

# MORODOK

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## ANNUAL REPORT 2019





## 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*



## CONTENTS

A Short History of Morodok .....	4
Message from the Executive Director .....	5
Project Achievements in 2019.....	6
Community Livelihoods Project .....	6
Fisheries Project.....	8
Evaluation and Program Development .....	9
Strategic Plan 2020-2024 .....	10
Financial Report .....	12

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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 Kampong 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 Kampong 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



On behalf of all the Morodok staff, I would like to express our deep thanks to Morodok's funding agencies, Board members, government counterparts, and community representatives. The support of all our stakeholders has been critical in empowering the communities' self-help process to stand up for their rights, to provide opportunities for them to implement livelihood projects, and to create forums to coordinate the sustainable use of natural resources, building community networks to ensure a stronger voice for these communities.

We believe that every person has rights to sustainably access natural resources, the right to work, and the right to food. Through establishing small business enterprises, communities can enhance their income generation and improve their ability to feed their

families. We understand the importance of empowering women and youth, especially in leadership and decision-making, and actively pursue this in all activities. Morodok believes every person has a right to work and a right to food.

In our next project phase, Morodok aims to establish farmer cooperatives, continue to support poor villagers' business initiatives, and to further 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.

A blue ink signature of Oung Tivea.

Oung Tivea  
Executive Director

### Acronyms used in this report

CBC Community business center  
CBO Community-based organization  
CRF Community revolving fund  
NGO Non-government organization



# Project Achievements in 2019

## Community Livelihoods Project

Much of the rural population living around Kampong Som Bay depend on natural resources to supplement their livelihoods. Most subsist on traditional farming, but rely also on fish and other aquatic resources and a range of forest products.

Although Cambodia is rapidly developing, in some rural areas poverty is becoming more entrenched as inequities in asset ownership and access to common property become more problematic, populations grow, traditional income activities decline, and ecosystems fall into disrepair. Effective approaches to socio-economic development and conservation are needed.

Morodok promotes community-based natural resource management and livelihood development as ways to increase local empowerment, to improve the sustainability of rural livelihoods, and to achieve both environmental and development objectives.

The "Strengthening Community Livelihoods and Fisheries around Kampong Som Bay" project encompasses all Morodok's work under the current program phase. It is funded primarily by Bread for the World, based in Germany, with other funders covering the cost of smaller project elements within the larger project.

The project's objective is that "Poor people in 14 communes around Kampong Som Bay have improved food security through improved natural resource management practices, access to community finance, and diversification of their sources of livelihood."



*Community Business Network meeting on income & expenditure planning and reporting, in Chroy Soay.*

Morodok works with over 1,000 poor people, organized into around 150 interest groups, the majority (70%) of which are women. The interest groups are typically crop growing, small business and fisheries producer groups or savings groups, with a shared interest and living in the same location. In each of the 14 target communes, the interest groups can access community-owned revolving funds to start-up, scale-up or restart their entrepreneur projects. Each group is required to develop internal rules, regulations and business plans.

Marketing of the community products is assisted by a community business network, which helps producers to follow common production standards and standardized packaging and to find markets for their products. Morodok is now assisting the business network to gain official status as an agricultural cooperative.

Morodok also works with 19 community-based organizations (CBOs) working on natural resource management covering 56,239 ha, including: 8 community fisheries, 4 community forests, and 7 community protected areas. These groups operate in accordance with the requirements of the Fisheries Administration, Forestry Administration and Environment Ministry, respectively. The groups include around 180 elected leaders (of which around 30% are women). About 14,340 people (including 7,670 women and girls) are members of the CBOs and indirectly or directly benefit from sustainable use of natural resources, eco-tourism, fisheries, and collection of non-timber forest products.



*Community Revolving Fund leaders meeting to review internal rules and regulations, in Kampong Seila.*

The current project phase began in July 2018 and is scheduled to end in March 2020. As of November 2019, a consultant-led monitoring exercise found that the project has so far achieved the following results:

- ✓ 419 households (45% out of 932 households with income generation activities, of which 79.7% women) increased their income by at least 10% through the project-supported activities compared to their previous earnings; and other households are likely to make a profit after the completion of their projects.
- ✓ 14 community revolving funds had increased their financial capital on average by 8% since the beginning of the 18-month project. Of these, 3 community revolving funds have already increased their financial capital by at least 10% since the beginning of the 18-month project, and 11 CRFs have increased their capital by at least 10% over the 3-year phase.
- ✓ 7 community-based organizations had revised their internal rules and regulations to strengthen the functioning of their management committees and improve the effectiveness of their patrolling activities.
- ✓ Since the start of the project, 98 conflicts of illegal fishing and logging were resolved by CBO management committees in collaboration with local authorities and expert officials. During this period, 3 community fisheries and 1 community protected area updated their management plans (for 2019-2021) with support from local authorities, and received approval from provincial authorities, while others implemented existing plans. 40 out of 65 action plans raised by 19 CBOs were accepted for integration into Commune Investment Plans for the year 2020.

## Fisheries Project

Morodok's three-year Fisheries Project, supported by ICCO Cooperation, was successfully completed in December 2019. The project aimed at helping fishing families in 5 communes around Kampong Som Bay to increase their incomes through sustainable fishing practices, access to finance, and improved marketing techniques. The 5 communes were: Chikhor Krom, Chrouy Svay, Andoug Tek, Thmor Sar, and Tumnop Rolok.

The project had 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 received 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; and support from *Resilient Enterprise Designs* (RED) to help improve the technical management of the community revolving funds.



Fishing group processing "kopic" fish paste in Chroy Svay.

As a result, by the end of 2019:

- ✓ 5 community business centers (CBC), with 75 members (of which 90% are women), were created and developed to improve access to markets. The CBCs marketed 12 kinds of seafood products, with standard production methods and attractive packaging. In 2019, all 5 CBCs made a profit, averaging 3,313 US dollars per CBC, or 220 US dollars per member.
- ✓ 75 fish processors received training on seafood processing techniques, and improved their income through better production, packaging, and marketing of value-added fisheries products.
- ✓ The 5 community revolving funds are implementing new financial management systems, have increased their savings capital by 13%, and are serving a total of 544 clients.
- ✓ Community fisheries groups improved their ability to protect fisheries resource. The number of detected fishery-related illegal cases declined dramatically from 109 in 2018 to 41 in 2019, although the number of patrols increased. Over the three years, 142 fisheries-related cases were solved peacefully by the fishery community through providing verbal warnings and signing an agreement with the perpetrator, and sometimes imposing a fine, while a further 23 cases were referred to the Fisheries Administration for action.



## Evaluation and Program Development

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 “Morodok’s intervention is still a work in progress,” and that “future phases should keep same focus.” Further, the evaluation stated 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 incorporated into an evaluation implementation plan and future activities.

Immediately following the evaluation, Morodok also commissioned an “Organizational Development Assessment” to review job descriptions, personnel requirements, and salaries and to suggest how these should be revised in the next project period. The aim was to ensure that Morodok has the ability to recruit and retain capable staff with the skills and experience necessary to carry out Morodok’s mission and future program within its budget limitations.

Based on the findings of the Evaluation and Organizational Development Assessment, and in consultation with relevant stakeholders, in July 2019, Morodok completed its new Strategic Plan for the five-year period 2020 to 2024. The plan was reviewed and approved by Morodok’s Board. A project proposal for the period 2020 to 2022 was developed and sent to Bread for the World. The new project, funded by Bread for the World, will commence in April 2020.

Due to the withdrawal of ICCO Cooperation’s partnership program from Cambodia, Morodok was in need

of new donors. In May 2019, Morodok commissioned a “Funding Options” study to identify new funding sources for Morodok's next phase, and the donor requirements in each case. Potential funding agencies were identified and contacted, and five new proposals were prepared, of which two were successful.

The two new funding agencies for the next project phase are the World Wildlife Fund (WWF) and FELM. WWF is an international NGO that works to conserve nature and reduce the most pressing threats to the diversity of life on Earth. FELM is an agency of the Evangelical Lutheran Church of Finland which works to promote human dignity and justice around the world.

### ***Extract from ICCO Cooperation / Kerk in Actie Project Closure Letter***

Morodok has achieved great results during the project period, such as strengthening the operation of the 5 communities to sell and market seafood processing products and increase their incomes. Fisher families were trained in processing, packaging, marketing, food safety, etc. Also, the newly established Community Business Network (CBN), which is consolidating seafood processing products from all 5 Community Business Centres (CBCs) and bringing it to the market, has plans to evolve and form a registered Agricultural Cooperative in the future (with legally recognized status, government support and tax exemption). The fishing communities have mobilized shares to run the CBN, visited 120 buyers and use marketing, e.g. Facebook, to promote their products...

ICCO and Kerk in Actie would like to thank Morodok for the great collaboration over the past years, and wish you all the best in your future work.

# Strategic Plan 2020-2024

The Goal of Morodok for the period 2020 to 2024 is that:

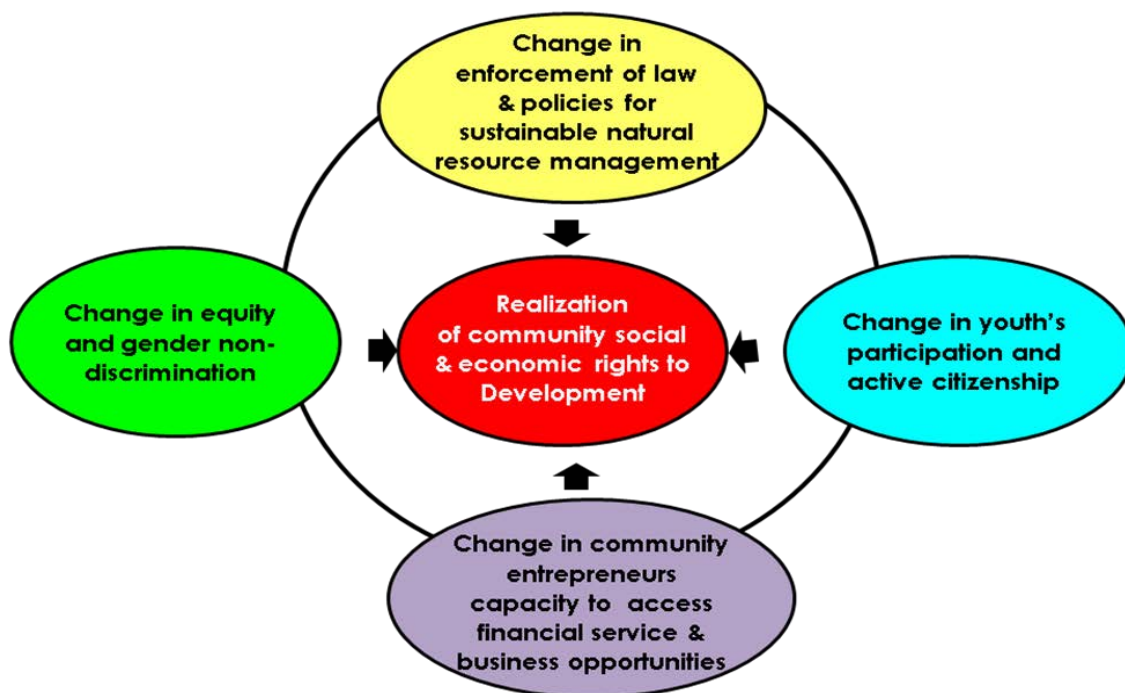
“Rural communities improve their sustainable use of natural resources and engage in climate-adaptive livelihoods in order to increase their income.”

The program has 3 intended outcomes:

1. Entrepreneurial capacities of smallholder producers to produce and trade market-oriented products are enhanced.
2. The ability of smallholder producers to access to community finance is improved.
3. CBO leaders with enhanced capacity work proactively in strong networks to advocate for law and policy enforcement supporting sustainable natural resource management, development and governance.

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.

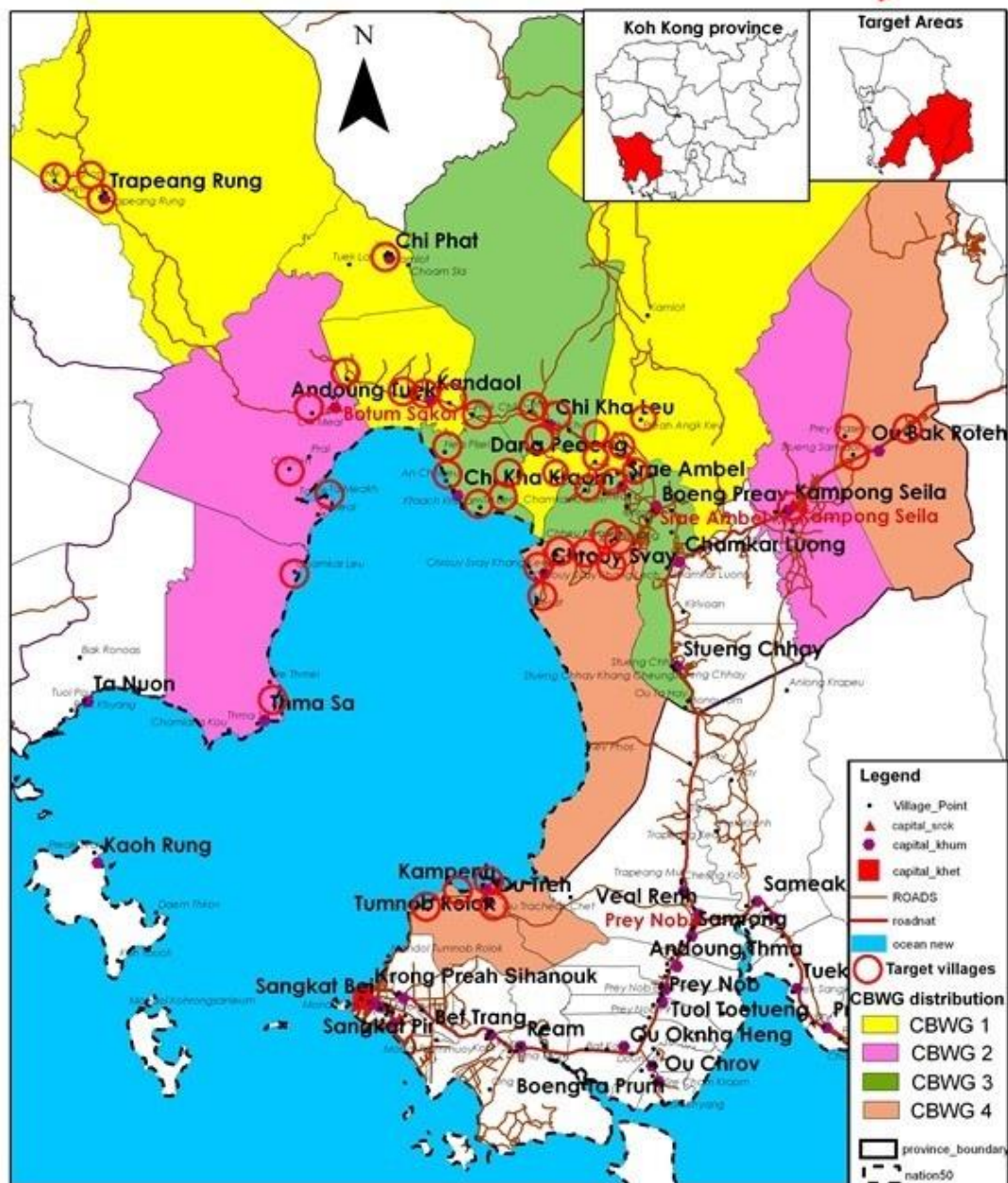
## The Five Dimensions of Change



Morodok continues to operate in 14 communes in 5 districts: Stung Hav, Kampong Seila, Sre Ambel, Botum Sakor, and Koh Kong. Morodok has withdrawn support from well-established projects such as rice banks, buffalo banks, and has phased in new communes. The project areas are shown on the following map:



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



# Financial Report

## Statement of Income and Expenses

For the Years Ending 31 December 2019 & 31 December 2018

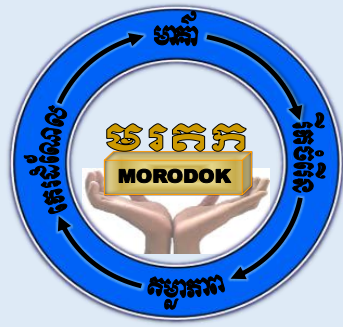
	2019	2018
	USD	USD
<b>INCOME</b>		
Grants income	218,567	221,232
Interest & other income	1,167	179
	219,734	221,411
<b>EXPENSES</b>		
Personnel costs	98,041	94,689
Program costs	85,988	105,916
Coordination costs	18,024	17,547
Evaluation costs	15,063	
Equipment & other expenses	1,496	3,080
	218,612	221,232
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>1,122</b>	<b>179</b>

## Statement of financial position

As at 31 December 2019 & 31 December 2018

	2019	2018
	USD	USD
<b>ASSETS</b>		
Current assets		
Cash	77,520	150,481
Other receivables	-	1,930
<b>TOTAL ASSETS</b>	<b>77,520</b>	<b>152,411</b>
<b>LIABILITIES</b>		
Current liabilities		
Deferred grants	38,358	103,754
Accrued expenses	4,170	15,181
Taxes payable	751	357
<b>TOTAL FUND BALANCES</b>	<b>43,279</b>	<b>119,292</b>
<b>FUND BALANCE</b>		
Fund balance, beginning	33,119	32,940
Excess of income over expenses	1,122	179
	34,241	33,119
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>77,520</b>	<b>152,411</b>





**អង្គការមរតក**  
**MORODOK ORGANIZATION**