

# ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

## Cambodia: 2015 Approved Loans, Grants, and Technical Assistance (\$ million)

Loans		Technical Assistance	Grants	Total
Sovereign	Nonsovereign			
130.00	-	2.50	38.61	171.11

- = nil.

Note: Grants and technical assistance include cofinancing.

## Cambodia: Cumulative Lending, Grant, and Technical Assistance Approvals<sup>a, b</sup>

Sector	No.	Total Amount (\$ million) <sup>c</sup>	% <sup>c</sup>
Agriculture, Natural Resources, and Rural Development	72	696.25	26.25
Education	34	254.05	9.58
Energy	21	178.99	6.75
Finance	35	230.00	8.67
Health	16	83.78	3.16
Industry and Trade	13	71.14	2.68
Multisector	10	168.18	6.34
Public Sector Management	66	202.10	7.62
Transport	48	523.35	19.73
Water and Other Urban Infrastructure and Services	25	244.91	9.23
<b>Total</b>	<b>340</b>	<b>2,652.73</b>	<b>100.00</b>

<sup>a</sup> Grants and technical assistance include cofinancing.

<sup>b</sup> Includes sovereign and nonsovereign loans and technical assistance.

<sup>c</sup> Total may not add up because of rounding.

## Cambodia: Cumulative Nonsovereign Financing by Product

No. of Transactions	Amount (\$ million)
Loans	83.00
Equity Investments	-
Guarantees	-
B Loans	-
<b>Total</b>	<b>83.00</b>

- = nil.

Cambodia has received \$2.65 billion in ADB lending, grants, and technical assistance since joining ADB in 1966.

## CAMBODIA

In recent years, Cambodia has moved closer to lower-middle-income status through resounding economic growth. This has been driven by solid performances in garment manufacture, tourism, paddy and milled rice, and construction. While this growth is expected to continue in 2016, the economy remains vulnerable to external shocks and natural disasters. Although the poverty rate fell between 2007 and 2012, from about 50% to below 20%, more than 70% of Cambodians still live on less than \$3 a day, which means that many of them remain vulnerable to falling back into poverty.

The Asian Development Bank (ADB) has been supporting the Government of Cambodia since 1966, with greater development assistance being exerted from 1992. ADB is Cambodia's largest multilateral development partner. In recent years, efforts have focused on the development of physical infrastructure, education, public sector management, the private and finance sectors, and the management of agriculture and natural resources.

Cumulative disbursements to Cambodia for lending and grants financed by ordinary capital resources, the Asian Development Fund, and other special funds amount to \$1.64 billion.

### ADB-SUPPORTED PROJECTS AND PROGRAMS

Between 2010 and 2014, ADB-supported operations in Cambodia produced solid development results. ADB helped to provide 96,000 rural households with access to improved water supply; almost 50,000 households with new or improved sanitation; 330 kilometers of new or upgraded power transmission lines, connecting 40,000 rural households to lower-priced electricity; and 621 kilometers of new or upgraded roads, improving access to markets and social services. In education,



ADB funding has seen over 205,000 secondary school students—97,165 of whom are female—benefit from new or improved educational facilities, and 243 teachers trained to higher competency standards.

In 2015, ADB approved projects totaling \$223.1 million, including \$90.6 million under cofinancing for investment projects and \$1.5 million for technical assistance cofinancing. Funding will be used to increase agricultural production by rehabilitating, modernizing, and climate-proofing irrigation systems in Kampong Thom and Battambang provinces, benefiting 18,000 households. ADB will also assist the improvement of urban services and the environment in Kampot and Preah Sihanouk provinces, through upgrades to wastewater and solid waste management and drainage systems, benefiting 14,500 households. Resources have also been allocated to improve urban environmental infrastructure, as well as public health and services, benefiting more than 100,000 residents in Kampong Chhnang and Pursat municipalities. These efforts will support the poor in Cambodia through sustainable growth, increased competitiveness, and job creation.

To promote the economic empowerment of women, which is

critical for more inclusive growth, ADB mainstreams gender work across all operations. ADB seeks to expand participation by women in project activities, provide leadership skills, and increase women's access to economic resources and opportunities, including jobs, financial services, education and skills development, and market information.

As of 31 December 2015, Cambodia had received \$2.65 billion in ADB lending, grants, and technical assistance.

## **NONSOVEREIGN OPERATIONS**

As a catalyst for private investments, ADB provides direct financial assistance to nonsovereign public sector and private sector transactions in the form of direct loans, equity investments, guarantees, B loans, and trade finance. Since its inception, ADB has approved two private sector transactions in Cambodia's energy and finance sectors amounting to \$83 million. Total outstanding balances and commitments of ADB's private sector transactions in the country, as of 31 December 2015, amount to \$77.43 million, representing 0.93% of ADB's total nonsovereign portfolio.

ADB's [Trade Finance Program](#) (TFP) fills market gaps by providing guarantees

and loans through partner banks in support of trade. The TFP has completed over 12,000 transactions supporting over \$23 billion in trade and over 7,700 small and medium-sized enterprises since 2004. In 2015, the TFP supported \$2.5 billion in trade through over 1,900 transactions. In Cambodia, the TFP works with one bank and has supported \$15.9 million in trade across 40 transactions. In addition to filling market gaps, the TFP's objective is to mobilize private sector capital and involvement in developing Asia. In Cambodia, 32.9% of the trade supported through the TFP was cofinanced by the private sector.

## **COFINANCING**

Cofinancing operations enable ADB's financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations, to participate in financing ADB projects. The additional funds are provided in the form of official loans and grants, technical assistance, other concessional cofinancing, and [commercial cofinancing](#) such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing for transactions under ADB's TFP.

### **Cambodia: Project Success Rates**

Year	Success Rate (%)	No. of Independently Evaluated Projects and Programs
2006	100.0	1
2007	-	1
2008	50.0	4
2009	50.0	4
2010	100.0	1
2011	100.0	1
2012	66.7	3
2014	-	1
2015	-	1
<b>Total</b>	<b>52.9</b>	<b>17</b>

- = nil.

Note: "Year" refers to the circulation year of the project completion report (PCR). The success rates reported here are based on the ratings from validated PCRs and independently evaluated performance evaluation reports only and do not include self-evaluations. With small sample size, the success rate does not necessarily represent country operations performance.

Source: PCR validation reports and project/program performance evaluation reports ratings database as of 31 December 2015.

### **Cambodia: Projects Cofinanced, 1 January 2011–31 December 2015**

Cofinancing	No. of Projects	Amount (\$ million)
Projects <sup>a</sup>	18	288.62
Grants	16	136.38
Official loans	8	127.00
Commercial cofinancing	2	25.24
Technical Assistance Grants	11	23.40

<sup>a</sup> A project with more than one source of cofinancing is counted once.

### **Cambodia: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2014–2015**

No. Ongoing Loans (as of 31 Dec 2015)	2014 (\$ million)		2015 (\$ million)	
	2014 (\$ million)	2015 (\$ million)	2014 (\$ million)	2015 (\$ million)
Contract Awards/Commitments <sup>a,b</sup>	79.19	90.40		
Disbursements <sup>a</sup>	70.40	96.49		
No. Ongoing Grants (as of 31 Dec 2015) <sup>c</sup>			11	
Contract Awards/Commitments <sup>a,b</sup>	28.32	16.60		
Disbursements <sup>a</sup>	28.28	18.18		
Actual Problem Projects (%)			8	

Note: Totals may not add up because of rounding.

<sup>a</sup> Includes closed loans/grants that had contract awards or disbursements during the year.

<sup>b</sup> Excludes policy-based lending/grants.

<sup>c</sup> Includes only Asian Development Fund and other ADB special funds.

### **Cambodia: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects**

Item	2014		2015		Cumulative (as of 31 Dec 2015)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	67.28	0.80	84.79	0.76	866.30	0.59
Consulting Services	5.64	1.01	4.05	0.63	50.20	0.47
<b>Total Procurement</b>	<b>72.92</b>	<b>0.81</b>	<b>88.84</b>	<b>0.76</b>	<b>916.49</b>	<b>0.59</b>

### Top 5 Contractors/Suppliers from Cambodia Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2011–31 December 2015

Contractor/Supplier	Sector	Contract Amount (\$ million)
Tan Kim Eng Co., Ltd.	ANR, PSM, TRA	13.30
Sok Sokha Co., Ltd.	ANR, TRA	12.88
Heng Sambat Co., Ltd.	ANR, TRA	12.32
Ung Sim Sia Construction Co., Ltd.	ANR, TRA	12.02
Swee Construction-Camdeg Co., Ltd. JV	ANR, TRA	10.39
Others		318.36
<b>Total</b>		<b>379.26</b>

ANR = Agriculture, Natural Resources, and Rural Development; PSM = Public Sector Management; TRA = Transport.

### Top 5 Consultants from Cambodia Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2011–31 December 2015

Consultant	Sector	Contract Amount (\$ million)
Plan International Cambodia	ANR	3.96
Social Business and Khmer Research & Development	ANR, EDU, HLT, TRA	2.64
Sawac Consultants Cambodia Co., Ltd.	ANR	1.57
Cadtis Consultant Co. Ltd.	ANR	0.81
The Peace and Development Aid Organization	WUS	0.77
Individual Consultants		9.30
Others		4.29
<b>Total</b>		<b>23.34</b>

ANR = Agriculture, Natural Resources, and Rural Development; EDU = Education; HLT = Health; TRA = Transport; WUS = Water and Other Urban Infrastructure and Services.

From 1970 to the end of 2015, cumulative direct value-added (DVA) official cofinancing for Cambodia amounted to \$485 million for 40 investment projects and \$49.4 million for 48 technical assistance projects. Cumulative DVA commercial cofinancing for Cambodia amounted to \$25.2 million for two investment projects.

In 2015, Cambodia received \$38.6 million grant cofinancing from the Government of Australia, Strategic Climate Fund–Pilot Program for Climate Resilience (SCF-PPCR), Clean Energy Fund under the [Clean Energy Financing Partnership Facility](#), and the Regional Malaria and Other Communicable Disease Threats Trust Fund under the [Health Financing Partnership Facility](#), as well as \$52 million loan cofinancing from Agence Française de Développement and SCF-PPCR.

A summary of projects with cofinancing from 1 January 2011 to 31 December 2015 is available at [www.adb.org/countries/cambodia/cofinancing](http://www.adb.org/countries/cambodia/cofinancing)

### PARTNERSHIPS

Partnerships are integral to planning, financing, and implementing ADB operations. ADB actively consults with development partners, civil society organizations (CSOs), and the private sector in Cambodia. Areas of consultation include country programming, policy initiatives supported by ADB, and project implementation.

ADB, through the [Midterm Review of Strategy 2020](#), its long-term strategic

framework, regards CSOs as a major partner in addressing poverty and issues that impact on people's lives. ADB has been working closely with CSOs, including nongovernment organizations (NGOs), on a broad range of issues in Cambodia. These issues include climate change, social protection, education, public sector management, and decentralization and deconcentration. ADB has provided contract services to CSOs such as Plan International, which administers small grants to local NGOs for projects on climate change adaptation, as well as to social enterprises such as Pour un Sourire d'Enfant and Don Bosco, which deliver skills bridging courses to high school dropouts, enabling young Cambodians to enroll in formal technical and vocational education and training.

### PROCUREMENT

#### Share of ADB's Procurement Contracts

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries, and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts were awarded on the basis of international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

Procurement contracts for goods, works, and related services under loan and grant operations totaled \$8.4 billion in 2014 and \$11.12 billion in 2015. Cumulative procurement, as of 31 December 2015, was \$145.92 billion.

Procurement contracts for consulting services under loan, grant, and technical assistance operations totaled \$556.05 million in 2014 and \$637.4 million in 2015. Cumulative procurement, as of 31 December 2015, was \$10.64 billion.

### Goods, Works, and Related Services

From 1 January 1966 to 31 December 2015, contractors and suppliers were involved in 199,625 contracts for goods, works, and related services under ADB loan and grant projects worth \$145.92 billion. During the same period, 3,051 contracts were awarded to contractors and suppliers from Cambodia worth \$866.3 million.

### Consulting Services

From 1 January 1966 to 31 December 2015, consultants were involved in 48,767 contracts for consulting services under ADB loan, grant, and technical assistance projects worth \$10.64 billion. During the same period, 702 contracts were awarded to consultants from Cambodia worth \$50.2 million.

### OPERATIONAL CHALLENGES

Annual country portfolio performance reviews, carried out with the Japan International Cooperation Agency and the World Bank, have identified various implementation challenges for Cambodia. Executing and implementing agencies in Cambodia have limited capacity, particularly in project management, procurement, and financial management. To ensure efficient, effective, and sustainable outcomes, ADB has taken measures

including the delegation of projects to ADB's Cambodia Resident Mission. The aim is to improve project administration and avoid delays in project start-up and implementation, through more intensive cooperation with clients, greater delegation of authority to project management units, and improved project preparation and readiness.

The long-term impact and sustainability of ADB infrastructure projects need to be safeguarded by effective operations after completion. Government asset management needs to improve, and expenditure for operation and maintenance needs to increase. Through targeted technical assistance, ADB is assisting the government's line ministries and agencies to improve their institutional and human capacities

to effectively manage projects and programs. ADB is also engaged in dialogue with the government to ensure that sufficient resources are earmarked for operation and maintenance.

## FUTURE DIRECTIONS

ADB will continue to help Cambodia achieve more broad-based, sustainable, and inclusive growth through its [country partnership strategy \(CPS\)](#), 2014–2018. The CPS is aligned with the government's Rectangular Strategy for Growth, Employment, Equity, and Efficiency, Phase III, as well as with the National Strategic Development Plan, 2014–2018.

The CPS, 2014–2018 identifies three strategic pillars of ADB activities in

Cambodia: (i) deepened rural–urban–regional linkages, (ii) targeted human and social development, and (iii) enhanced public sector management (as a facilitating, cross-cutting strategic pillar). The [country operations business plan, 2016–2018](#) for Cambodia translates the strategic pillars into practical actions, using a tailored combination of investment projects and policy-based programs in education, public sector management, and the development of agriculture, natural resources, and rural industries. ADB operations seek to maximize overall impacts and outcomes by improving synergies between individual projects and programs.

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## ABOUT CAMBODIA AND ADB

### ADB Membership

Joined 1966

### Shareholding and Voting Power

Number of shares held:	5,250 (0.050% of total shares)
Votes:	44,814 (0.338% of total membership, 0.518% of total regional membership)
Overall capital subscription:	\$72.81 million
Paid-in capital subscription:	\$6.07 million

**Mathew Fox** is the Director and **Richard Sisson** is the Alternate Director representing Cambodia on the ADB Board of Directors.

**Samiuela Tukuafu** is the ADB Country Director for Cambodia. The Cambodia Resident Mission was opened in 1996 and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The resident mission engages in policy dialogue, country partnership strategy development and programming, and portfolio management, while also acting as a knowledge base on development issues in Cambodia.

The Cambodia government agency handling ADB affairs is the Ministry of Economy and Finance.

## ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 67 members, 48 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance (TA). In 2015, lending volume was \$15.45 billion (107 projects), with TA at \$141.30 million (199 projects) and grant-financed projects at \$365.15 million (17 projects). In addition, \$10.74 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional cofinancing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2011 to 31 December 2015, ADB's annual lending volume averaged \$12.93 billion. In addition, investment grants and TA funded by ADB and Special Funds resources averaged \$580.66 million and \$150.23 million in TA over the same period. As of 31 December 2015, the cumulative totals excluding cofinancing were \$231.53 billion in loans for 2,822 projects in 44 countries, \$7.23 billion in 274 grants, and \$3.90 billion in TA grants, including regional TA grants.

## CONTACTS

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[www.mef.gov.kh](http://www.mef.gov.kh)

### Useful ADB websites

Asian Development Bank  
[www.adb.org](http://www.adb.org)

Asian Development Outlook

[www.adb.org/publications/series/asian-development-outlook](http://www.adb.org/publications/series/asian-development-outlook)

Annual Report

[www.adb.org/documents/series/adb-annual-reports](http://www.adb.org/documents/series/adb-annual-reports)

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