

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The Government of Japan is the main development partner supporting the supply of urban water in Cambodia. The Asian Development Bank (ADB) is engaged through the Urban Water Supply Project and coordinates its activities with the Ministry of Industry and Handicraft (MIH), the executing agency for the project, and with the Japan International Cooperation Agency (JICA) to prevent potential overlaps and ensure that undertakings are complementary.¹ The Agence Française de Développement (AFD) is supporting urban water supply in Siem Reap and is cofinancing the Provincial Water Supply and Sanitation Project with ADB. At November 2017, the World Bank has no active projects financing infrastructure for water supply in Cambodia.

2. ADB, UN-Habitat, and the World Bank have supported the urban sanitation subsector through projects where sanitation has been a component of combined water supply and sanitation initiatives. The primary focus of these projects is water supply, with sanitation being a minor component. The project will improve urban water supply and sanitation services in Battambang, Kampong Cham, Siem Reap, and Sihanoukville aligning with government targets.²

Major Development Partners – Water Supply and Sanitation

Development Partner	Project Name	Duration	Amount (million)
Government of Japan	The Master Plan Study on Phnom Penh Water Supply System	1993	Not known
	The Project for Improvement of Water Supply Facilities in Phnom Penh	1994–1996	\$27.50
	Study on Water Supply System for Siem Reap Region in Cambodia	1996–2000	Not known
	The Project for Improvement of Water Supply Facilities in Phnom Penh, Phase 2	1997–1999	\$21.50
	The Project for Expansion of Phum Prek Water Treatment Plant (Phnom Penh)	2001–2003	\$26.40
	The Project on Capacity Building for Water Supply System, Phase 1	2003–2006	\$3.00
	Project for Improvement of Water Supply System in Siem Reap Provincial Town	2004–2006	\$15.40
	The Master Plan Study for Greater Phnom Penh Water Supply	2004–2006	\$1.88
	The Project on Capacity Building for Water Supply System, Phase 2	2007–2012	\$6.20
	Niroth Water Supply Project (Phnom Penh) (JICA \$35.1 million, AfD \$13.3 million; PPWSA \$16.9 million)	2009–2014	\$65.30
	Siem Reap Water Treatment Plant Expansion Project	2009–2018	\$71.60
	Grid-Connected Photovoltaic Power Generation System for Phum Prek Water Treatment Plant, Phnom Penh	2010–2012	\$7.20
	Project on Replacement and Expansion of Water Distribution Systems in Provincial Capitals	2011–2013	\$33.70
	Clean Water Supply Project in Sen Monorom Town of Mondul Kiri Province	2011–2014	\$2.10

¹ ADB. 2014. *Urban Water Supply Project* (Loan 3232-CAM). Manila. Approved on 11 December 2014.

² Sanitation includes septage management and sewerage systems only; solid waste is not included.

Development Partner	Project Name	Duration	Amount (million)
	Project on Capacity Building for Water Supply System, Phase 3	2012	Not known
	Provincial Water Supply Expansion Project in Battambang and Kampong Cham	2012	Not known
	Preliminary Study: The Preparatory Survey on the Project for Expansion and Improvement of Water Supply System in Kampot	2014–2018	¥ 2,113
WHO/AusAid	Water Safety Plans for Pursat, Svay Rieng, Stoung, and Kampong Cham Long	2012–2016	\$0.34
World Bank	Urban Water Supply and Sanitation Sector Review	2011–2012	Not known
	Mekong Integrated Water Resources Management	TBD	\$32.50
	Urban Water Supply Project	1996	\$31.00
	Provincial and Peri-Urban Water Supply and Sanitation Project	2003	\$19.90
	Pipe Expansion for Peri-Urban Areas	TBD	Not known
	Water and Sanitation Financing Strategy	TBD	Not known
ADB	Phnom Penh Water Supply and Drainage (with World Bank and supported by PPWSA)	1996–2003	Not known
	Project on Regulatory Reform and Enforcement	2001–2008	\$34.00
	The Provincial Towns Improvement Project	2000–2006	\$16.30
	Mekong Water Supply and Sanitation Project (Improvement of Water Supply and Sanitation in Kratie and Stung Treng)	2009	\$1.20
	Urban Water Supply Project (9 towns)	2015–2020	\$37.40
UN-Habitat	The Water for Asian Cities Programme, Kratie, and Kandal	2007–2012	\$1.60
	Mekong Region Water and Sanitation Programme, Svay Rieng, Kampong Cham, Kampong Thom, and Pursat Towns	2007–2015	Not known
	Extension of Water Supply and Sanitation, Monitoring Achievements towards Reaching the MDGs in Kampot Kampong Thom, Kampong Cham, Svay Rieng, and Pursat.	2008–2012	\$1.96
AFD	Improvement of Distribution Network	1992–1993	\$1.63
	Improvement of Water Supply Facilities in Phnom Penh	1993–1997	\$10.27
	Improvement of Distribution Network	1993–1996	€4.00
	Small-Scale Piped Water System Project	2001–2005	Not known
	Extension of Phnom Penh Suburb Water Supply System	2003–2008	€0.15
	Clean Water Supply Project of the Sub-Urban Areas of Phnom Penh	2006–2010	€0.36
	Extension of Phnom Penh Suburb Water Supply	2007–2010	€11.10
	Nirot Water Supply Project	2009–2013	€16.00
	Assessment of Opportunities for Pipe Water System Development by Private Operator in Small towns – Phase 1	2011	€0.28
	PPWSA's Master Plan Review	Proposed	Not known
GRET	PPWSA's Master Plan Review	Proposed	Not known
	Kampot Waterworks Improvement	Ongoing	TBD
	Technical Assistance on Arsenic Withdrawing	Ongoing	TBD
	Review and Update National Drinking Water Standard, and Prepare Guidelines	Ongoing	TBD

ADB = Asian Development Bank, AFD = Agence Française de Développement, GRET = Research and Technological Exchange Group, JICA = Japan International Cooperation Agency, MDG = millennium development goal, MIH = Ministry of Industry and Handicrafts, MSME = micro-, small-, and medium-sized enterprises, PPWSA = Phnom Penh Water Supply Authority, TBD = to be determined, UN-HABITAT = United Nations Human Settlements Programme, WB = World Bank.

Source: Asian Development Bank.

B. Institutional Arrangements and Processes for Development Coordination

3. ADB coordinates its work with the main development partners in the urban water supply and sanitation sector (JICA, AFD, and World Bank) and participates in government-led sector working group meetings with development partners on a regular basis. In addition, ADB has held coordination meetings with other development partners during the project preparatory technical assistance and loan processing for the current project. Consultation will continue during project implementation to ensure compatibility of the project locations, design, and outputs with JICA and AFD activities in project towns and the sector as a whole. The project includes a new initiative to collaborate with both the MIH and the Ministry of Public Works and Transport (MPWT), aimed at improving sector coordination between the two primary responsible ministries, so coordination is being promoted through the project implementation and beyond.

C. Achievements and Issues

4. Phnom Penh has been the main focus of investment in urban water supply and the Phnom Penh Water Supply Authority (PPWSA) has become very successful and a top performing regional water utility. However, lack of investment in the provinces coupled with low levels of support from development partners, has led to poor sector performance, lack of coverage, and inadequate service provision in the rest of the country. Since its formation in 2014, the MIH has implemented significant reforms for urban water supply, readying all public waterworks for financial autonomy by 2019. Although significant reforms in urban water supply are being made by the government, much remains to be done both in terms of infrastructure, service provision, and institutional development. The main development partners are coordinating projects with MIH.

5. Investment in urban sanitation has trailed that of urban water supply significantly, and only three provincial towns (Battambang, Siem Reap, and Sihanoukville) have operational sewerage systems, which have all been supported by ADB investments. Much still needs to be done in these three important and expanding towns and in the rest of the country to support urban sanitation. The main development partners are coordinating projects with MPWT.

D. Summary and Recommendations

6. The Government's National Strategic Development Plan (NSDP), 2014–2018,³ to which ADB and other development partners have contributed, sets the target for 100% urban water supply and for sanitation by 2025, but actions for sanitation are not well defined. A draft 20-year development plan identifies targets for the subsectors⁴ ADB's experience in the urban water supply subsector during 2012–2016 with the MIH, MPWT, and main development partners will be strengthened through the current project. The project will support the government's targets for 100% urban water supply coverage by 2025 and help establish government targets for urban sanitation. To achieve these targets, coordination with the main development partners and government will need to be improved. However, improved development coordination alone will not resolve the sector issues and, thus, the project will support institutional development at both the MIH and MWPT alongside the investment components. While urban water supply continues to improve, MIH's role as a regulator must be developed. Initially, service provision for sanitation under the MPWT will need to focus on the provision of septage management services, as a quick and easy first-step on the sanitation ladder for most towns, and before costly sewerage development.

³ Government of Cambodia. 2014. *National Strategic Development Plan, 2014–2018*. Phnom Penh.

⁴ Draft roadmap and 20-year development plan prepared by the Cities Development Initiative Development for Asia (CDIA) component of the PWSSP project preparation in February 2017.