

# Joint European Strategy for Development Cooperation with Cambodia, 2021-2027

## Consolidated Comments from Line Ministries

Consultation held on 18<sup>th</sup> May 2022, Government Palace ( CDC )

Institution	Priority / Page of JES	Comments and Suggestion	Note / Other
Ministry of Health ( MoH )		Expressing concern over the implementation of the strategy due to the two years of disruption caused by Covid-19. Consequently, in the health sector, all strategies must be aligned with health policies and the needs of the health sector; particularly, there should be joint consultations or joint discussions with the Ministry of Health for the next five years. MoH also thanked the European Union for providing Cambodia with vaccines to fight against Covid-19.	
Ministry of Foreign Affairs and International Cooperation ( MoFAIC )	Priority 4	MoFAIC stated that the Greater Mekong Sub-Region is not the only mechanism in the regional framework, as the Greater Mekong Sub-Region is just one of the many mechanisms. Therefore, <u>point 2.4</u> of the Mekong framework cooperation strategy should include regional mechanisms such as ACMECS. Concurrently, MoFAIC emphasized that the World Bank has continued to publish a report on trade since last year, which highlighted certain points; therefore, these points should also be highlighted in the strategy. MoFAIC hoped that the EU/EU members would accept inputs so that the strategy is flexible and in line with policy.	
Ministry of Economic and		MEF highlighted the close cooperation between the Ministry and the EU in Public Financial Management ( PFM ) reform, which was accomplished in	

Finance ( MEF )		two phases from 2016-2019 for the first phase and from 2019-2021 for the second phase. Currently, the Ministry and the EU are in the final stages of the financial agreement, which is the EU's support for 2022-2025. MEF also mentioned that the EU hopes to preside over the PFM Technical Cooperation Working Group in order to contribute to the implementation of the program in particular; MEF also appreciated all the technical assistance that played a significant role in the financial system, such as financial support for post-COVID economic reform and recovery.	
Ministry of Environment ( MoE )		MoE raised a number of points, including: 1) add more reference documents, including the update of the National Council for Sustainable Development and the long-term strategy for carbon neutrality in Cambodia as a road map, and 2) the support of the European Partners through regional mechanisms. MoE hopes that EU/European Partners will facilitate the procedure to make it easier for developing nations.	
Ministry of Environment ( MoE )	Priority 5	<p>MoE stated that resilience-building is central to both the development of human resources in the green sector of the National Council for Sustainable Development and Cambodia's long-term carbon neutrality strategy. Consequently, it should be emphasized in detail in the JES, particularly the role of the private sector in green development and long-term strategies for carbon neutrality in Cambodia, such as the New Investment Law, which encourages investment in green development.</p> <p>MoE also suggested that JES should be flexible due to global unpredictability such as the Russia-Ukraine war, which contributes to the instability of food security and environment.</p>	

Ministry of Commerce (MoC)	Priority 4	MoC emphasized the importance of practical implementation measures. For instance, MoC has a CTIF framework, but MoC noted that the fourth priority is too broad to focus on foreign trade, as the relevant ministries have already negotiated free trade agreements, but the lack of export goods is a cause for concern. In light of this, MoC proposed to focus on promoting export products in key sectors, which would also help to strengthen competition and support Cambodian products. MoC was also pleased with the tax exemption for rice exports to the European markets.	
Council for Agriculture and Rural Development (CARD)		CARD will continue to work closely with the EU in the areas of policy and technical assistance, finance, commerce, education, and culture. CARD also stated that this consultation meeting on JES 2021-2027 is conducted in the midst of a mid-term review of the NSFSN 2019-2023 strategy.	

EDC and MME	Section 2.5 Priority 5 Page 12	European Partners will continue their dialogue with the government on this matter, amid announcements by the authorities in 2020 and 2021 <u>to increase the use of coal and gas that will decrease the share of renewable energy in power generation</u> <u>not to develop anymore of new coal-fired power plants in addition to the projects that already approved by the Royal Government since 2019.</u> At the same time, the government will switch to low carbon energy sources such as imported natural gas, LNG or hydrogen and increase the utilization of <u>renewable energy sources and other energy sources that would not affect to environment along with preparation of energy efficiency policy in order to reduce the greenhouse gas emission.</u>	Attachment 2, Page 1
	Annex 2 Joint European Strategy Indicative Financing	Électricité du Cambodge (EDC) suggested the EU to include this below information in the Annex 2:  <b>Already Committed</b>	Attachment 2, Page 2

MISTI	2021-2027 (Million Euro)	Energy, Power & Electricity	KfW (Phase I)		KfW (Phase II)	AFD (CKH 1139 & CKH 1136)		AFD (CKH1211)		Sum		
			Loan (KfW)	Grant from EU	Loan (KfW)	Loan (AFD)	Grant from EU	Loan (AFD)	Grant from EU	Loan	Grant from EU	
			30	2	30	70	1	25	4.1	155	7.1	
			<b>Indicative New Contribution</b>									
			AFD (CKH1219)		KfW (Grid Strengthening)			Sum			Attachment 3	
			Loan (AFD)		Loan (KfW)			Loan				
			80		50			130				
			<p>Page 8      <b><del>Ministry of Science, Technology and Innovation</del></b> to “Ministry of Industry, Science, Technology &amp; Innovation”</p> <p>Priority 3 and 4      Please consider the contribution to the implementation of Cambodia's Science, Technology &amp; Innovation Roadmap 2030 on important pillars including:</p> <ul style="list-style-type: none"> <li>➤ Pillar 2: Education (building human resources through higher education in Science, Technology and Innovation)</li> <li>➤ Pillar 3: Research (contributing to the establishment of center of excellence for national research and development for Science, Technology and Innovation)</li> <li>➤ Pillar 4: Collaboration (supporting in building technology and innovation parks and clusters).</li> </ul> <p>Priority 4      Please consider the Promotion of Inclusive Business, which is a part of MSMEs, because the Ministry is receiving technical support on Inclusive Business Action Network (IBAN) from the EU, German Cooperation and GIZ.</p> <p>The Ministry has also consulted with the AFD on preparing Inclusive Business Risk Reduction and Social Innovation Fund with the estimated budget of EUR 20 million and is waiting for support from the Ministry of Economy and Finance.</p>									

### Attachment 3

	<p>Priority 1</p> <p>Data &amp; Statistics:</p>	<ul style="list-style-type: none"> <li>- The need for fully funding support of the prioritized statistical activities and programs through the aligned NSDS annual action plan and complement to the RGC program budgeting for both at the NIS and statistical units of line ministries.</li> <li>- The needs for fully support implement of NSS Data Governance System adoption, which includes recognition of the statistical ecosystem and the data value cycle, especially framework of data harmonization and integration for CSDG/SDG and NSDP monitoring.</li> <li>- The need for develop and implement a training and technical assistance programme which addresses not only the needs of the NIS but for the NSS members, in particularly in the form on-the-job training, coaching and long-term programme for junior staff.</li> <li>- The required for enhancing coordination bodies through the created Technical Working Groups (TWGs) composed member of relevant ministries' statistical units to support the Statistical Coordination Committee (SCC), and the need for the NIS participation in the existing various joint Government-Development Partner Joint TWGs in order to support the effective resource mobilization, setting procedures, protocol, harmonized methodology and prioritization of data production and CSDG/SDG indicators measurement.</li> </ul>	<p>Attachment 4</p> <ul style="list-style-type: none"> <li>- NSDS 2019-2023 fully integrated into NSDP 2019-2023;</li> <li>- Statistical Advisory Council (SAC);</li> <li>- Statistical Coordination Committee (SCC);</li> <li>- Government-Development Partner Joint TWGs (e.g. TWG-PPR, TWG-Gender, etc.)</li> </ul>
<p>MoP (NIS)</p>	<p>Priority 2 – 6</p>	<ul style="list-style-type: none"> <li>- NIS's role in data harmonization, data models, data synchronization and integration.</li> <li>- NIS leading conduct assessment of data availability for SDG</li> <li>- NIS leading coordination and facilitation the implementation of data analysis and measurement for SDG indicators where most feasibility based on the existing surveys and administrative records, including the use Big data sources.</li> </ul>	<p>Attachment 4</p> <ul style="list-style-type: none"> <li>- NIS (Statistic Law 2015) as mandatory in leading coordination role with the NSS and international statistical development cooperation;</li> <li>- NSS TWGs</li> <li>- Government-Development Partner Joint TWGs (e.g. TWG-PPR, TWG-Gender, etc.)</li> </ul>
<p>MCFA</p>	<p>Priority 6</p>	<p>The Ministry of Culture and Fine Arts noticed that this Strategy mainly focuses only on the preservation of Cambodia's cultural heritage. In this regard, the Ministry would suggest the European Union to include "cooperation for cultural development in Cambodia including cultural and creative industries, etc." during the implementation of this Strategy or for the next phase of the Strategy in order to promote cultural cooperation in line with priorities of both partners.</p>	<p>Attachment 5</p>

