INSTITUTIONAL DETERMINANTS FOR DRY PORT DEVELOPMENT AND LOGISTICS PERFORMANCE IN CAMBODIA

Phnom Penh, 22 October 2019

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PROJECT SCOPE AND ACTIVITIES

- Study, compile and analyze the relevant institutional frameworks in the participating countries on the basis of good practice example in Republic of Korea:
  - Study visit of ESCAP and all project focal points to RoK 17-18 October 2018 (MOLIT and Uiwang ICD)
  - Study visit of ESCAP project team to OTP and Laem Chabang (Bangkok) on 27-28 November 2018
  - Study visit of ESCAP project team to Pnom Penh on 23-24 January 2019 (MPWT and Tec Srun)
  - Study visit of ESCAP project team to Vientiane on 11-12 February 2019 (MPWT and Thanaleng)
  - Study visit of ESCAP project team to Hanoi on 28-29 March 2019 (MoT and My Dinh)
  - April-June 2019: compilation and analytical assessment of information, preparation of first draft study report
  - 25 June: Workshop
  - July-August: Finalization of study report
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Table 3: Uiwang ICD component facilities and land area
Table 4: (New) My Dinh ICD component facilities and land area
Table 5: Tec Srun component facilities

FIGURES
Figure 1: The two dimensions of institutional strength
Figure 2: Sectoral policies relevant for dry port development
Figure 3: Uiwang container throughput trend
Institutional Framework refers to formal organizational structures, rules and informal norms for service provision including:

- ESCAP Agreements;
- Governance institutions (domestic)
- Legal institutions (domestic)
- Social and organizational structures (domestic)
Is there a positive correlation between strong logistics performance and institutional arrangements?

Which institutional elements can be more positively linked to dry ports and logistics policy?

How can we measure institutional strength?

How can countries strengthen their institutions to perform better in logistics?
**METHODOLOGY**

- Key dimensions of Institutional strength: Enforcement and stability

- Identification of key institutional components
- Assessment of whether they exist or not in the participating countries
- Analysis of institutional components
Seven key components identified in RoK:

- (i) it is a Party to ESCAP’s Intergovernmental Agreement on Dry Ports;
- (ii) its actions in that regard are guided by a relevant national masterplan;
- (iii) a lead decision-making entity has been designated;
- (iv) there is a multi-agency coordination mechanism at the policy level;
- (v) there is coordination across mode-specific authorities in defining infrastructure and/or investment plans;
- (vi) the private sector has a defined role and involvement in the policy consultation process and;
- (vii) there is a legal framework on Public-Private-Partnerships that enables/facilitates private sector financing and investment in facilities.
Key Findings
(i) Being a Party to the Agreement

- The Intergovernmental Agreement on Dry Ports provides a flexible and regionally defined framework for Dry Port development.
- The Agreement can contribute to long term development and institutional stability.
- It can help identify the entity responsible for leading, coordinating and implementing Dry Port Policy domestically.
- Two countries in the project are not yet Parties.
Key Findings
(ii) Existence of a national masterplan

- A national masterplan:
  - Can help define and guide key priorities;
  - Can provide a framework for cooperation among stakeholders;
  - Can coordinate sub-sectoral policies
- All countries in the project have national masterplans for logistics and/or dry ports. However:
  - Different set-ups and content
  - Mandates are defined at different government levels
  - Different implementing methods
- The report describes the differences between masterplans
A lead entity:

- Serves as a visible head and leader in policy formulation/implementation
- Can ensure policy coherence and clarity
- Can define a common vision across sub-sectors

Three of the project countries do not have a clearly designated lead entity.
Key Findings
(iv) Multi-agency coordination mechanism at the policy level

- An institutionally mandated coordination mechanism:
  - Allows dialogue and analysis of interrelated policies
  - Can ensure good coordination within the government
  - Can create synergies and economic advantages
  - Can clearly prioritize policy objectives

- Only one of the project countries does not have a clearly designated coordination mechanism, but implements informal coordination.

- The other countries have established different types of mechanisms, described in the study report.
Key Findings

(v) Coordination across mode-specific authorities

- Coordination across modal authorities (road, rail, IWT, maritime):
  - Can ensure cost efficiency in infrastructure planning and delivery
  - Can promote intermodal transport and modal shift
  - Can create better connections to seaports
  - Can clearly prioritize intermodal policy objectives through dry ports that are served by more than one mode of transport

- Only one of the project countries does not have a clear coordination across mode-specific authorities.

- The other countries have implemented varying levels of coordination practices, described in the study report.
Key Findings
(vi) Defined private sector role and participation

- The private sector are the major generators and users of cargo. Involving them in policy dialogue:
  - Can ensure inclusiveness
  - Can leverage private sector knowledge and innovation
  - Can help identify operational priorities
  - Can increase access to private capital

- Only one of the project countries does not have an institution-level mechanism for private sector consultation

- The other countries have implemented difference mechanisms for private sector consultation, described in the study report.
Key Findings
(vii) Existence of PPP specific framework

- A clear, stable and enforced PPP legal framework:
  - Can utilize private resources for infrastructure delivery as a public good
  - Can attract domestic and private investment on clear terms
  - Can provide access to better technology and expertise
  - Can mitigate public sector financial risks

- Two of the project countries do not have a clearly elaborated PPP law
- The other countries have PPP law at varying degrees of maturity.
## Key Findings

<table>
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<th>Elements</th>
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<th>Lao PDR</th>
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National policy should ideally be conceived in an integrated manner and not as the sum of sector development plans.

Planning should be done through a participative process that is public-private and inter-institutional.

The development of a national policy on infrastructure, transport and logistics is a process of ongoing improvements, requires periodic modifications.

Forums should be created for dialogue and analysis, as well as that coordination and cohesion be achieved within the government and beyond.

A lead agency serving as the visible head under clearly defined jurisdictional relationships has shown to make a difference towards a common vision and execution of related policies.
Conclusions and Recommendations

Integrated logistics and multimodal transport require:

• modern legal frameworks and flexible structures;
• the establishment of a legal frame of reference that is clear, cohesive and condensed into a single legal body that will facilitate enforcement;
• policies that ensure coherence and consistency of national policies and enable synergistic outcomes; and
• the drafting of legislation that streamlines the logistics and transport of products, and not merely as a function of the mode by which they are transported.
Thank you

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