

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The Government of Japan is the main development partner supporting the urban water supply subsector in Cambodia. The Asian Development Bank (ADB) is coordinating its activities in the subsector closely with the Ministry of Industry and Handicraft, which will be the executing agency for the Urban Water Supply Project, and with the Japan International Cooperation Agency (JICA) to prevent potential overlaps in ADB and JICA support and ensure that the undertakings of each complement the other's. The Agence Française de Développement (AFD) has recently started to support the subsector in Siem Reap and the executing agency is currently closely coordinating the ADB project and the proposed AFD project. The World Bank has no ongoing or planned projects involving infrastructure provision in the sector.

Major Development Partners

Development Partner	Project Name	Duration	Amount	
Water Supply and Sanitation				
Government of Japan	Study on Phnom Penh Water Supply System	1993	(...)	
	Master Plan of Greater Phnom Penh Water Supply, Phase 2	2004–2006	\$1.88 million	
	Study on Water Supply System for Siem Reap Region in Cambodia	1996–2000	(...)	
	Project on Capacity Building for Water Supply System	2003–2006	\$3.0 million	
	Project on Capacity Building for Water Supply System, Phase 2	2007–2012	\$6.2 million	
	Project on Capacity Building for Water Supply System, Phase 3	2012	(...)	
	Project for the Improvement of Water Supply Facilities in Phnom Penh	1994–1996	\$27.5 million	
	Project for Improvement of Water Supply Facilities in Phnom Penh, Phase 2	1997–1999	\$21.5 million	
	Project for Expansion of PhumPrek Water Treatment Plant (Phnom Penh)	2001–2003	\$26.4 million	
	Project for Improvement of Water Supply System in Siem Reap Provincial Town	2004–2006	\$15.4 million	
	Project on Phnom Penh Water Treatment Plant Data Monitoring System	2008	(...)	
	Niroth Water Supply Project (Phnom Penh) (JICA \$35.1 million, AFD \$13.3 million; PPWSA \$16.9 million)	2009–2013	\$65.3 million	
	Siem Reap Water Treatment Plant Expansion Project	2009–2018	\$71.6 million	
	Grid-Connected Photovoltaic Power Generation System for PhumPrek Water Treatment Plant, Phnom Penh	2010–2012	\$7.2 million	
	Project on Replacement and Expansion of Water Distribution Systems in Provincial Capitals	2011–2013	\$33.7 million	
	Provincial Water Supply Expansion Project in Battambang and Kampong Cham	2012	(...)	
	Clean Water Supply Project in Sen Monorom Town of Mondul Kiri Province	2011–2014	\$2.1 million	
	World Bank	Urban Water Supply and Sanitation Sector Review	2011–2012	(...)
		Mekong Integrated Water Resources Management	(...)	\$32.5 million
		Urban Water Supply Project	1996	\$31.0 million
Provincial and Peri-Urban Water Supply and Sanitation Project		2003	\$19.9 million	
Pipe Expansion for Peri-Urban Areas		(...)	(...)	
Water and Sanitation Financing Strategy		(...)	(...)	
Pilot Project for Aquatest Kits with Small-Scale Private Operators	(...)	(...)		

Development Partner	Project Name	Duration	Amount
ADB	Project on Regulatory Reform and Enforcement	2001–2008	\$34.0 million
	Twinning Projects between WSA and 4 Waterworks	2012–2014	\$0.05 million
	Phnom Penh Water Supply & Drainage (with World Bank and supported by PPWSA)	1996–2003	(...)
	Mekong Water Supply and Sanitation Project (Improvement of Water Supply and Sanitation in Kratie and Stung Treng)	2009	\$1.2 million
	The Provincial Towns Improvement Project	2000–2006	\$16.3 million
UN-Habitat	The Water For Asian Cities Programme, Kratie and Kandal	2007–2012	\$1.6 million
	Mekong Region Water and Sanitation Programme, SvayRieng, Kampong Cham, Kampong Thom and Pursat Towns	2007–2015	(...)
	Extension of Water Supply and Sanitation, and Monitoring Achievements Towards Reaching the MDGs in Kampot Town, Cambodia (UN-Habitat \$0.215 million; Kampot Waterworks \$0.053 million; Community \$0.026 million)	2008–2012	\$0.3 million
	Extension of Water Supply, Capacity Building and Monitoring Achievements Towards Reaching the MDGs in Kampong Thom, Kampong Cham, SvayRieng and Pursat Towns (UN-Habitat \$1.07 million; Gov't \$0.59 million)	2008–2012	\$1.66 million
	PreakThmei, Kandal	2011–2012	\$0.10 million
AFD	Improvement of Distribution Network	1992–1993	\$1.63 million
	Improvement of Water Supply Facilities in Phnom Penh	1993–1994	\$3.26 million
	Improvement of Water Supply Facilities in Phnom Penh	1995–1996	\$5.3 million
	Improvement of Water Supply Facilities in Phnom Penh	1996–1997	\$1.71 million
	Extension of Phnom Penh Suburb Water Supply	2007–2010	€11.1 million
	Improvement of Distribution Network	1993–1996	€4.0 million
	Extension of Phnom Penh Suburb Water Supply System	2003–2008	€0.15 million
	Clean Water Supply Project of the Sub-Urban Areas of Phnom Penh	2006–2010	€0.36 million
	Nirot Water Supply Project,	2009–2013	€16.0 million
	Computerization of the Billing System and Network Management	1994–1998	(...)
	Small-Scale Piped Water System Project	2001–2005	(...)
	Assessment of Opportunities for Pipe Water System Development by Private Operator in Small town - Phase 1	2011	€0.28 million
	PPWSA's Master Plan Review	Proposed	(...)
GRET	Managing and Developing Access to Water in Urban Area - Pipe Replacement in Kampot	(...)	\$0.03 million
	Kampot Waterworks Improvement	Ongoing	(...)
	Technical Assistance on Arsenic Withdrawing	Ongoing	(...)
	Review and Update National Drinking Water Standard, and Prepare Guidelines	Ongoing	(...)

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 Handicraft, MSME = micro, small, and medium-sized enterprises, PPWSA = Phnom Penh Water Supply Authority, UN-HABITAT = United Nations Human Settlements Programme, WB = World Bank.

Source: Asian Development Bank.

B. Institutional Arrangements and Processes for Development Coordination

2. ADB held regular coordination meetings with JICA during the project preparatory technical assistance and loan processing for the Urban Water Supply Project. Consultation will continue during project implementation to ensure compatibility of the project locations, design, and outputs of the ADB project and of the JICA Siem Reap Water Treatment Plant Expansion Project. The MIH, which is the executing agency for the ADB project, is coordinating with both

AFD and JICA concerning their projects in Siem Reap, which will provide new water supply that will feed into the new distribution zone to be constructed under the ADB intervention.

3. Areas of strategic collaboration with JICA include (i) sharing of knowledge and data, (ii) coordination in several of the nine ADB project towns to develop complementary infrastructure solutions; (iii) delineation of tasks for institutional strengthening and capacity building to ensure no overlaps in location and content; and (iv) supporting initiatives for the strategic development of the subsector with the executing agency and with other development partners through a government working group on urban water supply that is chaired by a representative of the Ministry of Industry and Handicraft. Similar collaboration is expected to begin with AFD during project implementation.

4. Close coordination and collaboration with the World Bank and its Water and Sanitation Program will be maintained, particularly with respect to its ongoing reform initiatives in the subsector through institutional strengthening and capacity building.

C. Achievements and Issues

5. ADB's experience in the urban water supply subsector during 2012-2014 with the main development partners in Cambodia has been very successful. It is expected to strengthen during project implementation and through a subsequent loan planned for 2017 to support urban water supply. New leadership at the Ministry of Industry and Handicraft (MIH) and the government's national strategic development plan for 2014–2018, to which ADB and other development partners contributed, have accorded more importance to the urban water supply subsector and set significant targets for 2025. The key MIH targets for increases in 24-hour water supply coverage and improvements in water quality exceed those of the millennium Development goals (MDGs). Sector reforms, capacity building, more autonomy of the public waterworks, and greater efficiency are required to achieve this, as well as more financing and opportunities for the MIH to engage with the private sector.

D. Summary and Recommendations

6. Since its establishment in 2014, the MIH has been carrying out significant reforms to the urban water supply subsector more rapidly than in previous years, and all public utilities will be converted to state-owned enterprises and working on a corporate basis by 2018. ADB's coordination with both the MIH and the major development partners is good and continues to strengthen. To reach the government's ambitious target of 100% safe piped water supply in urban areas by 2025, much needs to be done. Public sector finance is needed to support this effort, since the urban water supply subsector is not yet attractive to private investors. At this stage, close coordination between ADB, the government, and other development partners is essential, and options for cofinancing are likely to increase.