Cambodia: National Rollout of the Regulatory Impact Assessment in Government

<table>
<thead>
<tr>
<th>Project Name</th>
<th>National Rollout of the Regulatory Impact Assessment in Government</th>
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<tr>
<td>Project Number</td>
<td>48298-001</td>
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<tr>
<td>Country</td>
<td>Cambodia</td>
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<tr>
<td>Project Status</td>
<td>Active</td>
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<tr>
<td>Project Type / Modality of Assistance</td>
<td>Technical Assistance</td>
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<tr>
<td>Source of Funding / Amount</td>
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<td>TA 8834-CAM: National Rollout of the Regulatory Impact Assessment in Government</td>
<td>Technical Assistance Special Fund</td>
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<tr>
<td>TA 8834-CAM: National Rollout of the Regulatory Impact Assessment in Government (Supplementary)</td>
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Strategic Agendas
- Inclusive economic growth

Drivers of Change
- Governance and capacity development
- Knowledge solutions
- Partnerships
- Private sector development

Sector / Subsector
- Public sector management - Economic affairs management

Gender Equity and Mainstreaming
- Effective gender mainstreaming

Description
In February 2014, the Office of the Council of Ministers (OCM) asked the Asian Development Bank (ADB) for technical assistance (TA) to support the national rollout of the regulatory impact assessment (RIA) program to the executive government commencing in 2015. In response, ADB conducted a fact-finding mission in June 2014; during that mission ADB and OCM agreed on the proposed impact, outcome and outputs, implementation arrangements, cost, financing arrangements, and terms of reference as laid out in the approved concept paper. The government's planned rollout of RIA to 23 line ministries builds on OCM’s experience in piloting RIA in 7 line ministries from 2011 to 2014 with technical assistance from ADB under Grant 0224. Previous consultations on plans for a national rollout were held on an intermittent basis from February 2013 to February 2014 and benefitted from previous Grant 0224 implementation review missions.

Project Rationale and Linkage to Country/Regional Strategy
Cambodia continues to reform its economy to raise competitiveness for private sector development and considers improving the quality of regulation making central to its economic and governance reform agenda. While there have been successful reforms in specific sectors, such as the enterprise law, the licensing and permit requirements in doing business in Cambodia are substantial and do impose a significant burden on investors and small and medium-sized enterprises in particular. The Government of Cambodia is currently piloting a regulatory impact assessment (RIA) project as one of its approaches to addressing the high cost of doing business in Cambodia. The pilot project is expected to be completed in the first quarter of 2015. The RIA program aims to assist government improve the quality of regulation making by following a systematic regulatory review process including an assessment of the net benefits of the regulation to the economy. A systematic approach to public consultations on regulations is part of the regulatory review process. The RIA reform was initiated by OCM in 2010 when it established the Office of Regulatory Impact Assessment (ORIA) and piloted RIA in four line ministries with ADB assistance under Grant 0224. In January 2014, OCM extended the pilot to seven line ministries. The RIA system being piloted by OCM draws on good international practice. It includes the establishment of the ORIA at the Economic, Social and Cultural Council (ECOSOCC) in OCM, which champions the RIA initiative in government, produces RIA guidelines, monitoring participating ministries’ compliance with RIA guidelines, providing training and other capacity development activities to the ministries and takes responsibility for public awareness and education on good practice regulation. Each participating line ministry is responsible for carrying out RIA on a selection of existing or proposed regulations or bills and submits these with the draft regulation to the concerned minister as part of the decision making process. The main objectives of the RIA system and documentation is to enhance transparency in the regulation making process and promote a more systematic way to assess the impact of regulations and consultations for improved decision making.

Impact
Quality of laws and regulations improved

Project Outcome
- Quality of laws and regulations improved

Description of Outcome
Institutional architecture for reviewing regulatory proposals strengthened

Progress Toward Outcome

Description of Project Outputs
- Capacity of staff at the Office of RIA developed
- Capacity of staff in line ministries developed
- Public outreach developed
Expressions of Interest (EOIs) have been received by ADB for the following consultants positions advertised:

(i) National IT expert; (ii) International Finance Officer; and (iii) National Project Officer.

As requested by ORIA, the engagement of the national IT expert will be given priority for the development of its website.

As of 28 March 2019
- Training workshops on RIA and Cost-Benefit Analysis organized for RIA working groups under the participating ministries and institutions.
- Regulation Executive Team (RET) arranged with the American University of Phnom Penh for a short course on public policy to strengthen the analysis capacity of RET and RIA staff.
- In 2018, RET and RIA staff joined a study tour to British Columbia to learn and observe the successful implementation of RIA.
- Attended annual ASEAN-OECD Good Regulatory Practice Network meetings.
- RET has coached RIA staff on report preparation.
- RET and RIA working groups have organized dissemination workshops.

Capacity development of staff at the ORIA. Once approved in 2016, the Royal decree will make the ORIA a permanent office within ECOSOCC of OCM to oversee the rollout of RIA and compliance with it. Capacity development of ORIA staff will include staff training on RIA, writing techniques for regulatory impact statements (RIS), qualitative and quantitative analysis, secondments to overseas offices of best practice regulations, enhancements to its existing information technology system for tracking progress on RIA among the line ministries, and production of annual reports on regulation.

Capacity development of staff in 13 line ministries. Each line ministry will set up a RIA unit, designate a focal person and staff to become RIA practitioners. Thus capacity development activities will include staff training on RIA, writing RIS, developing questionnaires and survey sample frames, basic qualitative and quantitative analysis, and stakeholder assessments.

The TA will be implemented over 24 months (starting in April 2015, and ending by March 2017), following the signing of the TA agreement between the government and ADB.

With the extension of the project to the end of 2017, national consultants will be recruited to support the administration of the project. As of 28 March 2018:
- RIA dissemination workshops organized with line ministries, private sector, universities and civil society.
- A team of two international consultants and three national consultants will be recruited by ADB through individual contract services to implement activities under outputs 1-3. In addition, up to five resource persons will be invited to assist with training workshops on specialized topics. The selection and recruitment of consultants and resource persons will be conducted in accordance with ADB’s Guidelines on the Use of Consultants.
- TA proceeds will be disbursed in accordance with the ADB’s Technical Assistance Disbursement Handbook. Equipment procured under this TA will be procured following ADB’s Procurement Guidelines and the assets will be handed over to the executing agency upon completion of the project.
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The executing agency will be ECOSOCC of OCM, which is a council within the OCM responsible for impact assessments of laws and subdecrees. The ORIA in ECOSOCC will oversee implementation of RIA activities. The implementation agencies (IA) will comprise of the 7 line ministries implementing RIA plus an additional 6 ministries to be determined after the Royal decree has been approved. ORIA (through ECOSOCC) will provide office space with furniture and support services for the consultants.

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- Recent ADB mission in Mar 2018 noted a month’s delay in implementation of activities due to changes in line ministries’ workshop schedules.
- However, the revised timeline of TA activities will have no adverse impact on the overall TA implementation and progress.
- TA amount increased by $0.4M from TASF-VI for a cumulative TA amount of $1.2M to finance a minor change in TA scope that will enable additional RIA activities to be implemented in 2018-mid 2019. TA closing date is moved from 31 Dec 2017 to 30 June 2019.
- National project officer recruited to replace international finance expert whose contract ended on 31 Dec 2017.
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### Milestones

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### Financing Plan/TA Utilization

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### Project Page

- [https://www.adb.org/projects/48298-001/main](https://www.adb.org/projects/48298-001/main)

### Request for Information

- [http://www.adb.org/forms/request-information-form?subject=48298-001](http://www.adb.org/forms/request-information-form?subject=48298-001)

### Date Generated

- 22 May 2019

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