Korea's EDCF Operation in Cambodia and its Policy Direction

Phnom Penh, Cambodia

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Republic of Korea

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I EDCF Operation with Partner Countries

EDCF Activities in Numbers

EDCF Activities by Sectors(2010)

Transport & Storage	32.3 %
Water Supply & Sanitation	19.1 %
Energy	15.1 %
Education	14.2 %
Government & Civil Society	10.0 %
Health	5.2 %
Communications	2.3 %
Agriculture & Fishing	1.7 %

EDCF Activities by Region(2010)

Asia	60.5 %
Africa	32.3 %
Europe	2.8 %
America	4.4 %

EDCF Activities in Total

- ***46 Countries, 251 EDCF Projects (6,934 billion Korean Won)***

II EDCF Operation in Cambodia

Korea's EDCF in Cambodia

- ***6th Rank in terms of support scale out of 46 EDCF Recipient Countries (12 Projects,U$341.5Million)***

- **Transportation : 6 Projects(U$187.4Million)**
- **Water Resources : 2 Projects(U$45.4Million)**
- **E-Government System : 2 Projects(U$51.0Million)**
- **Drainage : 1 Project(U$30.0Million)**
- **Training : 1 Project(U$27.7Million)**

EDCF's Contribution to Cambodia

➢ Establishing Infrastructure of Transportation

- Improvement of Road Infrastructure
- Acceleration of Integrating Regional Economy
- Increase in Trade with Adjacent Countries
- Basis for Sustainable Economic Growth

EDCF's Contribution to Cambodia

➢ Development of Agriculture and Water Resources

- Improving Agriculture Productivity
- Increasing Income Level in Agricultural Region
- Securing Food Safety
- Contributing to Economic Growth and Poverty Reduction

Case I. National Cambodia-Korea Vocational Training School Project

Item	Contents
Project Name	National Cambodia-Korea Vocational Training School Project
Project Executing Agency	Ministry of Labor and Vocational Training
Project Cost	U$34,650,000(EDCF : U$27,665,000, RGC : U$6,985,000)
Implementation Period	2002. 7 ~ 2005. 5
Project Site	Phnom Penh(8km apart from the airport)
Project Scope	Establish vocational training system to contribute to human resource development which is necessary for the government of Cambodia to achieve its economic and social development objectives

Case I. National Cambodia-Korea Vocational Training School Project

Education Center, Cambodia

Case I. National Cambodia-Korea Vocational Training School Project

Category	Evaluation Result
Relevance	• In line with the national development and human resource development plan of Cambodia
Efficiency	• The implementation was delayed for six months because of external factors • Project cost was increased due to the implementation delay, but the amount was within the contingency amount
Effectiveness	• Outputs of the project were 100% achieved
Impact	• Indirect economic effects by supplying high quality manpower to the community • Expanded opportunities to get higher education for youths and women in Phnom Penh • Capacity building and new technology
Sustainability	• Quality professors, increase in student enrollment, secure financial resources for school operation
Overall Result	**Highly Successful**

Case II. National Road No.3 Rehabilitation Project Phase II

Item	Contents
Project Name	National Road No.3 Rehabilitation Project (Phase Ⅱ)
Project Executing Agency	Ministry of Public Works and Transportation
Project Cost	U$41,500,000(EDCF : U$36,900,000, RGC : U$4,600,000)
Implementation Period	2007. 9~ 2011. 6
Project Site	National Road No.3(Phnom Penh~Kampot)
Project Scope	To procure materials and services for rehabilitating, executing, and designing national road No.3 between Phnom Penh and Kampot

Case II. National Road No.3 Rehabilitation Project Phase II

Category	Evaluation Result
Relevance	• In line with the Cambodia's highest priority in the improvement and rehabilitation of the road infrastructure
Efficiency	• The implementation was delayed for nine months because of modification to enhance the project outcome • Project cost was increased due to the modification, but the amount was within the contingency amount
Effectiveness	• Outputs of the project were 100% achieved
Impact	• Transportation capacity enhancement between Phnom Penh and Kampot resulting in improving of access to local market • Improvement of transport services quality and regional economy • Economic growth including tourism and social welfare in the country side, and poverty reduction
Sustainability	• Capability of MPWT in charge of the operation and maintenance of the project and the relevant financial resources
Overall Result	**Highly Successful**

III Policy Direction for Cooperation

From Effective Aid to Effective Development

➢ Aid Effectiveness

- Ownership of Development Priorities by Cambodia
- Focus on Results
- Transparency and Mutual Accountability to each other

➢ Cooperation for Effective Development

- Establishing Integrated Cooperation System
- South-South Triangular Cooperation for Sustainable Development
- Encouraging Private Sector Participation

Aid Effectiveness

- **Ownership of Development Priorities by Cambodia**

- **Partnerships for Development led by Cambodia, Implementing Approaches that are tailored to Cambodia-Specific and Needs**
- **Projects Implementation Based on Cambodia National Strategic Development Plan(NSDP)**

Aid Effectiveness

➢ Ownership of Development Priorities by Cambodia

- **Cambodia National Strategic Development Plan(NSDP)**

Cambodia Rectangular Strategy Phase II:

1. Peace, Political Stability, Security and Social Order
2. Cambodia's Integration into the Region and the World
3. Partnership in Development
4. Favorable Macroeconomic and Financial Environment

NSDP 4 Policy Priorities :

- Enhancement of Agricultural Sector
- Rehabilitation & Construction of Physical Infrastructure
- Private Sector Development & Employment
- Capacity Building & Human Resources Development

Aid Effectiveness

➢ Focus on Results

- **Manage Resources and Improve Decision-Making for Results**
- **Set up Project Performance Indicator(PPI) to Evaluate the Project's Outcome and Goal**

e.g.)

Transportation sector : Improvement of Access to Basic Infrastructure

Water Resources sector : Increase of Productivity Level of Farming Areas

Aid Effectiveness

➢ Transparency and Mutual Accountability to Each Other

- **Enhancement of Transparency through Project Cycle**

- Design : Participation of All Related Stakeholders

- Implementing : Disclosure of Information,
Open Bidding

- Evaluation : Evaluation by 3rd party, Co-work
Evaluation, Share the Evaluation Result

Aid Effectiveness

- **Transparency and Mutual Accountability to Each Other**

- **Both Donor and Recipient are Mutually Responsible for Selecting, Implementing and Monitoring the Project**

- Selecting : Co-work on CPS, Bilateral Consultation Meeting based on CPS

- Implementing : Expected to be led by Recipient

- Monitoring and Evaluation : Working Together

Cooperation for Effective Development

➢ Establishing Integrated Cooperation System

- **Aid is one part of the Solution to Development. Aid Catalyses Development**
- **Knowledge Sharing Program(KSP)**

Cooperation for Effective Development

➢ South-South and Triangular Cooperation for Sustainable Development

- **Locally Owned Solutions that are Appropriated to Country Context → Cooperation with Neighbouring Countries**
- **Effective Cooperation for Cross-Border Development Projects**

- Concerted Efforts for GMA Development

- EDCF Financing for Road Construction Projects

Cooperation for Effective Development

➢ Encouraging Private sector participation

- **Focus on PPP(Public – Private Partnership) to Boost Private Sector's Participation in EDCF**

- PPP scales up private sector development and private sector operations

THANK YOU!