CAMBODIA: LAND MANAGEMENT AND ADMINISTRATION PROJECT Inspection Panel Investigation Report No. 58016-KH

Management Report Back to the Executive Board of Directors

May 16, 2011

As per paragraph 79 of the Management Report and Recommendation in response to the Inspection Panel Investigation of the Cambodia Land Management and Administration Project (LMAP), the purpose of this note is to report back to the Board of Executive Directors on the progress on implementing the revised Action Plan within 60 days of the Board discussion.

On April 28, 2011, Bank Management received a letter from the Senior Minister of Land in the Royal Cambodian Government (RCG) informing that the Phnom Penh Municipal authorities (PPM) had been instructed to examine and implement an on-site development option for the remaining Boeung Kak Lake (BKL) residents. On the following day, discussions were initiated between the PPM and the remaining BKL residents on this option. Bank Management has been informed that the PPM is amenable to negotiating the on-site development option and that the remaining residents are willing to negotiate with the PPM in this regard. Representatives of the BKL residents have confirmed that initial discussions with the PPM have been held and they are hopeful that a formal agreement can be reached, although as of today, this has not yet been achieved.

In their letter, the RGC also informed Bank Management of a number of steps that they are taking to improve resettlement processes more generally in Cambodia (with support from some other Development Partners), including improving the living conditions and livelihood opportunities for those previously resettled.

In view of these events, Bank Management has decided that it would be appropriate to allow additional time for both parties to reach satisfactory progress/agreements to address the issues raised by the Inspection Panel. Management will provide a further update to the Executive Directors when significant new developments warrant, and in any event, within six months.