



Country Operations Business Plan

October 2009

Cambodia
2009–2012

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 14 August 2009)

Currency Unit	–	riel/s (KR)
\$1.00	=	KR4,136

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
ADTA	–	advisory technical assistance
CARM	–	Cambodia Resident Mission
CCDP	–	Commune Council Development Project
CDC	–	communicable disease control
CDTA	–	capacity development technical assistance
CMDG	–	Cambodian Millennium Development Goal
CNPA	–	Cambodian National Petroleum Authority
COBP	–	country operations business plan
CSP	–	country strategy and program
DMC	–	developing member country
EDC	–	Electricité du Cambodge
GDP	–	gross domestic product
GMS	–	Greater Mekong Subregion
HIV/AIDS	–	human immunodeficiency virus/acquired immunodeficiency syndrome
HRD	–	human resource development
ICT	–	information and communication technology
JFPR	–	Japan Fund for Poverty Reduction
kWh	–	kilowatt-hour
MAFF	–	Ministry of Agriculture, Forestry, and Fisheries
MEF	–	Ministry of Economy and Finance
MFI	–	microfinance institution
MOC	–	Ministry of Commerce
MOEYS	–	Ministry of Education, Youth and Sports
MOWRAM	–	Ministry of Water Resources and Meteorology
MPWT	–	Ministry of Public Works and Transport
MRD	–	Ministry of Rural Development
NAA	–	National Audit Authority
NBC	–	National Bank of Cambodia
NER	–	net enrollment rate
NSDP	–	National Strategic Development Plan
OCR	–	ordinary capital resources
PATA	–	policy advisory technical assistance
PFM	–	public financial management
PPTA	–	project preparatory technical assistance
PRC	–	People's Republic of China
PSD	–	private sector development
PSOD	–	Private Sector Operations Department
RETA	–	regional technical assistance
RWSS	–	rural water supply and sanitation
SEAE	–	Southeast Asia Department, Agriculture and Natural Resources Division

SEFM	–	Southeast Asia Department, Financial Sector, Public Management and Trade Division
SEEW	–	Southeast Asia Department, Energy and Water Division
SESS	–	Southeast Asia Department, Social Sectors Division
SETU	–	Southeast Asia Department, Transport and Urban Development Division
SMEs	–	small or medium-sized enterprise
SNEC	–	Supreme National Economic Council
SPS	–	sanitary and phytosanitary
TA	–	technical assistance
TRA	–	Transmission and Regulatory Authority
TVET	–	technical and vocational education training
WTO	–	World Trade Organization

NOTE

In this report "\$" refers to US dollars.

Vice-President	C. Lawrence Greenwood, Jr., Operations 2
Director General	A. Thapan, Southeast Asia Department (SERD)
Country Director	P. Kamayana, Cambodia Resident Mission (CARM), SERD
Team leader	E. Sidgwick, Senior Country Economist, CARM, SERD
Team members	Cambodia Country Team

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

CONTENTS

	Page
I. CONSISTENCY OF THE BUSINESS PLAN WITH THE COUNTRY STRATEGY AND PROGRAM	1
II. INDICATIVE LENDING AND NONLENDING PROGRAM	4
III. SUMMARY OF CHANGES TO LENDING AND NONLENDING PROGRAMS	4
IV. INDICATIVE INTERNAL RESOURCE REQUIREMENTS	5
V. RESULTS-BASED MONITORING	5
VI. MATRIX: COUNTRY PARTNERSHIP STRATEGY RESULTS FRAMEWORK (2006-2010)	6
APPENDICES	
1. Indicative Assistance Pipeline	
Table A1.1: Indicative Assistance Pipeline for Lending Products, 2010–2012	13
Table A1.2: Indicative Assistance Pipeline for Nonlending Products and Services, 2009–2012	16
2. Preliminary Summary Information on Proposed Indicative Lending and Nonlending Products and Services for the First Year of the Business Plan	
Table A2.1: Summary Information on Proposed Indicative Lending Products and Services	18
Table A2.2: Summary Information on Proposed Indicative Nonlending Products and Services	24
3. Updated Country Sectors and Thematic Strategies and Plans and/or Road Maps	30
4. Assistance Program for Current Year	
Table A4.1: Assistance Pipeline for Lending Products, 2009	35
Table A4.2: Assistance Pipeline for Nonlending Products and Services, 2009	37

I. CONSISTENCY OF THE BUSINESS PLAN WITH THE COUNTRY STRATEGY AND PROGRAM ¹

1. **Recent Economic, Social, and Political Developments.** Cambodia's economic growth rate averaged 10.2% between 2004 and 2008, but is projected to decline sharply in 2009 (to minus 1.5%) before beginning a modest recovery in 2010 (to 3.5%). The decline reflects the simultaneous impact of the global economic crisis on garment exports, tourism, and construction, which are almost exclusively determined by external demand, and which together account for 37% of gross domestic product (GDP). All three sectors experienced sharply lower growth in the first half of 2009, which is expected to persist until at least the end of 2009. Government figures indicate that the previous strong overall economic growth resulted in a rise in per capita GDP from around \$297 in 1995 to \$739 in 2008, while the incidence of poverty declined from 35% in 2004 to 30% in 2007.² Rural poverty has also declined but remains relatively high at 35%, and rural income distribution inequality, as measured by the Gini coefficient of real per capita consumption, increased from 0.34 in 2004 to 0.36 in 2007. In contrast, the Gini coefficient in Phnom Penh fell from 0.37 to 0.34 over the same period. The non-farming rural and urban poor were most affected by the food price inflation in 2008, and are now being affected by the adverse effects of the global economic crisis. The national elections in July 2008 and local elections in May 2009 saw the Cambodian People's Party consolidate its position as the major political force in the country, and this consolidation presents an opportunity for a strengthened reform agenda.

2. **Country Strategy.** The country strategy and program (CSP), 2005–2009.³ was reviewed in mid-2007, and extended to 2010 in the last country operations business plan (COBP), 2008–2010.⁴ The CSP midterm review concluded that a sharper focus on agriculture and rural development, private sector-led growth, and intensified risk management was needed. This enhanced strategic thrust is consistent with the *Rectangular Strategy on Growth, Employment, Equity, and Efficiency, Phase 2* and the *National Strategic Development Plan (NSDP), 2006–2010*. The proposed COBP, 2009–2012 also reflects: (i) adjustments in ADB's corporate priorities as elaborated in its long-term strategic framework 2008–2020 (Strategy 2020)⁵; (ii) responsiveness to key external challenges, such as the impact of the global economic crisis and climate change; (iii) the form and pace of deconcentration and decentralization reforms; and (iv) assumptions regarding the shift from a mix of Asian Development Fund (ADF) loans and grants to ADF loans only beginning in 2011. The proposed COBP also responds to the Government's requests to (i) avoid a scattering of small projects across too many sectors that were unlikely to deliver development outcomes; (ii) take into account the comparative advantage of other development partners in potential new areas; and (iii) build on ADB's core strength in key areas where it has a longstanding history of constructive engagement (i.e., transport, energy, finance, education and rural development). In response, the proposed COBP reflects a more focused, selective and well-sequenced program, which is better integrated across sectors. In particular, the COBP reflects ADB's intention to (i) undertake fewer (but larger) projects and programs, with a minimum level of ADB financing of \$10 million–\$15 million and about eight projects and/or programs each year; (ii) focus on its comparative sector expertise in engaging in deconcentration and decentralization to reinforce improved service delivery in government priority areas, such as rural infrastructure; (iii) maintain sector selectivity while supporting the strengthening of social safety net-type interventions by deepening the existing sector work, such as in education; and

¹ Management approved the preparation of an indicative rolling country operations business plan (COBP) on 9 June 2009.

² As measured by the poverty headcount index relative to the overall poverty line.

³ ADB. 2005. Country Strategy and Program (2005-2009): Cambodia. Manila.

⁴ ADB. 2008. Country Operations Business Plan (2008-2010): Cambodia. Manila.

⁵ ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank 2008–2020*. Manila.

(iv) foster an integrated package of sector investments combined with sector and crosscutting institutional reforms in areas such as public financial management reform and deconcentration and decentralization.

3. **Risk mitigation.** The COBP assumes that Cambodia will lose access to ADF grant financing from 2011 onward, which is reflected by the frontloading of such grants for capacity development and key crosscutting institutional reform; this would in turn enable Cambodia to access ADB's larger loan resource envelope in the medium-term. In addition, notwithstanding the pressures on official development assistance (ODA) as a result of the global economic recession, the proposed COBP reflects the intention to continue to aggressively pursue additional grant cofinancing, which was slated to reach a record level in 2009; in subsequent years this will be linked to the Government's efforts with respect to capacity development and institutional reform. Also, in view of portfolio weaknesses in the agricultural and natural resources (ANR), transport and energy sectors, which were detailed in the 2009 Joint Country Portfolio Review,⁶ and the need to mitigate the risks to the country program, the proposed COBP also points to the need for (i) continued efforts at intensified portfolio performance monitoring, as initiated through high-level government engagement in 2009, (ii) sector institutional reforms in undertaking sector investments, and (iii) reinforcement of key crosscutting reforms grounded in the ANR, transport and energy sectors.

4. **Agriculture and rural development.** The proposed COBP aims to foster pro-poor and socially inclusive economic growth by enhancing environmentally sustainable agriculture and rural development; in light of the indirect impacts of the global economic crisis, it seeks to do this by diversifying the sources of rural growth and bolstering poverty reduction efforts. The geographic focus of rural livelihood efforts would continue to be the Tonle Sap basin, where most of Cambodia's rural poor live. The Tonle Sap Poverty Reduction and Smallholder Development Project would build on ongoing projects, which have sought to support the initial environmental stabilization of Tonle Sap lake through basin area projects in provinces surrounding the lake, and reduce overfishing and environmental degradation through livelihood diversification, including by building on components of the existing Emergency Food Assistance Project (approved in 2008) in some of the same provinces. Such interventions will promote the preservation of natural resources, and prepare for the Greater Mekong Subregion (GMS) Biodiversity Conservation Corridor Project, scheduled for 2010 (Appendix 1), which would seek to use the preserved environment as a source of development and livelihood. A GMS Renewable Energy Project, proposed for 2012, would elaborate policy options with a view to increasing supply and access to renewable energy sources in rural areas to help stimulate agricultural growth and boost smallholder incomes. The Water Resources Management Sector Development Program, proposed for 2010, would target additional improvements, including draining and expansion of small- and medium-scale irrigation systems, and development of more effective farmer water-user communities. Climate change interventions would be focused on environmentally sustainable natural resource management—including flood and drought mitigation, conservation, and clean energy—based on upfront analytical work and financial resources available under the Pilot Program for Climate Resilience (PPCR), a multidonor trust fund administered by the World Bank. The Tonle Sap Resource Management and Conservation Project, proposed for 2012, would strengthen the capacity for long-term planning, coordination, and management of environmental protection of river basins. The 2009 GMS Cambodia Northwest Provincial Road Improvement Project would improve connectivity internally within the region and externally around the border areas with Thailand, through the provision of cross-border facilities. This would be complemented by two Rural Roads Asset Management Projects, programmed in 2010 and 2012 respectively, to extend and maintain the connecting rural roads network to improve

⁶ ADB, MEF and World Bank. 2009. 2008 *Joint Country Portfolio Review: Memorandum of Understanding*. Cambodia

access to markets and social services of the rural poor, and a Provincial Roads Asset Management Project in 2011. These would complement a decentralized rural infrastructure project being programmed for 2011, which would seek to strengthen functional assignments and other key institutional changes through delivery of rural infrastructure. The Rural Water Supply and Sanitation II Project, proposed in 2009, would provide a platform for the Government's own investment efforts and form part of the basis for the GMS Corridor Towns Development Project in 2011.

5. **Governance and capacity development.** The proposed COBP includes subprogram 2 (2010) of the cluster loan approach approved in 2008, to improve governance in the three key rural development line ministries—Ministry of Agriculture, Forestry, and Fisheries (MAFF); Ministry of Water Resources Management and Meteorology (MOWRAM); and the Ministry of Rural Development (MRD). Up-front assistance would be geared to building capacity to improve budget planning, preparation, and execution, and internal audit of the line ministries, and subsequent assistance would be conditional on early improvements in public service delivery. Improvements in the functioning of internal audit departments would be complemented by direct support to the National Audit Authority to ensure independent oversight over the accountability and transparency of public sector operations. This support would be complemented by support to improve vertical governance across the different levels of government. More specifically, the proposed Developing an Effective Institutional Framework for Decentralized Reforms Project preparatory technical assistance (PPTA) aims to assist the Government in the design of its 10-year national program for deconcentration and decentralization (scheduled to begin in 2010). It will provide guidance to ensure that the delegation and/or devolution of functions and responsibilities of line ministries (i.e., deconcentration) effectively reinforces the provision of improved service delivery that meets the demands of local communities, as voiced through the locally elected provincial, municipal, district, and commune councilors (i.e., decentralization), and as supported by community-based organizations. The PPTA would pave the way for the Decentralized Rural Infrastructure Project programmed for 2011. The proposed COBP also assumes continued capacity development for improved governance through the Phnom Penh Plan for Development Management, the Public Policy Training Program and TA-based programmatic support for results-oriented capacity development in key institutions, including the third phase of the TA program with the Supreme National Economic Council (SNEC), and follow-up TA to the Cambodia National Petroleum Authority (CNPA).

6. **Private sector development.** In addition to improving the resilience of the financial sector through enhanced supervision and promotion of good sector governance, subprograms 3 and 4 of the Financial Sector Development Program (cluster 2) would improve financial intermediation and outreach in the formal sector. Improved access to rural finance would also be supported by ADB's Private Sector Operations Department (PSOD) through potential equity and debt financing in one or two microfinance institutions (MFIs) and the provision of partial trade-financing guarantees for one or two banks. PSOD is also planning to support investment in infrastructure through the phase 2 expansion of the Cambodia Power Transmission Line project, and is holding discussions with private equity fund managers targeting SME development. The COBP also proposes a GMS Supplementary Rehabilitation of the Railway Project to enable the railways to become a provider of integrated and efficient logistics services in Cambodia and with neighboring countries, and reduce the carbon footprint of road traffic. Subprogram 2 of the Promoting Economic Diversification Program would support improvements in strengthening the institutional framework for effective sanitary and phytosanitary (SPS) management, and later interventions would be integrated with the improvements being planned under a regional project, Trade Facilitation: Improved SPS Handling in GMS Cross Border Trade. These interventions would be complemented by the GMS Corridor Towns Development Project, which will help provide essential infrastructure for emerging peri-urban centers around the key border-crossing

points with Thailand and Viet Nam. Finally, the first phase of the TVET project would strengthen the institutional and policy framework; promote private–public partnerships for skills development; enhance demand-driven skills of rural youth; and strengthen linkages with employers and private providers of skills training. Expansion of equitable access to and improvement of the quality of secondary education would be supported by the Education Sector Development Program 3, beginning in 2011.

7. **Regional economic integration in the GMS.** The proposed COBP reflects integrated and sequenced GMS interventions, but also incorporates the priorities endorsed by the 15th GMS Ministerial Conference and ensures that all regional interventions are well-grounded in the national program. Thus, the GMS programming reflects the increasing engagement with the environment and climate change through an “environment for development” agenda in both natural resources and infrastructure. It also reflects the gradual transformation of the existing transport-focused corridors into national and subregional economic corridors. These will be more closely integrated with the expanding rural economy and lead to the emergence of peri-urban centers that would reinforce the economic importance of key cross-border points.

II. INDICATIVE LENDING AND NONLENDING PROGRAMS

8. **Resource envelope, 2009–2012.** The ADF-X allocation for Cambodia for national program lending over the first biennial period 2009–2010 has been set at \$194.05 million, or an average of \$97 million a year, which is 43% higher than under ADF-IX. In addition, Cambodia has been allocated a supplementary \$59.4 million as part of ADB's crisis-response funding for developing member countries (DMCs).⁷ Thus, the indicative ADF-funded lending pipeline of the COBP over 2009–2010 is \$253.5 million, including \$41.3 million in national allocations for the GMS program. Total ADF-funding is assumed to be further augmented by \$38.7 million from the regional set-aside for the GMS program and \$16 million in savings from existing projects. For the first time, the indicative lending program for 2009–2010 also includes \$10 million in ordinary capital resources (OCR) funding for two projects in the areas of trade financing and equity participation in financial institutions, and one project to expand an existing power transmission line. Consistent with the planning directions approved by ADB Management, the indicative ADF resources available for 2011–2012 would remain at \$194 million. The indicative nonlending program for the 2009–2012 period is \$18.4 million.

9. **Loan and grant mix, 2009–2012.** The loan-grant mix of the lending pipeline for 2009–2010 was determined by the ADB's performance-based allocation (PBA) policy.⁸ More specifically, the loan-grant split was determined by the findings of the debt sustainability analysis—conducted jointly by the International Monetary Fund, World Bank, and ADB in October 2008—which found that Cambodia's risk of debt distress was “moderate”. However, for programming purposes, the country programming mission assumes that Cambodia's risk of debt distress will decline in the coming years, and that by 2011 it will have a low risk of debt-distress, at which time ADF assistance would be extended exclusively in loan form.

III. SUMMARY OF CHANGES TO LENDING AND NONLENDING PROGRAMS

10. **2009 lending and nonlending program changes.** The proposed COBP reflects the following three changes to the 2009 lending program identified in the previous (2008–2010) COBP. First and most significantly, as indicated above, three new commercial financial support interventions have been programmed by PSOD. Second, a GMS Supplementary Railways

⁷ Comprising \$33 million in ADF loans and \$26.4 million in ADF grants, to be disbursed over 2009–2010.

⁸ Under the PBA, a 20% discount is applied to the grant component of the notional 50–50 split between grants and loans. Thus, the total national ADF-X allocation of \$253.5 million, which includes the \$59.4 million for crisis-response, comprises \$140.8 million in loans and \$112.7 million in grants.

Project has been added through the first public–private partnership in the area of transport infrastructure. Third, the Mekong Water Supply and Sanitation Project, the Cambodia component of which was originally to be financed by a grant of \$1 million, has been deferred and will be folded into the GMS Corridor Towns Development Project, programmed for 2011. Technical assistance (TA) in agricultural and natural resources development has been refocused on productivity enhancement through technology demonstrations and information and communication technology (ICT) applications around the Tonle Sap basin, and capacity development for income restoration programs for affected people along the Phnom Penh–Ho Chi Minh Highway. Deconcentration- and decentralization-related TA has been refocused and renamed to be more aligned with the corresponding project in 2011.

11. **2010 lending and nonlending program changes.** Five revisions have been made to the 2010 lending program. First, the “provincial” component of the previously programmed Provincial and Rural Roads Asset Management Project (cluster) has been deferred to 2011 to allow more time for institutional strengthening. Second, the Support to Rural Decentralization Capacity Building Project was renamed as the Decentralized Rural Infrastructure Project and deferred to 2011 pending greater clarity on the form and content of the Government’s deconcentration and decentralization reforms, particularly with respect to functional assignments and financial devolution in the area of rural infrastructure. Third, the Public Financial Management for Decentralized Services project has been renamed Public Financial Management for Rural Development to clarify that this represents subprogram 2 of the project approved in late 2008. Fourth, the Private Sector Development project, also approved in late 2008, has been renamed Promoting Economic Diversification to clarify the nature of the project. Fifth, the GMS Flood and Drought Risk Management and Mitigation Project has been deferred to 2011 to allow more time for institution building of the relevant line ministry. The Tonle Sap Resource Management and Conservation PPTA has been deferred to 2011, the third phase of the Rural Water Supply and Sanitation Project postponed to 2012, and Provincial and Rural Roads Asset Management PPTA projects, respectively, have been added in 2010 and 2011, ahead of corresponding projects planned for 2011 and 2012.

IV. INDICATIVE INTERNAL RESOURCE REQUIREMENTS

12. It is estimated that internal staff resources utilized for the 2008 Cambodia program totaled 16.5 person-years. Over the last year, the size of the Cambodia Resident Mission (CARM) has been increased by five new staff positions and two full-time consultants to help meet increased devolved responsibilities: (i) a headquarter-based staff person from the Southeast Asia Agricultural and Environment division has been out-posted to CARM; (ii) two new national officers have been hired, including (a) one to strengthen economic and thematic-sector work in agriculture and rural development and improve monitoring of existing and upcoming projects that address agriculture and natural resources, including with respect to climate change, and (b) one to strengthen CARM’s efforts to reduce fiduciary risks and improve monitoring and analysis of governance-related issues; (iii) two new assistants have been hired to help with office and financial administration; and (iv) two consultants will (a) help expand and improve public communications, and (b) strengthen implementation of regionally focused human resource development programs for government officials.

V. RESULTS-BASED MONITORING

13. Progress in producing the outcomes and impact of ADB’s interventions in Cambodia has been monitored against a set of indicators in an updated results framework, which reflects the current CSP (2006–2010) priorities and thematic focus. The results-based framework, and the underlying sector roadmaps, will be updated and revised in 2010 for the next country partnership strategy, 2011–2015.

VI. MATRIX: COUNTRY PARTNERSHIP STRATEGY RESULTS FRAMEWORK (2006–2010)^a

Country Development Goals ^b		Country Partnership Strategy (CSP) Outcomes		Key Areas of ADB's Intervention	Risks
Country-Level Outcomes ^c	Key Constraints ^d	CPS Outcomes ^e	Outcome Indicators ^f		
A: Sustainable Pro-Poor Economic Growth					
<p>Reduce the proportion of the population below the national poverty line to 25% in 2010, from 34.7% in 1994.</p> <p>Reduce the incidence of rural poverty from 39.2% in 2004.</p> <p>Maintain GDP growth at 6% per annum during 2006–2010.</p>	<p>Economic growth narrowly based and focused on urban areas.</p> <p>Commercialization lacking in agriculture; low productivity and slow growth of output in the agriculture sector.</p> <p>Comprehensive river basin management lacking.</p> <p>Natural resources in the Tonle Sap basin are under pressure due to lack of livelihood options.</p> <p>Integration of multisector rural development under a comprehensive policy and institutional arrangement is lacking.</p> <p>Floods and droughts cause economic losses and loss of life.</p>	<p>Rice yields increased from 2.0 t/ha in 2005 to 2.4 t/ha by 2010.</p> <p>Agricultural land under irrigation (including supplemental irrigation) increased from 588,687 ha in 2005 to 650,000 ha by 2010.</p> <p>Forest cover maintained at 60% of total area between 2005 and 2010.</p> <p>Number of community-based fisheries increased from 375 in 2005 to 464 in 2010.</p> <p>Management of natural resources under a river basin planning and development approach adopted within the Tonle Sap basin.</p> <p>Improved rural livelihoods to reduce pressure on Tonle Sap basin resources and reduce poverty</p> <p>Fish sanctuary in the Tonle Sap Biosphere Reserve core area managed under the biosphere reserve framework.</p> <p>Reduction in economic losses and loss of life from flood and droughts</p>	<p>Extent of agricultural lands covered by rehabilitated irrigation schemes under ADB projects increases from 3,000 ha in 2005 to 35,000 ha by 2010, with participatory management of such schemes also increasing from 15,000 ha in 2005 to 35,000 ha by 2010.</p> <p>By 2010, at least 15 irrigation schemes will be practicing sustainable participatory management.</p> <p>By 2010, integrated water resources management in a river basin context adopted and applied in at least eight river subbasins of the Tonle Sap basin.</p> <p>By 2010, a new management system for the Tonle Sap Biosphere Reserve core areas is established.</p> <p>By 2009, commitments adopted for application of public financial management accountability by MAFF, MOWRAM, and MRD.</p> <p>By 2009, over 70 communities will have access to funds to implement community development activities that focus on social development and sustainable livelihood.</p>	<p>Ongoing</p> <p>Northwest Irrigation Sector Project</p> <p>Tonle Sap Sustainable Livelihoods Project</p> <p>Emergency Food Assistance Project</p> <p>Tonle Sap Lowland Rural Development Project</p> <p>TA: GMS Flood and Drought Risk Management and Mitigation</p> <p>Proposed</p> <p>Tonle Sap Poverty Reduction and Smallholder Development</p> <p>Water Resource Management Sectoral Development Program</p> <p>GMS Biodiversity Conservation Corridor</p>	<p>Lack of political commitment to private agro-based enterprise growth</p> <p>Increased agriculture production targets not supported by sufficient budgetary allocations.</p> <p>Community-based organizations not sufficiently empowered for community-driven development.</p> <p>Access to community funds dominated by better-off groups.</p> <p>Powerful interests continue to grab land or monopolize natural resources.</p>
	Soundness and stability of the financial system	Develop a sound market-based financial system to support resource mobilization and financial	Prudential regulations upgraded to Basel I core principals, and on-site bank supervision further strengthened.	Ongoing Financial Sector Program (Cluster 2) and its	Without significant technical assistance, the will to carry out

Country Development Goals ^b		Country Partnership Strategy (CSP) Outcomes		Key Areas of ADB's Intervention	Risks
Country-Level Outcomes ^c	Key Constraints ^d	CPS Outcomes ^e	Outcome Indicators ^f		
	<p>Competition, efficiency</p> <p>Limited access to and high costs of financial services</p> <p>Human resource development</p>	<p>intermediation.</p> <p>Credit to private sector increased from 12.5% of GDP in (2005) to 17% in 2010.</p> <p>Insurance premiums/GDP ratio increased from 0.2% in 2005 to 1.0% in 2010.</p> <p>Improve legal infrastructure and payment and settlement system.</p>	<p>Strengthened institutional and staff capacity plus comprehensive prudential regulations for banks, insurance industry, and MFIs.</p> <p>Annual audited financial reports of banks and insurance companies publicly available.</p> <p>A national electronic payments system developed by 2010.</p>	implementing TA projects	<p>reforms weakens.</p> <p>Ineffective function of financial intelligence unit</p> <p>Lack of enforcement by the regulatory authorities</p>
	<p>Growth of private sector is constrained by macroeconomic and price instability, inconsistent policy implementation, lack of an enabling business environment and trade facilitation, limited access to finance, weak entrepreneurial skills, limited access to market information and technology, and lack of backward linkages.</p>	<p>Maintain macroeconomic and price stability.</p> <p>Increase number of registered enterprises annually in both urban and rural areas (baseline value: 129/month in 2005).</p> <p>Improve access to finance for SMEs.</p> <p>iv. Increase lending to private sector, particularly SMEs (baseline value: \$51 million in 2005).</p>	<p>By 2009, Government to maintain low inflation</p> <p>By 2010, rollout of decentralized business registration to at least half of the country's regional provincial offices.</p> <p>From 2008 to 2010, number of notice filings on security interests quadrupled at online secured transactions registry.</p>	<p>Proposed:</p> <p>Promoting Economic Diversification (subprogram 2)</p> <p>ADB's Private Sector Operations Department in financial sector</p>	<p>Oil prices and external supply shock continue to drive inflation.</p> <p>Lack of specific mechanisms for monitoring policy effectiveness</p> <p>Failure to achieve wide outreach in disseminating reform outcomes.</p>
	<p>Trade policy and facilitation</p> <p>Lack of backward linkages from retail sector to agriculture sector</p>	<p>WTO economic, trade, and legal reforms prioritized.</p> <p>Institutional framework for effective SPS management system strengthened.</p> <p>Favorable competition policy</p>	<p>By 2010, system of WTO compliance and notifications established.</p> <p>By 2010, backlogs in outstanding WTO comments on technical barriers to trade, SPS, and intellectual property rights addressed.</p> <p>By 2010, action plan for promoting competition policy formulated.</p>	<p>Ongoing:</p> <p>Promoting Economic Diversification (subprogram 2)</p>	<p>The Government cannot deliver on its prioritization commitments, and an agreement on the priority of the legislation is not reached with the National Assembly.</p>
	<p>Large groups are unable to benefit from economic growth due</p>	<p>Improved rural access, increased reliability of the road and rail transport networks, and improved</p>	<p>Increase in the percentage of rural roads in good condition from 16% in 2005 to 25% in 2010.</p>	<p>Ongoing</p> <p>Cambodia Road Improvement</p>	<p>Delay in the release of government counterpart funds</p>

Country Development Goals ^b		Country Partnership Strategy (CSP) Outcomes		Key Areas of ADB's Intervention	Risks
Country-Level Outcomes ^c	Key Constraints ^d	CPS Outcomes ^e	Outcome Indicators ^f		
	<p>to high costs, poorly maintained and incomplete infrastructure.</p> <p>High transport costs and lack of competitiveness between transport modes</p> <p>Unsustainable transport infrastructure because of a lack of effective mechanisms and funds for maintenance.</p>	<p>subregional connectivity.</p> <p>Increased transport efficiency through reform and strengthening of road and rail subsector institutions, with wider private sector participation.</p> <p>Improved sustainability of the transport sector through improved mechanisms for maintenance of transport infrastructure.</p> <p>Improved road safety</p>	<p>Reduction in transport fares by 10% from 2005 to 2010.</p> <p>Proportion of roads that are well-maintained increases from 30% in 2005 to 40% in 2010.</p> <p>Road fatalities reduced from 12 fatalities/10,000 vehicles in 2005 to 7 fatalities/10,000 in 2010.</p>	<p>Project</p> <p>Road Asset Management Project</p> <p>GMS Rehabilitation of the Railway in Cambodia</p> <p>Project Tonle Sap Lowland Rural Development Project</p> <p>GMS: Southern Coastal Corridor Project</p> <p>Proposed:</p> <p>GMS Cambodia Northwest Provincial Road Improvement</p> <p>GMS Rehabilitation of the Railway in Cambodia (supplementary)</p> <p>TA: Provincial and Rural Roads Asset Management Project (cluster)</p>	<p>Delays in private railway operator concession</p> <p>A lack of commitment to implementing a sustained road maintenance management system</p> <p>Insufficient funds for implementing traffic education campaign</p> <p>Insufficient capacity for effective monitoring and implementation of laws and regulations</p>
	<p>Lack of electrification and high costs stifle economic opportunities and social development.</p> <p>Severe shortage of government staff with expertise in the oil and gas sector</p>	<p>Length of transmission network increased from 128.7 km in 2005 to 228.0 km by 2010.</p> <p>Per capita use of electricity increased from 54 kWh in 2005 to 89 kWh in 2010.</p> <p>Electricité du Cambodge (EDC) is financially sustainable, and its operational efficiency and performance improved.</p>	<p>By 2010, construction of a power transmission line from Kampot to Sihanoukville and associated substations and bulk supply distribution works completed.</p> <p>Electricity losses maintained below 16% on an annual basis from 2005 onwards, and implementation of the agreed financial and technical action plans by EDC completed by 2010.</p>	<p>Ongoing</p> <p>GMS: Transmission Project</p> <p>Second Power Transmission and Distribution Project</p> <p>TA for Institutional Strengthening of the Cambodian National Petroleum Authority</p> <p>Proposed:</p> <p>Cambodia Power Transmission Line Expansion Project, Phase II (private sector operation)</p>	<p>Available supply of electricity from Viet Nam is below projected levels.</p> <p>Commitment to implement EDC's financial action plans.</p>

Country Development Goals ^b		Country Partnership Strategy (CSP) Outcomes		Key Areas of ADB's Intervention	Risks
Country-Level Outcomes ^c	Key Constraints ^d	CPS Outcomes ^e	Outcome Indicators ^f		
					Inadequate analysis of balance between renewable energy and agricultural production, plus ineffective public policy standards
B: Inclusive Social Development					
<p>By 2010, all children will be required to complete primary school; by 2015, all children will be required to complete 9 years of basic schooling.</p> <p>Eliminate gender disparities in 9-year basic education and significantly reduce gender disparities in upper secondary education by 2010.</p>	<p>Inequitable access to primary and secondary education</p> <p>Weak internal efficiency and quality</p> <p>Weak institutional and management capacity</p> <p>Lack of adequate resources to support recurrent expenditure</p>	<p>Net enrollment ratio in primary and secondary education increased from 91.9% and 26.1% in 2005 to 100% and 75% in 2010.</p> <p>By 2010, 10,000 new teachers per year to be trained at all levels from current level of 5,000 teachers trained per year.</p> <p>Ratio of girls to boys in lower secondary education to increase from 77% in 2005 to 100% in 2010.</p>	<p>340 incomplete primary schools in six remote and ethnic minority provinces upgraded by 2009.</p> <p>Decentralized planning and management systems for education delivery (including school management, teacher performance, and monitoring) strengthened between 2006 and 2010.</p> <p>400 lower secondary schools constructed by 2010.</p>	<p>Completed</p> <p>Improving Primary Schools Access in Disadvantaged Communes</p> <p>Target Assistance for Education of Poor Girls and Children in Ethnic Minority Areas</p> <p>TA: Regulatory Reform and Governance for Decentralization</p> <p>Ongoing</p> <p>Second Education Sector Development Project</p>	<p>Commitment to maintaining adequate recurrent budget for education weakens.</p> <p>Faltering commitment and lack of agreement among government departments for institutional reform</p>
<p>Improve quality and internal efficiency of education in Cambodia.</p>	<p>Weak public-private partnership in education.</p> <p>Absence of policy framework for teacher education and teacher management</p>	<p>Strengthened legislative and regulatory framework for quality assurance of education services.</p> <p>Decentralized and deconcentrated education planning, management, and administration</p>	<p>Education law disseminated within 6 months of its adoption.</p> <p>Between 2006 and 2010, annual recurrent expenditure on education maintained or increased as a proportion of total government recurrent expenditure relative to the</p>	<p>Completed</p> <p>Second Education Sector Development Program</p> <p>Ongoing</p> <p>Enhancing Education Quality Project</p>	<p>Delays in adopting education law by the national assembly</p> <p>Resource allocation and availability is inadequate to support sector reforms</p>

Country Development Goals ^b		Country Partnership Strategy (CSP) Outcomes		Key Areas of ADB's Intervention	Risks
Country-Level Outcomes ^c	Key Constraints ^d	CPS Outcomes ^e	Outcome Indicators ^f		
Create gainful employment opportunities in both formal and informal sectors	Unreformed functions and organizations of MOEYS	Increased net income and greater employment opportunities among rural poor with improved knowledge and skills	preceding year. Decentralized planning and management capacity building strengthened by 2010.		Lack of specific mechanisms for monitoring policy effectiveness.
Establishment of technical vocational education and training (TVET) networks to serve both men and women equitably, especially to respond to labor market needs.		Policy framework for teacher education and teacher management completed by late 2009.	Functions and organizations of MOEYS updated by end 2009. 3,000 agricultural producers in 44 targeted communes (50% female) received PHT training, and about 80% of them applied PHT skills techniques by 2012. 700 youth and/or school leavers (50% female) in targeted locations graduated from TVET skills bridging program, and 50% of graduates entered further certificate-level skills training by 2012.	TA: Strengthening Technical and Vocational Education in 2009. Piloting the Post-Harvest Technology (PHT) and Skills Bridging Program for Poor in 2009. Proposed Strengthening Technical Vocational Education and Training (TVET) in 2009. TA: Preparing Education Sector Development Program 3 in 2010.	Teachers are insufficiently motivated to implement reforms. Access to education by females and people in remote areas is constrained by traditional and/or cultural barriers. Lack of coherent TVET strategy and policy in addressing poverty and unemployment issues. Lack of engagement of youth and employers
Improve health and quality of life for rural people in line with the CMDG targets for safe water supply and sanitation.	Difficulty of translating National RWSS Policy into action . Lack of clear and transparent rules on investment, financing, and cost-recovery mechanisms in the sector.	By 2011, in the five provinces of the Tonle Sap Rural Water Supply and Sanitation Sector Project (TRWSSP): 50% of rural population will have access to a reliable supply of safe water, and 30% of rural population will have access to improved sanitation (hygienic latrines). Communities empowered through village-based water and sanitation user groups.	By 2010, rural water supply coverage in place for 40% of the rural population. By 2010, rural sanitation coverage in place for 20% of the rural population. By 2011, in the five TRWSS P provinces, 1.09 million people have access to safe water, and 0.72 million people have access to household latrines.	Ongoing Tonle Sap Rural Water Supply and Sanitation Sector Project (TSRWSSP). Proposed: Second Rural Water Supply and Sanitation Sector Project for approval 2009.	Delays in developing a national RWSSH strategy Low EA capacity at provincial levels

Country Development Goals ^b		Country Partnership Strategy (CSP) Outcomes		Key Areas of ADB's Intervention	Risks
Country-Level Outcomes ^c	Key Constraints ^d	CPS Outcomes ^e	Outcome Indicators ^f		
	Weak capacity of relevant implementing agencies at central and local levels.	National strategy developed and guidelines for RWSS sector program implemented.			
C: Good Governance and Improved public Service Delivery					
Enhance poverty reduction through more participatory, transparent, and accountable local governance.	<p>Commune, district and provincial councils lack basic infrastructure, administrative capacity, and financial resources.</p> <p>Most councilors and concerned staff are not familiar with local government systems, their roles and responsibilities.</p>	<p>Be more effective as grassroots mechanisms to strengthen accountability, responsiveness, and transparency of public sector administration; and</p> <p>Improve the effectiveness and reach of public service delivery</p> <p>Functional assignments linked to fiscal needs and/or capacities for all levels of the government</p>	<p>519 commune council facilities constructed by 2006, and an additional 235 commune facilities constructed by 2009.</p> <p>85% of the population registered by the end of 2006, and a sustainable computer-based civil registration system operational by 2009.</p>	<p>Ongoing</p> <p>Commune Council Development Project II</p> <p>Proposed</p> <p>TA: Developing an Effective Substitutional Framework for Decentralized Reforms (2009)</p>	<p>Adequate resources not provided to local government.</p> <p>Capacity of local administration remains weak.</p>
	<p>Most citizens are unaware of the functions of elected councils.</p> <p>Organic Law and D&D requires restructuring of sub-national (province and district) levels through the establishment of unified sub-national administrations.</p>	<p>Preparation of legal and/or regulatory regime for fiscal arrangements.</p> <p>Strengthening of institutional coordination arrangements and capacity of central oversight agencies.</p> <p>Improve service delivery of rural infrastructure by strengthening demand through locally elected councils.</p>	<p>Between 2006 and 2009, training on commune and <i>sangkat</i> (municipal commune) operational procedures and management provided to local councilors, clerks, and government officials. Public awareness campaigns provided on the roles of commune councils and local development, as well as on social issues.</p> <p>Draft assignment of functional responsibilities in a budgetary context completed.</p> <p>Draft recommendations on fiscal arrangements and related regulations developed.</p>	TA: Decentralized Rural Infrastructure	<p>Commitment of the government to deconcentration and decentralization reforms.</p> <p>Coordination between MOI and MEF on deconcentration and decentralization reforms.</p>

Country Development Goals ^b		Country Partnership Strategy (CSP) Outcomes		Key Areas of ADB's Intervention	Risks
Country-Level Outcomes ^c	Key Constraints ^d	CPS Outcomes ^e	Outcome Indicators ^f		
Improve public financial management (PFM).	<p>Lack of timely and accurate information and deficient reporting systems lead to a poor control environment.</p> <p>Weak financial management and internal audit capacity in government institutions.</p> <p>NAA has insufficient capacity to conduct all types of audits.</p>	<p>Public debt management function (forecasting, financial analysis, debt-risk sensitivity analysis, and payment management) improved, and Debt strategy adopted by 2010.</p> <p>Improved credible budget in rural development ministries (MRD, MOWRAM, and MAFF)</p> <p>Internal audits in the rural development ministries in place, with adequate staffing and capacity.</p> <p>Improved capacity of NAA to conduct external audits and publicize findings.</p>	<p>Preparation of a public debt management strategy by 2010.</p> <p>Devolution of budget preparation and execution from MEF to the rural development ministries increased.</p> <p>Pilot production of internal audit report(s) by the internal audit departments of the rural development ministries.</p> <p>Pilot specialized technical work by the NAA begun in 2009.</p>	Proposed: PFM for Rural Development Program	Commitment to PFM reform program by Government at a political level weakens over time.

ADB = Asian Development Bank; CCDP = Commune Council Development Project; CMDG = Cambodian Millennium Development Goal; CNPA = Cambodia National Petroleum Authority; COM = Council of Ministers; EA = executing agency; EDC = Electricité du Cambodge; FWUC = farmer water-user community; GDP = gross domestic product; GMS = Greater Mekong Subregion; ha = hectare, JFPR = Japan Fund for Poverty Reduction; km = Kilometer; kWh = Kilowatt; MAFF = Ministry of Agriculture, Forestry, and Fisheries; MEF = Ministry of Economy and Finance; MFI = microfinance institution; MOEYS = Ministry of Education, Youth and Sports; MRD = Ministry of Rural Development; MOWRAM = Ministry of Water Resources and Meteorology; NAA = National Audit Authority; PFM = public financial management; PFM-RDP = public financial management for Rural Development Project, PHT = Post Harvest Technology; RWSS = rural water supply and sanitation; SME = small or medium enterprise; SPS = sanitary and phytosanitary; t = tons; TA = technical assistance; TRWSSP = Tonle Sap Rural Water Supply and Sanitation Sector Project, WTO = World Trade Organization.

^a Although the country strategy and program (CSP) covers 2005–2009, the CSP was extended to 2010 in line with the term of the current National Strategic Development Plan (NSDP) 2006–2010, and the timeframe of the results framework has been realigned correspondingly.

^b Selected components of the medium-term national development agenda that overlap with ADB's strategic priorities in Cambodia.

^c Strategic goals of the NSDP, and the Cambodian Millennium Development Goals.

^d As identified in the NSDP, the Rectangular Strategy, and in sector and thematic assessments undertaken by ADB and development partners.

^e Achievement of these outcomes is the combined responsibility of the Government and its development partners, including ADB, the private sector, civil society, and other development aid agencies.

^f Indicators to track implementation success toward expected outcomes. Baselines, indicative targets, and indicators for monitoring progress have been identified and will be updated regularly.

^g Government target in the NSDP 2006–2010.

^h Ministry of Agriculture, Forestry, and Fisheries. 2008. *Annual Report 2007–2008*. Phnom Penh (2–3 April).

ⁱ The Ministry of Water Resources and Meteorology does not publish an annual report on irrigation development.

^j ADB. 2000. *Report and Recommendation of the President on a Proposed Loan to the Kingdom of Cambodia for the Stung Chinit Irrigation and Rural Infrastructure Project*. Manila (Loan 1753-CAM, approved on 5 September).

^k Personal email communication with fisheries administration official (November 2007).

Sources: Government of Cambodia and Asian Development Bank.

INDICATIVE ASSISTANCE PIPELINE

Table A1.1: Indicative Assistance Pipeline for Lending Products, 2010–2012

Sector Project/Program Name	Targeting Classification	Thematic Priority	Division	Year of PPTA	Cost (\$ million)							
					ADB				Gov't	Co-financing		
					OCR	ADF Loans	ADF Grants	Total		Amount	Source of Funds	
2010 Loans/Grants												
National (Indicative)												
Agriculture and Natural Resources												
1.	Water Resources Management Sectoral Development Program	GI	ECO	SEAE	2006	0.0	32.8	0.0	32.8	TBD	17.9	AFD and OFID ^a
Transport, and Information and Communication Technology												
2.	Rural Roads Asset Management Project (Cluster)	GI	ECO	SETU	2010	0.0	35.0	0.0	35.0	TBD	TBD	
Finance												
3.	Financial Sector Development Program (Cluster 2, subprogram 4)	GI	PSD	SEFM	N/A	0.0	10.0	5.0	15.0	TBD	TBD	
Public Sector Management												
4.	PFM for Rural Development (subprogram 2)	GI	GOV	SEFM	2009	0.0	10.0	15.0	25.0	TBD	TBD	
Industry and Trade												
5.	Promoting Economic Diversification (subprogram 2)	GI	PSD	SEFM	2010	0.0	10.0	15.0	25.0	TBD	TBD	
Subtotal National Program (ADF and OCR; Indicative)						0.0	97.8	35.0	132.8	0.0	17.9	
Regional Program (Indicative)												
Health and Social Protection												
6.	GMS Communicable Disease Control 2	GI	SD/RC/GEN	SESS	2009	0.0	0.0	10.0	10.0	1.5	TBD	
Agriculture and Natural Resources												
7.	GMS Biodiversity Conservation Corridor	GI	ENV/RC	SEAE	2009	0.0	0.0	15.0	15.0	3.0	15.0	
Subtotal Regional (Indicative)						0.0	0.0	25.0	25.0	4.5	15.0	
Subtotal National and Regional Program 2010 (Indicative)						0.0	97.8	60.0	157.8	4.5	32.9	

Sector Project/Program Name	Targeting Classification	Thematic Priority	Division	Year of PPTA	Cost (\$ million)						
					ADB				Gov't	Co-financing	
					OCR	ADF Loans	ADF Grants	Total		Amount	Source of Funds
2011 Loans/Grants											
National (Indicative)											
Education											
1	Education Sector Development Program 3	GI	SD/GEN	SESS	2010	0.0	20.0	0.0	20.0	TBD	TBD
Finance											
2	Financial Sector Development Program (Cluster 3, subprogram 1)	GI	PSD	SEFM	2010	0.0	15.0	0.0	15.0	TBD	TBD
Transport, and Information and Communication Technology											
3	Provincial Roads Asset Management (Cluster)	GI	ECO/GEN	SETU	2010	0.0	15.0	0.0	15.0	TBD	TBD
Public Sector Management											
4	Decentralized Rural Infrastructure	GI	GOV	SEFM/ SETU	2010	0.0	20.0	0.0	20.0	TBD	TBD
Subtotal National Program (Indicative)						0.0	70.0	0.0	70.0	0.0	0.0
Regional Program (Indicative)											
Agriculture and Natural Resources											
5	GMS: Flood and Drought Risk Management and Mitigation (CAM/LAO/VIE)	GI	RC/ECO	SEAE	2007	0.0	30.0	0.0	30.0	5.0	TBD
Industry and Trade											
6	Trade Facilitation: Improved SPS Handling in GMS Cross Border Trade	GI	ECO	TRM/ SEFM	2009	0.0	15.0	0.0	15.0	TBD	TBD
Water Supply and Other Municipal Infrastructure and Services											
7	GMS Corridor Towns Development (CAM/LAO/VIE)	GI	ECO	SETU	2010	0.0	50.0	0.0	50.0	TBD	TBD
Subtotal Regional Program (Indicative)						0.0	95.0	0.0	95.0	5.0	0.0
Subtotal National and Regional Program 2011 (Indicative)						0.0	165.0	0.0	165.0	5.0	0.0

Sector Project/Program Name	Targeting Classification	Thematic Priority	Division	Year of PPTA	Cost (\$ million)						
					ADB				Gov't	Co-financing	
					OCR	ADF Loans	ADF Grants	Total		Amount	Source of Funds
2012 Loans/Grants											
National (Indicative)											
Agriculture and Natural Resources											
1	Tonle Sap Management and Conservation	GI	ECO/GEN	SEAE	2011	0.0	15.3	0.0	15.3	TBD	TBD
Education											
2	Enhancing Technical and Vocational Education 2	GI	SD/GEN	SESS	2008	0.0	20.0	0.0	20.0	TBD	TBD
Transport, and Information and Communication Technology											
3	Rural Roads Asset Management (Cluster 2)	GI	ECO	SETU	2011	0.0	35.0	0.0	35.0	TBD	TBD
Finance											
4	Financial Sector Development Program (Cluster 3, subprogram 2)	GI	PSD	SEFM	2010	0.0	15.0	0.0	15.0	TBD	TBD
Subtotal National Program (Indicative)						0.0	85.3	0.0	85.3	0.0	0.0
Regional Program (Indicative)											
Energy											
5	GMS: Renewable Energy ^b	GI	ECO	SEAE	2009	0.0	20.0	0.0	20.0	TBD	TBD
Subtotal Regional Program (Indicative)						0.0	20.0	0.0	20.0	0.0	0.0
Subtotal National and Regional Program 2012 (Indicative)						0.0	105.3	0.0	105.3	0.0	0.0
Total National and Regional Program, 2010–2012 (Indicative)						0.00	368.10	60.00	428.10	9.50	32.90

ADB = Asian Development Bank, ADF = Asian Development Fund, AFD = French Agency for Development, AusAID = Australian Agency for International Development, ECO = sustainable economic growth, EVN = environmental sustainability, GAD = gender and development, GI = general intervention, GMS = Greater Mekong Subregion, GOV = governance, Gov't = government, ISD = inclusive social development, OCR = ordinary capital resources, OFID = OPEC Fund for International Development, PPTA = project preparatory technical assistance, PSD = private sector development, RC = regional cooperation, SEAE = Southeast Asia Department, Agriculture and Natural Resources Division, SEFM = Southeast Asia Department, Public Financial Management, Finance and Trade Division, SEEW = Southeast Asia Department, Energy and Urban Water Supply and Sanitation Division, SESS = Southeast Asia Department, Social Sectors Division, SETU = Southeast Asia Department, Transport and Urban Planning Division, SMEs = small and medium-sized enterprises; TBD = to be determined, TI = targeted intervention, WB = World Bank.

^a \$7.5 million for AFD and \$10.2 million for OFID.

^b The project appears in 2011 in ADB.2008. Greater Mekong Subregion: Regional Cooperation Operations Business Plan, 2010–2011. Manila., but this timing will be reassessed during the next programming cycle.

Source: Asian Development Bank estimates.

Table A1.2: Indicative Assistance Pipeline for Nonlending Products and Services, 2010–2012

Sector/Assistance Name	Responsible Division	Assistance Type	Source of Funding		Total Amount (\$ million)	
			ADB	Others		
			Source	Amount (\$ million)		Amount (\$ million)
2010						
National						
Education						
1	Education Sector Development Program 3	SESS	PPTA	0.80	0.00	0.80
Public Sector Management						
2	Decentralized Rural Infrastructure	SEFM	PPTA	0.80	0.00	0.80
Finance						
3	Support for Financial Sector Development Program Cluster 3	SEFM	PPTA	0.70	0.00	0.70
Transport, and Information and Communication Technology						
4	Provincial Roads Asset Management Project (Cluster)	SETU	PPTA	1.00	0.00	1.00
Subtotal National Program				3.30	0.00	3.30
Regional Program						
Energy						
5	GMS: Rural Renewable Energy Development (CAM)	SEAE	PPTA	2.00	0.00	2.00
6	GMS Corridor Towns Development (CAM/LAO/VIE)	SETU	PPTA	1.00	0.00	1.00
Subtotal Regional Program				3.00	0.00	3.00
Subtotal National and Regional Program 2010 (Indicative)				6.30	0.00	6.30
2011						
National Program						
Agriculture and Natural Resources						
1	Tonle Sap Resource Management and Conservation	SEAE	PPTA	1.00	0.00	1.00
2	Strengthening Farmer Water User Groups	SEAE	ADTA	0.50	0.00	0.50
Transport, and Information and Communication Technology						
3	Rural Roads Asset Management Project 2 (Cluster)	SETU	PPTA	0.80	0.00	0.80

Sector/Assistance Name	Responsible Division	Assistance Type	Source of Funding		Total Amount (\$ million)	
			ADB	Others		
			Source	Amount (\$ million)		
Education						
4	Enhancing Technical and Vocational Training 2	SESS	PPTA	0.70	0.00	0.70
5	Capacity Development for Secondary Education Development Project 3	SESS	PPTA	0.50	0.00	0.50
Subtotal National Program				3.50	0.00	3.50
Regional Program						
Water Supply and Other Municipal Infrastructure and Services						
6	Core Environment Program and Biodiversity Conservation Corridor Initiative in the GMS, Phase 2	SEAE	PPTA	1.00	0.00	1.00
Subtotal Regional Program				1.00	0.00	1.00
Subtotal National and Regional Program 2011 (Indicative)				4.50	0.00	4.50
2012						
National Program						
Water Supply and Other Municipal Infrastructure and Services						
1	Sustainable Urban Development in Tonle Sap Basin	SETU	PPTA	0.70	0.00	0.70
2	Rural Water Supply and Sanitation 3	SESS	PPTA	0.80	0.00	0.80
Subtotal National Program				1.50	0.00	1.50
Regional Program						
Multisector						
3	Climate-Proofing of GMS Corridors	SETU	PPTA	1.00	0.00	1.00
Subtotal Regional Program				1.00	0.00	1.00
Subtotal National and Regional Program 2012 (Indicative)				2.50	0.00	2.50
Overall Total 2010–2012				13.30	0.00	13.30

ADB = Asian Development Bank, ADTA = advisory technical assistance, CAM = Cambodia, CARM = Cambodia resident mission, CDTA = capacity development technical assistance, GMS = Greater Mekong Subregion, Gov't = government, LAO = Lao People's Democratic Republic, PATA = policy and advisory technical assistance, PPTA = project preparatory technical assistance, SEAE = Southeast Asia Department, Agriculture and Natural Resources Division, SEFM = Southeast Asia Department, Public Financial Management, Finance and Trade Division, SEEW = Southeast Asia Department, Energy and Urban Water Supply and Sanitation Division, SESS = Southeast Asia Department, Social Sectors Division, SETU = Southeast Asia Department, Transport and Urban Planning Division, SME = small and medium-sized enterprises, SPS = sanitary and phytosanitary, TRM = Thailand resident mission, VIE = Viet Nam, VRM = Viet Nam resident mission.

Source: Asian Development Bank estimates.

**PRELIMINARY SUMMARY INFORMATION ON PROPOSED INDICATIVE LENDING AND
NONLENDING PRODUCTS AND SERVICES FOR THE FIRST YEAR OF THE BUSINESS
PLAN**

**Table A2.1: Summary Information on Proposed Indicative Lending Products and Services
(2009–2010)**

Project Name	Description
2009	
Enhancing Technical and Vocational Education Project	<p>Impact Strengthen the technical vocational education and training (TVET) system.</p> <p>Major Components (i) Development of strategies to implement the long-term policies of the Ministry of Labor and Vocational Training for TVET, including updating and broadening of the existing medium-term plan, implementation of skills standards, and establishment of stronger links with the private sector; (ii) TVET system management and development, including strengthening of the Directorate General of Vocational Education and Training (DGTNET) and development of TVET and labor market information systems; and (iii) strengthening and expansion of basic and technical skills institutions and programs.</p> <p>Expected Outputs and Outcomes The outcome of the Project will be an expanded training system better aligned to the basic and middle level skills requirements of the formal and informal economies, and the needs of industry and employers in both rural and urban areas.</p> <p>The Project will produce three main outputs: (i) improved access to and quality of formal TVET teaching and learning through linkages with industry demand and with industry-endorsed skills competency standards as the basis for training curriculum, trainer training, training equipment, and assessment of trainee performance; (ii) enhanced access to and improved quality of informal TVET through expanding voucher skills training program (VSTP), establishment new provincial training centers (PTCs), strengthening implementation capacity of PTCs, and upgrading skills standards-based training in PTCs; (iii) improved capacity for planning, management and quality assurance through strengthening management capacity of TRegional Technical Training Centers (RTCs) and PTCs, improving TVET information systems, strengthening capacity of DGTNET as Secretariat of the National Training Board (NTB), development of TVET qualifications framework, standards and national training provider registration and accreditation, and career information systems development.</p>
Financial Sector Development Program (Cluster 2, Subprogram 3)	<p>Impact Establish a market-based financial system that enhances resource mobilization and supports sustainable economic growth.</p> <p>Major Components (i) Improvement of financial intermediation, market confidence, market development support, and sustainable outreach microfinance institution (MFIs); (ii) enhancement of the resilience of the financial sector ; (iii) promotion of good governance and (iv) efficiency enhancement of management information system of the National Bank of Cambodia .</p>

Project Name	Description
	<p>Expected Outputs and Outcomes</p> <p>The Program is expected to produce four main outputs, (i) improved confidence and financial intermediation, (ii) retained stability in the financial sector, (iii) promoted good governance, (iv) enhanced efficiency in the financial sector. Expected outcome would be a growing, resilient, and efficient financial system.</p>
<p>Second Rural Water Supply and Sanitation Sector Project</p>	<p>Impact</p> <p>Improve health and enhance quality of life for rural households.</p> <p>Major Components</p> <p>(i) Formation and training of water and sanitation user groups, (ii) development of village water supply and sanitation plans, (iii) improvement of household water collection and storage practices, (iv) rehabilitation of existing and construction of new water supply points, (v) construction of public and household latrines, (vi) enhancement of sector coordination, and (vii) capacity building of local governments.</p> <p>Expected Outputs and Outcomes</p> <p>The expected outcome will be increased access to improved water supply and sanitation in rural villages and communes in eight provinces of the Tonle Sap basin. The five expected outputs are: (i) improved community health and hygiene initiatives; (ii) rehabilitated, upgraded, and new water facilities; (iii) improved public and household sanitation; (iv) strengthened sector planning and coordination; and (v) improved capacity for project implementation and operation and maintenance.</p>
<p>Tonle Sap Poverty Reduction and Smallholder Development Project</p>	<p>Impact</p> <p>Improve the livelihoods of people and increase agricultural productivity in four provinces (Banteay Meanchey, Kampong Cham, Kampong Thom and Siem Reap) in Tonle Sap basin by 2020.</p> <p>Major Components</p> <p>(i) Development of communes with respect to agricultural support services, rural financial services, and rural infrastructure; and (ii) improvement of the enabling environment.</p> <p>Expected Outputs and Outcomes</p> <p>The project will assist the Government in creating: (i) improved agricultural support services, including research, extension and information delivery services to support increased agricultural productivity by smallholder farmers; (ii) strengthened rural financial services that are extended to resource-poor smallholder farmers; (iii) rural infrastructure to improve agricultural production, market access and quality of life in rural communities; and (iv) appropriate policies and regulations that support smallholder farming communities. The outcome of the project will be increased agricultural productivity in 196 communes in 28 districts of four provinces in Tonle Sap basin. This will include increased diversification of household economic activities, improved access to domestic and international markets, and the creation of on- and off-farm livelihood opportunities, improved rural infrastructure, and improved rural financial services.</p>
<p>Trade Financing</p>	<p>Impact</p> <p>Access to trade finance by international and local banks is increased, and a number of local banks are developed.</p> <p>Major Components</p> <p>(i) A revolving credit guarantee facility, under which the Asian Development Bank (ADB) guarantees the payment of trade credits issued by approved</p>

Project Name	Description
	<p>domestic banks (issuing banks) to participating regional and international banks (confirming banks); (ii) a revolving credit facility, under which ADB provides loans to issuing banks for onlending to private sector exporters and importers—many of which are small and medium-sized enterprises (SMEs)—to finance trade-related transactions; and (iii) a risk-participation facility, under which ADB provides coverage to confirming banks for a portfolio of trade finance transactions, up to a maximum aggregate limit.</p> <p>Expected Outputs and Outcomes The program will result in increased international and intraregional trade in and among developing member countries (DMCs), including Cambodia. This will result in an increase in imports and exports by companies in Cambodia as (i) participating banks have the support needed to provide financing and guarantees to importing and exporting companies, and (ii) international banks provide trade finance lines to participating Cambodian banks to support trade.</p>
Equity Participation in MFIs	<p>ADB is exploring the regulatory and market environment in Cambodia to evaluate possible equity investments in Cambodian MFIs. The objective of these investments would be to strengthen the financial position and service outreach of these institutions to rural areas and the poor, and to improve their corporate governance and risk-management systems</p>
Cambodia Power Transmission Line Expansion (Phase 2)	<p>Impact Increase access to lower cost electricity and usage of more efficiently generated electricity in Siem Reap.</p> <p>Major Components (i) Upgrading of the transmission line built under the Cambodia Power Transmission Line Project (Loan 2337-CAM) from a single to a double circuit from Banteay Meanchey to Siem Reap (105 km), and (ii) upgrading of the Siem Reap's substation by increasing feeder capacity and doubling transformer capacity to 100 megavolt-amperes (MVA).</p> <p>Expected Outputs and Outcomes Outputs are (i) a new 115-25 kilo volt transformer and other relevant accessory equipment at Siem Reap substation installed and in operation; and (ii) 104 kilometers (km) of additional 115 kV transmission line from Banteay Meanchey to Siem Reap constructed and in operation. The outcome will be enhanced capacity and stability of the Cambodia Power Transmission Line transmission system.</p>
GMS Cambodia Northwest Provincial Road Improvement Project	<p>Impact Improved subregional connectivity and increased subregional transport and trade between Cambodia and Thailand.</p> <p>Major Components (i) Improvement of NR 56 (from Sisophon to Samrong, a distance of approximately 113 km), (ii) improvement of the cross-border facility at O'Smach, (iii) road maintenance program, (iv) road safety program, and (v) HIV prevention and anti-trafficking program.</p> <p>Expected Outputs and Outcomes The outputs of the project will include (i) project road rehabilitated; (ii) cross-border facility rehabilitated; (iii) road maintenance program implemented; (iv) road safety program functioning efficiently; and (v) HIV prevention and anti-trafficking program implemented. The outcome of the project will be increased transport efficiency in northwestern Cambodia.</p>
GMS Rehabilitation of the Railways in	<p>Impact Enhance trade and economic integration in southern GMS</p>

Project Name	Description
Cambodia (Supplementary) Project	<p>Major Components (i) Rehabilitation of 594 km of existing railway track and associated structures, passing loops, and spur lines; (ii) reconstruction of 48 km of destroyed railway line to Thailand; and (iii) construction of direct railway access to the container terminal in the port of Sihanoukville. The incremental project would: (i) establish a new freight and rolling stock maintenance station at Samrong with sufficient space to cater for future multimodal requirements, (ii) upgrade or strengthen selected parts of the main line to enable early initiation of integrated multimodal services, and (iii) establish additional sidings and terminals to facilitate multimodal connectivity.</p> <p>Expected Outputs and Outcomes The outputs will include: (i) a new freight and rolling stock maintenance station established at Samrong; (ii) selected parts of the main line upgraded or strengthened to cater for multimodal requirements; and (iii) additional sidings and additional spur lines to terminals established to facilitate multimodal connectivity. The outcome would be selective upgrading of the railway in Cambodia over and above the rehabilitation envisaged in the rehabilitation project, thereby enabling early takeoff of integrated railway-based multimodal transport in the southern GMS.</p>
2010	
Water Resource Management Sector Development Program	<p>Impact Reduction in poverty and improved food security of about 20,000 families in four selected provinces (Pursat, Banteay Meanchey, Siem Reap, and Kampong Thom) in the Tonle Sap Basin.</p> <p>Major Components (i) Development of irrigation facilities; (ii) agricultural development and livelihood support, including incremental agricultural extension, land titling, etc.; (iii) establishment and development of farmer water-user communities; and (iv) capacity building for efficient project management.</p> <p>Expected Outputs and Outcomes Program outputs will be improved irrigation water supply and crop production in each subproject area, and improved efficiency and effectiveness of existing or new farmer water-user communities to be established under the program. The ultimate program outcomes will be poverty reduction and food security in the subproject areas, sustainability of the irrigation facilities provided under the project and effective management of the water sector.</p>
Rural Roads Asset Management Project (cluster)	<p>Impact Provision of safe, cost-effective, all-year road access in priority and remote agriculture areas of Cambodia.</p> <p>Major Components (i) Rehabilitation of about 500 km of rural road network that links to the previously rehabilitated provincial road network, (ii) construction supervision, (iii) capacity building to strengthen the road asset management capacity of the Ministry of Rural Development (MRD), (iv) capacity building for local private sector contractors in undertaking rural road maintenance works, and (v) a periodic and routine maintenance program for the rural roads network.</p> <p>Expected Outputs and Outcomes The outputs of the project will include (i) project road rehabilitated; (ii) capacity building program implemented; and (iii) road maintenance program implemented. The outcome will be a more sustainable road sector based on a sound core network with safe, cost-effective, and all-year access to markets</p>

Project Name	Description
	and other social services, and an efficient and sustainable road maintenance regime.
Financial Sector Development Program (Cluster 2, Subprogram 4)	<p>Impact Establish a market-based financial system that enhances resource mobilization and supports sustainable economic growth.</p> <p>Major Components (i) Improvement of financial intermediation, market confidence, market development support, and sustainable outreach of microfinance institutions (MFIs); (ii) enhancement of the resilience of the financial sector; (iii) promotion of good governance; and (iv) efficiency enhancement of management information system of the National Bank of Cambodia.</p> <p>Expected Outputs and Outcomes The Program is expected to produce four main outputs, (i) improved confidence and financial intermediation, (ii) retained stability in the financial sector, (iii) promoted good governance, (iv) enhanced efficiency in the financial sector. Expected outcome would be a growing, resilient, and efficient financial system.</p>
Public Financial Management for Rural Development Project (subprogram 2)	<p>Impact Improve service delivery for poverty reduction and accountability institutions</p> <p>Major Components The program will continue to support government reforms by: (i) strengthening financial management and increasing accountability, (ii) strengthening PFM in rural development ministries, and selected provincial departments within the emerging deconcentrated framework, (iii) strengthening institutions and the capacity of the Ministry of Finance and selected agencies for effective natural resource management, and (iv) improving governance framework including external auditing. The project will emphasis the capacity development needs in MRD, the Ministry of Agriculture, Forestry, and Fisheries; Ministry of Water Resources and Meteorology; Ministry of Finance; and National Audit Authority to improve the overall governance framework of the Cambodian public sector.</p> <p>Expected Outputs and Outcomes Improved PFM capacity of ministries dealing with rural development with respect to achieving aggregate fiscal discipline, good prioritization of resources, and efficient delivery of public services in a transparent and accountable way, through improved (i) credibility, predictability, and comprehensiveness of the ministries' budgets; (ii) efficiency and accountability in expenditure and natural resource management; and (iii) strengthening of institutional and organizational capacity development of accountability institutions in Cambodia.</p>
Promoting Economic Diversification Project (subprogram 2)	<p>Impact Expansion and diversification of the private sector.</p> <p>Major Components (i) Strengthening sanitary and phytosanitary (SPS) management systems and improving access to SPS technology, (ii) trade reforms and competition policy, (iii) investment climate, and (iv) stable macroeconomy.</p> <p>Expected Outputs and Outcomes The output is an improved business environment in which the private sector operates efficiently and effectively. The outcomes are a stable</p>

Project Name	Description
	macroeconomy, better investment climate and strengthened trade facilitation.
GMS Communicable Disease Control Project 2	<p>Impact Increased coverage of communicable disease control (CDC) interventions of regional relevance in target populations, in particular for women, children, and ethnic minorities in 20 border provinces.</p> <p>Major Components The proposed project will help achieve regional public health security by containing the risk and spread of communicable diseases. It will also help reduce child mortality by increasing CDC coverage. The project will deliver highly cost-effective interventions that will benefit the poor, and in particular women, children and ethnic groups.</p> <p>Expected Outputs and Outcomes The expected outcome is stronger linkages between partners and sectors for CDC and regional health security. The project will have three outputs: (i) strengthened regional capacity for surveillance and response, and implementation of International Health Regulations and the Asian Pacific Strategy for Emerging Diseases; (ii) provincial capacity strengthened for integrated CDC—with particular attention to populations with a high burden and risk of communicable diseases—and targeted support provided for specific disease-control programs, including dengue, and HIV/AIDS; and (iii) strengthened GMS cooperation in CDC for regional integration, including regional coordination arrangements and knowledge management.</p>
GMS: Biodiversity Corridor Conservation Project	<p>Impact The project impact will be climate-resilient poverty reduction, inclusive growth, and enhanced environmental performance of GMS economic corridor investments.</p> <p>Major Components (i) Institutional and operational capacity building for developing and managing biodiversity corridors, (ii) climate-resilient poverty reduction and biodiversity corridor and/or ecosystem service protection, (iii) enhanced climate resilience and protection of economic corridor investments, and (iv) sustainable financing.</p> <p>Expected Outputs and Outcomes Outputs are (i) strengthened institutional and operational biodiversity corridors development and management capacity, (ii) livelihoods and ecosystems improved and climate-resilient , (iii) climate-resilient economic corridor investments, and (iv) sustainable public and/or private sector financing. The project's outcome will be climate-resilient biodiversity and ecosystem services management for sustaining livelihood improvements and economic development in high-value transboundary conservation corridors in the GMS.</p>

ADB = Asian Development Bank, CAM = Cambodia, CDC = communicable disease control, DMC = developing member countries, GMS = Greater Mekong Subregion, km = kilometer, kW = kilowatt, MEF = Ministry of Economy and Finance, MFI = microfinance institution, MPWT = Ministry of Public Works and Transport, MRD = Ministry of Rural Development, MVA = megavolt-amperes, PFM = public financial management, RWSS = rural water supply and sanitation, SMEs = small or medium-sized enterprise, SPS = sanitary and phytosanitary, TVET = technical and vocational education, WTC = World Trade Organization.

Sources: Government of Cambodia and Asian Development Bank.

Table A2.2: Summary Information on Proposed Indicative Nonlending Products and Services (2009–2010)

Project Name	Description
2009	
Tonle Sap Technology Demonstrations for Productivity Enhancement	<p>Impact Diversified and improved income of smallholders, marginal farmers, and poor households in the Tonle Sap Basin.</p> <p>Major Components (i) Demonstration of and training in good agricultural practices and technologies, and (ii) establishment of physical rural information and communication technology (ICT) facilities for piloting.</p> <p>Expected Outputs and Outcomes The technical assistance outputs are (i) demonstrated good practices and technologies in agricultural production; and (ii) ICT in rural areas piloted through establishment of physical facilities including e-kiosks, community-based e-centers and/or village information centers with connectivity and content in selected communes. The expected outcome of the technical assistance (TA) project will be increased access of smallholders, marginal farmers, and poor households to good agricultural practices, technologies, and information.</p>
Capacity Development for Income Restoration Programs	<p>Impact A reduction of the poverty and vulnerability associated with involuntary resettlement in Cambodia.</p> <p>Major Components (i) Documentation of best practices and lessons from income restoration programs, (ii) development of a capacity development program on social development and poverty reduction, (iii) preparation of a handbook, (iv) piloting of an income restoration program based on individual household needs and abilities, (v) strengthening of community organizations, and (vi) provision of livelihood and life skills training and microcredit.</p> <p>Expected Outputs and Outcomes The expected outcome is enhanced government capacity to manage and supervise income restoration programs for resettlement-affected households. The TA outputs will be (i) improved social research and analysis skills for executing agency (EA) and other line ministry staff, and (ii) a pilot income restoration program implemented in selected communities along the ADB-financed Phnom Penh–Ho Chi Minh City Highway.</p>
Financial Sector Development Program 2 (subprogram 4) Implementation	<p>Impact Support for the National Bank of Cambodia (NBC), Ministry of Economy and Finance (MEF), and Ministry of Commerce (MOC) in developing a sound, market-based financial system to support resource mobilization and financial intermediation.</p> <p>Major Components (i) Further strengthening of the on-site supervision and surveillance of the banking system in view of the effects of the global financial crisis, (ii) additional strengthening of the off-site and on-site supervision of MFIs following the introduction of the uniform chart of accounts, (iii) further upgrading of the national payment system based on the 2009 approved roadmap, (iv) installation completion of the integrated accounting system for</p>

Project Name	Description
	<p>NBC, (v) establishment of the national arbitration center, (vi) adoption of the commercial contract law, and (vii) improvements to the reporting system and assistance in establishment of a credit information bureau.</p> <p>Expected Outputs and Outcomes The Program is expected to produce four main outputs, (i) improved confidence and financial intermediation, (ii) retained stability in the financial sector, (iii) promoted good governance, (iv) enhanced efficiency in the financial sector. Expected outcome would be a growing, resilient, and efficient financial system.</p>
<p>Developing an Effective Institutional Framework for Decentralized Reforms</p>	<p>Impact Increase in the transparency, efficiency and effectiveness of the management and use of public resources for local development and improved service delivery.</p> <p>Major Components (i) Determine functional assistance linked to fiscal needs and/or capacities, (ii) finalize the legal and/or regulatory regime for fiscal arrangements, (iii) design intergovernmental financing arrangements, and (iv) strengthen institutional coordination arrangements and capacity.</p> <p>Expected Outputs and Outcomes Outputs are development of (i) options for functional assignments, (ii) new or revised regulations, (iii) options for financing arrangements, and (iv) the capacity of subnational levels of government. The expected outcome is an effective institutional framework for decentralization developed (including for rural infrastructure).</p>
<p>Capacity Building for Cambodia National Petroleum Authority</p>	<p>Impact Successful development of the oil and gas sector in Cambodia.</p> <p>Major Components (i) Fostering of a sector-wide approach for the development of the oil and gas sector, (ii) institutional development of the Cambodia National Petroleum Authority (CNPA), and (iii) capacity development for CNPA staff.</p> <p>Expected Outputs and Outcomes The outcome is that the necessary institutional, regulatory, and institutional linkages between the CNPA and all other relevant government agencies are forged.</p> <p>Outputs relating to CNPA institutional development are (i) documentation and approval of a revised organizational structure, management accountabilities, and key performance indicators for all senior managers; (ii) definition of the tasks and responsibilities of all staff through the adoption of standardized duty statements; (iii) standardization of information and file management systems in line with international best practice supported by intranet capability; (iv) preparation of a plan to develop the necessary workforce to support the development of the petroleum sector in Cambodia; (v) preparation of procedures, templates and forms for the systematic submission, assessment and approval, and ongoing monitoring of the work programs of multiple petroleum contractors; (vi) documentation of interagency protocols for environmental and safety inspections and approvals; and (vii) support for upgrading of the CNPA website to promote investment in oil and gas, and public accountability.</p>

Project Name	Description
	<p>CNPA staff-development outputs are that CNPA staff have been trained on a needs basis, using various approaches, including on-the-job training and mentoring by resident expert advisers; short courses; certificate and diploma programs; attachments to industry and other regulators; and provision of books, periodicals, and audio-visual and interactive learning packages.</p>
<p>Capacity Development for National Economic Policy and Development Management, Phase III</p>	<p>Impact Acceleration of the economic reform process and improvement in the quality and sustainability development management.</p> <p>Major Components (i) Institutional development for SNEC, (ii) capacity development for SNEC's staff in research and analysis, and (iii) regional cooperation through the preparation of policy documents and statements at high-level official meetings and summits.</p> <p>Expected Outputs and Outcomes Outputs are (i) completion of a series of economic development assessments, analyses, and policy briefs, and preparation of the Government's policy agenda; and (ii) further improvement in the capacity of SNEC staff in policy-oriented research and analysis on macroeconomic development, fiscal, monetary, and external sector policies, and on structural issues, including infrastructure development, agriculture and rural development, private sector development, trade competitiveness, and regional integration. The outcome is the establishment of a top-notch think tank capable of providing specific policy recommendations based on high-quality analysis.</p>
<p>GMS: Biodiversity Corridor Conservation Program (Cambodia, Lao PDR and Viet Nam)</p>	<p>Impact Development of climate-resilient transboundary biodiversity conservation corridors that sustain livelihood improvements in GMS countries.</p> <p>Major Components (i) Institutional and stakeholder situation analysis and needs assessment, (ii) assessment of land use zoning and management options and opportunities, (iii) assessment of climate change-resilient livelihood improvement options and opportunities, and (iv) project investment and financing plan.</p> <p>Expected Outputs and Outcomes Outputs will include (i) updated institutional and stakeholder situation analysis, and (ii) design of investment project. Main outcome is an agreed design and feasibility study for the Biodiversity Corridors Project by 2010.</p>
<p>GMS Communicable Disease Control Project 2 (Cambodia, Lao PDR and Viet Nam)</p>	<p>Impact Increased coverage of communicable disease control (CDC) interventions of regional relevance in target populations, especially women, children, and ethnic groups, in 20 border provinces.</p> <p>Major Components (i) Updated GMS CDC progress and issues, in particular in Cambodia, Lao PDR, and Viet Nam, in relation to the ongoing CDC project; (ii) agreed draft 5-year plan with ministries of health for strengthening CDC in the GMS, including priorities for regional cooperation, provincial health systems development, and implementation arrangements; and (iii) completed project proposal and project administration memorandum, including design and monitoring framework, details of outputs, social and economic analysis,</p>

Project Name	Description
	<p>social and environmental safeguards, and detailed cost estimates. The team will conduct a participatory planning approach including consultations with central governments, provinces, beneficiaries, experts, and partners.</p> <p>Expected Outputs and Outcomes An agreed CDC2 proposal for the three CLV countries, with collaborative arrangements with other GMS countries.</p>
<p>Trade Facilitation: Improved Sanitary and Phytosanitary Handling in GMS Cross-Border Trade</p>	<p>Impact Reduction of poverty in GMS.</p> <p>Major Components (i) Sector analysis for sanitary and phytosanitary (SPS) capacities in Cambodia, Lao PDR, and Viet Nam, covering animal health, plant health and food safety issues in GMS cross border trade; (ii) a proposal for SPS capacity development that covers targeted policy, institutional, regulatory and legal frameworks for SPS, as well as operational and investment requirements in Cambodia, Lao PDR, and Viet Nam; (iii) a project outline for each individual country that addresses key sector constraints and issues, including arrangement for project management and implementation; (iv) a detailed design for the proposed project in line with the Government's policies and strategies and ADB requirements; (v) mechanisms for improved SPS cooperation among GMS countries; (vi) poverty, economic, financial, social, environmental assessments as per ADB's guidelines and requirements; and (vii) any other requirements needed for project design.</p> <p>Expected Outputs and Outcomes A detailed study that assists in the preparation of SPS investment projects in Cambodia, Lao PDR, and Viet Nam.</p>
2010	
<p>Education Sector Development Program III</p>	<p>Impact Support to the Government in the preparation of an Education Sector Development Program (ESDP) III.</p> <p>Major Components Production of (i) a series of analytical papers that explore ways and approaches to support the Government in further enhancing quality of secondary education through an education sector development program; and (ii) in-depth analytical paper on the gaps in secondary education in terms of demand- and supply-side barriers to the quality and efficiency of secondary education; school facilities; recruitment, training and deployment of teachers; and learning and teaching.</p> <p>Expected Outputs and Outcomes A feasibility report that assists the Government in preparing the ESDP III.</p>
<p>Decentralized Rural Infrastructure</p>	<p>Impact Support for the efficient and effective delivery of decentralized rural infrastructure services.</p> <p>Major Components (i) Policy and institutional support to districts and provinces for implementing decentralized planning, financing, and monitoring and evaluation of rural infrastructure services; and (ii) assistance in the elaboration of district and provincial plans for decentralized rural infrastructure services that reflect local priorities determined through a participatory planning process.</p>

Project Name	Description
	<p>Expected Outputs and Outcomes Update on the implementation of the Government's decentralization and deconcentration reform program, including with respect to functional assignments and financial responsibilities of districts and provinces in the provision of decentralized rural infrastructure, and preparation of a Decentralized Rural Infrastructure Project in 2011.</p>
Financial Sector Development Program Cluster 3	<p>Impact Support for NBC, MEF, and MOC in developing a sound, market-based financial system to support resource mobilization and financial intermediation.</p> <p>Major Components The main components of the TA will include (i) operation of the new integrated information technology (IT) system for the NBC with training support; (ii) roll out of the integrated IT system to all branches of NBC; (iii) continued upgrading of the payments, clearance, and settlement system to real time gross settlement; (iv) establishment of a credit information bureau with private sector ownership; (v) establishment of an independent and functional national arbitration center; and (vi) further strengthening of the supervision and surveillance of the banking system, MFIs, and the insurance industry.</p> <p>Expected Outputs and Outcomes The Program is expected to produce four main outputs, (i) improved confidence and financial intermediation, (ii) retained stability in the financial sector, (iii) promoted good governance, (iv) enhanced efficiency in the financial sector. Expected outcome would be a growing, resilient, and efficient financial system.</p>
Provincial Roads Asset Management Project	<p>Impact A more sustainable road sector based on a sound core network with safe, cost-effective, and all-year access to markets and other social services, and an efficient and sustainable road maintenance regime.</p> <p>Major Components (i) Preparation of a project for asset management of the provincial and rural roads network, and (ii) preparation of medium-term funding for rehabilitation of provincial and rural roads.</p> <p>Expected Outputs and Outcomes Outputs are (i) a project design and feasibility study for the priority network of provincial and rural roads prepared, with economic (and, if necessary, social and environmental) assessment(s) completed; (ii) a program for building capacity in road maintenance; and (iii) proposals for medium-term funding of provincial and rural road rehabilitation completed. The outcome will be project design agreed upon by the Government and ADB.</p>
GMS: Rural Renewable Energy Development (Cambodia)	<p>Impact The project will contribute to sustainable rural development and rural energy security.</p> <p>Major Components The project will provide (i) policy support for cross-border investment, contract farming, and trade; (ii) infrastructure and training support for enhanced community participation in feedstock supply, and small and medium-sized enterprise (SME) development; (iii) research and development support on crop selection, technology choices, farming</p>

Project Name	Description
	<p>systems, and feedstock processing and marketing by facilitating partnerships among international, regional and national centers of excellence; and (iv) capacity building for national institutions on the technical, economic, and social dimensions of planning and implementation aimed at catalyzing farm-level development of rural renewable energy.</p> <p>Expected Outputs and Outcomes The ensuing investment project will contribute to (i) harmonized policies on rural renewable energy development, (ii) an increased supply of energy in the rural areas, and (iii) stimulated agricultural growth and improved income of smallholders. The project outputs include the: (i) a more comprehensive national rural renewable energy development strategy (for each country and a consolidated strategy for the subregion); (ii) a prioritized list of research and development projects to develop the needed technologies in support of rural renewable energy development in the countries; (iii) a human resource development plan that includes degree and nondegree training; and (iv) a list of loan projects that provide support to rural renewable energy development, including area and feedstock development, infrastructure needs, and development of SMEs.</p>
GMS Corridor Towns Development (Cambodia, Lao PDR and Viet Nam)	<p>Impact Support the development of corridor towns as subregional economic growth centers</p> <p>Major Components (i) Infrastructure investment plan; (ii) institutional capacity development; and (iii) sector reform initiative for improved public-private partnerships in financing, implementing, and operating infrastructure facilities.</p> <p>Expected Outputs and Outcomes The project outputs will be (i) a loan project suitable for ADB and other source cofinancing; (ii) documents to support the preparation of three project grants and/or loans with the borrowers under three separate grant and/or loan agreements; and (iii) constraints, risks, and other environmental and/or social issues that need mitigation identified. The outcome will be a project design agreed upon by the Government and ADB.</p>

ADB = Asian Development Bank, CDC = communicable disease control, CSF = classical swine fever, CNPA = Cambodian National Petroleum Agency, EA = executing agency, GMS = Greater Mekong Subregion, FMD = foot-and-mouth disease, IT = information technology, ICT = information and communication technology, Lao PDR = Lao People's Democratic Republic, MEF = Ministry of Economy and Finance, MFI = microfinance institution, MOC = Ministry of Commerce, MRD = Ministry of Rural Development, NBC = National Bank of Cambodia, PFM = public financial management, PRC = People's Republic of China, RETA = regional technical assistance, SME = small or medium enterprise, SNEC = Supreme National Economic Council, SPS = sanitary and phytosanitary, TA = technical assistance, TRA = Transmission and Regulatory Authority, TVET = technical and vocational education.

Sources: Government of Cambodia and Asian Development Bank.

**Table A3: UPDATED COUNTRY SECTORS AND THEMATIC STRATEGIES
AND PLANS AND/OR ROAD MAPS**

Priority Sector	Developments Since the Adoption of the Country Partnership Strategy
Agriculture and Natural Resources	<p>As indicated in the Midterm Review of the CPS, ADB's focus in the sector includes: (i) intensifying agricultural productivity and diversifying livelihoods; (ii) coordinated sector interventions for sustainable rural development and natural resources management; and (iii) strengthening water resources and integrated river basin management for sustainable natural resource management. The Strategy for Agriculture and Water (SAW) for 2006-2010 was endorsed by the Ministry of Agriculture, Forestry, and Fisheries (MAFF) and Ministry of Water Resources and Meteorology (MOWRAM), and the strategy has been implemented through government and donor funded projects. Due to the food crisis, which was followed by the global financial crisis, the Government's commitment to agriculture and rural development was further strengthened and the development partners (DPs) have been responding to the Government's requests through increased support in the sector and/or attempts to better coordinate activities. There has also been an improvement in the policy and regulatory framework for agriculture and natural resources management through the introduction of the Revised Law on Fisheries and subdecree on community fisheries, management plan of the three protected areas around the lake, Law on Managing Seed and Hybrid Plants, and Government circular on improved monitoring, coordination and inspection of the agricultural materials. The draft subdecree on farmers water user communities submitted to the Council of Ministries is expected to be approved in 2009. With the policy/regulatory support together with the investment support in agriculture, irrigation and rural livelihood investment targeted at the Tonle Sap basin, ADB has been responding the Government commitment and targets set in The National Strategic Development Plan (NSDP) 2006-2010 and SAW 2006-2010.</p>
Education	<p>The Education Law was promulgated on 8 December 2007, making a significant contribution to expanding opportunities for equitable education and improving the quality of education and its delivery. A sector-wide approach has boosted resource mobilization, allocation, and expenditure linked to the Government's Education Strategic Plan and Education Sector Support Program (ESP/ESSP 2006-2010). Other significant changes in the sector include the introduction of program budgeting, a joint Government-develop- ment partner annual sector review, and joint development of an Annual Operation Plan.</p>
Energy	<p>The Ministry of Industry, Mines and Energy (MIME) issued the Cambodia Energy Strategy, in 2005 which includes proposed development policies and strategies for the power sector . Since then, the Government issued the following complementary regulations: (i) Principles and Conditions for Issuing Transmission</p>

Priority Sector	Developments Since the Adoption of the Country Partnership Strategy
	License (2006); (ii) Specific Requirements of Electric Power Technical Standards (2007); (iii) Regulations on General Principles for Regulating Electricity Tariffs (2007); and (iv) Procedures for Data Monitoring, Application, Review and Determination of Electricity Tariff (2007). There have been no other significant changes since the adoption of the country strategy and program 2005–2009.
Finance	There has been progress in the financial sector, but no significant changes since the adoption of the country strategy and program 2005–2009. Credit to the private sector rose significantly, from 9.4 percent of GDP in 2005 to 23.6 percent of GDP in 2008 and slowed down to about 21 percent of GDP in June 2009. Total deposit to GDP was 22.8 percent in 2008 compared with 14.6 percent in 2005. There are still policy gaps, implementation challenges and capacity constraints that need to be addressed in the banking, microfinance and insurance sub-sectors. The sector is experiencing some the indirect effects of the global economic downturn, which has negatively affected Cambodia's economy.
Water Supply and Sanitation	There have been no significant changes since the adoption of the country strategy and program 2005–2009. Work is underway in 2009 to develop a national rural water supply, sanitation and hygiene strategy (2010-2025). Led by the Ministry for Rural Development and jointly financed and supported by the key development partners (ADB, UNICEF, WSP), the strategy will build on a sector assessment undertaken in 2006. The strategy is expected to harmonize the different and sometimes conflicting approaches to RWSS, particularly in the area of sanitation financing.
Transport and ICT	The Government has initiated a process of deconcentration and decentralization reforms whereby, for example, the delivery of transport infrastructure services, which was previously centrally managed by the Ministry of Public Works and Transport (MPWT), is now delegated to the provincial level. MPWT is in the process of shifting its focus away from direct management of transport infrastructure toward planning and oversight of the sector. Considerable progress in maintenance of the national roads has been made since the establishment of an Inter-ministerial Road Maintenance Committee (IRMC) in September 2006. The IRMC is responsible for facilitating road maintenance issues in terms of prioritization of works, budget allocation, disbursement processes, and monitoring. The Government established a Working Group for Overloading Control and Management in 2007 and an action plan was developed in July 2007. A draft road law, which is expected to be adopted by the end of 2009, clearly defines responsibilities and establishes a framework for (i) road network management; (ii) allocating resources; and (iii) regulating the services of transport services providers. There have been no other significant changes since the adoption of the country strategy and program 2005–2009.

Priority Theme	Developments Since the Adoption of the Country Partnership Strategy
Sustainable Poverty Reduction	<p>The Royal Government of Cambodia developed its Rectangular Strategy for Growth, Employment, Equity, and Efficiency (Phase II) to meet the Cambodia Millennium Development Goals (CMDGs). The government's poverty reduction strategy is embedded in the National Strategic Development Plan (NSDP) 2006-2010, finalized in June 2006 and recently extended to 2013.</p> <p>Results of the 2007 Cambodia Socio-Economic Survey indicate that the poverty headcount has fallen from 34.7% in 2004 to 30.1% in 2007. The poverty incidence in rural areas is 34.7%, compared to less than 1% in Phnom Penh and 21.9% in other urban areas. According to the 2008 census, the population of Cambodia has reached 13.4 million at an annual growth rate of 1.54%. The population remains predominantly rural, with only 19.5% living in urban areas.</p>
Governance	<p>Public financial management (FM) Reform. A comprehensive PFM reform program was adopted in 2004¹. It is a multi-platform reform program to be completed by 2015. Each platform builds on achievements and outcomes from previous ones. Platform 1 aims to achieve a more credible budget, and Platform 2 to increase financial accountability. Platform 3 will align budget and policy priorities, and Platform 4 will increase effective program performance accountability. Good progress was made in budget preparation and execution under Platform 1. The implementation of Platform 2, which started in early 2009, is aimed at strengthening the internal control systems and internal and external audit capacity.</p> <p>With potential revenues from the oil and gas sector in the coming years, the Government intends to adopt at least the main principles of the Extracting Industry Transparency Initiative (EITI), which are to be addressed within the framework of PFM Reform Program.</p> <p>Decentralization and Deconcentration (D&D) Reform: Building on the initial success of D&D reform at the commune level, the <i>Strategic Framework for Decentralization and Deconcentration Reform</i> was approved in 2005. It sets out the vision, objective and scope of D&D reform, which is to strengthen and expand local democracy, and promote local development and reduce poverty.</p> <p><i>The Law on Administrative Management of the Capital, provinces, Municipalities, Districts and Khans</i>² (which is referred to as Organic Law) was approved in 2008. The Organic Law, which incorporates the vision of the Strategic Framework for D&D Reform, requires a restructuring of local administrations, with</p>

¹ *Public Financial Management Reform Program – Strengthening Governance Through Enhanced Public Financial Management*. RGC. 2004.

² Khan is district equivalent in urban area.

Priority Theme	Developments Since the Adoption of the Country Partnership Strategy
	<p>corresponding changes at the national level. A 10-year National Program for Sub National Democratic Development is being designed, for completion in December 2009, to implement the Organic Law. Key issues to be addressed by the National Program are (i) functional transfer from the central sector ministries to sub-national administrations; (ii) fiscal arrangements and resource allocation for sub-national administrations; and (iii) capacity development.</p>
Environment Sustainability	<p>The National Strategic Development Plan (NSDP), 2006-2010 references the overall environmental goals and sectoral initiatives. To implement the broad environmental goal and support sustainable development and poverty reduction indicated in the NSDP, there are a number of sub-sector specific strategies and action plans for such areas as biodiversity conservation, protected area management, and climate change adaptation. The Law on Protected Areas was endorsed by the Royal Government of Cambodia in February 2008. In April 2002 the Ministry of Environment introduces National Biodiversity Strategy and Action Plan, "To Use, Protect And Manage Biodiversity For Sustainable Development in Cambodia". This new law is very supportive to the GMS Biodiversity Conservation Corridors Initiative to improve protected areas management through landscape approach to link fragmented protected areas as corridors as building block. As protected areas are affected by agricultural encroachment, especially in the more densely populated southern and western regions of the country, the Government is encouraging local communities to participate in protection by various means including establishing and empowering community forestry to help prevent deforestation and to develop market carbon credits.</p>
Climate Change	<p>Climate Change is referenced in The National Strategic Development Plan (NSDP), 2006-2010 in the areas of agriculture, water resource management, coastal zone management and human health. The National Adaptation Program of Action to Climate Change was developed in October 2006 but has not been fully implemented. Sectoral policies and activities in agriculture and water resource sector address climate change issues through integrated water resource management (to conserve and appropriately allocate water resource), soil quality improvement to improve carbon sink and drought and flood management. While the Ministry of Agriculture, Forestry, and Fisheries (MAFF) and Ministry of Water Resources and Meteorology (MOWRAM) have basic knowledge/concept of climate change adaptation, they need support to strengthen the institutional capacity. Discussion between the Royal Government of Cambodia (RGC) and development partners is on-going and increased integration of climate change and its adaptation strategy is expected in the next NSDP and relevant sector strategies next year.</p>

Priority Theme	Developments Since the Adoption of the Country Partnership Strategy
Gender and Development	<p>The Ministry of Women's Affairs (MoWA) is preparing the third 5-year Strategic Plan, Neary Rattanak III (2009-2013). The strategic plan aims at enhancing the living standard of Cambodian women. The law on Suppression of Human Trafficking and Sexual Exploitation was promulgated on 15 February 2008. It is contributing to the government to eliminate all kind of trafficking and sexual exploitation of women and girls. A National Action Plan to Prevent Domestic Violence (2007-2010) was approved in February 2009. It aims to eliminate of all form of gender-based violence.</p> <p>MoWA is establishing of women's and children's consultative committees (WCCC) at sub national level. MoWA is now apparently working on a capacity development for WCCC.</p>
Private Sector Development	<p>There has been some key progress in Private Sector Development (PSD) during the last few years, including: (i) adoption of key laws and regulations including Law on Commercial Enterprises (2005), Law on Commercial Arbitration (2006), Law on Customs (2007) and many related regulations, Law on Secured Transactions (2007), Law on Concessions (2007) guiding public/private partnerships in infrastructure, Law on Insolvency (2008), and other regulatory reforms such as streamlined business registration procedures as well as decentralization of the registration at provincial level; (ii) an increase in number of registered businesses from around 1,700 in 2006 to 2,886 in 2008; (iii) initial implementation of Automated System for Customs Data (ASYCUDA) since May 2008 at the port of Sihanoukville and further planned roll-out at the Phnom Penh International Airport in late 2009; (iv) a Diagnostic for the Trade Integration Strategy (DTIS) finalized in 2007, reviewing developments in key trade-related policies; and a development of a Trade Sector-wide approach (Trade SWAp) which is structured to address issues in three strategic pillars: reforms and cross-cutting issues for trade development, export development, and capacity building for trade development; (v) Government-Private Sector Forum (G-PSF), an on-going mechanism set up for public/private sector consultation on investment climate issues ranging from policy level to day-to-day operations. The mechanism has received high marks for its organizational effectiveness and impact on the reform process and PSD alike; (vi) establishment of several Special Economic Zones (SEZs); and (vii) establishment of the Institute of Standards of Cambodia (ISC) in 2008.</p>

ASSISTANCE PROGRAM FOR CURRENT YEAR

Table A4.1: Assistance Pipeline for Lending Products, 2009

Sector Project/Program Name	Targeting Classification	Thematic Priority	Division	Year of PPTA	Cost (\$ million)						
					ADB				Gov't	Co-financing	
					OCR	ADF Loans	ADF Grants	Total		Amount	Source of Funds
2009 Loans/Grants											
National (Firm)											
Education											
1. Enhancing Technical and Vocational Education	GI	SD/GEN	SESS	2008	0.0	0.0	24.5	24.5	TBD		
Finance											
2. Financial Sector Development Program (Cluster 2, subprogram 3)	GI	PSD	SEFM	2008	0.0	10.0	0.0	10.0	TBD		
Water Supply and Other Municipal Infrastructure and Services											
3. Rural Water Supply and Sanitation 2	GI	SD/GEN	SESS	2008	0.0	0.0	21.0	21.0	TBD		
Agriculture and Natural Resources											
4. Tonle Sap Poverty Reduction and Small Holder Development	GI	ECO	SEAE	2007	0.0	3.4 ^a	27.3	30.7	TBD	18.4	IFAD AND Govt. of Finland ^b
OCR-Funded											
Finance											
5. Trade Financing	GI	PSD	PSOD	n.a	2.5	0.0	0.0	2.5	TBD		
6. Equity Participation in MFIs	GI	PSD	PSOD	n.a	2.5	0.0	0.0	2.5	TBD		
Energy											
7. Cambodia Power Transmission Line Expansion, Phase 2	GI	ECO	PSOD	n.a	5.0	0.0	0.0	5.0	TBD		
Subtotal National Program (ADF and OCR)					10.0	13.4	72.8	96.2		18.4	
Regional Program (Firm)											
Transport, and Information and Communication Technology											
8. GMS: Cambodia Northwest Provincial Road Improvement	GI	ECO	SETU	2008	0.0	16.3	0.0	16.3	6.1	25.6	Korea Eximbank
9. GMS: Supplementary Railways	GI	ECO	SETU	n.a	0.0	40.7 ^c	7.3	48.0	5.1	22.0	Ausaid
Subtotal Regional Program (Firm)					0.0	57.0	7.3	64.3	11.2	47.6	
Subtotal National and Regional Program 2009 (Firm)					10.0	70.4	80.1	160.5	11.2	66.0	

ADB = Asian Development Bank; ADF = Asian Development Fund; AFD = French Agency for Development; AusAID = Australian Agency for International Development; ECO = sustainable economic growth; EVN = environmental sustainability; GAD = gender and development; GI = general intervention; GMS = Greater Mekong Subregion; GOV = governance; Gov't = government; ISD = inclusive social development; OCR = ordinary capital resources; OFID = OPEC Fund for International Development; PPTA = project preparatory technical assistance; PSD = private sector development; RC = regional cooperation; SEAE = Southeast Asia Department, Agriculture and Natural Resources Division; SEFM = Southeast Asia Department, Public Financial Management, Finance and Trade Division; SEEW = Southeast Asia Department, Energy and Urban Water Supply and Sanitation Division; SESS = Southeast Asia Department, Social Sectors Division; SETU = Southeast Asia Department, Transport and Urban Planning Division; SMEs = small and medium-sized enterprises; TBD = to be determined; TI = targeted intervention; WB = World Bank.

^a Amount to be confirmed by ADB.

^b \$13.38 million for the International Fund for Agricultural Development and \$5 million for Government of Finland.

^c Includes \$11.16 million from regional set aside, \$22 million in initial national allocation, \$5.58 million in additional national allocation, and \$9.2 million to be reclaimed from savings but yet to be confirmed.

Source: Asian Development Bank estimates.

Table A4.2: Assistance Pipeline for Nonlending Products and Services, 2009

Sector/Assistance Name	Responsible Division	Assistance Type	Source of Funding		Total Amount (\$ million)	
			ADB			
			Source	Amount (\$ million)		Others
2009						
National						
Agriculture and Natural Resources						
1	Tonle Sap Technology Demonstration for Productivity Enhancement	SEAE	CDTA	0.3	3.2	3.45
Health and Social Protection						
2	Capacity Development for Income Restoration Programs	CARM	CDTA	0.5	0.00	0.50
Finance						
3	Financial Sector Development Program 2 (subprogram 4) Implementation	SEFM	ADTA	0.75	0.00	0.75
Public Sector Management						
4	Developing an Effective Institutional Framework for Decentralized Reforms	SEFM	PATA	0.80	0.00	0.80
5	Capacity Building for Cambodia National Petroleum Authority	CARM	CDTA	0.30	0.50	0.80
6	Capacity Development for National Economic Policy Analysis and Development, Phase 3	CARM	CDTA	0.15	0.50	0.65
Subtotal National Program				2.75	4.20	6.95
Regional Program^a						
Agriculture and Natural Resources						
7	GMS: Biodiversity Corridor Conservation Program (CAM/LAO/VIE) ^b	SEAE	PPTA	1.00	0.00	1.00
Health and Social Protection						
8	GMS: Communicable Disease Control Project 2 (CAM/LAO/VIE)	SESS	PPTA	0.50	0.00	0.50
Industry and Trade						
9	Trade Facilitation: Improved SPS Handling in GMS Cross Border Trade (CAM/LAO/VIE)	TRM	PPTA	0.80	0.00	0.80
Subtotal Regional Program				2.30	0.00	2.30
Subtotal National and Regional Program 2009 (Indicative)				5.05	4.20	9.25

ADB = Asian Development Bank; ADTA = advisory technical assistance; CAM = Cambodia; CARM = Cambodia resident mission; CDTA = capacity development technical assistance; GMS = Greater Mekong Subregion; Gov't = government; LAO = Lao People's Democratic Republic; PATA = policy and advisory technical assistance; PPTA = project preparatory technical assistance; SEAE = Southeast Asia Department, Agriculture and Natural Resources Division; SEFM = Southeast Asia Department, Public Financial Management, Finance and Trade Division; SEEW = Southeast Asia Department, Energy and Urban Water Supply and Sanitation Division; SESS = Southeast Asia Department, Social Sectors Division; SETU = Southeast Asia Department, Transport and Urban Planning Division; SME = small and medium-sized enterprises; SPS = sanitary and phytosanitary; TRM = Thailand resident mission; VIE = Viet Nam; VRM = Viet Nam resident mission.

- ^a The regional program includes only PPTAs; not PATAs or CDTA which are included in ADB.2008. Greater Mekong Subregion: Regional Cooperation Operations Business Plan, 2010–2011. Amounts indicated are for all countries involved.
- ^b Standby and contingent on availability of funds.

Source: Asian Development Bank estimates.