

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. The Asian Development Bank (ADB) is Cambodia's lead partner in the urban and water sector. Other partners active in the sector include the Japan International Cooperation Agency (JICA), Agence Française de Développement (AFD), KfW, the World Bank, and agencies of the United Nations.

#### Major Development Partners

Development Partner	Project Name	Duration	Amount (\$ million)
<b>Urban Sector Development</b>			
ADB	Urban Development Strategy Study	1997	0.50
	Provincial Towns Improvement Project (Supplementary)	1999–2007	26.26
	GMS Greater Mekong Tourism Project	2002–2010	15.60
SPCR PPCR	GMS Southern Economic Corridor Towns Development Project	2012–	37.00
	Flood and drought management in Pursat province (part of GMS Flood and Drought Management Project)		10.00
	Climate proofing infrastructure in the Southern Economic Corridor towns: Battambang, Bavet, Neak Leung, and Poipet (part of GMS Southern Economic Corridor Towns Development Project )	2012–	10.00
	Climate Proofing of Roads in Prey Veng, Svay Rieng, Kampong Chhnang, and Kampong Speu (part of the Provincial Roads Improvement Project)		17.00
ADB–OPEC	Phnom Penh Water Supply and Drainage Project (part B: drainage)	1997–2003	8.36
JICA	Study on drainage improvement and flood control in the MPP	1998–1999	(...)
	Study on solid waste management in the MPP	2003–2005	
	Project on the strengthening of solid waste management for the MPP	2006–2007	
	Basin-wide basic irrigation and drainage master plan study in Cambodia	2006	(...)
	Project for flood protection and drainage improvement in the MPP – 1	2002–2004	0.017
	Project for flood protection and drainage improvement in the MPP – 2	2007–2010	0.023
	Solid Waste Management Improvement Project in Phnom Penh	2005–2007	13.90
	Project for flood protection and drainage improvement in the MPP – 3	2009–2012	37.13
	France	Phnom Penh Urban Master Plan study to 2020	2002–2005
	Project for improvement of green spaces in Phnom Penh City	2007–2009	0.22
	Urban development management in Phnom Penh City	2007–2009	0.40
	Phnom Penh Urban Master Plan 2020 update	2008–2009	0.10
AFD	Central Market Rehabilitation Project	2008–2010	4.20
GIZ	Land Allocation for Social and Economic Development	2007–2012	(...)
NORAD	Neighborhood Improvement Program (cofinancing with part B of Phnom Penh Water Supply and Drainage Project)	1997–2002	4.60 <sup>a</sup>
<b>Part of the Tonle Sap Initiatives (multisector)</b>			
ADB	Tonle Sap Sustainable Livelihoods Project	2005–2010	19.74
	Tonle Sap Rural Water Supply and Sanitation Sector	2005–2012	18.00
	Tonle Sap Lowlands Rural Development Project	2007–	10.10
	Tonle Sap Poverty Reduction and Smallholder Development Project	2009–	3.40
<b>Urban Water Supply and Sanitation</b>			
ADB	Water Supply Project	2014–	37.40
ADB	Loan Phnom Penh Water Supply and Drainage Project: Water Supply	1997–2001	15.90
ADB–OPEC	Phnom Penh Water Supply and Drainage Project: Drainage	1997–2003	(...)
UN-HABITAT	Mekong Water and Sanitation Initiative	2005–	(...)
<b>Governance and Public Sector Management</b>			
ADB	Decentralized Public Service and Financial Management Sector Development Program - Subprogram 1	2013–	38.76
Australia	Support to Piloting Functional Assignments	2012–2013	0.30

Development Partner	Project Name	Duration	Amount (\$ million)
GIZ–EU–SIDA	Strengthening Performance, Accountability, and Civic Engagement (EU SPACE)	2010–2014	10.0
SIDA	Support to National Committee for Subnational Democratic Development	2012–2014	20.00
UNDP	ACCESS – Association of Councils Enhanced Services Programme	2012–2013	(...)

Note: The list of projects is not exhaustive and does not include transport projects. A comprehensive list is in ADB. 2012. *Cambodia: Urban Sector Assessment, Strategy, and Road Map* (Appendix 4). Manila.

<sup>a</sup> Estimated.

(...) = data not available, ADB = Asian Development Bank, AFD = Agence Française de Développement, EU = European Union, GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit, Gov't = government, JICA = Japan International Cooperation Agency, MPP = Municipality of Phnom Penh, NORAD = Norwegian Agency for Development Cooperation, OPEC = Organization of the Petroleum Exporting Countries, PPCR = Pilot Program for Climate Resilience, SIDA = Swedish International Development Cooperation Agency, SPCR = Strategic Program for Climate Resilience, UNDP = United Nations Development Programme, UN-HABITAT = United Nations Human Settlements Programme.

Source: Asian Development Bank.

2. JICA has been an active partner in the sector and has supported infrastructure and technical assistance in urban transport, water supply and sanitation, solid waste management planning, coastal zone planning, and urban roads and bridges. JICA has provided technical assistance to Sihanoukville through a study on the National Integrated Strategy of Coastal Development and Master Plans for Sihanoukville (2008–2010) and on strengthening competitiveness and development of Sihanoukville's port (2011–2012), and to both Sihanoukville and Kampot to build technical and management capacity of the provincial waterworks. JICA has provided financing to develop the Sihanoukville Port Special Economic Zone, the port infrastructure of which gives it a unique advantage over Cambodia's other special economic zones. JICA has also provided financing for a public bus scheme in Phnom Penh.

3. KfW is an active partner in Cambodia, but with more limited engagement in the urban sector. KfW's priority areas in Cambodia are health and rural development, and it also provides support to promote good governance, democracy, and civil society. KfW has supported spatial planning on a national level and regional economic development in Siem Reap. The German Development Service (DED) has supported land use planning in Battambang and Siem Reap.

4. AFD is currently financing the Greater Phnom Penh Water Supply System for increasing its production capacity and extending and improving its transmission and distribution system, and supporting public lighting in the capital. Apart from these infrastructure investments, most of AFD's work focuses on its target sectors of agriculture and agro-industry, the productive sector, and vocational training.

5. The World Bank has largely focused on rural development in Cambodia, with some programs focusing on urban water supply (including Phnom Penh, Sihanoukville, and Siem Reap) and activities through the Water and Sanitation Program.

6. Specialized agencies of the United Nations have been engaged in the sector. The United Nations Human Settlement Programme (UN-Habitat) has worked on tenure and shelter of the urban poor, and has most recently supported water supply in small and medium-sized towns. The United Nations Development Programme has supported decentralization reforms, including in the pilot cities of Siem Reap and Battambang. The United Nations Capital Development Fund supports subnational planning and fiscal decentralization, including through the provision of capital grants.

7. The Export–Import Bank of Korea (Korea EXIM Bank) supported the rural and urban transport sector and intends to engage in sewage treatment in the future. The Korea International Cooperation Agency is an active partner for Cambodia, and its focus is providing technical assistance and grants in the rural development, health, information and communications technology, education, and science and technology sectors. This includes technical assistance for waterway improvement for port logistics covering a 215-kilometer stretch of the Mekong River from Phnom Penh to Kratie.

8. Nongovernment organizations active in the sector include Habitat for Humanity and Samakum Teang Thnot, both focusing on poor urban communities and the Center for Development for community development and capacity building in rural water supply and sanitation.

## **B. Institutional Arrangements and Processes for Development Coordination**

9. ADB actively engages with other partners through technical working groups and the Government Donor Coordination Committee. ADB has supported strengthening partner coordination through technical assistance to the policy framework and architecture of these bodies, and active participation in the proceedings.

10. Partnerships will be developed and explored in the context of the capacity building activities, including the private sector and/or nongovernment organizations. The Strategic Local Economic Development Plans, prepared under project preparatory technical assistance and to be refined and mainstreamed under the project, include priorities for a medium-term investment program in each town. The plans can provide a platform for attracting additional investment from government agencies, international donor agencies, and the private sector.

## **C. Achievements and Issues**

11. Annual country portfolio performance reviews, carried out jointly with JICA and the World Bank, have identified various implementation challenges for projects in Cambodia. Executing and implementing agencies have limited implementing capacity, particularly in project management, procurement, and financial management. Authority is often not being delegated to project management units. Project preparation is generally poor, with delays in project implementation start-ups. The long-term impact and sustainability of ADB infrastructure projects need to be safeguarded by effective operations after completion. Government asset management needs to improve, and expenditure on operation and maintenance needs to increase. Through targeted technical assistance, ADB is assisting government line ministries and agencies in institutional and capacity development for projects and programs. ADB is also engaged in dialogue with the government to ensure that sufficient resources are earmarked for operation and maintenance.

## **D. Summary and Recommendations**

12. ADB will continue to engage with development partners in the context of the technical working groups, Government Donor Coordination Committee, as well as the wider ADB-led Greater Mekong Subregion program. As a lead partner in the sector, it will continue to play a convening role for many of these wider discussions.