

Summary Record

of the Negotiations on Development Cooperation between the Government of the Kingdom of Cambodia and the Government of the Federal Republic of Germany,

held in Berlin on 1- 2 December 2015

Introduction

Negotiations on development cooperation between the Royal Government of Cambodia (RGC) and the Government of the Federal Republic of Germany were held in Berlin on 1-2 December 2015. The delegation of the Kingdom of Cambodia was headed by H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General of the Cambodian Rehabilitation and Development Board (CRDB) at the Council for the Development of Cambodia (CDC). The delegation of the Federal Republic of Germany was headed by Mrs Gisela Hammerschmidt, Director for Asia and Cambodia at the Federal Ministry for Economic Cooperation and Development (BMZ). Lists of the two delegations are attached as Annexes 2 and 3. The opening statements of the two delegations are attached as Annexes 4 and 5.

Within the German government, the Federal Ministry for Economic Cooperation and Development (BMZ) is responsible for development cooperation. The BMZ is therefore the political point of contact for all Financial Cooperation and Technical Cooperation projects and programmes and all other projects and programmes mentioned in this document, unless specified otherwise.

The negotiations took place in an open atmosphere of constructive cooperation. Based on the results of the preparatory consultations held on 2 December 2014, the delegations reached agreement on the allocation of the funds available.

The results of the negotiations are recorded below.

1. General context for development cooperation and political dialogue

The opening statements of the Cambodian Head of Delegation and the German Head of Delegation are attached as Annexes 4 and 5.

The 2030 Agenda for Sustainable Development

The German side underlined that work on the agenda 2030 for sustainable development represented the central issue in the development debate of the coming months and years and is a priority for the German government. Poverty reduction and sustainable development are

significant challenges that need to be tackled by all countries together on the basis of a new universal agenda. The German side also drew attention to the need for a new global partnership aimed at shared responsibility for common goals – with responsibilities for all countries but also for the private sector and civil society. The German side would welcome the continuation of a strategic dialogue and continued exchange on this topic.

The 2030 Agenda for Sustainable Development, which sets out universal goals and was adopted at a special UN summit meeting in September 2015, is applicable in all countries. One thing it emphasizes is the importance of sustainable production patterns. Achieving them will be the shared responsibility of policymakers, business leaders and civil society.

The Cambodian side also emphasized the importance of Agenda 2030 for sustainable development and noted that the Royal Government had already begun the process of localizing the goals and establishing monitoring and partnering arrangements. The Cambodian side further reiterated that Sustainable development is at the heart of new policy initiatives such as the Cambodian Industrial Development Policy and the Royal Government fully agreed that the regular dialogue offered an opportunity for both sides to commit to partnership-based approaches to supporting the Agenda 2030.

Both sides agree to strive to make globalization and global trade relations just and fair. Global value chains must be made sustainable not just in economic but also in social and ecological terms. The basis for achieving this is provided in particular by the ILO core labour standards, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Existing deficits in this regard are to be addressed through concerted efforts and by shouldering joint responsibility. Ways of further deepening cooperation in this regard will be examined in the context of the regular dialogue; the progress achieved will be jointly assessed, with the results feeding into decisions and planning for future bilateral development cooperation.

Development effectiveness

The German delegation emphasized that the Rectangular Strategy - Phase III and the National Strategic Development Plan (NSDP), 2014-2018 provide useful frameworks for German development cooperation and the allocation of resources. The remarkable progress made in establishing a results-based monitoring framework and platforms for policy dialogue as well as the relevance for donor coordination and the effectiveness of international cooperation were underlined. As the Technical Working Group (TWG) architecture is an important *cornerstone with regard to the development context in Cambodia*, the German delegation

welcomed the “TWG - Performance Review” and the clear leadership provided by CRDB/CDC throughout the review process. The German side believes that further improvements can be made to strengthen TWG effectiveness, in particular in the area of cross-cutting issues and highlighted the recent initiative of the three core governance reforms as a good practice for cross-reform coordination. In order to monitor progress on NSDP implementation (mid-term review) as well as Joint Monitoring Indicators, and as set out in the Cambodian Development Cooperation and Partnerships Strategy (2014-2018), the Cambodian delegation once again underlined its commitment to partnership and dialogue at bilateral and multi-stakeholder levels. The Royal Government agrees that TWG performance can be improved; the new TWG Guideline and the discussions that took place at the TWG Network Meeting on 21-22 October clearly demonstrate commitment and concrete actions to: (i) bring together Government, development partners and civil society to discuss issues of mutual interest and concern; (ii) outline an approach to conducting the NSDP mid-term review in a consultative manner; (iii) initiate the localization of SDGs and (iv) strengthen TWGs and coordination of cross-cutting issues.

European Development Cooperation Strategy for Cambodia 2014-2018

Progress was also achieved in coordinating among European partners thanks to the development of the European Development Cooperation Strategy for Cambodia, 2014-2018. Germany thanked the RGC for its active participation in the preparation of this Strategy, which was launched in November 2014 at the “Palais du Gouvernement” with the participation of civil society organizations, the private sector, development partners and the diplomatic corps. The first European Development Cooperation Strategy represents the joint response of European partners to the development priorities of Cambodia and provides the overall direction by setting out a common vision, priorities and targeted results. The purpose of the strategy is to enhance the effectiveness of European development cooperation in Cambodia and to have better development results. The European Development Cooperation Strategy serves as the BMZ’s country strategy for the Kingdom of Cambodia. The German delegation proposed to the Cambodian delegation that European partners who co-finance bilateral programmes under Cambodian-German development cooperation can participate as observers in the bilateral consultations and negotiations.

The Cambodian side recalled the positive perspectives that it had previously shared with the EU Delegation and European development partners during 2014. It is the view of the Royal Government that the European Development Cooperation Strategy provides direction for all European programming in Cambodia and will have a positive impact on resource allocation

and the achievement of results. An inclusive review of the European Development Cooperation Strategy is planned for 2016 and will include all relevant stakeholders. These joint reviews, which will cover the full range of European cooperation and co-funded programmes, complement bilateral reviews, which the Royal Government prefers to keep as strictly bilateral so that they remain focused. The Royal Government also noted that, under global frameworks such as the Paris Declaration, development partners were encouraged to delegate to one another the authority to represent the views of other partners; this approach *should be applied with respect* to bilateral consultations so that they allow the two sides to give their full attention to matters related to their cooperation.

Mid-term Perspective for Development Cooperation

As laid out in the Rectangular Strategy Phase III, Cambodia has the aspiration to achieving the status of an upper-middle-income country by 2030. The Industrial Development Policy (IDP), 2015 – 2025, recently launched by the Royal Government is a central part of a new growth strategy in this regard. It focuses on transforming and modernizing Cambodia's industrial structure from a labour-intensive to a skill-driven industry by 2025. Cambodia's expected graduation from the Low Income group of countries will change the nature of its relationship with development partners as well as the priorities to which Official Development Assistance (ODA) is directed and the instruments that are used; the private sector will need to play an increasingly important role. The impressive and continued high economic growth rates and the respective increases in gross national income are laying the foundations for enhanced domestic resource mobilization. The BMZ articulated the expectation of increasing partner contributions in relevant cooperation programmes and projects to reflect the improved economic status of Cambodia.

The Cambodian side agreed with the observations on the IDP and its expected contribution to growth and improved livelihoods. Cambodia's entry into the group of Lower-Middle Income Countries, expected in 2016, is an achievement to be welcomed. In the context of its own situation, and taking account of the Addis Ababa Agenda for Action agreed at the Financing for Development conference, the Royal Government intends to review its resource availability and allocation strategies in early 2016. Learning from other MICs about financing and avoiding the "middle income trap" will also be important. Despite its rising income per capita, Cambodia will, however, remain a Least Developed Country (LDC) for perhaps another decade or more. The LDC classification of countries is managed by the UN and depends on income, human development and economic vulnerability. Cambodia is therefore fully committed to maintaining its cooperation programmes with all development partners and will utilize grant finance, as well as concessional lending, to implement the IDP as well as address the

underlying issues associated with its LDC status. Partner contributions are already well-established in Cambodia-Germany cooperation as the Royal Government wishes to demonstrate ownership and commitment even though this means diverting funds from other high-priority activities. Increasing this modality will be considered in dialogue with the Ministry of Economy and Finance.

While the IDP with its focus on industrializing Cambodia's growth sectors is welcomed, the German side underlined the importance of sustained and inclusive economic growth to contribute to Cambodia's development and to reduce poverty. Equity aspects and the social dimension of the IDP, for example by expanding social security systems along with the transformation of the economy, should likewise be considered.

The Royal Government agreed with this observation and pointed to the need to locate the IDP in its wider policy context as issues of inequality and inclusive growth were already prioritized in the Rectangular Strategy and NSDP.

Good Governance, Democratic Development and Gender

Both delegations agreed that the respect, protection and fulfilment of Human Rights are key characteristics of good governance and are important prerequisites for effective poverty eradication and sustainable development. Human Rights are a guiding principle for German development policy. The success of Cambodian-German development cooperation must therefore also be measured against the progressive realization of human rights.

The German delegation has been following the recent political development and incidents in Cambodia with increasing concern. These incidences may obstruct the culture of dialogue and democratic development. It is important to guarantee that parliamentarians of all parties can fulfil their mandate in accordance with the Cambodian constitution and its related laws. The German delegation encouraged all parties to return to the promising "culture of dialogue". Germany will closely follow further developments.

A zero tolerance approach to corruption and to the misuse of funds is one of the principles of German-Cambodian development cooperation. The German government furthermore took note that all funds misused under programmes of the Global Fund to Fight Aids, Tuberculosis and Malaria (GFATM) have been reimbursed, but strongly regretted that no individual has been made accountable nor has anyone been brought to justice. The German side articulated the expectation that existing laws will be applied in an efficient and transparent manner by the competent authorities in order to effectively fight corruption. Overall, in order to avoid the misuse of funds and corrupt practices, both delegations shared the position that all necessary steps need to be taken under bilateral and global cooperation programmes.

Tu

z

The Cambodian side underlined that the reimbursement was completed. The Global Fund requested the Anti-Corruption Unit's close cooperation from the early stage on the use of the new committed fund until 2017. The Cambodian side further clarified that a provision on the misuse of fund and corrupt practices has already been included in most project/program agreements.

Gender inequalities and gaps are still high in Cambodian politics and decision-making, and in the formal economy as well as in upper-secondary and tertiary education although progress has been made in past years. Access to justice and services for female victims of gender-based violence is sporadic, while perpetrators are rarely held accountable for their crimes. Nutritional problems for women are still significant and despite a drastic reduction, maternal mortality is high, compared with other countries in the region.

Against this background, both delegations welcomed the finalization and launching of three key national policies for gender equality: the Fourth National Strategic Plan for Gender Equality and Women's Empowerment (2014-2018) – known as Neary Rattanak IV; the Cambodian Gender Assessment 2014; and the Second National Plan to Prevent Violence Against Women (NAPVAW 2014-2018). Both sides agreed to focus on implementation while increasing the accountability and ownership of line ministries including increased funding for gender-mainstreaming policies.

Public Sector Reform

Both sides reiterated that the success of Cambodia's development is closely linked to the successful implementation of the Royal Government's public sector reform agenda, in particular public financial management (PFM) reform, public administrative reform and sub-national democratic development. Likewise, achieving the agreed programme and project objectives under German-Cambodian development cooperation depends to a significant extent on the effective implementation of these reforms.

The German delegation underlined its perception of public sector reform as being at cross-road in Cambodia although substantive progress has been achieved in this regard.

During the past decade the leading ministries and councils have been very active in drafting the necessary legal framework, including policies, strategies and guidelines for implementing the key governance reforms. However, the success of the next reform phase will be measured against the effective implementation of the reforms, both at the national and the sub-national level as well as in key sectors. Against this background, the German delegation underlined that the seriousness with which the government pursues these reforms up until the next government negotiations will be a reference point for the BMZ to decide upon future

Tu'

3

support in public sector reform. The German delegation mentioned the following key reform areas where progress is needed most: the transfer of significant, meaningful and well-resourced functions to the sub-national councils as well as a substantial transfer of resources to the District & Municipal Funds, further progress in budget accountability and transparency as well as structural reforms to modernize the civil service in order to make it more effective, client-oriented and performance-based.

The German side reiterated concerns about incentive payment schemes that are solely paid by development partners such as under Global Alliance for Vaccines and Immunization (GAVI) and GFATM programmes. Recalling an agreement among development partners in 2012 to terminate financing Priority Operating Costs (POC), Germany welcomed the announcement by the GFATM that incentive payments under current GFATM grants will be stopped by the end of 2017 at the latest and efforts by the Country Coordinating Mechanism to support Principal Recipients in developing a sustainable human resources plan, including the gradual phasing-out of incentives to be started in early 2016. The German side encouraged the RGC to pursue a similar approach with a view to GAVI programmes.

The German delegation congratulated the RGC on the July 2014 endorsement of Sub-Decree 216 on Daily Subsistence Allowance (DSA) for domestic and international missions and for officials at the national and sub-national levels. Both sides agreed that the DSA is not a salary supplement and needs to cover actual travel costs. In an effort to make development cooperation more predictable and transparent, development partners have agreed on common principles for aligning with Sub-Decree 216 (Annex 8). Germany has been implementing the agreed principles in German development cooperation since January 2015.

Civil Society Organizations

Civil society organizations are key actors in the democratic development of Cambodia. Associations as well as national and international non-governmental organizations (NGOs) contributed to the rebuilding of Cambodian society after the end of the Khmer Rouge regime and continue to play a crucial and critical role in many areas, including social services, human rights and conflict prevention. NGOs including foundations are indispensable actors in German-Cambodian development cooperation.

Both delegations acknowledged the right of sovereign states to regulate public life and civic engagement. With regard to the recently adopted Law on Associations and Non-governmental Organizations (LANGO) the German government stressed the importance which it attributes to the interpretation and implementation of the law being fully in line with the Cambodian Constitution as well as with Cambodia's international Human Rights obliga-

Tu

A

tions and to avoiding bureaucratic encumbrances. The German government pointed out that Cambodian-German development cooperation relies to a considerable extent on both German and Cambodian NGOs, whose unhindered activities within the scope of the agreed programmes and projects are a prerequisite for the continuation of this cooperation. Germany will closely follow the application of the LANGO and will react in the event of any inappropriate hindrance of the activities of NGOs.

Germany together with its European partners deeply regrets that the LANGO went through the legislative process and was adopted by the two chambers of parliament without thorough consultations with relevant stakeholders, among them German NGOs and foundations operating in Cambodia, and without taking their concerns into due account. Germany would like to stress that sound and inclusive lawmaking is an essential characteristic of good governance and the rule of law. With an eye to forthcoming laws, notably the Law on Trade Unions and the Law on Cyber Crime, the German government strongly encourages the Royal Government to enter into genuine consultations with relevant stakeholder groups and to take their recommendations into consideration. This will help eventually to build a culture of trust between state and non-state actors as well as Cambodian society as a whole.

The Cambodian side stressed a series of inclusive consultations have been taken by both executive and legislative branches before the adoption of the LANGO. As there are thousands of NGOs present in Cambodia, it is therefore important for the NGO community to build its own network that is effective so that their views can be conveyed. The Cambodian delegation also stressed that all NGOs and their activities should be directed by the LANGO. The Cambodian delegation underlined that Community-Based Organisations are not covered by the LANGO.

Khmer Rouge Tribunal

Advancing justice and the rule of law is a priority for German development policy. The RGC and the international community share the responsibility of ensuring that the Extraordinary Chambers in the Courts of Cambodia (ECCC) can complete their mandate.

Germany has supported the ECCC from the very beginning. This year, Germany has contributed €500.000 to the international component of the ECCC. €500.000 is foreseen for 2016. Since 2007, the German government has also supported outreach projects with civil society organizations in order to promote national reconciliation and justice.

However, serious financial challenges for the Extraordinary Chambers in the ECCC remain. The Cambodian delegation confirmed that it continues committed to its obligations towards the ECCC.

JW

5

2. Dialogue on priority areas of bilateral development cooperation; commitments

The priority areas of Cambodian-German bilateral development cooperation are currently:

- Health (“Social Health Protection”)
- Rural Development (“Regional Economic Development” and “Land Rights Programme”)

As well as the cross-cutting area of

- Democracy, Civil Society and Public Administration

These fields of cooperation are in line with the priorities articulated in the Rectangular Strategy Phase III.

2.1. Financial commitments and reprogrammed funds

The total volume of bilateral Technical and Financial Cooperation since cooperation began in 1960 amounts to €355.42 million. The Government of the Federal Republic of Germany undertakes to provide the RGC with a new amount of €36,740,000.00 for bilateral Technical and Financial Cooperation. This comprises €22,100,000.00 for Financial Cooperation projects/programmes and €14,640,000.00 for Technical Cooperation projects/programmes.

In addition €6,000,000 from commitments made in 2013 will be reprogrammed under Financial Cooperation.

The total volume of funding available for Technical and Financial Cooperation projects and programmes thus amounts €42,740,000.00. A table showing the commitments is attached as Annex 1.

2.2. Priority area “Health”

2.2.1. Dialogue on the priority area Health

The German delegation congratulated the RGC on achieving almost all the health-related CMDGs (Cambodian Millennium Development Goals) in 2015, in particular in the area of maternal and child mortality. In order to sustain these health outcomes, which are also an expression of the good collaboration between the Ministry of Health (MOH) and development partners, both sides shared the view that future efforts need to focus on further strengthening the health system, including stronger leadership and guidance from the MOH as well as increasing partner financial contributions together with the implementation of core health sector reforms as defined in the upcoming third Health Strategic Plan (2016–2020).

The German delegation took note with appreciation of the first National Health Account (NHA), which was conducted by the MOH for 2012, and underlined its value-added in terms of informing future policy decisions and budget allocations in the sector. Among other things the NHA confirmed the high out-of-pocket expenditures by private households and the strong market share of private health providers. Both sides agreed that the Cambodian-German health programme addresses these challenges by expanding social health protection and strengthening quality improvement, including the development of an accreditation system for public and private providers. As the NHA also revealed that a relatively small amount of the health budget is used for salaries (20%) while a relatively large part of the budget is used for procuring drugs and medical equipment (50%). In this regard, budget allocations need to be improved with the objective of enhancing cost-efficiency and transparency.

The German side emphasized the reported financial constraints of public health facilities in their intervention provinces and the concerns about delays in the disbursement of national budgets to cover the operating costs of facilities as well as maintenance. The Cambodian delegation explained that the recent efforts have been made by the Ministry of Economy and Finance and Ministry of Health to improve the efficiency of budget allocation for health, resulting in an increase of wage expense to 29.3% and decreasing the proportions of health budget for procurement of drugs and medical equipment to 37.3% of the total health budget expense in 2016 according to the proposed 2016 budget law. The Cambodian delegation took note disbursement issue faced by health centers and referral hospitals. To tackle this challenge, the Ministry of Economy and finance has created the annual lump sum grants to be allocated to health facilities by type (as provided in the budget law 2016). Each Health Center and each referral hospital CPA-1, CPA-2 and will received cash annually at the total amount of 12 million Riel, 100 million Riel, 150 million Riel and 200 million Riel, respectively. The reimbursement mechanism was designed to be similar with that of the school fund of the Ministry of Education, Youth and Sports.

The German government congratulated the MOH on the countrywide roll-out of Health Equity Funds (HEF) for the identified poor in 2015 and valued the government's contribution to the HEF of 40% as a clear signal of ownership, which should be considered as best practice for other areas of cooperation. Both sides shared the concern that despite the impressive results in reducing poverty in Cambodia during the last 10 years, a large part of the Cambodian population remains highly vulnerable to slipping back into poverty at the slightest crisis. Vulnerable groups such as persons with disabilities, older persons, persons with chronic diseases as well as mothers and children are particularly at risk of impoverishment due to health costs, while they also struggle to find adequate health services for their needs.

The Cambodian delegation expressed its willingness to expand social health protection beyond the identified poor to additional vulnerable population groups in a financially sustainable and gradual step-by-step approach with the implementation of the third Health Strategic Plan (2016 – 2020). This expansion depends on affordability of the national fiscal space. The inclusion of selected priority groups in the target groups of HEF (e.g. children under 5, older persons, persons with disabilities) as well as voluntary enrolment for vulnerable households are seen by both sides as part of this expansion.

The German delegation welcomed this goal and reiterated its willingness to contribute through Technical and Financial Cooperation. Indeed, for the BMZ, the advancement of the current HEF scheme, both institutionally and in terms of beneficiaries/services is a major driver to contribute to H-EQIP, the successor programme of the Health Sector Support Programme 2 (HSSP2). Both sides agreed that country systems should be used to the greatest extent possible, minimizing parallel implementation structures but providing capacity support in areas where it is needed in order to proceed.

The German delegation valued the increasing interest of the Ministry of Economy and Finance (MEF) in the field of social protection and reiterated its readiness to provide technical advice through an integrated expert (CIM) and additional short-term expertise within the strategic approach for Cambodian-German development cooperation. The aim of these activities is to support the Royal Government in updating social protection policy framework and for the consequent integration of social health protection schemes for the formal and informal sectors, including the National Social Security Fund for private employees and the social security scheme for civil servants, military and police. The Cambodian delegation thanked the German side and confirmed that MEF's role in the area of social security system focuses on establishing a coherent and financially sustainable social protection framework for Cambodia, while not hindering specific approaches and efforts at sector level under the responsibility of other ministries. In this regard the German side raised concerns about the pending endorsement of the Health Financing Policy as the policy framework for integrating existing social health protection schemes, expanding them to include additional vulnerable groups and establishing the necessary institutional arrangements. The Cambodian delegation responded that technical level discussion between the MoH and MoEF agreed that there were a need to develop roadmap with a clear timeline and costing to support policy implementation. Currently, the roadmap and costing is on-going. By taking the current preparations of the social security system development strategy, it is envisioning that the current final draft of health financing policy needs to be reviewed in order to align its properly with the national policy

Tu

5

framework for social protection and further discussion with the MoEF will be taken prior to proceeding for endorsement.

Both sides agreed that expanding social health protection must go hand in hand with improved quality of health care that meets the needs of all citizens, including the poor and vulnerable. Licensing, regulation and accreditation are important building blocks in this regard. Reinforcing the sense of responsibility and accountability of public and private health care providers was also underlined as being fundamental in order to enhance people's trust in those services. In early 2014 the MoH endorsed the establishment of an accreditation system for public and private health providers, but the implementation of the roadmap has been delayed. While the Ministry of Health confirmed that establishing a health care accreditation system is a long-term goal of the government, it underlined the importance to focus in the short- to medium-term on particular quality improvement building blocks to prepare the ground. The German side reiterated its willingness to continue its support in the area of quality improvement, but stressed the need for a well-functioning entity in the Ministry of Health to provide leadership and guidance for quality improvement initiatives. Sufficient financial and human resources are a prerequisite in respect thereof. Against this background, both sides agreed on a number of essential steps to be taken by the MoH immediately and to be examined during the government consultations in 2016 (see Annex 9). The seriousness with which these steps are implemented will be an indicator for the BMZ when it comes to deciding about continuing support in this area.

While it is approaching middle income status, Cambodia will need to further increase its contributions in the health sector. The German side noted with appreciation the high partner contributions to the HEF and the Service Delivery Grants, while expressing concern about other areas where partner funds are low such as HIV/Aids, vaccination and the provision of contraceptives.

Both sides agreed that health sector priorities identified by the health strategic plan 2016-2020 need to be reflected in the allocation of financial resources from the national budget and should be easy to be tracked. The Cambodian delegation mentioned that the implementation of the Health Strategic Plan will be translated into Budget Strategic Plan (BSP) and Annual Operational Plan including annual budget. BSP is used to guide sector annual budget allocation. Full implementation of program-based budgeting, along with establishment of budget entities, is potential for improved budget allocation across the level of the health system.

2.2.2. Social Health Protection Programme

The goal of the Programme for Social Health Protection in Cambodia is to contribute towards ensuring that *poor and vulnerable Cambodians are healthier and face less of a financial burden when using quality health care services*. Based on the Health Strategic Plan II (2008-2015) and its successor, the Social Health Protection Programme is supporting the RGC in three strategic areas: Health Care Financing, Health Service Delivery and Health Systems Governance including decentralization reforms. The interventions focus on health system strengthening and social protection as well as on reproductive, maternal, new-born and child health. Germany's technical and financial contribution, provided through GIZ and KfW, will contribute jointly to improving the quality and accessibility of public and private health services, with a current focus on the provinces of Kampong Speu, Kampong Thom, Kampot, Kep, Prey Veng and Svay Rieng.

In December 2014, Germany provided an additional €5.0 million for Technical Cooperation. These funds will be used for a new TC module on "Improving maternal and new-born care" under the Social Health Protection Programme.

Financial Cooperation in Social Health Protection

Programme on Social Health Protection II (Vouchers for Reproductive Health Services and Health Services to Vulnerable Groups Phase II), 2009.6612.7, total commitment €6.0 million (grant) – ongoing

Programme on Social Health Protection III (Vouchers for Reproductive Health Services and Health Services to Vulnerable Groups Phase III), 2011.6554.7, total commitment €7.0 million (grant) – ongoing

Following the successful pilot phase of the voucher programme between 2009 and 2013 the second and third programme phases embrace new Operational Districts (OD) as well as new services and target groups. The voucher programme now covers all ODs in the programme provinces Kampong Thom, Kampot and Prey Veng as well as in the new programme provinces of Kampong Speu, Kep and Svay Rieng. In addition to the existing vouchers for reproductive health services, new vouchers for extended health services for infants, with a particular focus on nutrition, as well as for cervical cancer screening and treatment and cataract services have been introduced. Moreover, the programme supports investments in the improved physical accessibility of health facilities. Important steps for stronger harmonization and alignment with other social health protection mechanisms have been taken. Amongst others, in a joint effort between Financial and Technical Cooperation, an integration concept for Kampong Thom has been developed in order to coordinate the voucher approach with

the other existing health financing mechanisms, particularly HEFs and voluntary enrolment of high-risk groups. It will now be introduced and pursued so as to ensure synergies, thus strengthening national structures and the social health protection system as a whole.

As a result of the mid-term review in October 2015, it was agreed that the voucher programme should be continued and that it should also include transport vouchers for people with reduced mobility. Further potential voucher services, such as early screening for disabilities targeted at newborns, as well as additional equipment and infrastructure support are still under review. It is intended that the voucher programme will be gradually integrated into the HEF system under the successor programme of the second HSSP 2.

German contribution to the Cambodian Health Sector Support Programme 2, 2014.6767.9, total commitment €12.0 million (grant) for investment – ongoing, of which €6.0 million will be reprogrammed to the new programme “German contribution to the Health Equity and Quality Improvement Programme (H-EQIP)”.]

Germany is contributing to and supporting the successful implementation of the HSSP 2. Through its Financial Cooperation Germany is contributing to the programme’s basket fund in cooperation with the World Bank, Australia, Korea, UNICEF and UNFPA, in order to improve equitable access to and the utilization of essential quality health care and preventive services for poor and vulnerable households. The German contribution via KfW is covering the bridge phase of HSSP 2. The focus of this bridge phase is on financial support to HEFs, Service Delivery Grants for selected referral hospitals or ODs as well as the completion of on-going civil works and the limited procurement of medical supplies, such as contraceptives. An initial need for up to €6.0 million of the German contribution to address the immediate financing gap of HSSP II in 2015 was identified during project appraisal. According to the most recent discussions, it is expected that the remaining €6.0 million from this commitment will not be used for the HSSP II bridge phase but will be reprogrammed to H-EQIP, the successor programme of HSSP II.

New Commitment: German contribution to the Health Equity and Quality Improvement Programme (H-EQIP), 2015.6755.1, up to €6 million (grant)

Reprogrammed Funds: German contribution to the Health Equity and Quality Improvement Programme (H-EQIP), 2015.6755.1, up to €6 million (grant) from the Programme “German contribution to the Cambodian Health Sector Support Programme 2, 2014.6767.9”]

New Commitment: Accompanying measures for the German Contribution to the Health Equity and Quality Improvement Programme (H-EQIP), 2015.7010.0, up to €2 million (grant)

The Health Equity and Quality Improvement Programme (H-EQIP) is currently under preparation. The new programme shall support the implementation of the third Health Strategic Plan (2016-2020) and will contribute to the goal of Universal Health Coverage. Accordingly, a particular focus of the HSSP 2 successor programme is envisaged on the further development, expansion as well as integration of existing social health protection. This shall contribute to the development of a more comprehensive and integrated social health protection system. Complementary to the support of demand-side financing schemes the new programme shall also focus on improved quality of service delivery and strengthening of the supply side especially by reforming the current system of Service Delivery Grants. Support to health infrastructure will be an element of the programme and explored in detail during the design process. Fiduciary oversight through independent financial auditing and verification of service delivery (HEF) will be an integral part of the programme. The RGC contributes significant financial resources to the on-going HSSP 2 by co-financing a current share of 40% of costs for HEFs and Service Delivery Grants. *This counterpart contribution shall be continued under the H-EQIP and shall be gradually increased in line with future economic growth and increasing fiscal space.]*

The new FC commitment will support the HSSP 2 successor programme both with a financial contribution to the new pool fund mechanism and an accompanying measure focused on strengthening personnel and institutional capacities and on providing support and advice in key thematic areas.

Technical Cooperation

Programme on Social Health Protection III, 2013.2137.1, total commitment €2.5 million - on-going

New commitment: Programme on Social Health Protection III, 2013.2137.1, up to €5.5 million

During the government negotiations in 2013, €2.5 million was committed for a new TC module, which started in September 2015. Together with the new commitment from the government negotiations in 2015, the new TC module will continue to focus until December 2018 on health system financing and health service delivery, with health system governance and the inclusion of vulnerable groups as cross-cutting issues to be considered in all areas of intervention. The focus of the TC module is on supporting key reform processes of the Cambodian MOH as outlined in the new Health Strategic Plan, mainly demand-side financing, quality improvement and decentralization.

ru

5

The objective of the current module is to improve equitable access to quality health services for the target population. Beneficiaries are the identified poor, the near poor and specific vulnerable groups such as persons with disability and the elderly. The TC module is being implemented in the target provinces of Kampong Thom, Kampot and Kep. It is actively collaborating with the Financial Cooperation activities in the same area for developing and implementing an integrated social health protection system with a pay-for-performance mechanism. In this context, a decision about continuing the integrated schemes, including the subsidization of voluntary enrolment, is fundamental for the current strategy. Funding through GIZ is secured until the end of 2017 at the latest, but alternative funding sources, including government contributions, need to be identified by the MOH in case these schemes should be continued.

The TC module will ensure the collection of robust evidence on the impact of such integrated schemes. Moreover, through its Technical Cooperation Germany is continuing to play an important role in the coordination of social health protection and health financing policies with the RGC and other development partners within the Providing for Health (P4H) Network.

Mother and Child Health, 2011.2194.6, total commitment €5.64 million – ongoing

In the context of the G8 Muskoka Initiative on Maternal, New-born and Child Health and the “Fast Track Initiative Road Map” of the Cambodian MOH, another TC module on Rights-based Family Planning and Maternal Health (short: Muskoka) has been under implementation since August 2012. The objective of this TC module is to improve “the quality and use of maternal and child health care, and rights-based family planning services in the target provinces of Kampot, Kampong Thom, Kep and Kampong Speu (...)”. Beneficiaries are the population of the target provinces with a specific focus on poor and vulnerable women and children. The focus of the TC module is on the core components of the Fast Track Initiative and its aim is to contribute to the reduction of maternal and newborn mortalities by improving coverage and utilization of quality Emergency Obstetric and Newborn Care (EmONC) services, upgrading selected health facilities through the provision of equipment (in cooperation with UNICEF) and through training and coaching of health staff to increase practical skills. In addition, the inclusion of persons with disabilities has been fostered through disability screening and the referral of newborns and small children (in cooperation with Handicap International) and by reducing barriers to sexual and reproductive health and rights for persons with disabilities as well as awareness raising campaigns.

Mother and Child Health, 2014.2473.8, total commitment €5.0 million – in preparation

A new TC module in the area of maternal and child health will start in January 2016 for a three-year period. It will support the National Center for Maternal, Neonatal and Child Health

in further reducing maternal and neonatal mortality in the target provinces of Kampong Thom, Kampot, Kampong Speu and Kep. It also includes specific mother and child interventions for persons with or at risk of disability. The objective is that families with young children will benefit increasingly from better quality health services for maternal and child health.

The new TC module will focus on three intervention areas: (1) improving the quality of emergency care for mother and child around childbirth, (2) improving the qualification of health staff in attendance at obstetric emergencies, and (3) newly developed competencies and instruments to adapt health services to the needs of persons with disabilities.

Support for the establishment of a training unit in the Provincial Referral Hospital (PRH) of Kampot is envisaged, in order to enable trained health personnel to practice their skills in a simulation delivery room. Cooperation with the Regional Training Centre (RTC) in Kampot will be strengthened.

Specific quality improvement mechanisms will be initiated and supported in selected hospitals in the target provinces in close cooperation with the other TC and FC modules.

The screening tools developed for children under 6 years will be further tested and finalized for approval by the MOH. The tools will be integrated into the routine activities of health center staff.

2.3. Priority area Rural Development

2.3.1. Dialogue on the priority area Rural Development

The German side congratulated the RGC on its impressive success in terms of rural economic development. An improvement in living conditions has been achieved: especially in rural areas, poverty rates have declined considerably; access to health services has been increased with remarkable improvements in the health situation in rural areas.

The German side noted increased diversification, productivity augmentation and quality improvement in agricultural production. The commercialization of the production of smallholders, improvements in processing capacities (value chains) and the rising share of agricultural products in exports, partially also in high-quality markets (rice, organic markets in Europe or USA) are further achievements in the agricultural sector.

Complementing these activities, rural infrastructure adapted to climate change has been improved: especially rural roads, telecommunication and markets.

The German side underlined the strong interconnectivity of Cambodian-German programmes dedicated to supporting rural development. The activities of the three German priority areas in rural areas are strongly interconnected. Support for the decentralization reform is laying the foundation for the German contribution to an improved rural social security system in the health sector and for rural economic development, including measures to improve rural infrastructure.

In the target provinces transport costs have been reduced by 30%, demand for health services has increased by 10%, the delivery of financial services and means of agricultural production has been expanded. Income increases of more than 20% have been achieved for 16,000 families or 90,000 family members. New markets, inter alia export markets, have been accessed.

Despite these impressive developments there are still shortcomings in rural infrastructure, e.g. an incomplete rural road network, lack of systematic maintenance of rural roads, a lack of social facilities as well as of electricity supply in rural areas. There are still smallholder families who are not benefiting from the above mentioned developments or who still produce at a very low (subsistence) level. These families especially are affected by droughts or floods. Migration from rural areas has increased in the last few years and the share of the population living in rural areas is decreasing continuously.

Despite the general high satisfaction with bilateral cooperation in the context of rural development, the German side mentioned three main challenges to be overcome:

Acceleration of the decentralization reform so as to foster rural development

Consistent with the Cambodian decentralization reform, the district level has a key role to play in the Rural Economic Development Programme III (RED III programme) concept and capacity development strategy to promote inclusive growth and poverty alleviation. The RED III programme strategy and implementation plan was built upon the assumption that the 10-Year National Program for Sub-National Democratic Development (NP-SNDD) will be implemented more or less on time and as foreseen in its 3-Year Implementation Plans.

The German side stressed the slow progress of the decentralization reform, the lack of clarity about district council functions, lack of guidelines for district council action and low level of financial resources which hamper rural authorities seeking to fulfill their responsibilities. The German side informed the Cambodian side that, without accelerated implementation of the decentralization reform, capacity development measures for district councils and sub-national institutions foreseen in the RED III programme cannot be implemented efficiently. The contribution of the programme cannot be fully used and can hardly be used in a struc-

turally relevant manner. Thus, the impact of the local government component of the programme risks remaining below expectations and potential. In view of the district councils' important role in planning and overseeing local economic development and in taking a leading role in improving framework conditions and service provision, this might reduce the overall impact of the programme on poverty reduction and pro-poor growth as well.

The Cambodian delegation underlined that, under the 10 year National Program for Sub-National Democratic Development, and its implementation plans, significant progress has been made in terms of D&D reforms. A wide range of capacity development activities have been implemented at District and Municipality levels, describing roles and responsibilities, planning, financial management, administration, M&E, council operations, and project management procedures. Based on the functional review process and pilots implemented since 2012, meaningful functions will be transferred to Districts and Municipalities in 2016, including primary education, health, social affairs, and solid waste management. In terms of funding, four mechanisms are envisioned, including the District/Municipality Fund (which has been in operation since 2014), the Sub-National Investment Facility (to begin in 2016), conditional grant transfers, and own source revenues. Districts and Municipalities have begun developing Charters which will clearly identify the roles of Councilors and Boards of Governors.

Rural infrastructure needs more counterpart contribution and coordination

Both sides agreed that, despite the stage of infrastructural development already achieved and the scope of the maintenance procedures, the need for rural infrastructure remains immense. *To finance the rehabilitation and expansion of rural infrastructure, the German side asks the Cambodian side to consider and provide information about a probable extension of the partners' contribution above 10% of the donor contribution. The German side noted that it would be appropriate to differentiate between grants and loans under donor funding. The co-payment to a grant should be proportionally considerably higher than for credit financing.*

In line with the ownership principle, government contributions have been provided to many joint programmes. While domestic revenue mobilization is increasing, the budget has to be allocated to finance many priorities with limited funds. It is worth noting that spending more for rural infrastructure means spending less for another sectors and programmes which are also development priorities of the RGC.

Both sides agreed that, along with the increasing improvement of the rural road network, there is a growing need for maintenance of these roads. Although the RGC has already substantially extended the financing contribution for maintenance, both sides agreed that further increases are needed. The Cambodian side informed the German side that the Ministry of

Ni

4

Rural Development (MRD) has the capacity to precisely determine the investment requirements due to the currently ongoing registration of the rural road network by means of a geographical information system (GIS).

The German side noted that it has been observed that newly rehabilitated rural roads are being used excessively by heavily loaded transports, which leads to the destruction of these roads within a very short period of time. Since it has so far not been possible to enforce effective weight monitoring, the MRD decided in 2014 to adjust the technical construction standards of the rural roads to accommodate the heavy traffic. Effectively, this amounted to an upgrade to national roads standards with correspondingly high costs. The German side underlined its dissatisfaction with this solution, which was neither affordable nor appropriate.

The full enforcement of legal regulations will take time. Therefore, the German side suggested analyzing appropriate technical solutions. These solutions should prevent the use of rural roads by heavy trucks, e.g. by means of bumps or gutters, narrow bridges, etc.

At least for the roads constructed under RIP, adequate solutions should be examined and be included in the standard design of rural roads in the future in line with rural road policies.

The Cambodian side noted that rehabilitation of rural roads results in significant increases in traffic volumes and speed. This leads to increased deterioration of the improved infrastructure, which in turn increases maintenance requirements and associated costs. Therefore, in order to optimize investment costs and related maintenance commitment, MRD decided in 2014 to adopt Ministry for Public Works and Transport standards for some sections of rural roads for RIP project that require a bituminous surface treatment. In addition, alternative solutions will be considered on a case-by-case basis in order to provide the optimum results.

To address the issue of overloading trucks which regularly damage the road fast after construction or maintenance, MRD has established a coordination and inspection committee for overloading truck along the rural roads since August 2014. The Ministry of Rural Development has also established for piloting the Overload Inspection Unit and Truck Size in Kampong Speu (KPS) and Siem Reap (SRP) Province. Currently, these teams are actively working. In particular for KPS province, the team has been working closely with the sand and stone producing companies and agreed with the companies to repair and to maintain the road after using. Moreover, the team also has caught and advised to the overloading truck owners to stop transporting overload materials on rural roads and to respect the traffic law and the road sign.

ASEAN as driving force for sustainable agricultural development

Both sides agreed that the upcoming ASEAN single market offers a great opportunity for Cambodian organic and GAP (good agricultural practice) agricultural and processed food products. These will contribute to sustainable rural development and rural employment. Although the goals of the RGC for organic and good agricultural practices are anchored in the most important national development strategies, structures for the implementation need to be developed and resources made available. Ministry of Agriculture, Forestry and Fisheries (MAFF) started inspections for Cambodia (GAP), the service is available in some provinces and a logo for "CamGAP" to introduce the standard to the private sector is awaited for end of 2015. The GIZ ASEAN Sustainable Agrifood Systems (ASEAN-SAS) in cooperation with Council for Agricultural and Rural Development (CARD) and MAFF is working on the national implementation of the ASEAN Integrated Food Security Framework (AIFS) by providing capacity development measures and policy dialogue fora. In cooperation with MAFF and Asian Development Bank (ADB), ASEAN-SAS discussed and drafted a first Cambodian Organic Standard, based on ASEAN, with different stakeholders including the private sector, which is now waiting for approval and implementation from the farmer to the consumer fork. An amendment of the regulation of pesticides has just started so as to enable the registration of bio pesticides (harmonized with ASEAN) and local pesticide production (so far there is no single pesticide producer in Cambodia due to the lack of regulation). In 2015, GIZ ASEAN SAS trained Staff of MAFF and organized National Fora to discuss the topic of biological pest control.

Both sides noted that the challenge for ASEAN integration in the agriculture and food security sector is the coordination of the regional initiatives and linking them to the relevant national authority or department. For example, the topic Food Security is represented at the ASEAN level by MAFF, while CARD covers the topic at the national level. The German side stressed its support to MAFF's initiative for the creation of an ASEAN department in MAFF so as to better coordinate the activities with relevant authorities, especially CARD and carry out measures at the national level.

German support to the Land sector

Both sides recognized the progress made in the Land Sector over the last 20 years. The German cooperation has provided great knowledge and know-how to the Cambodian side, especially contributed tremendously to the Cambodia's land reform programme through the development of policies and legal framework, human resource development, land conflict resolution and transparent and participatory systematic land registration with good governance, to ensure land tenure security for Cambodians. The development cooperation has con-

tributed enabling MLMUPC to implement the overall land sector reform and in particular the considerable increase in systematic land registration.

The German side informed the Cambodian side that the bilateral German support to the Land Rights Programme will be phased out with the end of the ongoing Land Rights Programme II in June 2016 due to changing priorities. This has been communicated in the letter from the BMZ Secretary of State Dr. Kitschelt on September 29th 2015 responding to the letter of the MLMUPC of May 27th 2015 (Annex 10).

2.3.2 Regional Economic Development

Financial Cooperation

Rural Electrification, 2005.6613.3, total commitment: €6 million (grant) - completed

Rural Electrification, 2007.6602.2, total commitment: €4 million (grant) - completed

The focus of the rural electrification projects was on reliable energy supply and reduced energy costs for the population in rural areas of Cambodia, namely the provinces of Kampong Speu, Kampot and Takeo, in order to boost social and economic development. Construction of the transmission line Takeo-Kampot including a substation has been completed and the facilities started operation in the first quarter of 2012. Construction of distribution lines under the two rural electrification projects was completed in mid-October 2014. All project measures have been implemented very successfully and all financed facilities are being well operated and maintained by Electricité du Cambodge (EdC). The German side is aware of the tremendous need for rural electrification investments, which is also reflected in the development goals of the RGC. Further investments might be considered.

Rural Infrastructure Programme III (RIP III), 2011.6553.9, total commitment: €4 million (grant) – completed

Under this programme phase, 39 km rural roads, three bridges and two markets in district capitals have been rehabilitated in Kampong Cham, Kampong Chhnang and Tbong Khmum.

The German side appreciates the significant on-going provision of rural road maintenance funding for the provinces which are part of the RIP (i.e. Siem Reap, Kampong Thom, Kampong Cham, Kampong Speu, Kampong Chhnang, Prey Veng and Kratie) by the Cambodian side. This provision is equal to more than \$2.2 million annually. In addition, the RGC has contributed €0.4 million or 10% of German funding to RIP III for financing operational costs and investment measures. RIP III was successfully completed in August 2015.

Rural Infrastructure Programme IV (RIP IV), 2013.6530.3, total commitment €11 million (grant) – ongoing

RIP IV covers four selected provinces. They are Banteay Meanchey, Battambang, Otdar Meanchey and Prey Vihear. Project appraisal took place in October 2014 and the Financing and Separate Agreements were signed on 18 September 2015. Implementation started in November 2015.

New Commitment: Rural Infrastructure Programme V (RIP V), 2015.6753.6, up to €9 million (grant)

RIP V will be implemented along with RIP IV. The German side has newly committed an amount of up to €9 million for RIP V. RIP IV and V are being partially implemented in the same provinces as the RED III TC support provided through GIZ. Both programmes will co-ordinate their support activities.

Both delegations agreed that there is a need for a comprehensive Cambodian system for the maintenance of roads, in particular rural roads, that is financed through the Cambodian budget in the long term. A potential model for such a system has been implemented in the seven programme provinces since 2007. As the Ministry of Rural Development (MRD) is establishing an in-house developed software system as a data management and decision tool, the German side is willing to support the establishment of a unified and countrywide rural road maintenance system, e.g. through a training component. The training component foreseen for RIP IV and V will support the professional development of the already existing GIS-based rural road information system into a fully functional maintenance management system, e.g. by training the responsible staff in MRD but also in the RIP provinces, including providing required hardware and equipment. The training measure will also support the Department of Rural Roads (DRR), as the responsible MRD unit for rural road maintenance, in developing new and improved rural road design standards and actively supporting the road material test laboratory that will be established by MRD soon. Additional training will be provided to all Project staff in order to further strengthen implementation and management capacity. This will also encompass closer regional cooperation in the field of rural road management with respective Ministries and projects in Laos and Myanmar, e.g. workshops at Public Works and Transport Training Center (PTTC) training centre in Laos or visits to related KfW projects in Myanmar.

In order to ensure the efficient use of funds, closer cooperation between MRD, the ADB and KfW should be established to identify solutions and agree on a road map for implementing a new system. Working on parallel systems should be avoided. The German delegation asked

M

5

and the MRD agreed to actively coordinate between KfW, ADB and responsible ministerial staff.

The Cambodian side underlined that MRD has established its Technical Working Group (TWG) since December 2010. The GIS section within the TWG based in central MRD works closely with the teams in the provinces spreading over the country for data collection to prepare the countrywide Rural Road Database and Rural Road Inventory. So far, this TWG is actively working and regularly updates the new information regarding the rural road data. Moreover, the GIS/MRD team has already established an in-house rural road management system, called "Rural Road Inventory System" (RRIS) which was currently launched within the relevant MRD departments. The official launch should be done in mid-2016.

New Commitment: Rural Infrastructure Programme VI (RIP VI), 2015.6864.1, up to €5.1 million (grant)

The need for climate-resilient improvements to rural infrastructure in Cambodia is still high. This is particularly the case for the provinces Banteay Meanchey, Battambang, Otdar Meanchey and Prey Vihear. In addition, Otdar Meanchey and Prey Vihear have experienced a significant increase in population caused by domestic migration from other regions in Cambodia putting pressure on the limited infrastructure. A commitment of up to €5.1million is therefore committed for RIP VI.

Preparation of RIP VI will start with a project preparation study in early 2016. Based on the study, the KfW project appraisal mission will take place in 2016. Experience from former project appraisals in this focal area indicates that the infrastructure needs will exceed the committed budget of €5.1 million. Thus, an extended appraisal by KfW for the investment budget of up to €20 million is planned.

Besides the improvement of rural roads, bridges and other adjacent road infrastructures, the preparation study for RIP VI/VII should also explore further approaches in the field of rural development so as to improve the living conditions of the poor rural population. Besides new market buildings this could include e.g. the provision of clean drinking water via new wells accompanied by hygiene and sanitary measures (WATSAN component).

RIP VI will be accompanied by a training component to further support a unified and countrywide rural road maintenance system.

Infrastructure Programme to Sustain Land Reform (IPLR), 2013.6699.6, total commitment: €9 million (grant) - ongoing

The programme, which started in June 2015, focuses on the improvement of living conditions for the poor population in rural areas of Cambodia. It has a special focus on indigenous population, poor and vulnerable households, and small-scale farmers who have received or will be receiving land titles. During the on-going inception phase, the preliminary investments identified and prioritised during the project appraisal mission in June 2014 are being updated and verified. The implementation of measures is expected to start in the beginning of 2016.

Technical Cooperation

Regional Economic Development (RED) III, 2013.2226.2, up to €4.7 million – ongoing

New commitment: Regional Economic Development (RED) IV, 2015.2150.9, up to €2.14 million

Both sides, Germany and Cambodia, stated their satisfaction with the implementation progress and results of the programme. Since January 2015, CDC has been acting as the executing agency for the RED III programme. At the same time, the programme has received a co-financing contribution from Switzerland and has expanded its activities to two additional provinces, namely Banteay Meanchey and Oddar Meanchey. In both provinces RED III has started to implement first support measures in the fields of local governance, regional development and economic promotion.

In view of the operation of the RED III Programme in several provinces, the management and coordination set-up of the programme has been reviewed and adjusted. In line with the decentralization policy, responsibility for the management of programme implementation remains with the respective provinces and the work is supervised by respective provincial Steering Committees that were established in December 2014. In addition, a national Steering Committee chaired by the Executing Agency CDC and composed of representatives of the ministries, provincial governments and development partners involved in RED III implementation has been set up. The national Steering Committee provides guidance, monitors implementation, assures coordination and facilitates the transfer of models and solutions to national level strategies and programmes.

The German side expressed its expectation that the remaining allocation of the Cambodian financial contribution committed for RED Phases I and II will be made available for the RED III Programme. The MEF confirmed that it would release in incremental remaining funds amounting to €630.000 in total, so that the funds can be used for the implementation of specific activities of the RED III programme.

In the 3-year follow-up programme "Regional Economic Development IV" to start as of 2018, the enlargement of the outreach and scope of ongoing activities in the two provinces of Ban-

teay Meanchey and Oddar Meanchey is together with the extension the programme to cover the remaining districts (4 in Banteay Meanchey and 1 in Oddar Meanchey). Depending on demand and available funds, extension to an additional province – possibly Preah Vihear in which the financial cooperation programme RIP V is being implemented – could be considered. The co-financing partner, Switzerland, has already earmarked 3,200,000 CHF for the RED IV programme, provided that the ongoing implementation of the RED III programme proves successful.

2.3.3 Support for the Land Sector Programme

Technical Cooperation

Land Rights Programme II, 2013.2225.4, total commitment: €5.612 million – ongoing

The German side informed the Cambodian side that the bilateral German support to the Land Rights Programme will be phased out with the end of the ongoing Land Rights Programme II in June 2016.

2.4 Cross-cutting area: Democracy, Civil Society and Public Administration

2.4.1 Dialogue on the cross-cutting area of good governance

Recalling the Rectangular Strategy, Phase III the German government valued the key role the RGC assigns to good governance in its social and economic development.

Fostering coordination among core governance reforms

The German delegation strongly welcomed the establishment of a joint institutional mechanism at the technical level to interlink the work of the three governance reforms, namely Public Administrative Reform, PFM Reform and Sub-National Democratic Development. This working group, consisting of the Heads of the Secretariats of the three governance reforms, is meant to develop a joint inter-connected reform activity framework to mutually reinforce the implementation of the reforms, to identify overlaps and also to create synergies and support harmonization. Acknowledging that progress in one reform is often dependent on progress in another, close collaboration was deemed a necessary requirement in order to achieve goals and objectives as defined in each reform programme and plan. Germany is actively supporting the implementation of two governance reform programmes and strongly encourages this collaboration and has initiated meetings with Development Partners Lead Facilitators of the three governance reforms to identify areas that could be supported by development partners in a concerted manner and to address cross-reform policy issues. Representatives from Ministry of Interior (Mol) / National Committee for Sub-national Democratic Development

(NCDD), MEF and Ministry of Civil Service (MCS) welcomed the intensified dialogue and agreed to work closely together, both by using the existing TWG coordination structure as well as through ad hoc meetings. Both sides agreed that this initiative should focus on existing activities identified in the respective actions plans and aim at greater alignment of activities and policy coherence, on both the development partners and the RGC side.

In this regard the German delegation asked the Cambodian delegation to elaborate in the respective Technical Working Groups on the government's approach to train and build capacities of civil servants on all levels of government in a coherent manner as well as on the respective roles of Mol and MCS.

Public Administrative Reform

In regard to the field of public administrative reform, the German delegation welcomed the formation of the new Ministry of Civil Service (MCS) and especially the renewed commitment shown by the RGC to accelerate and intensify the implementation of the civil service reform, particularly through compensation reform, improved management and development of human resources and enhanced quality of public services.

The German delegation congratulated the RGC on the recent achievements in reforming the civil service, notably the increases in basic salaries for all government staff. This is an important step for adjusting low salaries to actual costs of living and will lessen the requirement for civil servants to seek alternative income sources. Cambodian side stressed that while further pay increases within affordable fiscal space are to provide an opportunity for improving the quality of public services, they need to be accompanied by structural reforms and the modernization of the public sector as a whole in order to make it more effective, client-oriented and performance-based, and to use scarce resources in an efficient manner.

The German delegation welcomed the adoption of the National Programme for Public Administrative Reform (NPAR) by the RGC in January 2015. Given its nature as a whole of government reform, successful implementation of NPAR during the next four years will rely heavily on the commitment of line ministries and institutions at national and sub-national levels to implement the reform, with MCS needing to play a facilitating role. Both sides stressed the urgent need for buy-in and ownership by all members of the Committee of Public Administrative Reform and requested that the line ministries start implementing by defining their own reform agenda within the NPAR framework so as to engender ownership as well as ensuring that reforms address the Ministry's priorities and are in line with the respective sector reforms.

Sub-National Democratic Development

Nh

4

The German delegation congratulated the RGC on its achievements in implementing the plan for the first four years of the 10-year National Programme for Sub-National Democratic Development (NP-SNDD) and welcomed the start of the new 3-Year Implementation Plan 2015-17. The focus on greater autonomy of the subnational administration and on responsive and accountable service delivery as outlined in this Implementation Plan is an important step forward in the reform process.

The German delegation stressed its view that the *decentralization reform process* is currently at a cross-road, where further progress depends on the meaningful strengthening and empowerment of subnational councils. Recalling what had been discussed in the sector dialogue on rural development, Germany reiterated its concerns about the slow implementation of the SNDD reform, both from a sectorial and from a subnational government perspective. With an eye to the continuation of cooperation in this field, the German delegation articulated the expectation that, under the second 3-year Implementation Programme (IP3-II), substantial progress will be achieved, namely that line ministries will take decisive steps to transfer as soon as possible significant, meaningful and well-resourced functions to the subnational councils and that these councils will soon be endowed with sufficient authority and resources to perform their mandates. Regarding financial resources, the funding of the District & Municipal Funds needs to be increased substantially.

The German side asked for an update about the present status of and RGC's plans to progress with:

- the transfer of functions to the provincial and district levels;
- the allocation of development funds to district councils;
- the preparation of guidelines regarding district councils' permissive functions and the use of development funds for social and development services and within the framework of permissive functions.

The Cambodian delegation responded that updates on program implementation are provided during two TWGs per year and are documented in annual and semi-annual reports.

In terms of functional reassignment, the Ministry of Environment has transferred solid waste management to all Districts and Municipalities. During 2016 the Ministry of Education, Youth and Sports will transfer primary, pre-primary, and non-formal education in all 14 Districts and Municipalities in Battambang Province. In 2017 an additional 4 Provinces will be covered and in both 2018 and 2019 ten more Provinces will be added. In 2016 the Ministry of Rural Development will transfer rural road maintenance functions and the Ministry of Social Affairs will transfer the management of state orphanages to Provinces and other functions to Districts

and Communes. The Ministry of Health continues to discuss the transfer of health centers and hospitals under the Ministry's Operational Districts to local government Districts and Municipalities. Further functions to be transferred will be identified during 2016.

The second IP3 describes how the Royal Government of Cambodia will channel unconditional grants, through the DM fund, to Districts and Municipalities. The allocation from the national budget will increase from 0.8% (2015) to 1% (in 2017) and the development component will be ring-fenced at 0.5% of the budget. Overall, the DM Fund is expected to increase from \$19.2 Million in 2015 to \$38 Million in 2018, an increase of almost 100%.

The second IP3 aims to promote a wider range of permissive functions and to develop mechanisms for Sub-National Administrations to implement their general mandate in partnership with civil society and the private sector. A regulatory framework, in the form of a sub-decree on permissive functions, is already in place and guidelines are expected to be completed during early 2016.

Social Protection and Poverty Reduction

The German delegation congratulated the RGC on the fact that ID-Poor has been declared as national instrument for targeting poverty and is being widely used by many development stakeholders for pro-poor interventions. The German government also welcomed the fact that the National Social Protection Strategy for the Poor and Vulnerable (2011-2015) mandates its use for targeting poor Cambodians. With an eye to the new Social Protection Strategy, starting in 2016, the Cambodian delegation informed the German side that ID-Poor will continue to be the core targeting instrument for poor and vulnerable Cambodians, including those in urban areas.

Given the importance of ID-Poor, particularly for providing free health services to poor Cambodians, the German delegation welcomed the intensified dialogue between the Ministry of Planning (MoP) and the MOH with a view to making progress on the harmonization of ID-Poor data and post-identification data at health facility level. As German development cooperation is supporting MoP and MoH, such interaction is further encouraged.

Recalling what had been requested earlier regarding increasing partner contributions, the substantial efforts of the RGC towards the sustainability of the ID-Poor instrument was appreciated by the German delegation as best practice: since 2015, the operational costs of the ID-Poor instrument for rural areas has been covered fully through the government budget. The German side encouraged the Royal Government to show similar ownership with regard to the ID-Poor instrument for the urban poor and requested the definition of a concrete commitment for the coming years in the forthcoming project. The Cambodian delegation was

supportive of such an approach and agreed to come up with a concrete proposal for the government consultations in 2016 to be implemented from 2017 onwards.

With regard to government budget allocations, both sides underlined that the ID-Poor budget transfer will be further improved upon the implementation of programme budgeting by MOP in 2017.

Finally, the German delegation informed the RGC that the BMZ has started a strategy process on the cross-cutting area of Democracy, Civil Society and Public Administration so as to update the current strategy from 2006. This sector strategy, together with sector strategies for health and rural development and also the joint European Development Cooperation Strategy, will be used as the BMZ Country Strategy for Development Cooperation with Cambodia.

Technical Cooperation

Decentralization and Administrative Reform IV, 2011.2081.5, total commitment €4.92 million – ongoing

New Commitment: Decentralization and Administrative Reform, 2015.2094.9, up to €3.3 million

Support to the Subnational Democratic Development Reform (SNDD) constitutes a key area of cooperation for the European development partners, namely the EU, Sweden, Switzerland and Germany, with Germany continuing to be part of the joint European approach, which makes use of the comparative advantages of each partner.

The on-going “Decentralization and Administrative Reform Programme” has been providing support for the implementation of the Subnational Democratic Development Reform and also the Public Administrative Reform (PAR) since July 2012. It will come to an end as scheduled in April 2016.

The decentralization component of the programme, which is closely aligned with the respective SNDD “Implementation Programmes” (IP), has made important contributions to the progress of the reform, particularly in the field of functional assignment and capacity development for councils. It will last until April 2016.

The administrative reform component of the programme ended in December 2014 as planned. The cooperation has – however – been extended on a lower scale until April 2016 through support from the Study and Expert Fund.

Both sides agreed on the importance of the Public Administration and Subnational Democratic Development Reforms and their contribution to poverty reduction. Support should continue

for both reforms. The main focus of the new project will be on capacity development for sub-national administrations (incl. councils) and line agencies at the district and municipal levels with a view to promoting improved service delivery.

The new project which is expected to start in May 2016 should concentrate on integrating the implementation of the two reforms at subnational levels, and in close partnership with selected subnational administrations. Its aim will be to improve cooperation and coordination among all public actors at subnational level, thus promoting a unified government.

The project should also provide support for horizontal scaling-up of lessons learned as well as drawing on available evidence and implementation experiences to further develop and advice on the legal framework for the reforms.

Identification of Poor Households ID-Poor IV, 2011.2247.2, up to €0.3 million - on-going

New Commitment: Identification of Poor Households ID-Poor 2015.2093.1, up to €1 million

Both sides agreed that the on-going programme co-financed by Germany and Australia has made a significant contribution to the development of the ID-Poor instrument. The current phase of support for the ID-Poor Programme has been extended until February 2016 (no-cost extension). Through expert advice and financial agreements, the support provided for the ID-Poor programme has assisted the MoP in identifying poor households in all rural areas of Cambodia. An online-based platform – the new ID-Poor Information System – has been created, providing access for ID-Poor users to the household targeting data from institutions and organizations that deliver pro-poor interventions and services and/or carry out research on poverty. The ID-Poor support programme was evaluated as a successful programme by a team of external consultants and GIZ staff. Under the new project the ID-Poor instrument will be developed further. This includes implementing methods to identify the poor in urban settings as well as considering data on vulnerable groups such as the near poor. Persons with disabilities, women and ethnic minorities will receive special attention in the processes of ID-Poor. There is also a need to improve the availability of targeting information for pro-poor service providers. The new programme will support the RGC in enhancing the outreach of the ID-Poor instrument and further strengthen its sustainability and is planned as the final phase of the support programme. In order to ensure its sustainability, the Cambodian delegation agreed to define a concrete proposal for gradually increasing coverage of the cost of urban ID-Poor rounds from the Government budget over the duration of the programme (2016-2019). Under this proposal, by 2019 100% of the funding for the urban ID-Poor rounds will come from Government funding. This will be in addition to the continued funding from government funds for rural ID-Poor rounds.

The support to the ID-Poor programme will be co-financed with approx. €3,432,500 from the Australian Department of Foreign Affairs and Trade (DFAT).

Access to Justice for Women (ATJW) II, 2013.2139.7, up to €2.27 million - ongoing

The focus of the current project is on improving subnational referral systems for female victims of domestic and sexual violence. Other areas of cooperation are developing a coherent data management system for gender-based violence and strengthening inter-ministerial coordination. The Ministry of Women's Affairs (MoWA) confirmed that the project has made good progress so far regarding its objectives, which will most likely be achieved by the end of the project in December 2016.

The German delegation underlined that, with the support of the project, important groundwork has been carried out, which will help the RGC to apply the referral system in future. Although a third phase of the ATJW project cannot be financed by the BMZ, the German delegation offered to extend the current project for another 12 months in order to prepare for a structured phasing-out. During this extension necessary measures should be taken to increase the sustainability of the intervention, including consolidation and institutionalization. Australia's DFAT has expressed its interest to contribute to such an extension as well.

To ensure the long-term sustainability of programmes and the provision of services for survivors of gender-based violence (GBV), an increase in the annual budget of MoWA through the national budget is required. The German side is ready to work with MoWA and other line ministries to this end and encourages the Royal Government to come up with a proposal, to be discussed during the government consultations in 2016.

The Ministry of Women's Affairs welcomes for the one-year phasing out extension for the Access to Justice for Women II project -from Jan 2017 to Dec 2017-, if it is not possible to phase-out by 2016. In the view of MoWA, this one-year extension should be focused on institutionalization and strengthening of methodologies and processes at both national and sub-national levels. Therefore no more activities should be implemented in 2017 at the target provinces (Siem Reap and Kampong Thom). From now onwards the ATJW II project should intensify efforts for handing over to MoWA and for linking-up with other partners of the EVAW Program, which is led by MoWA and funded by DFAT.

In addition to the Access to Justice for Women II project, the capacities in the Ministry of Women's Affairs are being strengthened by an integrated expert (CIM) in the area of women's economic empowerment and ASEAN integration. The selection process for this position is ongoing.

MoWA requested involvement in the selection process from the early stage to ensure quality of the candidate for the expert. CV's of short-listed candidates will be submitted to MoWA for final selection.

2.5 Cooperation outside the priority areas

Financial Cooperation

Study and Expert Fund for Financial Cooperation II (SFF II), 2001.7040.7, total commitment €1,022,583.76 – completed

The SFF II has been used for the preparation of Financial Cooperation projects and for other short-term expert services. All funds had been disbursed by August 2015. The German side would like to take the opportunity to thank the Cambodian side for the efficient cooperation in project preparation.

Technical Cooperation

Study and Expert Fund for Technical Cooperation, 1995.3611.1, total commitment: €11,272,932.36, ongoing

New commitment: Study and Expert Fund for Technical Cooperation (SEF), 2015.3504.6, up to €2.7 million

The Fund is to be used for the preparation of future Technical Cooperation projects and for other short-term expert services. In addition, development advisors and integrated experts who are not directly working in programmes are being financed through the SEF. For example, two development advisors are supporting capacity building for stone conservation in Angkor in cooperation with APSARA. More-over, four integrated experts (CIM) to support the National Assembly (NA), the Senate, the ECCC/ VSS and the Ministry of Women Affairs are being financed from the SEF.

In July 2013, Germany committed €0.4 million to the Reparation Programme of the ECCC. These funds have also been made available through the SEF. For the years 2014 and 2015, the German and Cambodian delegation agreed to use up to €0.5 million out of the SEF to further support the Reparation Programme and its implementation, to continue meaningful victim participation, redress and national reconciliation; and to come up with a long-term strategy on remembrance and reconciliation (e.g. victim's foundation). For the budget 2016

the remaining funds of €125,000 will be used and will be increased by €50,000 out of the SEF.

Currently, upon request of the Parliament a proposal is drafted worth €0.25 million for strengthening the capacities of the administration and selected Commissions of the National Assembly (NA) and the Senate procedure starting in 2016. Commissions to cooperate with are the Commission on Legislation and Justice and the Commission on Health & Women's Affairs.

Both parties agreed that, from 2016 onwards, the CDC will be the project partner for the SEF.

3. Other instruments and contributions available as part of German development cooperation

3.1. German contributions to multilateral organizations

The Federal Republic of Germany contributes to many multilateral and regional institutions such as multilateral development banks and funds, the International Monetary Fund (IMF), the United Nations inter alia the World Food Programme (WFP), the International Labour Organisation (ILO) and in particular to the European Union (about 25 per cent of the EU core budget).

3.2. Regional programmes

The German delegation pointed out that, currently, the BMZ is funding more than 45 regional projects in Asia with a total commitment of approximately €72 million per year. 25 of these projects include activities in Cambodia or have indirect benefits for Cambodia.

As some requests for support made by the RGC cannot be answered by bilateral programmes, some can be addressed through regional projects and activities. For example, the ASEAN Sustainable Agrifood Systems (ASEAN Biocontrol) Project is already cooperating with the MAFF in the area of national and regional organic standards.

A selection of important regional programmes providing concrete support to Cambodia is given below. Annex 6 shows a complete list of all German-funded regional programmes with activities in Cambodia.

ASEAN Supreme Audit Institutions (ASEANSAI)

Vol

S

The regional programme on ASEAN Supreme Audit Institutions (ASEANSAI) has been providing ongoing support to National Audit Authority (NAA) since 2013. The programme, which has its head office in Phnom Penh, is supporting regional capacity building and knowledge sharing. Its focus is on the Supreme Audit Institutions (SAI) of Cambodia, Laos, Myanmar and Vietnam (CLMV) in particular. Priorities are strengthening auditing capacities, the organizational development of ASEANSAI, and enhancing the role and status of external financial auditing in the region. All priorities are in line with the International Standards of Supreme Audit Institutions (ISSAI). NAA will chair ASEANSAI in 2016-2017 and the project will support NAA in running a successful chairmanship. The German delegation expressed its hope for ongoing support from the Government and the Parliament of Cambodia for the NAA, especially with respect to the implementation of ISSAI in Cambodia.

Mekong River Commission

Germany is supporting the Mekong River Commission (MRC) through regional projects which support Cambodia in strengthening institutional capacity in terms of sustainable hydropower and the implementation of the MRC Rapid Sustainability Assessment Tool for hydropower planning (RSAT). Also, through MRC, the protection and sustainable use of wetlands is being fostered at the Ramsar Wetlands pilot project sites Prek Toal and Stung Treng.

Germany encourages the Government of Cambodia to make current designs available for the Lower Sesan 2 dams public, together with the resettlement and socio-economic management plans of the developer. The Cambodian delegation expressed that the Ministry of Mines and Energy will make information public. Following up on requests from the Development Partners Group of the MRC, the German side urged the Government of Cambodia to voluntarily submit Lower Sesan 2 to the Procedure for Notification, Prior Consultation and Agreement of MRC, due to its significant transboundary impacts. Cambodian delegation will communicate this issue with relevant ministries.

Labour and Social Standards in the Textile and Garment Sector in Asia

Germany also supports the regional programme "Labour and Social Standards in the Textile and Garment Sector in Asia", which so far is operating in Bangladesh, Pakistan and Cambodia. A probable regional outreach is under consideration. The programme started doing work in Cambodia in May 2015. It will cooperate with the Ministry of Labor and Vocational Training. Moreover, initial activities for national stakeholders will be organized. The agreed period for the regional programme is until January 2018.

Handwritten mark

Handwritten mark

3.3. Global Programmes

BMZ Special Initiative “One World – No Hunger”:

The German government intends to make available additional funding for the RGC as part of the One World – No Hunger initiative.

In Cambodia there are two projects under this umbrella.

Improving the livelihoods and food security of formerly landless and land-poor households in Cambodia - ILF, 2014.0972.1 up to €2.9 million – on-going

The objective of the three-year-programme - “Improving the livelihoods and food security of formerly landless and land-poor households” - from 01.10.2014 to 30.09.2017 is as follows: a sustainable improvement in the livelihoods and food security of people with allocated land in the provinces of Kratie, Tboung Khmum and Kampong Thom. A total of some 3,000 households have been allocated land in the target areas; approximately 1-3 hectares per household. Some of these are non-cleared and partly degraded forest areas that are not yet fully used for agriculture. As a result, the households are sometimes unable to cultivate and use all the land allocated to them.

The programme is supporting the landless population to build a livelihood on newly acquired land. It directly addresses the needy, assisting them with cultivating the land and putting it to agricultural use, and also provides knowledge and skills that help to improve food security for these households. The measures are being implemented in three fields of action which aim to provide those directly affected and the local administrations with holistic advice on planning, implementation and structure building with regard to allocating land and safeguarding livelihoods. The three fields of action are (1) establishing food security, (2) securing a basis for long-term agricultural production and (3) local development through new partnerships between administrations, civil and private actors. The programme is supporting to make ministries and other donors aware of the importance of social land concessions and demonstrating how they should be supported. This is a practical and effective means of helping people to escape from absolute poverty.

Multi-Sectoral Food and Nutrition Security Cambodia, 2014.0968.9 up to €3.3 million – on-going

New commitment: up to €1.5 million

The objective of the programme “Multi-Sectoral Food and Nutrition Security Cambodia” from 01.03.2015 to 31.12.2019 is to *improve* the food and nutrition situation of food and nutrition-

insecure individuals, especially of women of reproductive age, infants and young children (0-23 months). The project will be implemented in the provinces of Kampot and Kampong Thom. The target group is 25.000 women and their families. The project is linked to the bilateral technical programme "Mother and Child Health" and will cooperate closely with the MOH and its National Nutrition Programme. Given that it is a multi-sectoral approach, the project will be coordinated by the Council for Agriculture and Rural Development.

The project will contribute to increasing diversified agricultural production and improving the nutrition of women, infants and young children through the following fields of action:

(1) Integration of nutrition into the health sector and improvement of service delivery, (2) diversification of food production and awareness-raising with regard to nutrition and hygiene, (3) anchoring successful approaches at the national and regional levels.

The German side draws particular attention to the fact that the funds from this new commitment must be fully spent by 31 December 2019. Any funds that have not been spent by that date will lapse.

3.4. Deutsche Welle Akademie (DW Akademie)

DW Akademie, Germany's leading media development organization, is focusing on facilitating access to information for people in Cambodia – especially youths and women. Together with the Ministry of Education, Youth and Sport as well as several NGOs, DW Akademie is working to develop media and information literacy programmes for young people. In addition, DW Akademie is cooperating with the Ministry of Women's Affairs and the Women's Media Centre of Cambodia to improve access to information relevant for women. A further focus in a cooperation project with the Documentation Center of Cambodia is increasing young people's knowledge about the Khmer Rouge past.

3.5. Other players

Please see Annex 7 for other German players in development cooperation.

3.6. KfW Promotional Loans

As a way of complementing the existing set of FC financing instruments KfW may provide FC promotional loans on its own account to both public and private institutions or enterprises for development projects. These loans are intended primarily for projects in the area of economic and social infrastructure and for the promotion of the financial sector. In this regard KfW operates on behalf of the Government of the Federal Republic of Germany. Given the character of the projects to be financed RGC acknowledges the need to make freely convertible currency available in due time and in sufficient amounts to service the debt towards KfW

without any restriction (transfer of foreign exchange) and will make all efforts to meet this requirement at all times and in due course. In this context RGC undertakes not to disadvantage KfW in relation to the treatment of multilateral financing institutions.

4. Declarations and final clauses

4.1. Provisions for project/programme implementation

Both delegations agree that all the contributions envisaged by the German side and recorded in the present document can only be made when

- the Government of the Federal Republic of Germany has taken a positive decision once project/programme appraisals have been carried out by KfW, GIZ and/or any other organisation commissioned with implementing the project or programme,
- overall financing for the project/programme has been secured,
- the agreements under international law to be concluded (intergovernmental agreements and project/programme agreements), the financing and loan agreements and the implementation agreements with KfW/GIZ and, if applicable, any other implementing organisations have entered into force.

4.2. Preparation of Financial Cooperation projects and programmes

Both sides agree that in order to prepare and support the Financial Cooperation projects and programmes agreed upon during the present government negotiations, they shall conduct studies, produce expert opinions and deploy experts as the need arises. Such activities shall be coordinated between KfW and the relevant line authority. The funds for such efforts shall be made available by the Government of the Federal Republic of Germany in addition to the bilateral Financial Cooperation commitments mentioned. Both sides shall report on the implementation and outcome of such activities at the next government consultations and/or negotiations.

4.3. Sunset and project/programme replacement clause; residual funds from earlier projects/programmes

The German side draws particular attention to the fact that the commitments made under Financial Cooperation and Technical Cooperation will lapse if within seven years of the year in which the commitment was made no implementation arrangement, i.e. in the case of Financial Cooperation a loan or financing agreement and in the case of Technical Cooperation an

implementation agreement, has been concluded. Thus, commitments made during the 2015 negotiations are subject to a 31 December 2022 deadline.

Should one or more of the projects/programmes mentioned not be implemented or only be partially implemented, it/they may be replaced in mutual agreement between the two governments by another project/programme or projects/programmes.

Any balance that remains after the performance of all services under a contract for a Technical Cooperation project shall be transferred to the Study and Expert Fund without the need for a specific agreement to that effect.

The German side's obligation to disburse funds relating to the programme "German contribution to the Cambodian Health Sector Support Programme III, 2015.6755.1" mentioned in paragraph 2.2.2 ends on 30 June 2021.

4.4. Anti-corruption statement; transparency

Both delegations agree that their cooperation projects and programmes shall be selected and designed according to development criteria.

The Government of the Federal Republic of Germany and the Royal Government of Cambodia agree upon the following assessment of the negative effects of corruption:

- It undermines good governance.
- It wastes scarce resources and has a far-reaching negative impact on economic and social development.
- It undermines the credibility of, and public support for, development cooperation and compromises the efforts of all those who work to support sustainable development.
- It compromises open and transparent competition on the basis of price and quality.

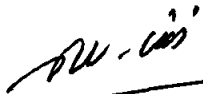
Both governments intend to cooperate closely in order to ensure transparency, accountability and probity in the use of public resources and eliminate any opportunities which may exist for corrupt practices in their development cooperation.

Transparency and accountability are vital to achieving development results and aid effectiveness as enshrined in international declarations (Paris Declaration, Accra Agenda for Action). Both delegations therefore agree that information on the agreed goals, programmes, activities and results of development spending and on the conditions attached to the disbursement of funds may be published by both sides.

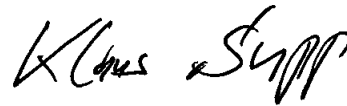
5. Next government negotiations

The next negotiations on development cooperation between the Royal Government of Cambodia and the Government of the Federal Republic of Germany are scheduled to take place in Phnom Penh in 2017.

Done at Berlin on 2 December, 2015



Chhieng Yanara
For the Royal Government of
Cambodia



Klaus Supp
For the Government of
the Federal Republic of Germany



Annex 1 Overview of financial commitments for 2015 and 2016

Project/programme	FC (grants)/TC	BMZ project number	New commitment €	Reprogrammed funds €	Total
Priority area Health					
Health Equity and Quality Improvement Programme (H-EQIP)	FC	2015.6755.1	6 million	6 million	12 million
Accompanying measure for the German Contribution to the H-EQIP	FC	2015.7010.0	2 million		2 million
Sub-total FC			8 million	6 million	14 million
Programme on Social Health Protection III	TC	2013.2137.1	5.5 million		5.5 million
Sub-total TC			5.5 million		5.5 million
<u>Sub-total priority area Health</u>			<u>13.5 million</u>	<u>6 million</u>	<u>19.5 million</u>
Rural Development					
Rural Infrastructure Programme V (RIP V)	FC	2015.6753.6	9 million		9 million
Rural Infrastructure Programme VI (RIP VI)	FC	2015.6864.1	5.1 million		5.1 million
Sub-total FC			14.1 million		14.1 million
Regional Economic Development (RED) IV	TC	2015.2150.9	2.14 million		2.14 million
<u>Sum total Rural Development</u>			<u>16.24 million</u>		<u>16.24 million</u>
Cross-cutting area Governance					
Decentralization and administration reform	TC	2015.2094.9	3.3 million		3.3 million
Identification of poor households	TC	2015.2093.1	1 million		1 million
<u>Sub-total Governance</u>			<u>4.3 million</u>		<u>4.3 million</u>
Programming flexibility					
Study and expert fund	TC	2015.3504.6	2.7 million		2.7 million
Sub-total TC			2.7 million		2.7 million
<u>Sub-total Programming flexibility</u>			<u>2.7 million</u>		<u>2.7 million</u>
Sum total			36.74 million	6 million	42.74 million

Annex 2 Cambodian Delegation

Mr. Chhieng Yanara
Minister Attached to the Prime Minister and Secretary General of CRDB
Council for the Development of Cambodia
- Head of Delegation -

Mr. Thai Chun
Ambassador, Royal Embassy of Cambodia

Mr. Sar Sovann
Secretary of State
Ministry of Land Management Urban Planning and Construction

Mr. Tuon Thavrak
Secretary of State
Ministry of Planning

Mr. Youk Bunna
Secretary of State
Ministry of Civil Service

Mr. Ngan Chamroeun
Under Secretary of State, Ministry of Interior
Deputy Executive Head of the National Committee for Sub-National Democratic Development (NCDD) Secretariat

Mr. Rith Vuthy
Deputy Secretary General of CRDB
Council for the Development of Cambodia

Mr. Kong Sophy
Director General of Civil Service Policy
Ministry of Civil Service

Mr. Pich Vicheakunthy
Director General of Civil Service Management
Ministry of Civil Service

Mr. Chey Rithy
Assistant to Deputy Prime Minister (standing)
Council for Development of Cambodia

Mr. Nuon Daniel
Deputy Director General
Ministry of Rural Development

Mr. Sareth Boramy
Deputy Director General of General Department of Land Management and Urban Planning
Ministry of Land Management Urban Planning and Construction

Mr. Keo Ouly
Director of ID Poor
Ministry of Planning

Dr. Lo Veasnakiry
Director of Planning and Health Information
Ministry of Health

Mr. Chhuon Samrith
Director of Cooperation and Debt Management
Ministry of Economy and Finance

Mr. Lay Sockheang
Deputy Director of Budget Formulation Department
Ministry of Economy and Finance

Mr. The Chhun Hak
Deputy Director General of Gender Equality and Economic Development
Ministry of Women's Affairs

Mrs. Ly Sokleap
Assistant to Minister Attached to the Prime Minister
Council for the Development of Cambodia

Annex 3 German Delegation

Mrs. Gisela Hammerschmidt
Director for Asia
Federal Ministry for Economic Cooperation and Development, Bonn
- Head of Delegation -

Mr. Klaus Supp
Head of Division for Central Asia, East Asia, Laos and Cambodia
Federal Ministry for Economic Cooperation and Development, Bonn

Mr. Björn Schildberg
Desk Officer Cambodia, Mekong River Commission
Federal Ministry for Economic Cooperation and Development, Bonn

Mrs. Michaela Henning
Assistant Desk Officer Cambodia, Mekong River Commission
Federal Ministry for Economic Cooperation and Development, Bonn

Mr. Volker Edner
Desk Officer Cambodia, Myanmar, Brunei
Foreign Office, Berlin

Mrs. Ludgera Klemp
Counsellor, Head of Cooperation
German Embassy, Phnom Penh

Mrs. Birgit Strube
First Secretary, Deputy Head of Cooperation
German Embassy, Phnom Penh

Mrs. Christine Heimbürger
Director East Asia and Pacific
KfW, Frankfurt

Mrs. Eva Schneider
Senior Country Manager Cambodia, Lao PDR, Viet Nam, MRC
KfW, Frankfurt

Mr. Gerald Läser
Director of KfW office in Cambodia
KfW, Phnom Penh

Mr. Roman Poeschke
Director of East Asia Division
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Eschborn

Mrs. Martina Agrell
Country Manager Cambodia
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Eschborn

Mr. Adelbert Eberhardt
Country Director GIZ Cambodia
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Phnom Penh

Mr. Bernd Schramm
Programme Manager SHPP
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Phnom Penh

Mr. Martin Orth-Bernath
Programme Manager RED
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Phnom Penh

Mr

9

Annex 4 Opening Statement by H.E. Minister Chhieng Yanara, Head of the Cambodian Delegation

Opening Address

by CHHIENG YANARA

Minister attached to the Prime Minister

Secretary General, Cambodian Rehabilitation and Development Board of the Council for the Development of Cambodia

- Ms. Gisela Hammerschmidt, Director for Asia, Federal Ministry for Economic Cooperation and Development
- Mr. Klaus Supp, Head of Division for Central Asia, East Asia, Laos and Cambodia, Federal Ministry for Economic Cooperation and Development
- Distinguished members of the German Delegation
- Colleagues from the Royal Government of Cambodia
- Ladies and Gentlemen

1. It is my honour to speak at this opening session of our negotiations. On behalf of my delegation, I would like to take this opportunity to express my profound gratitude to the Federal Ministry for Economic Cooperation and Development of Germany for the hospitality being extended to us during our stay here.

2. Since the last negotiations in 2013 in Cambodia, development cooperation between our two countries was given further impetus in November last year by the visit of His Excellency Dr. Friedrich Kitschelt, State Secretary of German Federal Ministry for Economic Cooperation and Development. The first joint European Development Cooperation Strategy for Cambodia 2014-2018 was developed through a multi-stakeholder process and then successfully launched by the Royal Government and European partners. The Strategy provides direction for all European programming in Cambodia and will have a positive impact on resource allocation and the achievement of results. Our bilateral technical consultation, undertaken in December last year, not only reviewed progress in areas of cooperation, but also helped to further strengthen the development partnership between the two countries. This

will contribute to real development results through better alignment of German development cooperation activities with Cambodia's national development priorities, and to ensuring the effective use of German resources to support equitable growth, accelerated poverty reduction and improved public service delivery.

3. Of course, such a positive development in Cambodia would not have been possible without the continued support from the government of the Federal Republic of Germany and the German people. The Cambodian people and the Royal Government are encouraged by this and the fact that stronger ties will continue to develop.

Excellencies, Ladies and Gentlemen

4- Our Negotiations today are taking place at a time of opportunity as Cambodia builds on a solid foundation of impressive socio-economic development that sets a broader context for development cooperation between Cambodia and Germany. The Royal Government has demonstrated its firm commitment to raising the welfare of all Cambodian people and to enabling Cambodia to take its place amongst nations in a spirit of partnership, cooperation and mutual respect. By securing peace, political stability, security, social order, and normalization of all state institutions, Cambodia achieved annual average economic growth of 7.7 percent over the last two decades and was listed as one of the 8 fastest growing countries by the World Bank. The poverty rate was reduced from 53.2 percent in 2004 to 13.5 percent in 2014, with Cambodia ranked the world's 4th most successful country in poverty reduction by achieving CMDGs poverty reduction target well before the end of 2015 along with four other targets, including child mortality rate, maternal health, and so forth. This impressive momentum has been maintained into 2015, as we expect GDP growth of around 7 per cent, increasing per capita incomes to 1,225 US Dollars. This means that Cambodia is now on the threshold of attaining Lower-Middle Income Country status in 2016.

5- We have been encouraged by the progress made and we gratefully acknowledge the support of all development partners in contributing to our achievements to date. As we look forward to Middle-Income Country status, Cambodia still needs support, in various forms, from its development partners to help maintain and further consolidate its achievements. On this note, Germany has for long been one of the Cambodia's main development partners and I would like to take this opportunity to express, on behalf of the Royal Government and the Cambodian delegation, my sincere appreciation to Germany for its continuing contribution and commitment to support the implementation of the Royal Government's development pri-

orties and reform programs as articulated in the Rectangular Strategy—Phase III and the National Strategic Development Plan. The Royal Government believes that Germany in particular will continue to be our appreciated and committed partner for the years to come.

6- Today's Negotiations are also being held at the end of a particularly busy year of 2015, both at the international and national levels. At the international level, we have had the recent adoption of the universal Sustainable Development Goals (SDGs) at the UN Summit in New York and the Financing for Development Conference in Addis Ababa. Now 17 SDGs have been agreed, replacing the Millennium Development Goals to guide global development work for the next 15 years. 169 targets have also been identified and must now be associated with baselines, targets and data sources. As the global work now turns to implementation and monitoring, Cambodia has begun the process of localizing the goals and establishing monitoring and partnering arrangements. As part of the process, a number of issues have been considered by the Royal Government. These include (i) maintaining our focus on the "unfinished business of the CMDGs; (ii) disseminating the SDGs; (iii) aligning the SDGs with our own national development priorities; (iv) mobilising and allocating funding according to these priorities by integrating costing and resource mobilisation into our budget planning and partnership dialogue processes; and (vi) strengthening our own national monitoring capacities and systems. The coordination issues also matter to ensure that all development actors are working together under the leadership of the Royal Government to make their full contribution.

Turning to country level, we have taken the next step of our country's development by preparing and launching the ten-year Industrial Development Policy, which focuses on bringing Cambodia's industry to the next level by transforming and modernising it to a skill-driven industry. Through the IDP and other strategies of the Royal Government, our partnership work that has been set out in the Development Cooperation and Partnerships Strategy 2014-2018 can be applied so that it can help to drive our national development and secure the intended results. The Technical Working Groups Network Meeting recently held on 21-22 October has also provided an opportunity for government and development partners to reflect on and discuss how to more effectively work together in partnership to achieve results. This has clearly demonstrated commitment and concrete actions to bring together Government, Development Partners and Civil Society to discuss issues of mutual interest and concern; outline an approach to conducting the NSDP mid-term review in a consultative manner; and strengthen TWGs and coordination of cross-cutting issues. Good momentum and commitment has been

there and progress has been gradually made, but much remains to be done for Cambodia to achieve its development goals.

7- Finally, based on this background, I strongly believe that our negotiations today will provide an opportunity to review progress since our last consultations in December 2014 in the implementation of activities and also to discuss the new financial commitments for the coming years. We have a comprehensive agenda for today's negotiations that covers all development cooperation priority areas, including health, rural development and democracy, civil society and Public Administration as cross-cutting issues. In addition, we will have opportunities to discuss on-going and new regional programmes as well as new initiative by the BMZ on "One World without Hunger". I wish to acknowledge with gratitude the hard work and cooperation that have been undertaken in advance of today's negotiations. I am therefore confident that the cooperation and partnership that has been demonstrated so far will help to ensure that at the end of our meeting we will have reached a mutually satisfactory outcome.

Excellencies, Ladies and Gentlemen, I wish to conclude my remarks on that positive note. Thank you for your kind attention.

Annex 5 Opening Statement by Gisela Hammerschmidt, Director for Asia, Federal Ministry for Economic Cooperation and Development

Your Excellency Minister Chhieng Yanara, Excellencies, Ladies and Gentlemen

I am happy for having the opportunity to meet you, Excellency Chhieng Yanara, again here in Berlin, today in my position as regional director for Asia. Last time we met - already some years ago – I was desk officer for Cambodia. You see, I kept my interest for the region and I have followed the developments in Cambodia closely during the last years.

I congratulate the Royal Government of Cambodia for its achievements concerning the Cambodian Millennium Development Goals (CMDGs). With regard to the MDGs, Cambodia is one of the international frontrunners. Besides impressive successes in fighting poverty, the achievements in the health sector have to be underlined. All health-related CMDGs will be reached. Particular the enormous progress in the area of maternal and child mortality is extraordinary. Economically, Cambodia shows striking growth rates since more than a decade and the recently launched Cambodian Industrial Development Policy, 2015-2025, intends to continue on this path, setting ambitious targets to reach the status of an upper-middle income country by 2030. Cambodia's graduation will change the nature of its relationship with development partners as well as the priorities to which Official Development Assistance (ODA) is directed and instruments that are used. The impressive and continued high economic growth rates and the respective increases in the gross national income lay the basis for an enhanced domestic resource mobilization. We are keen to commonly profit in our bilateral cooperation from these developments and should elaborate enhanced cooperation models.

In the presence of the heads of state or government respectively, the United Nations summit in New York City adopted the 2030 Agenda for Sustainable Development. The 17 Sustainable Development Goals with its 169 associated targets are indivisibly linked. Never before the international community pledged jointly action across such a broad and universal policy agenda.

- I would like to express my appreciation for your personal contribution as one of the delegates in New York to this universal policy agenda. -

The implementation of the 2030 agenda for sustainable development is the key political debate in the coming months and years and a political priority for the German government. Poverty reduction and sustainable development are important challenges that all countries need to cope with through a joint universal agenda. For us, a new global partnership where all stakeholders take up the responsibility is of particular importance. All countries are re-

sponsible, but also the private sector and civil society. Prior to the summit in New York, the Addis Ababa Agenda for Action set the course for financing the implementation of the post 2015 agenda. This was an important indication of the global commitment for sustainable development. This is why we would like to discuss with you today the role of the 2030 agenda for our cooperation.

Another topic for Germany is the high amount of refugees that are currently coming to Germany from different parts of the world. This represents one of the biggest challenges of the recent past – not just for the political level but also for the civil society and the private sector. The German Government focuses its activities in order to cope with these challenges. This includes my ministry. Through bi- and multilateral cooperation we aim to make a significant contribution to fight the causes of migration. However, we will not forget the responsibility that we have for other partner countries. We will shoulder the additional efforts while maintaining the high standard of our well established cooperation.

Not only German, but also European Development Cooperation with Cambodia is based on the principles of good governance and the respect, protection and implementation of Human Rights.

The German government very much welcomed the political compromise that has been achieved between CPP and CNRP of July 2014 and which paved the way for the opposition party to take its seats in the National Assembly. Democracy is about consensus building and finding solutions that strengthen a stable and inclusive society.

I have been following the recent incidents between the ruling party and the opposition in Cambodia with increasing concern. These incidences are obstructing the culture of dialogue and democratic development in Cambodia. Thus, I would like to ask the Cambodian government to guarantee that parliamentarians of all parties can fulfil their mandate in accordance with the Cambodian constitution. I would also like to encourage the Cambodian government to return to the promising “culture of dialogue”. Germany will closely follow further developments.

Civil society organisations are key actors in the democratic development of Cambodia. Associations as well as national and international non-governmental organizations (NGOs) have contributed to the rebuilding of the Cambodian society after the end of the Khmer Rouge regime and continue to play a critical role in many areas, including social services, human rights and conflict prevention. NGOs and foundations are indispensable actors in German-Cambodian development cooperation.

Mi



I fully understand that NGO activities need a certain level of regulation. I also understand the interest of the Royal Government of Cambodia to be informed about the activities of international NGOs and foundation, but it will have to be assured that the law and its implementation will be interpreted and applied in conformity with the rights granted by the Cambodian Constitution, including the freedom of expression and the freedom of association.

Today, we will negotiate about our future cooperation, about German commitments to joint development cooperation programmes in our three priority areas of Health, Rural Development and Good Governance. We agreed on these priority areas as they are relevant to the development of Cambodia: for example, **social health protection** prevents people from impoverishment when they fall sick and also increases accessibility to health services, thereby contributing directly to better health and fewer deaths. Spurring **regional economic development** contribute to food security and better income opportunities. And increasing **democratic accountability** ensures that governance actually responds to the needs of the people. These are just a few examples that illustrate why our cooperation is relevant, and what impact we can have.

Looking at Cambodia from a German perspective, one has to admit that the current situation is quite impressive but in parallel challenging: remarkable growth rates are accompanied by a steady decline in extreme poverty, however – now that Cambodia is on the brink of graduating to a lower-middle income country status in 2016 – the expectations **of the population are on the rise**. And: Pockets of poverty and vulnerability still exist in particular in rural areas. Affected communities and families need an improved access to social services, employment opportunities and markets. Urban-rural linkages require tremendous investments in resilient infrastructure such as rural roads, sustainable energy and water supply as well as a functioning social infrastructure (health centers and schools). For these enormous challenges we need joint action and new development partnerships. Against this background we welcome a new important actor – the Asian Infrastructure Development Bank (AIIB). Among its 57 founding members are Cambodia and Germany.

In the light of the 2030 agenda for sustainable development, we support the Royal Government of Cambodia in achieving its targets outlined in the National Strategic Development Plan (2014-2018). We are aiming at a world of universal respect for human rights and human dignity, the rule of law, justice, equality and non-discrimination. Our results will be measured by the successes we achieve.

As you may know, our support of **Cambodia's land sector** reform has stayed under particular scrutiny since the last negotiations. The interest of civil society in Cambodia and Germany is still considerable. With the support of German development cooperation, the Cambodian

government has achieved some considerable successes over the last 20 years. 3.8 million land titles have been issued and an out-of-court mechanism for resolving land disputes has indeed successfully resolved 3,109 such conflicts. In August of this year, the Council of Ministers adopted its wide-ranging Land Policy White Paper. Some progress has been made on land tenure security for indigenous communities, including securing many communal land titles through interim protective measures, and also on urban informal settlements, through a pilot programme in Battambang.

Despite all the considerable results and successes – it has not been possible to find a consensus on certain major issues. In the light of this, we concluded that there is not at this point sufficient common ground for us to successfully continue our cooperation in the field of land rights.

With the **support** of Germany and other previous donors, the Royal Government of Cambodia will be able to generate the expertise and capacities necessary to continue this important work on its own. The German government has therefore decided to phase out its engagement in the sector of land management by mid-2016.

I would like to thank all of you, who are pivotal in making our development cooperation work, and I would like to extend a special thank you to the CDC, our main partner in setting the framework for our common programmes and projects.

Let me assure you once again that Germany is committed in keeping up its constructive and successful development cooperation with Cambodia. We are looking forward to continuing this in mutual trust and good partnership.

Thank you very much for your attention.



NA

Annex 6 Regional Programmes

(see additional attachment)

Module	Political Partner	Implementing Partner	Brief description	Activities and partner in Cambodia
Regional Cooperation with ASEAN - Focus: Environment / Climate Change				
Clean Air for Smaller Cities in the ASEAN Region (CASC) (ASEAN-German Programme on Cities, Environment and Transport - CET) (PN: 2011.2279.5)	ASEAN Secretariat	TC (GIZ)	This project assists small and medium-sized cities in developing and implementing Clean Air Plans.	<p>The project has contributed to the development of a national environmentally sustainable transport strategy with a focus on clean air.</p> <p>Partner: Municipality of Phnom Penh:</p> <p>Planning for measures was drawn up as part of an air pollution control plan for Phnom Penh. However, implementation is being delayed because due to the prevailing legislation, university staff cannot be employed as part-time consultants.</p> <p>Measures are focusing at city level. Refinement of legislation at national level will be proposed as required.</p>

4

22

<p>Sustainable Port Development (SPD) in the ASEAN Region (ASEAN-German Programme on Cities, Environment and Transport - CET) (PN: 2012.2073.0)</p>	<p>ASEAN Secretariat</p>	<p>TC (GIZ)</p>	<p>The project is supporting selected ports so as to improve the quality and efficiency of their safety, health and environmental management.</p>	<p>Management systems for the environment, industrial safety and health are currently being implemented; support for the national level on the related regulatory issues is being provided.</p> <p>Partner: Ministry of Transport (Marine Department).</p> <p>The ports of Phnom Penh (inland port) and Sihanoukville have been selected for Cambodia.</p>
<p>Biodiversity-based products as an economic source for the improvement of livelihoods and biodiversity protection (PN: 2013.2048.0)</p>	<p>ASEAN Center for Biodiversity</p>	<p>TC (GIZ)</p>	<p>The aim of the module is to improve biodiversity conservation and contribute to poverty reduction through economic valuation and commercialization of biodiversity-based products. This shall be achieved by increasing capacity and awareness for sustainable production, marketing and consumption of BBPs in the Lower Mekong region and in other ASEAN countries. The dynamics of the Green Growth Concept shall be used to identify specific processes and synergies to strengthen the protection and sustainable use of biodiversity. The Bio Trade principle, so far mainly developed and applied in South American countries, may provide insight into opportunities for BBP development.</p>	<p>Currently, identification of potential project sites in the vicinity of ASEAN Heritage Parks or other selected protected areas, which are suitable for the successful piloting of GIZ Values Approach.</p> <p>Partner: Ministry of the Environment (MOE), ACB's National Focal Point Ms. Somaly Chan</p>

4

MD

<p>Renewable Energy Support Programme for ASEAN (ASEAN-RESP) (PN: 2002.2570.6; 2013.2066.2)</p>	<p>ASEAN Center for Energy (ACE)</p>	<p>TC (GIZ)</p>	<p>The aim of the project is to deepen the regional dialogue among ASEAN member states and international stakeholders in order to improve the regulatory framework of and the conditions for renewable energies at the national level.</p>	<p>Consultation with the ASEAN Renewable Energy Sub-Sector Network (RE SSN) Focal Point as well as with the Energy Efficiency Sub-Sector Network (EE SSN) Focal Point on the review of the current phase of the ASEAN RESP and possible next phase of ASEAN RESP Study on the business model for Solar PV-Hybrid mini-grid system (desktop research, stakeholder interview, and field visit) was done in 2014 – the final report is under preparation.</p> <p>Partners:</p> <ol style="list-style-type: none"> 1. Ministry of Mines and Energy <ol style="list-style-type: none"> a. Department of New and Renewable Energy – General Department of Energy b. Department of Cooperation and ASEAN Affairs – General Department of General Affairs Electrification Office, Department of Energy Development 2. Electricité du Cambodge <ol style="list-style-type: none"> a. Generation Department b. Rural Electrification Fund
---	--------------------------------------	-----------------	--	---

4

BM

<p>ASEAN Sustainable Agri-food Systems (ASEAN Bio-control) SAS (GAP-CC: ASEAN-German Programme on Response to Climate Change in Agriculture and Forestry) (PN: 2013.2061.3)</p>	<p>ASEAN Secretariat</p>	<p>TC (GIZ)</p>	<p>The programme is striving to support ASEAN in further advancing the implementation of regionally coordinated strategies and policies for food security within its Member States. It is aimed at channeling lessons from efforts in individual countries into the work of the regional organization, and vice versa. The ASEAN Member States have established the ASEAN Integrated Food Security Framework (AIFS) as a binding framework.</p>	<p>Support is being provided to the Ministry of Agriculture, Forestry and Fisheries (General Directorate of Agriculture, Department of Agricultural Legislation) and to the Council of Agriculture and Rural Development to integrate the AIFS and ASEAN Biocontrol Agents (BCA) Guideline. Organic and sustainable agrifood value chains are being supported in collaboration with the Cambodian Center for Study and Development in Agriculture (CEDAC) and the private agri-input sector. Partnering projects are being financed through the United States Agency for International Development (USAID) and the Asian Development Bank (ADB).</p>
<p>Forestry and Climate Change (FOR-CC) (Before: Adaptation and Mitigation Strategies in Support of AFCC) (GAP-CC: ASEAN-German Programme on Response to Climate Change in Agriculture and Forestry) (PN: 2010.2153.4 ; 2014.2286.4)</p>	<p>ASEAN Secretariat</p>	<p>TC (GIZ)</p>	<p>The project FOR-CC is supporting the ASEAN Secretariat and selected ASEAN working groups in improving the cooperation and common positioning of ASEAN member states on climate-change-related key issues in agriculture and forestry. These key issues are best practices in climate resilient agriculture and the further harmonization and implementation of REDD+ (Reducing Emissions from Deforestation and Degradation of Forests).</p>	<p>Until March 2015 FOR-CC was supporting the national research institute CARDI in the identification and documentation of best practices for resilient agriculture in Cambodia. CARDI shared these results with the other member states using the ASEAN Climate Resilience Network (CRN) as an exchange platform. At this stage FOR-CC is preparing as a follow-up activity support for CARDI and other relevant Cambodian partners in scaling up the identified best practices, including capacity development for access to external funding sources.</p> <p>The main partner so far is the Cambodian Agricultural Research and Development Institute (CARDI). Other partners might join in the future.</p>

4

21

<p>Institutional Strengthening of the Biodiversity Sector in ASEAN (Before: Biodiversity and Climate Change (BCCP)) (Programme: Cooperation with the ASEAN Centre for Biodiversity) (PN: 2008.2089.4 ; 2014.2288.0)</p>	<p>ASEAN Centre for Biodiversity (ACB)</p>	<p>TC (GIZ)</p>	<p>The programme is geared to contribute to the conservation of biodiversity and to the sustainable management of natural resources in ASEAN, in line with the needs of the local population. The programme has 3 modules: 1) Biodiversity and Climate Change Project (BCCP) aimed at improving the institutional capacity of the ACB to provide qualified services in biodiversity conservation and climate change, with an increasing focus on regional policy and strategy development towards the ASEAN integration process; 2) Small Grants Programme (SGP); 3) Biodiversity-based products as an economic source for the improvement of livelihoods and biodiversity protection (BBP).</p>	<p>Partner: Ministry for the Environment</p> <p>ACB's flagship programme comprises the 35 ASEAN Heritage Parks, of which 2 are in Cambodia, activities are planned in the area of park management. Other activities include capacity building and facilitation as well as information management.</p> <p>Officers from MOE and selected other offices like ASEAN Heritage Parks participate, partly with support from GIZ, in relevant regional or international events/conferences.</p>
---	--	-----------------	--	--

22

13

Regional Cooperation with ASEAN - Focus: Regional (economic) integration				
Standards in the South-East Asian food trade (Programme: Single Market) (PN: 2010.2275.5)	ASEAN Secretariat	TC (GIZ)	Standards for good practice and specific food quality attributes are to be implemented in a credible manner, with a focus on: (a) improving compliance with specific standards by implementing innovative pilot projects in selected value chains, in partnership with the private sector; and (b) improving the integrity and mutual recognition of standards for good agricultural practices and organic agriculture.	<p>Cambodia is one of the CLMV countries that the 'Standards in the South-East Asian Food Trade' project will focus on. As this project has not been fully endorsed by the ASEAN Secretariat at this stage, official partners have not yet been selected. However, for now, private sector driven activities appear to be attainable, such as support for farmers, producer groups and traders with regard to implementing environmental standards at the national level.</p> <p>One of the main partners for activities could be CEDAC (Centre d'Etude et de Developpement Agricole Cambodgien), particularly in the ecological certification of palm sugar.</p>
Competition Policy and Law in ASEAN (CPL) (Programme Competitiveness and Fair Competition in ASEAN) (PN: 2008.2186.8; 2013.2072.0)	ASEAN Secretariat	TC (GIZ)	The project is aimed at improving the legal and institutional prerequisites for promoting fair competition in the ASEAN Member States.	<p>Partner: Ministry of Commerce (MoC).</p> <p>Focus of the cooperation: currently only facilitation of participation in international conferences.</p> <p>Drafts for new competition laws are ready for consideration and scheduled for adoption by the end of 2015. Support is being offered by the CPL project but has not started yet. Study visit planned to Germany and Brussels (DG Competition) for MoC in its new function as Chair of the ASEAN Expert Group of Competition (AEGC).</p>

4

131

<p>Support to ASEAN Supreme Audit Institutions (ASEANSAI) (PN: 2012.2074.8 ; 2014.2103.1)</p>	<p>ASEAN Supreme Audit Institutions</p>	<p>TC (GIZ)</p>	<p>The project is supporting the regional organization/association of Supreme Audit Institutions in the ASEAN Member States (ASEANSAI). The professional association aims to facilitate exchanges of experience and to strengthen the capacities of member SAIs to enhance the role and status of external financial auditing in the region.</p>	<p>The National Audit Authority (NAA) of Cambodia is one of the ten members of the regional organization/ association of Supreme Audit Institutions in the ASEAN Member States (ASEANSAI). The chairmanship in ASEANSAI rotates alphabetically and in November 2015 the chairmanship will be handed over from Brunei to Cambodia for two years. Therefore the project is working closely with NAA to prepare the chairmanship. The project is also working with the parliament of Cambodia (National Assembly and Senate) in order to improve cooperation between NAA and the budget committees. The overall objective here is to improve the transparency of the public finance system and the accountability of the government in Cambodia.</p>
<p>Support to the Initiative for ASEAN Integration (IAI) within the framework of the ASEAN Single Market (Programme: Single Market) (PN: 2012.2077.1)</p>	<p>ASEAN Secretariat</p>	<p>TC (GIZ)</p>	<p>The project is supporting the participation and integration of Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) into the ASEAN Single Market, with a focus on (a) strengthening capacities for the implementation of agreements on trade and investment in selected service sectors of the CLMV countries; and (b) improving the strategic and technical capacities of institutions in the CLMV countries to promote the mobility of skilled labour.</p>	<p>The project is supporting the initiative for ASEAN Integration (IAI) in the context of the establishment of the ASEAN Economic Community and will be active in the focus countries (CLMV) in the areas of “free movement of services” and “mobility of skilled workers”.</p> <p>Currently, the implementation agreement is being coordinated with ASEAN and the participating national ministries. Therefore, no activities have been implemented in Cambodia yet.</p>

4

24

Improving Quality Infrastructure in ASEAN (PN: 2013.2265.0)	ASEAN Secretariat	TC (PTB)	The project is aimed at improving regional and national Quality Infrastructure (QI) capacities to foster the regional integration process in ASEAN and make it easier, especially for the less developed CLMV countries, to profit from the AEC's trade policy potential. Objective: Regional and national QI institutions take international <i>Good Practices</i> into account when implementing the <i>ASEAN Economic Community Blueprint</i> in the field of standardization and technical barriers to trade.	Support for establishing accreditation services in Cambodia. Cambodia is also benefiting from project activities (regional) in the areas of standards and legal metrology. Partner: Ministry of Industry and Handicraft (MIH), the Department of Accreditation (DA).
---	-------------------	----------	---	--

4

MM

<p>Promoting Innovation and Technology in ASEAN Countries (PIT) (PN: 2012.2004.5; 2013.2051.4)</p>	<p>-</p>	<p>TC (GIZ)</p>	<p>The project's objective is to strengthen innovation systems in ASEAN member states, and to enhance cooperation both among ASEAN countries and between the ASEAN region and Germany on innovation and technology transfer.</p>	<p>Cambodia is actively involved in the Working Group that was established by the project in order to develop an ASEAN Policy Framework on Public-Private Partnerships for Technology Development and Innovation (PFW).</p> <p>Six private sector participants from Cambodia attended the ASEAN Networking Workshop on Technology & Innovation in Manila in September 2014.</p> <p><u>Political Partner:</u> Cambodia is represented at the ASEAN Committee on Science and Technology by the Ministry of Industry Mines and Energy.</p> <p><u>Operational Partner:</u> Cambodia's delegates in the PFW Working Group are from the Directorate General of Higher Education, Ministry of Education Youth and Sport.</p>
--	----------	-----------------	--	---

SP

22

Regional Cooperation in general				
<p>Social and labour standards in the textile and garment sector in Asia (PN: 2014.2279.9)</p>	<p>-</p>	<p>TC (GIZ)</p>	<p>Private and government actors in the garment sector use new dialogue and cooperation formats to observe labour and social standards in the three partner countries. Project activities started with the arrival of the seconded senior expert in May. The overall project aim is to improve working conditions in the textile sector by strengthening regional coordination and exchange of experiences on standards and good practices.</p>	<p>Working relationships with the Ministry of Labour as the primary implementing partner have been established. The Ministry is supportive of the project. Currently negotiations are under way to conclude the necessary implementation agreement. Furthermore, talks with the Ministry of Labour are under way to consider the integration of an international expert. A probable field of engagement might be inspections and their implementation. The project is working in coordination with ILO. Confidence building meetings with other potential partners (employers and trade unions) are under way.</p>

4

2/1

<p>Regional Fit for School Programme – School Health Programme South-east Asia (PN: 2011.2227.4; 2014.2289.8)</p>	<p>Southeast Asian Ministers of Education Organization (SEAMEO) implemented through SEAMEO INNOTECH (Regional SEAMEO Center)</p>	<p>TC (GIZ)</p>	<p>The aim of the programme is to adapt the Fit for School Approach (which focuses on the improvement of schools as healthy learning environments and the implementation of daily group hygiene activities like washing hands with soap and brushing teeth with fluoride toothpaste and the implementation of national deworming programmes) to country-specific situations. The first phase focused on implementation in model schools, research and development of tailored implementation templates and capacity development tools. In the second phase the programme will support partners in scaling up the programme to subnational units (e.g. district, province) and will support the development of minimum requirements for Water, Sanitation and Hygiene (WASH) in Schools, based on the 'Three Star Approach for WASH in Schools', which is a stepwise approach to reaching national standards.</p>	<p>During the first phase (2011 – 2015) the programme has been supporting the Ministry of Education, Youth and Sport (MoEYS) with the implementation of the programme in 10 model schools covering 7,564 primary school children in order to adapt the Fit for School Approach to the local context in Cambodia and to develop an implementation template for subsequent scale-up.</p> <p>The main implementing partner in Cambodia is MoEYS. Other Ministries (Ministry of Health, Ministry of Rural Development) and other national partners (Center for Malaria Control) are collaborating partners for implementation and research (Fit Programme Assessment Study).</p> <p>Based on the experiences from the first phase the programme will support MoEYS in scaling up the programme to all schools in one Province (Kampot Province) during the second phase (2015 – 2018). Furthermore, collaboration with other WASH partners could be established and formalized. As part of co-financing with UNICEF, low-cost group washing facilities are being produced to be used for daily group hand-washing in about 150 schools supported through the UNICEF WASH programme.</p> <p>Short video - Fit in Cambodia (5 min): https://www.youtube.com/watch?v=g_ucuDumSY4</p>
---	--	-----------------	--	--

4

24

<p>Development and support to financially sustainable social security systems in Southeast Asia (PN: 2012.2004.5; 2013.2046.4)</p>	<p>-</p>	<p>TC (GIZ)</p>	<p>The regional programme is supporting capacity building within social security organizations for analyzing and designing national health and pension systems and reforms in the ASEAN region.</p>	<p>Support for the National Social Security Fund, the National Social Security Fund for Civil Servants, National Fund for Veterans, National Institute of Social Affairs as well as Social Health Protection Association community-based health funds in cooperation with the Ministry of Health.</p> <p>Based on the former ILT Social Security in SEA the programme is developing and establishing an international Master Degree Programme for Social Protection in cooperation with the National Economics University in Hanoi, University of Indonesia, Jakarta and University of Heidelberg. Employees of the above-mentioned partner institutions have successfully participated in the interim training programme International Social Protection Studies (ISPS). An executive training course in cooperation with ADB to which high-ranking representatives from the partner institutions were invited took place late September 2015.</p>
<p>Regional cooperation to improve the training of TVET personnel (RECOTVET) (Programme Development and regional integration of TVET) (PN: 2013.2065.4)</p>	<p>-</p>	<p>TC (GIZ)</p>	<p>The programme is promoting regional integration in vocational training. It offers a platform for cooperation with a focus on the ASEAN states working closely with SEAMEO and other regional organizations. The programme is advancing in particular the capacity of TVET staff and personnel.</p>	<p>In January 2013, the National Technical Training Institute of Cambodia joined the RCP. It now participates as a full member in the RCP network's knowledge exchange and research activities regarding Vocational Teacher Education and Training standards and reform in the region.</p> <p>Representatives of the Cambodian government will benefit from HCD measures offered by RECOTVET (training courses, seminars, workshops).</p> <p>The next policy dialogue will take place in Siem Reap in October 2015, co-hosted by the OECD.</p>

6

ML

<p>Support of economic co-operation in sub-regional initiatives in Asia (Before: Regional Economic Cooperation and Integration in Asia) (PN: 2010.2152.6 ; 2014.2101.5)</p>	<p>-</p>	<p>TC (GIZ)</p>	<p>The aim of the RCI programme is to strengthen core processes of regional economic cooperation and integration within selected sub-regional initiatives in Asia. It is supporting regional and national stakeholders by providing capacity building, organizing training courses and dialogue events, and conducting sector studies. The key areas are trade and investment facilitation, port cooperation and local cross-border economic co-operation.</p>	<p>Cambodia is a member of both the Pan-Beibu Gulf Initiative and the Greater Mekong Sub-region (GMS). Within the scope of both organizations SCSI has carried out capacity building and policy support in key areas of regional integration that are of relevance for Cambodia. In particular the programme is addressing the issue of low rates of utilization for the China ASEAN Free Trade Area for the export-oriented private sector in Cambodia by means of trade mapping and by providing translations of key standards for exporting to the Chinese markets. The programme is supporting Phnom Penh Port in fostering logistic management skills through a series of tailored training courses at the port. A study tour has also been conducted for the Ministry of Labour on the topic of labour migration to the Philippines with a view to transferring regional best practices to tackle issues around the social implication of regional integration.</p> <p>The main partner of the programme is the Ministry of Commerce. In addition there is also cooperation with the Ministry of Labour and Vocational Training, Ministry of Public Works and Transport and Phnom Penh Autonomous Port (in close cooperation with the SPD Programme) and private sector institutions (Chamber of Commerce; Rice Miller's Association).</p>
---	----------	-----------------	--	--

LP

2/10/1

<p>Cities Development Initiative for Asia – CDIA (PN: 2007.2029.2 ; 2009.2082.2 ; 2012.2076.3)</p>	<p>-</p>	<p>TC (GIZ)/ FC (KfW holds obser- ver sta- tus in CDIA Pro- gramme Review Commit- tee)</p>	<p>Cities Development Initiative for Asia (CDIA) is a regional initiative established by the Asian Development Bank and the Government of Germany, with additional funding support from the governments of Sweden, Switzerland and Austria, and from the Shanghai Municipal Government, which provides assistance to medium-sized Asian cities for the preparation of urban infrastructure projects.</p>	<p>CDIA has supported Battambang with two pre-feasibility studies (PFSs) on preparing infrastructure investment projects in the field of sewage / drainage system improvement and waste water treatment as well as solid waste management. Both project studies were completed in 2010 and ADB has taken them up for financing. A loan will be provided under the project “Sustainable Urban Development in the Tonle Sap Basin Project” (Ministry of Public Works and Transport) initially comprising 4 cities in the region, namely Battambang, Kampong Chhnang, Pursat and Siem Reap. Later, the cities Serei Saophoan and Stueng Saen are also supposed to be included, for which CDIA and ADB are currently preparing the start of two PFSs. As CDIA is a demand-driven programme, more cities in Cambodia could ask for CDIA’s involvement in their infrastructure projects.</p> <p>Ongoing collaboration with GIZ programmes “EU SPACE” and “Land Rights Project (LRP)” together with the Secretariat of the National Committee for Subnational Democratic Development (NCDD-S) on the translation and adaptation of CDIA’s city infrastructure investment prioritization and programming (CIIPP) toolkit.</p>
--	----------	--	--	---

2/10/1

M

<p>Support for Climate Change Measures in the Mekong Region (PN: 2010.2228.4)</p>	<p>MRC</p>	<p>TC (GIZ)</p>	<p>GIZ is supporting the Mekong River Commission's Climate Change and Adaptation Initiative (CCAI) to improve its services as a knowledge and information hub regarding adaption to climate change in the Mekong region. The cooperation will produce increased expert capacities at the MRC in order to give advice to its member countries and to support their planning for targeted and effective adaption. Initially the Commission will be supported in making data, information and reports on climate change available, such as regionalized climate projections for member states. Adaptation options will be developed; progress made in adaptation will be documented using a suitable monitoring system.</p>	<p>Cambodia is highly vulnerable to climate change and, in particular, to the effects of climate change on water resources due to its high dependence on water for irrigation and fisheries for food security. At the same time, however, its adaptation capacities are very limited. MRC's work on climate change adaptation in the water sector (both at the national/policy level and through pilot projects) is therefore providing important support and capacity to the Cambodian government (to various line agencies such as MoWRAM or MoE through the Cambodian National Mekong Committee) as well as local populations. Cambodian line agencies are involved in the drafting process of the Mekong Adaptation Strategy and Action Plan, which will guide national strategies and policies once its has been agreed by the Member Countries of MRC in 2016.</p>
---	------------	-----------------	--	--

W

M

<p>Implementation of the organizational reform (PN: 2010.2232.6 ; 2012.2531.7)</p>	<p>MRC</p>	<p>TC (GIZ)</p>	<p>The programme is targeted at the catchment area of the Lower Mekong with the MRC member states Laos, Cambodia, Thailand and Viet Nam.</p> <p>GIZ is supporting the Mekong River Commission (MRC) in carrying out the core river basin management functions for the Mekong in a sustainable manner at the regional and national levels.</p>	<p>Due to the overarching nature of this project, there is no direct impact on Cambodia.</p> <p>Project activities are concentrated on the MRC Secretariat. The lead executing agency and the institution responsible for the project is the Mekong River Commission.</p> <p>The four fields of activity of the project are: (1) Providing advice on the definition and implementation of the new MRC organizational structure; (2) Developing a sustainable financing system; (3) The development and implementation of a consistent planning, monitoring and evaluation system; and (4) Measures to prepare for the taking on of the core functions of the MRC by the member states.</p>
--	------------	-----------------	---	--

4

Mr

<p>Pro-poor sustainable hydropower development (PN: 2010.2227.6 ; 2013.2275.9)</p>	<p>MRC</p>	<p>TC (GIZ)</p>	<p>GIZ is advising the Mekong River Commission (MRC) on developing and implementing instruments for testing and improving the sustainability of hydropower projects. This includes e.g. instruments for analyzing the impacts of hydropower development in catchment areas as well as approaches for establishing benefit-sharing mechanisms within water catchment areas and beyond borders. In addition, GIZ is promoting the exchange of experiences between various river basin commissions involved in sustainable hydropower development. The project is also developing basic and advanced training measures on sustainable hydropower.</p>	<p>Cambodia has plans to develop its hydropower potential, including two dams on the Mekong mainstream and some large dams on tributaries, such as the Lower Sesan 2 Dam. Fish protein is a vital part of their diet for the majority of Cambodians. It is therefore vital that Cambodian decision-makers are familiarized with approaches and instruments for sustainable hydropower development.</p> <p>In cooperation with the MRC Initiative for Sustainable Hydropower, the project is providing advice to strengthen capacity in terms of sustainable hydropower and is coordinating a network of universities in the region in order to improve academic and non-academic training options in the region.</p> <p>The main focus is on advising the MRC Secretariat in Laos, however, there were and are field tests being undertaken in Cambodian basins (e.g. Pursat or Sesan basins) with various line agencies such as MoWRAM or MoE through the Cambodian National Mekong Committee, as part of the implementation of the MRC Rapid Sustainability Assessment Tool for hydropower planning (RSAT).</p> <p>As part of the university Network on Sustainable Hydropower Development in the Mekong (NSHD-M) the project is cooperating with the Royal University in Phnom Penh, the Cambodia Development Resource Institute (CDRI) and the Institute of Technology of Cambodia (ITC). National and regional training courses on various aspects of sustainable hydropower are being carried out.</p>
--	------------	-----------------	--	--

4

13/1

<p>Protection and Sustainable Use of Wetlands in the Lower Mekong Region (PN: 2012.6597.4)</p>	<p>MRC</p>	<p>FC (KfW)</p>	<p>The project will support the Lao PDR and Cambodia in sustaining wetland areas in the Lower Mekong Basin through sustainable wetland management as well as strengthening regional cooperation between MRC member states on managing wetlands.</p>	<p>Cambodia, represented by the Cambodia National Mekong Committee and the Ministry of Environment, is one of the two pilot countries for the implementation of the national components of the project. Activities include supporting conservation areas, community fishery and forestry, the rehabilitation of flooded forests and also the development of alternative livelihoods for people living in and around the wetlands. Project sites are Ramsar Wetlands in Prek Toal and Stung Treng.</p>
<p>Sustainable Watershed Management in the Lower Mekong Basin (PN: 2001.6672.8)</p>	<p>MRC</p>	<p>FC (KfW)</p>	<p>The project is concerned with the sustainable management of watersheds in the Lower Mekong Basin</p>	<p>The focus of the regional component (MRC) is on mainstreaming best practices for watershed management in the MRC member countries. There is no national component in Cambodia.</p>

4

Annex 7 Other Players

7.1. German Academic Exchange Service

From 2012 to 2014, the German Academic Exchange Service (DAAD) funded a total of 24 scholarships worth about €256,921.

7.2. DEG – German Investment and Development Company

DEG – German Investment and Development Company has the mandate to finance private sector investment in developing and transitional countries and is wholly owned by KfW Group. In Cambodia, DEG is providing finance to local agricultural companies for value chain development as well as to banks and microfinance institutes to ensure credit lines to small and medium-size enterprises. Since DEG started their activities in Cambodia, total commitments amount to \$214 million to date; of this \$105 million were committed since the last Intergovernmental Negotiations in 2013.

7.3. Public-Private Partnership (develoPPP)

The German delegation highlighted Public-Private Partnerships, which strengthen the effects of official development cooperation and private business activities by co-financing mutual projects.

DEG is currently financing five Public-Private Partnership activities in Cambodia: one on capacity building in the mining sector in cooperation with G.U.B. Ingenieur AG, one on social standards in the textile industry in cooperation with SGS Vietnam Ltd., one on sustainable agriculture in cooperation with GEMES Abfallentsorgung & Recycling GmbH, one on solar dryer technology in cooperation with Bayer, one in cooperation with German textile company ESGE-Textilwerk Maag.

7.4. Civil Peace Service

The Civil Peace Service (CPS / GIZ) is working to support reconciliation and justice in the context of the Khmer Rouge Tribunal. Up to eleven civil peace advisors are part of the CPS programme. Both sides agreed that the CPS would continue with its activities in the area of legal advice, as well as in the fields of reconciliation, remembrance, mental health and media. The civil peace advisors work at the Victims Support Section of the ECCC, Toul Sleng Museum, the Royal University of Phnom Penh and several civil society organizations in the respective fields mentioned above.

7.5. Non-governmental cooperation (foundations, churches, NGOs)

Substantial support is being provided in many areas by non-governmental organizations, churches and foundations. While they receive financial support from the Federal Ministry for Economic Cooperation and Development (BMZ), these organisations are fully responsible and accountable for their activities.

The Konrad Adenauer Foundation, Heinrich Böll Foundation, Friedrich Ebert Foundation and Rosa Luxemburg Foundation provide support through their regional programmes (democracy support, market economy, social justice). The Konrad Adenauer Foundation and the Heinrich Böll Foundation also have offices in Phnom Penh.

The central departments of the Catholic and Lutheran Churches are supporting projects concerned with rural development, the climate change, income and food stability, and integrated local programmes.

The DGRV – Deutscher Genossenschafts- und Raiffeisenverband e V. – a German cooperative apex organization and auditing federation, is providing long-term support for strengthening cooperative structures and networks in Cambodia. DGRV is contributing to the promotion of the agricultural sector in Cambodia by strengthening rural enterprises (cooperatives). DGRV is cooperating closely with the Ministry of Agriculture, Forestry and Fisheries, as well as with NGOs involved in this field. The German delegation appreciates the Cambodian government's willingness to provide DGRV with the formal prerequisites for its work.

BORDA – Bremen Overseas Research & Development Association – and the DVV – Deutscher Volkshochschulverband – are providing long-term support for strengthening cooperative structures and networks in Cambodia.

7.6. Senior Expert Service

The Senior Expert Service (SES) seconds highly qualified retired experts on short-term missions. Since 1995, SES has carried out a total of 256 assignments in Cambodia; there have been 12 assignments in 2015 and 10 assignments are still to come up to December 2015.

7.7. Development Volunteers Service “weltwärts” (“world-wards”) Programme

Currently there are 23 “weltwärts” volunteers in Cambodia working with 7 partner organizations. The volunteers carry out work primarily in the areas of childcare and education, people with disabilities, health care and environment. The idea behind the volunteer service is the successful formula of “learning by serving”. It will enhance intercultural understanding and help increase awareness and acceptance within society of how development policy issues impact on our common future.

**Development Partners in Cambodia:
Agreed Principles for a
Harmonized Approach to
Daily Subsistence Allowance for
Domestic Travel of Government Counterparts**

November 2014

These agreed principles mark a significant step forward in aid effectiveness in Cambodia, and in the close partnership between the Royal Government of Cambodia and participating Development Partners.

Whenever possible, the Development Partners will continue to take steps to enhance the effectiveness of our development co-operation.

**Development Partners in Cambodia:
Agreed Principles for a Harmonized Approach to Daily Subsistence Allowance
for Domestic Travel by Government Counterparts**

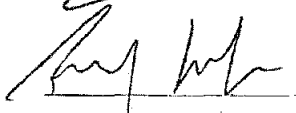
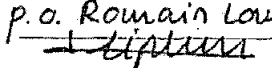
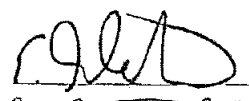
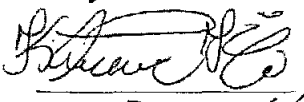
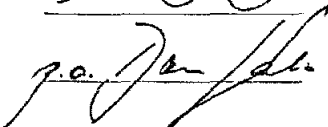
1. Development Partners (DP) commit to align with Sub-Decree 216 (SD216) on Daily Subsistence Allowance, endorsed by the Royal Government of Cambodia (RGC) on 22 July 2014, to the extent operationally feasible.
2. In line with the RGC's objective to achieve lower middle income status in the very near future and to become an upper middle-income country by 2030, DPs hope that the government will increasingly be able to, and will, cover DSA costs for Cambodian counterparts (as defined in Article 4 of SD216) in programs, projects and technical assistance funded or co-funded by DPs.
3. DPs intend to pay DSA for Cambodian counterparts as defined in Article 4 of SD216 (Members of the RGC, Under Secretaries of State, members of sub-national councils, civil servants at all levels, advisors and assistants, and contracted personnel). In addition, DPs will apply the DSA rate to elected and appointed representatives at all government levels.
4. In line with Article 3 of SD216, DPs intend to provide DSA to Cambodian counterparts when travelling outside a radius of the capital, municipality, or district where the concerned person carries out his/her normal duties.
5. DPs agree to pay one single DSA rate for Cambodian counterparts who participate in meetings, workshops, conferences, programs, projects, and visits:
 - a. independent of the individuals' government rank as defined in Article 6 of SD216;
 - b. independent of whether the event/meeting/conference is internationally or domestically sponsored;
 - c. for travel within Cambodia (for international travel/missions paid by DPs, the DSA rules and regulation of each DP will prevail); and
 - d. independent of geographic region of travel or of seasonal pricing fluctuations.
6. In cases where spending is covered by the organizing party, the relevant component cost of the DSA will be deducted accordingly.
7. As DSA rates do not cover transport costs, the transport costs will be covered according to the internal rules and regulations of each DP.
8. DPs intend to enforce the agreed DSA rate for Cambodian government counterparts in all funding provided to the RGC, independent of whether it is technical assistance, grants, or loans and regardless of whether the DP-financed activity is implemented by state or non-state actors.
9. DPs agree to align with Category E, Article 7 of SD216. This rate corresponds to US \$34.
10. DPs will apply this rate at the earliest possible date, but no later than September 1, 2015.

**Development Partners in Cambodia:
Agreed Principles for a Harmonized Approach to Daily Subsistence Allowance
for Domestic Travel of Government Counterparts**

The Development Partners (DP) listed below each hereby expresses an intention and desire to implement as best as operationally feasible these ten principles to harmonize DSA rates for Cambodian government officials traveling within Cambodia and financed with DP resources.

With respect to each DP, this expression of intent takes effect as of the date indicated alongside the signature of its representative below, and should remain in effect until terminated by such DP through written notice to the Lead Development Partner Facilitator. Modification of the principles may be made through a written amendment jointly signed by the DPs.

Our signatures in the spaces below record our joint and individual expression of these agreed principles. Any other partners who wish to join this harmonization effort are welcome to sign on at any time.

	Signature	Date
<i>Eric Sidgwick, Country Director, Asian Development Bank</i>		11 November 2014
<i>Paul Keogh, Counsellor for Development Cooperation Embassy of Australia</i>		11/11/2014
<i>Jana Gašparíková, Chargé d'Affaires Embassy of the Czech Republic</i>		11/11/2014
<i>Romain Louvet, Counsellor, Embassy of France</i>	 Signature	11/11/14
<i>Ludgera Klemp, Head of Development Cooperation, Embassy of Germany</i>		12/11/14
<i>Hiroshi Izaki, Chief Representative Japan International Cooperation Agency</i>		11/11/2014
<i>KIM Hye Won, Second Secretary and Development Cooperation Officer, Embassy of the Republic of Korea</i>		11/11/2014
<i>Egbert Walter, Acting Head of Cooperation Delegation of the European Union</i>		11.11.2014
<i>Kristina Kühnel, Head of Development Cooperation Embassy of Sweden</i>		11/11/2014
<i>Rahel Boesch, Counsellor, Embassy of Switzerland</i>		11. 11. 14

M¹

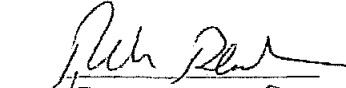
8

Claire Van der Vaeren, U.N. Resident Coordinator,
United Nations, on behalf of the United Nations Country Team

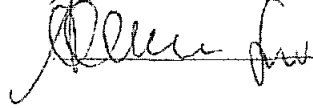


14 Nov 2014

Rebecca Black, Mission Director
United States Agency for International Development



14/11/2014



11/11/2014

Alassane Sow, Country Manager, World Bank



Next steps towards an effective cooperation on medical quality improvement and the role of health care accreditation

Background

The Royal Government of Cambodia (RGC), supported by the German Cooperation and other development partners, has undertaken multiple activities in the previous twelve years with the stated aim to improve the quality of health care for the people of Cambodia. This has included such efforts as the 2003 establishment of a Quality Assurance Office (QAO) in the Ministry of Health (MoH), the 2005 establishment of a National Policy for Quality in Health, and the development of a Master Plan for Quality Improvement in Health for 2010-2015. The Health Strategic Plan² (HSP2) specifies Healthcare Accreditation (HCA) as a vehicle to improve service delivery and management in Cambodia and HCA will play a role in HSP3 as well.

Efforts to improve quality are formally led by the QAO under the guidance of a Quality Improvement Working Group (QIWG). However, for a long time, the QAO is under-resourced and under-staffed to an extent that it is not able to fulfil its tasks and expectations following the national strategies. The MoH Master Plan for Quality Improvement in Health (2010-2015) outlines key milestones for quality improvement, including milestones for the establishment of a HCA system. Few of these milestones related to accreditation have been met.

In a joined effort with the QAO, German Development Cooperation through the integrated expert (CIM) at the QAO and an international consultant supported by GIZ conducted a situational analysis resulting in a new roadmap for HCA. Key challenges have been identified together with next steps that are needed to launch this major national health sector reform in collaboration with development partners.

Quality challenges

Three key challenges to the current quality initiatives on national level have been identified in the recent situation analysis:

- 1. The need for stronger leadership of QAO to promote quality and safety in the health sector**

Without strong capacity at central level to regulate, control and provide leadership towards better medical and service quality, a major health sector reform such as HCA cannot be implemented. Currently, the QAO, which is expected to lead all quality improvement (QI) initiatives in Cambodia, is staffed with only three people making effective coordination and implementation impossible. Without addressing these structural issues and clear leadership, the QAO will remain a bottleneck for quality improvement in Cambodia.

- 2. The need for coordination of quality and safety private and public facilities**

As the private sector is the major healthcare provider in Cambodia it is crucial to incorporate it into all future quality initiatives. Currently, the private sector remains insufficiently regulated. Initiatives to further strengthen registration, licencing and other basic regulatory functions should be given priority as they serve as necessary

Neil

6

building blocks towards HCA. The development and implementation of standards that both, public and private providers are expected to follow would also need effective leadership and coordination with multiple programs that have developed their own standards. This will become important also with a view to the ASEAN integration. Last but not least the needed incorporation of the patients' voice will remain ineffective without such a coordinating capacity at the MOH.

3. The need for a functioning HCA organization supported by law

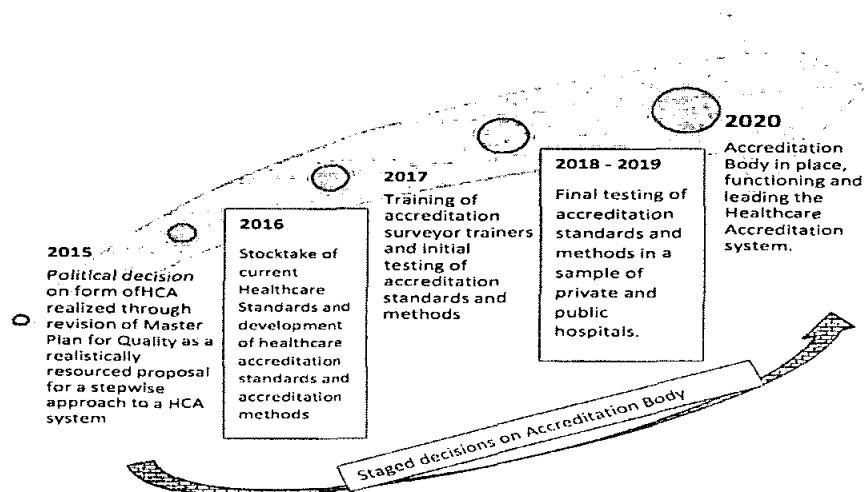
In multiple national strategy papers HCA is accepted as the way forward to improve quality and safety in the health care sector. However, until now the establishment of a legal base for a HCA body could not be accomplished. There are constraints related to current laws and on-going preparations for a new health law, so the developed HCA Sub-decree has not progressed beyond the draft stage so far.

Options

Different options for the development and implementation of a Cambodian HCA system exist and have been outlined in numerous reports by different national and international experts. Options include e.g. the status of the future HCA body (independent, semi-autonomous, department in the MoH) and concrete steps for establishing such a system. Also options to provide the necessary technical expertise have been outlined.

Roadmap

In May 2015 the following roadmap was developed as a result of the joint situation analysis and, together with a detailed report, distributed to respective policy and technical levels in the MoH.



Agreement on essential steps on Quality Improvement and Health Care Accreditation to be achieved in 2016

The Cambodian delegation and the German delegation agree on the following essential steps towards the development of an effective Quality Improvement structure and a Cambodian Healthcare Accreditation System in a long term. In view of the limited progress achieved to date, these steps are seen as essential to continue German support in strengthening quality initiatives at national level and eventually, developing a Healthcare Accreditation System in Cambodia. Both sides agree that in 2016 the focus will be on reorganising and establishing the necessary infrastructure for QI on national and provincial level whereas additional financial resources will be included in the health budget 2017:

- I. The institutional structure, leadership and capacity of the QAO will be strengthened, with clearly re-defined roles and functions, and appropriate number and qualification of staff to effectively initiate, lead and implement quality assurance initiatives and, as a long-term goal, develop and implement a HCA system in Cambodia.
- II. Quality Assurance Units at Provincial level will be established, with clearly-defined roles and functions, and appropriate staffing level and funding.
- III. Collaboration between these new units and the German Development Cooperation in 2016 will include tasks focusing on essential building blocks towards a Cambodian HCA system, e.g. basic patient safety measures, health-workforce regulation as well as development, revision and update of assessment tools and quality standards in line with HSP3.
- IV. As a framework for future quality initiatives the current Master Plan for Quality (2010-2015) will be reviewed and updated under strong leadership of MoH in line with HSP3 2016-2020, supported by costing.
- V. Financial resources to support the implementation of a new national framework for Quality (2016-2020) shall be included in the health budget 2017, and the following years at all levels of the health system via annual planning & budgeting processes.

The Ministry of Health ensures implementation of these steps in 2016. All steps will be critically reviewed at the government consultation in 2016.

Vi

7



KINGDOM OF CAMBODIA
Nation - Religion - King

Ministry of Land Management,
Urban Planning and Construction.

No. : **590/MLMUPC**

Attn: H.E. Dr. Friedrich Kitschelt
Secretary of State,
Federal Ministry for Economic Cooperation
and Development (BMZ),
Federal Republic of Germany

Phnom Penh, May 27, 2015

Dear Excellency, Dr. Friedrich Kitschelt,

I have received your Excellency's letter dated December 23, 2014 concerning the cooperation between the Ministry of Land Management, Urban Planning and Construction (MLMUPC) and the Federal Ministry for Economic Cooperation and Development (BMZ) of the Federal Republic of Germany.

On this occasion, I would like to thank the German Government for its longstanding cooperation with the Royal Government of Cambodia (RGC), which has equipped Cambodia with qualified human resources, capacity and professional skills, as well as having resulted in the adoption of a number of key policies and legal texts.

Regarding the six critical aspects of land rights and land registration stated in your letter, I would like to inform you as below:

1. The RGC via MLMUPC has set out policies and regulations that involve the participation-and-consultation approach with all stakeholders. This is to ensure the security of tenure of the people, including indigenous communities through collective land registration, the resolution of land disputes via the Cadastral Commission, the creation of social land concessions, and so on. In addition, the land policy, also known as "White Paper on Land", which will constitute the framework of the RGC's land reform with a view to strengthening the management of land and natural resources, has been drafted and consulted and will be adopted in the near future. These efforts demonstrate the RGC's commitment to ensuring the security of tenure and the sustainable use of natural resources.

With regard to the Voluntary Guidelines on the Responsible Governance of Tenure (VGGT), RGC notes that VGGT is a document to be taken into consideration voluntarily by all stakeholders, to implement in terms of the context of each country, to promote good governance in the land, fisheries and forest sectors. RGC observes that some provisions

of VGGT are already reflected in RGC policies and regulatory frameworks related to the administration of land, fisheries and forests.

Concerning VGGT, RGC would like to request the German side as follows:

- Since VGGT is a detailed technical document with a political nature that covers, in-depth, a wide number of important issues, the RGC see a need for an expert from the Food and Agriculture Organization (FAO), which drafted VGGT, to spend up to six months to present clearly the content of the VGGT to the Cambodian side.
 - After that, it would be necessary to review all existing national and international binding legal instruments which Cambodia has ratified and are in place, to precisely identify the points in VGGT to which the RGC is already aligned, and the points to which it is not yet aligned for consideration for future alignment.
 - The next step would be that Cambodia would have an internal discussion of the new points to be considered for implementation; implementation would be in the context of Cambodia being a sovereign State.
2. Land registration in the Kingdom of Cambodia consists of first registration and subsequent registration. First registration includes systematic land registration and sporadic land registration involving state land and private land as well as land belonging to Indigenous Peoples' Communities (IPCs). 4 million → 58%

From the beginning of land registration in about 1990 till the end of 2014, registration has reached approximately 3.84 million titles, which account for 55% of the country's total estimated 7 million parcels. These 3.84 million are broken down as follows: (1.) systematic land registration achieved 2.62 million titles, (2.) sporadic land registration achieved 0.61 million titles, and (3.) the Directive 01 campaign achieved approximately 0.61 million titles. In addition, the registration of land of Indigenous Peoples' Communities (IPCs) has achieved 8 communities of collective land titles, and 10 other IPCs are in the process of collective land titling.

Interim Protective Measures (IPM) letters can be issued to IPCs which have filed land registration applications. Up to March 2015, IPM letters have been issued to 26 IPCs.

Based on the National Strategic Development Plan (2014-2018), MLMUPC shall achieve the systematic land registration of an additional 0.4 million titles and the registration of an additional 10 IPCs per year. Currently, MLMUPC has been endeavoring actively to undertake registration as planned by restructuring the land registration teams and implementing systematic land registration throughout the entire country.

3. MLMUPC has made the Cadastral Commission mechanism open for civil society to participate in as party assistants in cases, but it should be noted that so far, civil society organizations (CSOs) have not fulfilled this role, although MLMUPC has widely disseminated information and has provided many trainings to CSOs to build up their capacity to function as party assistants. In addition, MLMUPC is open and allows CSOs working in the land sector to take part in discussion and consultation with MLMUPC experts through quarterly meetings. Also, MLMUPC has a coordination mechanism on

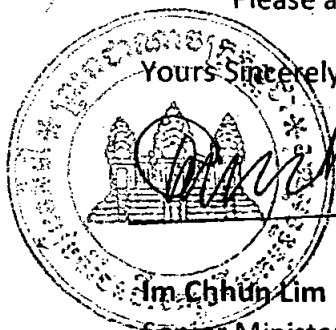
the land sector called "Technical Working Group Land (TWG-L)" which includes representatives of CSOs and development partners.

4. RGC is undertaking a state land registration project. This involves an inter-ministerial working group of six concerned Ministries—MLMUPC, Ministry of Agriculture, Fisheries and Forests (MAFF), Ministry of Environment (MoE), Ministry of Interior (Mol), Ministry of Economy and Finance (MEF), and Ministry of Mining and Energy (MME)—which was established and is supported by the Royal Government Budget. There are provincial state land registration teams which consist of 7 technical officials from Provincial Departments of Land Management, Urban Planning, Construction and Cadastre (PDLMUPCC), and Provincial Departments of Environment and/or Forest Administration. The results of demarcation and surveying will be publicly displayed in a respective locality for any complaint before registration and title issuance to the authority in charge of state land, and information related to state land will be accessible at the respective ministry managing the state land.
5. RGC issued a moratorium on Economic Land Concessions (ELCs) and established "the Inter-ministerial Commission to inspect, demarcate and assess the ELCs", in August 2014. The review process operates in a transparent manner to ensure land rights of peoples and investors, as well as to ensure social stability and economic growth. As a result, RGC has reviewed 83 ELCs covering approximately 560.000 Ha in which 35 ELCs covering approximately 170.000 Ha have been cancelled and the other 48 covering approximately 390.000 Ha were permitted to continue operations.
6. In relation to the recommendation of Prof. Surya Subedi, the former UN Special Rapporteur on the Situation of Human Rights in Cambodia, MLMUPC has already issued letter No. 1158 MLMUPC/GDCG, dated August 19, 2014, responding to the report of Prof. Surya Subedi, as seen in the attachment to my letter.

I sincerely hope that you consider the above elaboration, although brief, to be a comprehensive description of the efforts made by RGC with regard to the six points raised in your letter.

Please accept, Excellency, the assurances of my high consideration.

Yours Sincerely, *LL*



Im Chhun Lim

Senior Minister

Minister of Ministry of Land Management,
Urban Planning and Construction



Embassy
of the Federal Republic of Germany
Phnom Penh

រដ្ឋសភា កម្ពុជា	
លេខ	2820
ថ្ងៃខែឆ្នាំ	22.06.15
បញ្ជូន	ទទួលបាន

ក្រសួងរៀបចំដែនដី នគរូបនីយកម្ម និង រំលែកដី	
ខណ្ឌកាកបាទក្រហម	
លេខ	2113
ថ្ងៃខែឆ្នាំ	24.6.2015
ស្នាក់នៅ	11/40

Reference (please quote in reply): Wz 445 KHM 16

The Embassy of the Federal Republic of Germany presents its compliments to the Ministry of Land Management, Urban Planning and Construction of the Kingdom of Cambodia and has the honour to enclose herewith a copy of the letter of H.E. Dr. Friedrich Kitschelt, State Secretary of the German Federal Ministry for Economic Cooperation and Development.

The Embassy would very much appreciate it if the copy of the letter could be forwarded to H.E. Senior Minister Im Chhun Lim accordingly. The original letter will be delivered later.

The Embassy of the Federal Republic of Germany avails itself of this opportunity to renew to the Ministry of Land Management, Urban Planning and Construction of the Kingdom of Cambodia the assurances of its highest consideration.

Phnom Penh, 18 June 2015

Ld

To the
Ministry of Land Management,
Urban Planning and Construction
Phnom Penh



Tu'

B



Federal Ministry
for Economic Cooperation
and Development



G7 GERMANY 2015

Federal Ministry for Economic Cooperation and Development (BMZ)
Postal address Berlin office: 11055 Berlin, Germany

S.E.
Im Chhun Lim
Senior Minister
Ministry of Land Management, Urban
Planning and Construction
Royal Government of Cambodia

Friedrich Kitschelt
State Secretary

POSTAL ADDRESS
Postfach 12 03 22
53045 Bonn
Germany

ENTRY
Dahlmannstraße 4
53113 Bonn

TEL +49 (0)228 - 99 535 - 3411
FAX +49 (0)228 - 99 535 - 3415
E-MAIL friedrich.kitschelt@bmz.bund.de
www.bmz.de

Bonn, 12.06.2015

Dear Excellency,

Thank you very much for your detailed response to my letter from December 23rd 2014.

We are currently reviewing your response, including respective adaptations for our further bilateral cooperation in land rights. Against this background we propose to consult further steps before the government negotiations foreseen for autumn this year.

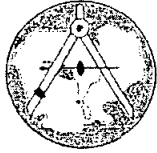
Yours sincerely,



Dr. Friedrich Kitschelt

mi

5



ព្រះរាជាណាចក្រកម្ពុជា
ជាតិ សាសនា ព្រះមហាក្សត្រ

ក្រសួងរៀបចំដែនដី នគរូបនីយកម្ម និងសំណង់
លេខ ១១៤៤ ជនស/អ.ស.ជ.

រាជធានីភ្នំពេញ ថ្ងៃទី ១៩ ខែ សីហា ឆ្នាំ ២០១៤

សូមគោរពជូន

ឯកឧត្តមឧបនាយករដ្ឋមន្ត្រី រដ្ឋមន្ត្រីក្រសួងការបរទេស និងសហប្រតិបត្តិការអន្តរជាតិ

កម្មវត្ថុ : យោបល់លើរបាយការណ៍របស់លោក Surya P. Subedi អ្នករាយការណ៍ពិសេសរបស់
អ.ស.ប. ស្តីពីស្ថានភាពសិទ្ធិមនុស្សនៅកម្ពុជា
យោង : លិខិតលេខ ៦៨៩៨ អជ.កបទ.សអ ចុះថ្ងៃទី២២ ខែកក្កដា ឆ្នាំ២០១៤ របស់ក្រសួងការបរទេស
និងសហប្រតិបត្តិការអន្តរជាតិ

តាមកម្មវត្ថុនិងយោងខាងលើ ខ្ញុំសូមគោរពជម្រាបជូន ឯកឧត្តមឧបនាយករដ្ឋមន្ត្រី មេត្តាជ្រាប
អំពីយោបល់កែសម្រួលលើរបាយការណ៍របស់លោកSurya P.Subedi អ្នករាយការណ៍ពិសេសរបស់ អ.ស.ប.
"ស្តីពីស្ថានភាពសិទ្ធិមនុស្សនៅកម្ពុជា" ដែលស្ថិតក្នុងសមត្ថកិច្ចរបស់ក្រសួងរៀបចំដែនដី នគរូបនីយកម្ម និង
សំណង់ នៅទំព័រទី១២ ដល់១៤ ចំណុច G. Land Rights នៅទំព័រទី២២ អនុសាសន៍ទី១៤ តាមខ្លឹមសារ
ដូចខាងក្រោម :

G. Land Rights

កថាខណ្ឌទី១ (ចុងទំព័រទី១២ និងដើមទំព័រទី១៣) សរសេរថា " Regarding the recommendation in the
report on economic and order land concessions submitted to the twenty-first session of the Human
Rights Council in 2012 (A/HRC/21/63/Add.1), the special Rapporteur notes the positive
developments resulting from the private land titling programme of the Government led by the
Prime Minister. In particular, he welcomes the land titling programme undertaken under Directive
001, which was designed to provide tenure security to marginalised and vulnerable communities,
as well as the halt in granting new economic land concessions and the review of existing economic
land concessions under Order N001 of the Royal government. He further welcomed the progress
made by the government in the policy development relating to land and housing rights, including
the adoption of the National Housing policy, a white Paper on land policy and the drafting of an
Environment Impact Assessment Law."

➢ យោងល់ :

- កថាខណ្ឌនេះអាចទទួលយកបាន ព្រោះគ្រាន់ជាការបញ្ជាក់ឡើងវិញរបស់អ្នករាយការណ៍
ពិសេសអំពីលទ្ធផលវិជ្ជមាននៃការអនុវត្តបទបញ្ជាលេខ ០១ បប របស់រាជរដ្ឋាភិបាល ក៏ដូច
ជារដ្ឋានភាពក្នុងការតាក់តែងគោលនយោបាយក្នុងវិស័យដីធ្លី។
- ស្នើសុំកែសម្រួលពាក្យនៅខាងចុងវាក្យខណ្ឌ "...a white Paper on land policy to be adopted by
the end of 2014 and the drafting of an Environment Impact Assessment Law."
- ❖ សម្គាល់: ចំពោះចំណុចស្នើសុំកែសម្រួលនេះ ក្រសួងរៀបចំដែនដី នគរូបនីយកម្មនិងសំណង់
បានផ្ញើលិខិតលេខ ១០៣៦ ជនស/អសជ ចុះថ្ងៃទី២៥ ខែកក្កដា ឆ្នាំ២០១៤ ជូនក្រសួង
ការបរទេស និងសហប្រតិបត្តិការអន្តរជាតិរួចហើយ ព្រោះវាជាចំណុច Factual Error ។

Handwritten signature

Handwritten mark

កថាខណ្ឌទី ២ (ទំព័រទី ១៣) សរសេរថា “The Special Rapporteur notes with appreciation the information received from the Minister of Land Management, Urban planning and Construction, HE Im Chhun Lim, with whom he met during his to the country in June 2014. According to the Minister, all in all some 3.5 million titles had been issued to people and some 180,000 parcels of land were being processed. The special Rapporteur welcomed the adoption on 9 May 2014 of long awaited National Housing Policy, by which a process for the location of social housing was established and whose implementation he will observe with great attention. He also noted with satisfaction the prominent attention given to land housing rights issues in Cambodia in the National Strategic Development Plan 2014-2018, including the adoption of monitoring indicators for greater transparency in land ownership and concessions. He was furthermore apprised of the initiatives of several authorities at the municipal and provincial levels to involve affected families and communities in local land management decisions, including on resettlement, which he also welcomed.”

> យោងល់ : អាចទទួលយកបាន

កថាខណ្ឌទី៣ (ទំព័រទី១៣) សរសេរថា “Despite the assurances that the land polices were being executed in full accordance with the law, the special Rapporteur continued to receive large numbers of petitions from individuals and families describing their victimisation by forced eviction. While the recent policies and plans hold promise for resolution to land disputes, they have been plagued to now by a serious lack of transparency, accountability and the absence of an effective dispute resolution mechanism.”

> យោងល់ : គួរទទួលយក បើទោះបីជាមានការលើកឡើងនូវចំណុចកង្វះខាតខ្លះពាក់ព័ន្ធនឹងប្រសិទ្ធភាពរបស់យន្តការដោះស្រាយវិវាទដីធ្លី ដែលឈានទៅដល់ការដាក់ពន្ធនាគារដោយគ្រឿង

កថាខណ្ឌទី ៤ (ចុងទំព័រទី ១៣ ដើមទំព័រទី១៤) សរសេរថា “ The information brought to the attention of the Special Rapporteur concerning the Cadastral Commissions and the National Authority for Land Dispute Resolution (“NALDR”) from throughout the country consistently points out a lack of effectiveness, impartiality, and credibility. In contrast, he has been unable to find a single study that indicates the contrary. The NALDR, which is mandated to receive complaints beyond the competence of the National Cadastral Commission, continues to be populated by high ranking and powerful officials, most of whom are serving in the executive branch of Government, and some of whom are allegedly closely associated with people who are party to the dispute before it. The NADLR has proven to be largely ineffective in settling land disputes. Although the composition of the NALDR should also include NGO’s; civil society groups have declined to participate due to a lack of faith in the institution’s independence and effectiveness. The Government and judiciary are also often unwilling of unable to regulate and conduct of private enterprises involved in the agri-business and fail to provide redress for violations committed by private enterprises. Many cases submitted to the courts by victims of forced evictions remain unheard years after complaints were originally filed. The ongoing nexus between powerful business elites, political figures and the military, combined with the absence of an independent judicial system and ineffective dispute resolution mechanisms, continues to deny many ordinary Cambodians redress for violations of basic rights or judicious settlement of dispute.”

> យោងល់ : ស្នើលុបទាំងស្រុងនូវកថាខណ្ឌទី៤នេះ ព្រោះ ក្នុងការអនុវត្តកន្លងមក យន្តការដោះស្រាយទំនាស់របស់គណៈកម្មការសុរិយោដី អនុវត្តដោយផ្អែកតាមការសម្រុះសម្រួលជាមូលដ្ឋាន ហើយភាគីអាចជ្រើសរើសជំនួយការភាគីរបស់ខ្លួន និងអ្នកសម្រុះសម្រួលចំពោះករណីបណ្តឹងរបស់ខ្លួនដែលផ្ទុយទៅនឹងការលើកឡើងនៅក្នុងរបាយការណ៍នេះ។

កថាខណ្ឌទី៥ (ទំព័រទី ១៤) សរសេរថា “ Notwithstanding the great efforts of the Government to address land disputes and without prejudice to the merits of the claims, the scale of the problem and the tremendous underlying sense of injustice, anger and desperation expressed by affected persons to the Special Rapporteur underscore the need for an independent institution empowered to resolve land disputes on the basis of a reasoned historical review of the circumstances of each individual, family, or community claiming unfair treatment and resolution of their plight. The blanket dismissal of many such claims on the grounds that people are simply illegally occupying State

✍

M

✍

land or the land of others fails to address the claims of many that they were forcibly evicted on earlier occasions, leaving them little choice but to move elsewhere, whether legally or illegally. It also contravenes the human right to adequate housing, which belongs to all persons-including illegal occupants of land."


> **យោបល់ : ស្នើសុំបញ្ចេញទាំងស្រុង** ព្រោះមានលក្ខណៈមិនឆ្លុះបញ្ចាំងការពិតដូចក្នុងកថាខណ្ឌ ទី៥ ហើយចំណុចមួយចំនួនក៏បានលើកឡើងនៅក្នុងកថាខណ្ឌទី៣រួចហើយដែរ។ បេសកកម្ម រយៈពេល ២ឬ៣ សប្តាហ៍របស់អ្នករាយការណ៍ពិសេស ពិតជាមិនអាចយល់អស់អំពីបញ្ហារួម ដែលគាត់កំពុងលើកឡើងនេះទេ ដែលទាមទារឱ្យមានការសិក្សាលម្អិតនិងស៊ីជម្រៅជាងនេះ និង ត្រូវប្រើរយៈពេលវែងជាងនេះ។ ការដែលលើកឡើងថា ស្ថាប័នដោះស្រាយទំនាស់មិនឯករាជ្យ និងត្រូវធ្វើការដោះស្រាយឡើងវិញទាំងអស់ទូទាំងប្រទេស នឹងនាំប្រទេសកម្ពុជាដែលកំពុង ដើរឆ្ពោះទៅរកលិទ្ធិប្រជាធិបតេយ្យឈានទៅរកអសន្តិសុខសង្គមនិងបដិវត្តន៍ដីធ្លីជាក់ជាមិនខាន។

កថាខណ្ឌទី៦ (ទំព័រទី១៤) សរសេរថា " The Special Rapporteur is of the view that nearly all the recommendations presented in his report on land rights continue to be relevant and calls upon the Government to once again review them with a view to implementing them. In this regard, he notes that he has yet to see a comprehensive and credible study suggesting that the people of the country have been the net beneficiaries of the economic land concessions. It is therefore the belief of the Special Rapporteur that the moratorium on new economic land concessions should remain in place until a sound policy that addresses the human rights impact of such concessions is properly implemented. He also stresses the need to ensure that resettlement sites be fully prepared for human habitation *before* persons are relocated there, including in respect of the availability of clean water, sanitation facilities health and education services, and opportunities for earning a livelihood. *Too many relocation sites, including those visited during his last mission in June, reveal little or no such preparations even years after relocation took place.* He draws attention to the relevant international standards in this regard and calls upon all levels of Government to abide by them scrupulously."

> **យោបល់ : គួរទទួលយក**

អនុសាសន៍ទី ១៤ ស្នើកែសម្រួល " *Immediately continue to resolve the existing disputes relating to land rights as a matter of priority, and ensure in law and in practice that new land concession are granted only when the rights of the people affected by them are provided for. Review all relocation sites to immediately bring them up to human rights standards and prohibit all forced relocations in the future to sites that do not meet these standards.*"

អាស្រ័យហេតុនេះសូម ឯកឧត្តមឧបនាយករដ្ឋមន្ត្រី មេត្តាជ្រាបជាសេចក្តីរាយការណ៍ដ៏ខ្ពង់ខ្ពស់។
សូម ឯកឧត្តមឧបនាយករដ្ឋមន្ត្រី មេត្តាទទួលនូវការគោរពដ៏ខ្ពង់ខ្ពស់ពីខ្ញុំ។ **សុំសូម**

រដ្ឋមន្ត្រីប្រចាំរដ្ឋសភា
រដ្ឋមន្ត្រីប្រចាំរដ្ឋសភា

ហ៊ុន សែន
ហ៊ុន សែន

Handwritten mark

Handwritten mark



Federal Ministry
for Economic Cooperation
and Development



G7 GERMANY 2015

Vfg

I. Federal Ministry for Economic Cooperation and Development (BMZ)
Postal address Berlin office: 11055 Berlin, Germany

H.E.
Im Chhun Lim
Senior Minister
Ministry of Land Management, Urban
Planning and Construction
Royal Government of Cambodia

Friedrich Kitschelt

State Secretary

POSTAL ADDRESS
Postfach 12 03 22
53045 Bonn
Germany

ENTRY
Dahlmannstraße 4
53113 Bonn

TEL +49 (0)228 - 99 535 - 3411
FAX +49 (0)228 - 99 535 - 3415
E-MAIL friedrich.kitschelt@bmz.bund.de
www.bmz.de

Bonn, 29.09.2015

*Uwe AA /
Botschaft
ab.*

[Handwritten signature]

Eure Exzellenz,

wie in meinem Schreiben vom Juni 2015 angekündigt, haben wir unser laufendes und geplantes Engagement im kambodschanischen Landsektor einer Überprüfung unterzogen.

In den letzten 20 Jahren konnte die kambodschanische Regierung mit Unterstützung der deutschen Entwicklungszusammenarbeit beträchtliche Erfolge erzielen: 3,8 Millionen Landtitel wurden ausgestellt, ein außergerichtlicher Mechanismus zur Schlichtung von Landkonflikten hat 3.109 Konflikte erfolgreich gelöst. Eine umfassende Landpolitik („Land Policy White Paper“) wurde im August 2015 vom Ministerrat verabschiedet. Es gab bemerkenswerte Fortschritte bei der Sicherung von Landrechten indigener Gemeinschaften einschließlich zahlreicher kommunaler Landtitel und urbaner Armutssiedlungen in einem Pilotprogramm in Battambang.

Die zentralen Herausforderungen für eine an diese Erfolge anknüpfende, wirksame Fortsetzung unseres Engagements habe ich in meinem Schreiben vom

Ju

9



Page 2 of 4

23. Dezember 2014 dargelegt. Ihrer Antwort vom 28. Mai 2015 haben wir entnommen, dass - trotz der oben genannten beträchtlichen Erfolge - bei wesentlichen Punkten keine übereinstimmenden Positionen erzielt werden konnten. Aus unserer Sicht fehlen damit gegenwärtig wichtige Voraussetzungen für eine auch künftig erfolgreiche Zusammenarbeit in diesem Bereich.

Unter anderem hätten wir eine eindeutige Aussage in Bezug auf eine verbesserte Transparenz bei der Umsetzung der Landreform, die beschleunigte Ausstellung von Landtiteln für indigene Gemeinschaften und den Aufbau eines unabhängigen, effektiven und glaubwürdigen Mechanismus zur Lösung großflächiger Landkonflikte begrüßt. Wir hätten zudem ein klareres Bekenntnis zu den freiwilligen Leitlinien zu Land der FAO und eine klarere diesbezügliche Zusage zu weiteren gemeinsamen Schritten erwartet.

Vor diesem Hintergrund stellen wir mit Bedauern fest, dass wir zum gegenwärtigen Zeitpunkt nicht von einer ausreichend breiten gemeinsamen Grundlage für eine erfolgreiche Fortsetzung der Kooperation im Bereich Landrechte ausgehen können. Wir haben daher entschieden, die Zusammenarbeit in diesem Bereich mit dem vereinbarungsgemäßen Abschluss der laufenden Phase im Sommer 2016 nicht weiterführen. Sollten sich die Grundpositionen ändern, sind wir jedoch gern bereit einen konstruktiven Dialog zum Landrechtsektor zu führen.

Mit freundlichen Grüßen

Kopie an H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General of the CRDB/CDC



Courtesy Translation

H.E. Im Chhun Lim

Senior Minister

Ministry of Land Management, Urban
Planning and Construction

Royal Government of Cambodia

Excellency,

As intimated in my letter of June this year, we have conducted a review of our ongoing and planned activities in the land sector in Cambodia.

With the support of German development cooperation, the Cambodian government has achieved some considerable successes over the last 20 years. 3.8 million land titles have been issued and an out-of-court mechanism for resolving land disputes has indeed successfully resolved 3,109 such conflicts. In August of this year, the Council of Ministers adopted its wide-ranging Land Policy White Paper. Remarkable progress has been made on land tenure security for indigenous communities, including securing many communal land titles, and also on urban slums, through a pilot programme in Battambang.

In my letter of 23 December 2014, I outlined the key challenges facing us if we wish to continue our activities in this area in an effective way that builds on existing achievements. From your reply dated 28 May 2015, we have to conclude that – despite all the considerable successes noted above – it has not been

Mu'

5



Page 4 of 4

possible to find a consensus on certain major issues. This means that, to our mind, a number of important conditions allowing us to continue working successfully in this area are not in place.

We would, among other things, have liked to clear statement of intent regarding more transparent implementation of land reform, faster land titling for indigenous communities and the establishment of an independent, effective, credible mechanism for resolving conflicts over large areas of land. We would also have expected a clearer commitment to the FAO's voluntary guidelines on land governance and a clearer commitment to undertaking further steps on this together.

In the light of this, we must regrettably conclude that there is not at this point sufficient common ground for us to successfully continue our cooperation in the field of land rights. We have therefore decided not to continue with our cooperation in this area when the ongoing phase comes to its agreed end in summer 2016. If the basic parameters were to change, we would, however, be very willing to engage in a constructive dialogue on land rights.

Yours sincerely,

[Signed:] Dr Friedrich Kitschelt

cc: H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General of the CRDB/CDC

Fri

+



Page 4 of 4

possible to find a consensus on certain major issues. This means that, to our mind, a number of important conditions allowing us to continue working successfully in this area are not in place.

We would, among other things, have liked to clear statement of intent regarding more transparent implementation of land reform, faster land titling for indigenous communities and the establishment of an independent, effective, credible mechanism for resolving conflicts over large areas of land. We would also have expected a clearer commitment to the FAO's voluntary guidelines on land governance and a clearer commitment to undertaking further steps on this together.

In the light of this, we must regrettably conclude that there is not at this point sufficient common ground for us to successfully continue our cooperation in the field of land rights. We have therefore decided not to continue with our cooperation in this area when the ongoing phase comes to its agreed end in summer 2016. If the basic parameters were to change, we would, however, be very willing to engage in a constructive dialogue on land rights.

Yours sincerely,

[Signed:] Dr Friedrich Kitschelt

cc: H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General of the CRDB/CDC

Yn

5