

Revised Draft Agenda
For the Cambodia – Japan ODA Policy Dialogue
08 February, 2018 at 08:30-12:00
Palais du Gouvernement

08:00 - 08:30 **Registration**
08:30 - 08:50 **Opening Remarks** (Both sides)
08:50 - 09:30 **1. Recent Macro-economic situation in Cambodia** (*Cambodia leads*)

- 1- Macro-economic situation including loan policy and PPP update
 - Japan would like to acclaim Cambodian government's efforts for sustainable economic growths in the past 10 years.
 - Cambodian macro economy looks fine but trade deficit is noticeable: current account balance is deficit spending. It is probable to say FDI and development assistance could contribute to balance the deficit. On the other hand, FDI from countries has got decreased, which could affect debt sustainability.
In this regard, Japan would like to ask whether or not Cambodia has policy measure to this.
 - Also, according to MEF, total amount of borrowing is going to be over 6 billion USD. If the non- concessional loan is increased in the future, debt sustainability might be affected.
In this regard, Japan would like to know the policy of borrowing from foreign countries (especially from China).
 - Japan has understood that ADB has implemented technical cooperation in the field of PPP promotion such as establishment of Central PPP unit, Project Design Facility (PDF) and standard operation procedure.
In this regard, Japan would like to request for your update about the latest situation for PPP promotion.
 - Also, Japan would like to know the demarcation between concessional loan from foreign countries and PPP. It is important to utilize concessional loan for basic infrastructure needs in terms of national security and socio-economic. In the case of PPP projects, Japan would like to hear Cambodian government's idea regarding government's guarantee and its system.
- 2- Trend in development cooperation in Cambodia

09:30 - 10:00 **2. Business environment in Cambodia** (*Cambodia leads*)

- 1- Private sector development
 - FDI to Cambodia from Japan has steadily increased thanks to investment promotion by Cambodia. Japan express hope that Cambodia takes further measure for stable power supply, appropriate control for minimum wage, internal peace and stability.
- 2- Progress in IDP implementation and budget for IDP implementation
 - IDP is the most significant policy papers to initiate economic development in Cambodia. In this regard, Japan would appreciate if you share the latest situation as follows;
 - a. IDP monitoring structure in Cambodian government
 - b. current implementation status of IDP
 - c. important industrial sectors that the government preferentially allocate national budget as well as its policy.

10:00 - 11:00 **3. Japan's ODA Policy and Projects** (*Japan leads*)

- 1- Japan's ODA Policy for Cambodia.

【Topics】

- General information sharing regarding ODA policy such as “Quality Infrastructure for enhancement regional connectivity”
- Japan’s Development Policy to Cambodia (3 pages policy paper distributed)
- Explanation of Track record of Japan’s ODA projects in Cambodia.
- Explanation of line of yen loan
- Quality infrastructure and more efficient implementation of yen loan
- Safety measure of ODA projects

2- Discussion on ODA projects from FY 2018

【Topics】

- “Packaging support for Shihanoukville port”
(presentation material will be prepared)
- “master plan for logistics system”
(presentation material will be prepared)
- NACCS (Nippon Automated Cargo and Port Consolidated System)
- Port Electric Data Inter Charge (EDI)
- AGT-Automatic Gateway Train (presentation material will be prepared) :

Issues related to the existing and new planned airports will be raised.

- Sewage
- Grant Assistance with O& M by JPN company
- Electoral reform assistance
- Agriculture

11:00 - 11:30 **4. Discussion on issues or requests derived from specific projects** (*Japan leads*)

【Topics】

- Enhancement of sustainability of development projects’ effectiveness
 - Japan will request for collaboration among CDC, line ministries and MEF for national budgetary provision arrangement for enhancing sustainability of past projects.
- Land acquisition
 - Japan will express concern about the issue has affected the term of construction in the project such as road no.5.
- VAT exemption
 - Japan will request for appropriate implementation.
- Issue of ownership, O&M for container terminal of Shihanoukville port.
 - Japan would like to exchange additional note regarding the new container terminal project at Shihanoukville port. (E/N was signed last August.)
From the light of proper use of the facility, it is important for Japan side to get prior notice such as the case: ownership, right of O&M for container terminal of Shihanoukville port was transferred to others due to the event such as privatization. If Cambodia side has any comments and request for the additional note, please feel free to contact the Embassy of Japan.
- Privatization of state owned enterprise
 - Japan raises the question: possibility of that EDI and Cambodia Telecom is listed in the stockmarket.
- Japan’s scholarship scheme
 - Japan will request for line ministries’ cooperation for selection.

11:30 – 11:40 **5. Other issues**

- Japan will ask for cooperation for accepting Japan Board for Audit from 18-27 April, 2018.

- Japan will express the importance of the policy dialogue and continuous discussion to strengthen economic cooperation between Cambodia and Japan.

11:40 – 12:00 **Closing Remarks**