

**The Republic of Korea's Country
Partnership Strategy for
the Kingdom of Cambodia
2016-2020**

The Government of the Republic of Korea

March 2017

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I. Summary

Rectangular Strategy Phase III
<p style="text-align: center;">Rectangular Strategy Phase III encompasses the development of the sectors including Agriculture, Physical Infrastructure, Private Sector Development and Employment, and Capacity Building and Human Resources Development.</p>



Cambodia's National Strategic Development Plan (NSDP) 2014-2018
<p>In line with the development of physical infrastructure of the RS Phase III, the NSDP focused on the four sub-components of the second priority objective including (i) The Development of transport and urban infrastructure; (ii) Water resources and irrigation system management; (iii) Electrical Power Development; and (iv) Development of information and communication technology (ICT).</p>



Objectives of the Republic of Korea's Development Cooperation for the Kingdom of Cambodia
<p>The Korean Government will support the Cambodian Government to realize the Rectangular Strategy Phase III and NSDP focusing on the following objectives:</p> <ul style="list-style-type: none"> ▪ Construction of and consultation on road network, airport and port infrastructure ▪ Capacity building for water resources management and disaster response and extension of universal health service ▪ Improvement and systematization of education for human resource development ▪ Rural development for improved living condition, income and public awareness level



Priority Cooperation Areas and Support Plans	Transport
	<ul style="list-style-type: none"> ▪ Support expansion and rehabilitation of road infrastructures ▪ Support construction of and consultation on airport and port
	Water Management and Public Health
	<ul style="list-style-type: none"> ▪ Support capacity building for water resource management and disaster response ▪ Support enhancement of public health services
	Education
<ul style="list-style-type: none"> ▪ Support quality of and access to education ▪ Support education opportunity for girls and women 	
Rural Development	
<ul style="list-style-type: none"> ▪ Support rural development focusing on living condition, income increase and public awareness ▪ Support cross-cutting sectors in rural areas 	

The Country Partnership Strategy (CPS) identifies the priority cooperation areas without affecting possible cooperation opportunity for project in another area jointly agreed upon by the Korean and Cambodian governments. Based on the development needs identified, the Korean government has drafted implementation strategy for priority cooperation area including the types of cooperation offered such as technical and financial cooperation, public-private partnerships, and triangular cooperation.

In this context, this document is organized into following main sections: (i) priority areas of cooperation and support plans for each priority area, (ii) evaluation and implementation framework, and (iii) partnership plans. Based on mutual understanding and respect, the Republic of Korea will seek to improve development effectiveness anchored in its own development experience and relative advantages and based on the National Strategy Development Plan 2014-2018 (NSDP).

1. **(Vision)** The Republic of Korea will support Cambodian government's efforts to implement the Rectangular Strategy, National Strategic Development Plan (NSDP) 2014-2018 and Industrial Development Policy (IDP).
2. **(Priority Areas)** The priority areas were selected based on development needs identified in the Cambodia's National Strategic Development Plan, Korea's relative advantage in development cooperation, donor coordination, and bilateral policy discussions. Korea will allocate 70% of its budget on the four priority areas described below for development cooperation in Cambodia, for the duration of the CPS.
 - ① **Transport** including construction of and consultation on road network, airport and port infrastructure
 - ② **Water Management and Public Health** including capacity building for water resources management and disaster response and extension of universal health service
 - ③ **Education** including improvement and systematization of education for human resource development
 - ④ **Rural Development** including rural development for improved living condition, income and public awareness level
3. **(Implementation Strategy)** Efficiency, sustainability and harmonization will be the three values that will be emphasized in improving the development efficiency of aid projects for Cambodia.
4. **(Strategic Foundation)** The delivery of the strategy will be guided by aid effectiveness principles and will reflect international norms and standards including the SDGs, Busan Partnership Agreement, DAC recommendations and strategies for advancement of ODA.

II. Priority Cooperation Areas and Implementation Measures

A. Transport

1. Needs Assessment

Transport infrastructure development, including rehabilitation and construction, is identified as a key factor for economic growth, competitiveness and diversification of Cambodian economy. With the implementation of Industrial Development Policy (IDP), demand for transportation network development is increasing to capture export opportunity to neighbouring countries and attract foreign investment.

In these regard, Cambodia Government has included transportation development in its selection of four priority areas for physical infrastructure development based on the Rectangular Strategy Phase III. These four priority areas are: (i) **transport and urban Infrastructure**; (ii) water resources and irrigation system management; (iii) electricity power development; and (iv) information and communication technology.

For the development of transport and urban infrastructure, the Government of Cambodia has set following strategic objectives: (i) construction and maintenance of roads; (ii) expansion of port capacity; (iii) restoration and development of railways; (iv) expansion of airport services; and (v) strengthening of flight safety and traffic safety.

Out of the strategic objectives, **priority is given to development of urban infrastructure including public transportation and large-scale infrastructure such as railways, airports, and ports.** The Ministry of Public Work and Transport (MPWT) is planning to prepare a new master plan for urban transportation network, railway extension, rail freight terminal construction and port capacity enhancement. By implementing master plan for transport infrastructure development, the Cambodian government aims to increase national connectivity across the country and extend it to its neighbours. Multi-modal and cross-border transport systems will be promoted along with logistics system focused on integration of different modes of transportation, ranging from airport, seaport and railways.

The MPWT also plans to construct 3~400km of road network annually in order to encourage investment, tourism, trade and rural development within the country, and pursues amendment of relevant transportation law accordingly. **Due to monsoon climate that accompanies heavy rainfall, improved road repair and further road pavement is needed,** whereas only 10.2% of total road is paved, especially for rural road networks.

2. Implementation Measures

Korea will support the Cambodian government's efforts to develop transportation network with focus on identification and implementation of large-scale infrastructure projects such as highway, metro, airport, port, and intelligent

transport system reflecting the NSDP and master plan for transport infrastructure development.

The Government of the Republic Korea will closely work with the Cambodian government to identify specific activities and consult feasibility analysis of technical and financial assistances for potential projects. Contribution to the development of Master Plan for Transport Infrastructure Development of Cambodia will be given through knowledge transfer and sharing of experience in transportation and logistics development plans, multi-modal transportation policy and technical regulations through the Knowledge Sharing Program (KSP).

Korea will also actively pursue opportunities for potential cooperation and/or co-financing with other donors and stakeholders for projects that require significant resources.

However, the field of transportation development shall be diversified since ODA that have been supported in Cambodia in the field of transportation development are mostly road construction projects.

B. Water Management and Public Health

1. Needs Assessment

(Water Management) In Cambodia, the urban water supply situation has improved significantly. Piped water supply coverage has reached 85% in Phnom Penh in 2012; however, urban water supply outside of the capital still remains around 50%. The NSDP (2014-2018) recognizes that incomplete legal framework, lack of national level master plan and human resources are hindering further improvement of the sector

For further development of the sectors, Cambodia is placing priorities on (i) improving irrigation capacity and management; (ii) improving flood management capacity through development of irrigation and drainage systems; (iii) expanding clean water distribution coverage; (iv) stepping up involvement in international cooperation in water sector as to ensure the sustainability and effectiveness of water resources use.

The Ministry of Water Resources and Meteorology (MOWRAM) has set up the action plans on water resource management including maintenance and expansion of reservoirs, intake canals and drainage system to ensure the water supply for cultivation zone, aquaculture, households and livestock. In addition, MOWRAM is focused on mitigation of flood through construction of flood-control and drainage structures and implementation of integrated water resources management system.

(Public Health) On the other hand, there have been notable achievements in public health sector through the implementation of Health Sector Strategic Plan (2008-2015) aimed at improved sanitation, health, and well-being of the Cambodia people. These include reduction of maternal mortality ratio (MMR), infant mortality rate (IMR), under-5 mortality rate (U5mR). In addition, the prevalence of communicable

diseases (e.g. HIV/AIDS, Dengue, etc.) and non-communicable and chronic diseases (e.g. cancer, diabetes, oral health, etc.) have reduced through the same period.

To maintain and improve these achievements, Cambodia aims to expand health infrastructure including ICT-based database system, and coverage of public health service, construction of more hospitals, health centres and health posts according to geographic and demographic context.

Through the implementation of Health Strategic Plan 3 (2016-2020), Cambodia will continue to make action plans to ensure access to quality health services, by strengthening health system and improving health infrastructure, and prevent communicable and non-communicable diseases by promoting hygiene and sanitation and reducing health risk caused by pollution.

2. Implementation Measures

(Water Management) This program aims to assist the overall improvement of water management infrastructure, through establishing water supply system and sewer system, in order to provide clean water to the people and preserve clean water condition and enhance sanitary conditions.

Korea intends to assist the overall improvement of water management infrastructure to secure water resources by building resource management facilities and strengthening relevant personnel capacities starting from major cities.

EDCF plans to support for 'The Sewerage System Development in Ta khmau Town Project' which will contribute to improve water management and the public health condition in the region.

(Public Health)

In order to enhance Korea's engagement in Cambodia's health sector, Korea is considering to support projects on hospital and health infrastructure improvement, vaccination, health professional capacity building, policy development and other related programs in Cambodia under pursuit of Korea's ODA Initiative, the 'Safe Life for All'. Furthermore, Korea will support interventions that will reduce health inequalities due to geographical, financial and socio-cultural limitations.

C. Education

1. Needs Assessment

One of four priority areas that the Fifth Legislature of Cambodia stated in the Rectangular Strategy Phase III is to develop human resources to ensure competitiveness in regional labour market. In particular, technical and vocational training is the sector Cambodia has the focus on. In order to lower the unemployment rate in Cambodia relevant ministries are involved to establish vocational training centres in all provinces and enhance quality of vocational education

Cambodia has set development goals called the Cambodia Millennium Development Goals (CMDG) as to achieve economic and social development. Its Goal 2 is dedicated to achieving universal primary education by increasing investment in education. In order to develop the human resources, the Cambodian government has strong drive to enhance the quality and effectiveness of educational services through:

- Training and re-training of teachers;
- Improvement of curriculums;
- Strengthening of inspection and management capacity;
- Improvement of teacher motivation as to increase their teaching capacity;
- Improvement of learning environment, and others.

In addition, The Ministry of Education, Youth and Sport (MoEYS) established the Education Strategic Plan which mainly focuses on ensuring the equal rights for the education, ensuring the leadership and management of the education manpower.

2. Implementation Measures

This program aims to foster human resource development and expand universal primary education in Cambodia, in order to achieve sustainable development and pursue Cambodia Millennium Development Goals (CMDG). In addition, the program also aims to enhance the educational equality by improving access to education for underprivileged.

Education projects that improve education opportunity and health conditions of female adolescents will be considered under the flagship ODA Initiative 'Better Life for Girls'.

Korea will support the Government of Cambodia to enhance the educational equality and accessibility to education by carrying out invitational training and dispatching experts in the field of ICT and education.

D. Rural Development

1. Needs Assessment

One pillar of four priority areas of the Rectangular Strategy Phase III is promotion of agriculture sector. The sectoral strategic targets are: (i) improved productivity, diversification and commercialization; (ii) promotion of livestock farming and aquaculture; (iii) land reform and clearance of mines and UXO; and (iv) sustainable management of national resources.

Since 2007, in accordance with the Public Financial Management Reform Program (PFMRP), the Government of Cambodia has been allocating budget preferentially for the rural development and achieved significant improvements.

About 70% of population live in rural area with main income source from agricultural sector. Within this context, enhancing agricultural sector plays an

important role in supporting economic growth and competitiveness of the nation. The Cambodian government's vision for agricultural sector is to modernize agriculture with a new approach and technology.

For rural development, the Ministry of Rural Development (MRD) is implementing Integrated Rural Accessibility Planning (IRAP). main policies of the IRAP are to improve living standard of rural area, and promote economic growth through integrated rural development— including construction of road, supply of water resources, improvement of health service and sanitation and community building— with participation from both national and international communities.

In addition, the Council for Agricultural and Rural Development (CARD) is implementing 'One Village, One Product' policy in order to promote specialization of each rural communities. .

2. Implementation Measures

This program aims to reduce the interregional gap through support on rural productivity to increase income of the rural residents. Measures will be taken to enhance accessibility of social services for better quality of life and to support the implementation of the development strategy of local provinces. Technical and financial assistances that Korea can offer to these initiatives based on feasibility analysis will be consulted with the Cambodian government.

Korea plans to promote agricultural value chains - production, processing, distribution and export - while supporting agricultural productivity, access to markets and income generation. In order to do so, capacity building activities and technology transfer will be considered and adaptation to climate change and environmental protection will be taken into account.

III. Country Partnership Strategy (CPS) Evaluation Framework

National Strategic Development Plan (NSDP 2014-2018)				
Achieve national development vision of sustainable economic growth and poverty reduction				
CPS Strategic Goals				
Priority Areas	Goals	Expected Challenges	Achievements	Evaluation Index
Transport	<ul style="list-style-type: none"> · Develop regional economy and mitigate economic gaps between regions through expansion of transportation infrastructures · Reduce cost of logistics and development with equity through improved road access 	<ul style="list-style-type: none"> · High road-washout rate during rainy season · Inter-regional inequalities in access to transportation 	<ul style="list-style-type: none"> · Development of road network · Improved road conditions 	<p>Conformity with CPS; Whether a project has been appropriately developed in accordance with the CPS goal</p> <p>Project Implementation Status; Whether a proper project that fits the CPS has been implemented</p>
Water Management and Public Health	<ul style="list-style-type: none"> · Enhance water resource managing capacity to develop agriculture and minimize damage against water-related disaster · Enhance access to basic public health services 	<ul style="list-style-type: none"> · Unstable water supply · Low quality of medical services · Health inequalities 	<ul style="list-style-type: none"> · Improved water resource managing capacity and reduced damage from rainy seasons · Quality public health services · Improved access to public health services 	
Education	<ul style="list-style-type: none"> · Improve quality of education and establish a foundation for human resource development 	<ul style="list-style-type: none"> · Lack of budget, capacity, and personnel in education sector 	<ul style="list-style-type: none"> · Human resource development in education sector and capacity building · Enhanced education access and capacity building for adolescent girls 	
Rural Development	<ul style="list-style-type: none"> · Develop economic capacity and sustainability of rural area 	<ul style="list-style-type: none"> · High poverty rate in rural area 	<ul style="list-style-type: none"> · Improved industrial capacity through rural development · Capacity building in rural area 	

IV. Mid-Term Allocation Plan

Korea aims to allocate 70% of its bilateral ODA to the **priority areas**, while some flexibility will be applied in order to accommodate urgent humanitarian needs and socio-economic changes in Cambodia.

Also, resource allocation will be adjusted based on program implementation, policy dialogue, interim monitoring and delay in projects and other possible changes in circumstances.

The budget allocation could also be adjusted during budget discussions and project planning stages, and is subjected to parliamentary decision.

V. Partnership Plans

1. Partnership with multilateral organizations

The Korean government will participate in aid consultative groups comprised of international organizations, multilateral development banks (MDBs), INGOs and other donors, and develop and jointly implement promising projects.

2. Partnership with the private sector

The Korean Government intends to develop public-private partnership (PPP) projects where a combination of financing tools is needed for large-scale infrastructure projects including airport and port infrastructures.

The Korean Government will also seek to collaborate with NGOs and private corporations in joint projects.

