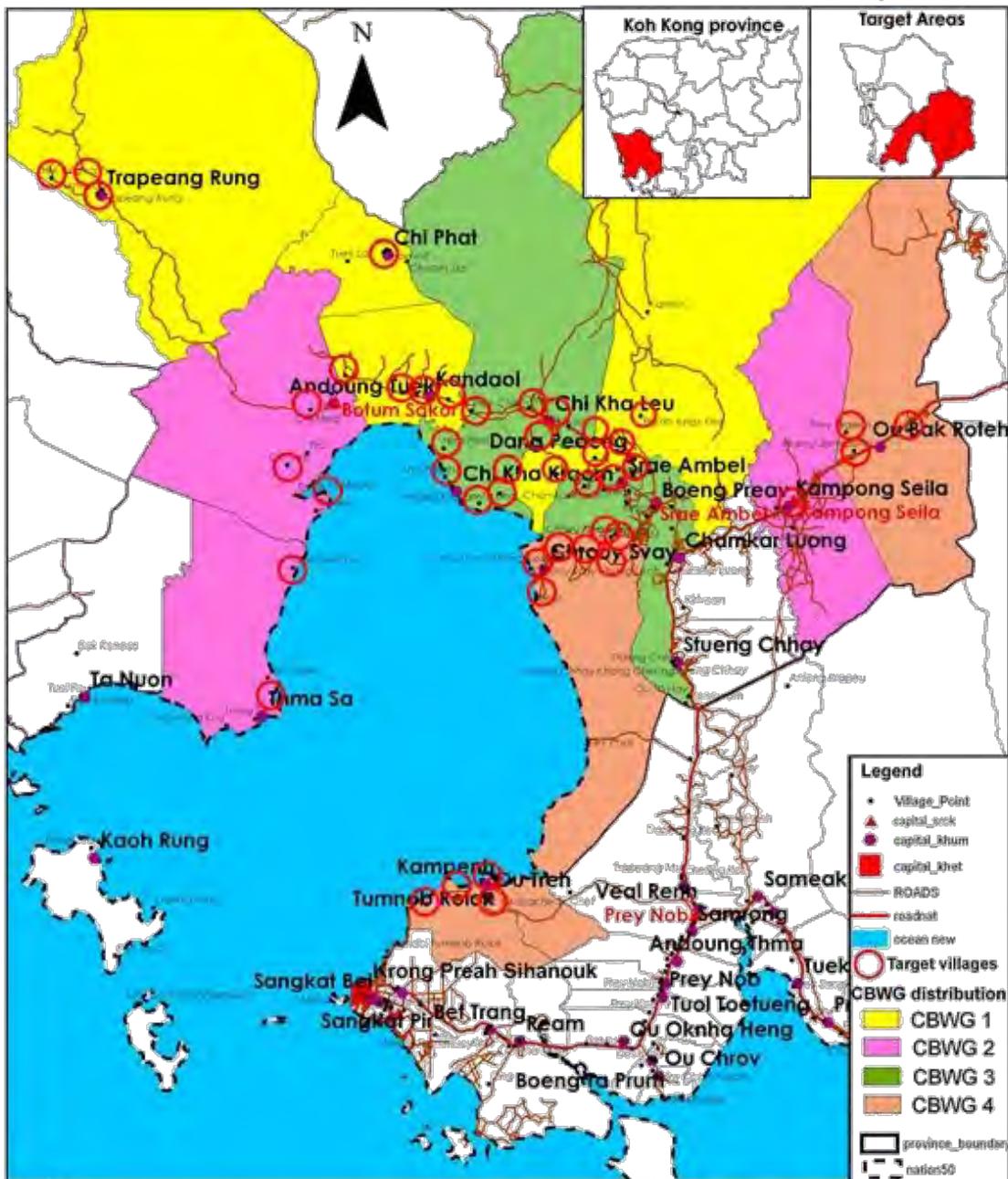
To achieve the above intended outcomes, Morodok will build its capacity to bring about five interrelated dimensions of change, as described in the diagram below.

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 2016

In June 2016, Morodok completed a 3.5 year project phase, focusing on “Community driven change in Social Enterprise Development and Community Rights in Sustainable Natural Resource Management.” As of June 2016:

- ✓ Morodok was supporting 144 active interest groups, consisting of villagers working together to cooperate on livelihood activities.
- ✓ The interest groups consisted of 1,149 members, including 885 women.
- ✓ 115 interest groups cooperated to form 14 community-owned revolving funds, covering 46 target villages.
- ✓ 89 of the interest groups had already made total profits of 947,647,050 KHR, benefiting 854 interest group members and their families.
- ✓ Morodok built the capacity of 375 leaders of community revolving funds, business interest groups and community-based organizations.
- ✓ 4 constructive public dialogues occurred during the reporting period among local authorities, technical officials and community groups involved in marine fishery, forestry and environmental protected areas, to solve problems related to unclear regulations and the encroachment of community land by individuals and companies.

Morodok experienced a funding gap for four months between July and October. This led to staff retrenchment and a slow-down of the program. A new agreement with Bread for the World was signed in October, and new staff recruited. Despite these delays, Morodok continued to implement its Strategic Plan, with specific activities between July and December as follows:

- ✓ Staff made 23 visits to monitor and mentor producer groups, and to assist them to make their business plans and apply to the community revolving funds.
- ✓ Community groups were organized into networks of similar producers in the same area, for cooperation and exchange of information.
- ✓ 14 revolving funds met to discuss strengths, weaknesses, and opportunities, and staff visited 10 community revolving funds for monitoring and follow-up.
- ✓ 15 representatives (including 12 women) from 9 communes met for one day to discuss production methods and marketing opportunities.
- ✓ 10 community-based organizations (CBOs) met to discuss and initiate measures to prevent illegal activities that may damage natural resources. The 10 CBOs also held 9 meetings to develop plans for eco-tourism, collection of non-timber forest products, and protection of natural resources. The plans were presented to officials at District Integration Workshops.
- ✓ 29 youth (including 17 women) from 11 communes met to discuss ideas for a youth business network.

New Projects Commencing 2016

Towards the end of 2016, Morodok commenced two new projects which will further contribute to the achievement of the Strategic Plan.

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.

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.

Under this project, Morodok 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.



Morodok helps fishers to prepare their products for the market.



Morodok helps savings groups and small businesses get established.

Community Based Development Project

This 15-month project, funded by the Australian Embassy's Direct Aid Program, aims to strengthen one of the components of Morodok's main program.

The project aims 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 communes are: Chikhor Leu, Ou Treh, Kampong Seila, Kandaol, and Tropeang Rung. In these five communes, the Embassy's assistance will help Morodok to:

1. Improve the production capacity of 30 community producer groups (the majority being women).
2. Connect 30 community producer groups to market networks to effectively broaden their business opportunities.
3. Help the 30 community entrepreneur groups to access financial services.

The Embassy's letter of acceptance was signed on 5 December 2016, and the project will continue until March 2018.

Case Story: "White Gold from the Sea"

Noun Nim is 32 years old. Noun Nim and his wife, Sorn Samin, earn their living by producing marine salt during the dry season. He inherited the skill from his parents. During the raining season, fishing crabs and mangrove lobsters is their main activity to complement the family income.

From year to year, marine salt production relies on the climate. In some years, a long dry season with excessively hot temperatures has impeded Noun Nim from producing much salt. Too poor to pay for the extra labor required to clean the salt field, Nim encountered a lot of difficulties.

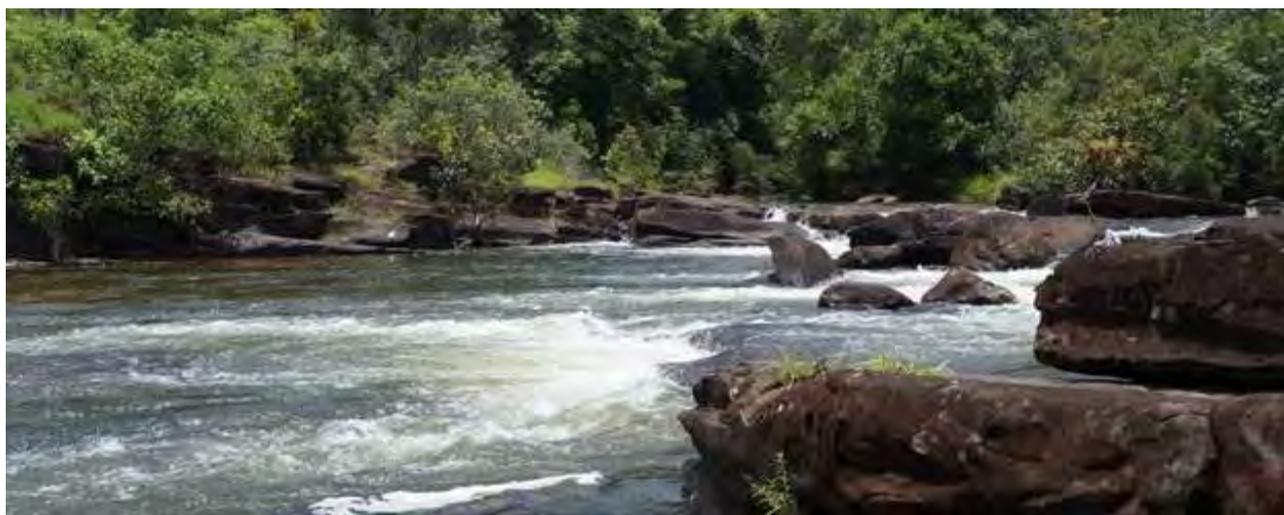
Morodok staff went to meet Nim and other villagers to inform them about the possibility of obtaining a loan from the community revolving fund (CRF) in their commune. Nim and other villagers set up interest groups in a small business network, enabling them to be eligible for a CRF loan.

Nim agreed with the CRF to take a loan of 1,500,000 KHR (\$375) to expand his salt production. After producing 30 tons of salt, he was able to earn 12,000,000 KHR. He had to use his earnings to pay for labor, fuel for pumping water, and packaging for the salt. He repaid the loan with interest, and had enough money left to securely feed his family.

Nim now wants to properly label his product to promote sales. He is confident that the quality of his production is comparable to commercially available salt. Since he accessed the CRF loan, Nim was elected as leader of his salt network. He asserted that the salt production will enable his daughter to go to school and will improve his family livelihood.



Case Story: Restoring Peace in Phnom Top Cheang



Phnom Top Cheang is a peaceful place. Local villagers look after a community forest on the side of the mountain and sell honey from hives placed in the forest. A waterfall attracts eco-tourists on a regular basis.

In November 2016, the members of Phnom Top Cheang community forest were busy. Their largest ever tourist group was about to visit: 120 Cambodian adventurers organized by the camping group Camid Explorer. The villagers divided into separate committees. One committee looked after administration, while a second committee prepared food. A third committee acted as tour guides, explaining the secrets of the forest and the local flora and fauna. Luckily for the homestay committee, who had never before looked after such a big group, the tourists brought their own tents.

Morodok assisted the villagers to prepare their eco-tourism operation: organizing meetings, building cooperation with local authorities, and providing technical support.

Phnom Top Cheang has not always been the peaceful oasis it is today. Up until 1996, the area had been controlled by the Khmer Rouge. After putting down their weapons under a government amnesty deal, the community faced new conflicts: with armed logging groups; with a logging company cutting timber outside of their concession area; with wildlife rangers who dismantled farmers' cottages and fences in the state forest; and with a Chinese hydropower company that built a road through their farmland.

AFSC, the predecessor to Morodok, helped build understanding of peaceful conflict resolution methods, involving dialogue and cooperation with local authorities. AFSC introduced villagers to the concept of community-based natural resources management, and helped the Preah Angkeo and Bak Angrut villages establish the Phnom Topcheang Community Forest.

By the time AFSC handed over the program to Morodok in 2011, some semblance of normalcy had returned to this conflict-ridden area. This opened the possibility of opening the area's pristine beauty to community-based ecotourism. The villagers' community-based eco-tourism project now has its own website (www.cbet-ptc.org).



Financial Report

Statement of Income and Expenses For the Year Ended 31 December 2016

| | 2016 | 2015 |
|---------------------------------------|---------|---------|
| | USD | USD |
| INCOME | | |
| Grants income | 113,270 | 159,006 |
| Interest income | 44 | 112 |
| | 113,314 | 159,118 |
| EXPENSES | | |
| Program costs | 21,791 | 36,170 |
| Personnel costs | 76,910 | 106,150 |
| Coordination costs | 13,084 | 14,811 |
| Equipment | 1,529 | 1,987 |
| | 113,314 | 159,118 |
| SURPLUS (DEFICIT) FOR THE YEAR | - | - |

Statement of financial position As at 31 December 2016

| | 2016 | 2015 |
|----------------------------------|---------|----------|
| | USD | USD |
| ASSETS | | |
| Current assets | | |
| Cash | 214,024 | 81,052 |
| Other receivables | 1,049 | 8,102 |
| TOTAL ASSETS | 215,073 | 89,154 |
| LIABILITIES | | |
| Current liabilities | | |
| Staff separation payable | 15,953 | 22,569 |
| Deferred grants | 196,276 | 64,317 |
| Other liabilities | 2,844 | 2,268 |
| TOTAL LIABILITIES | 215,073 | 89,154 |
| NET ASSETS | - | - |
| FUND BALANCE | | |
| Fund balance, beginning | - | (20,748) |
| Surplus (deficit) for the period | - | 20,748 |
| TOTAL FUND BALANCE | - | - |



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