



Cambodia' Experiences, Challenges, Lessons Learnt and the way forward on sustainability and leveraging

REGIONAL WORKSHOP
on

EIF Phase Two: Enhancing Value for Money
Bangkok, Thailand, 8-11 November 2016

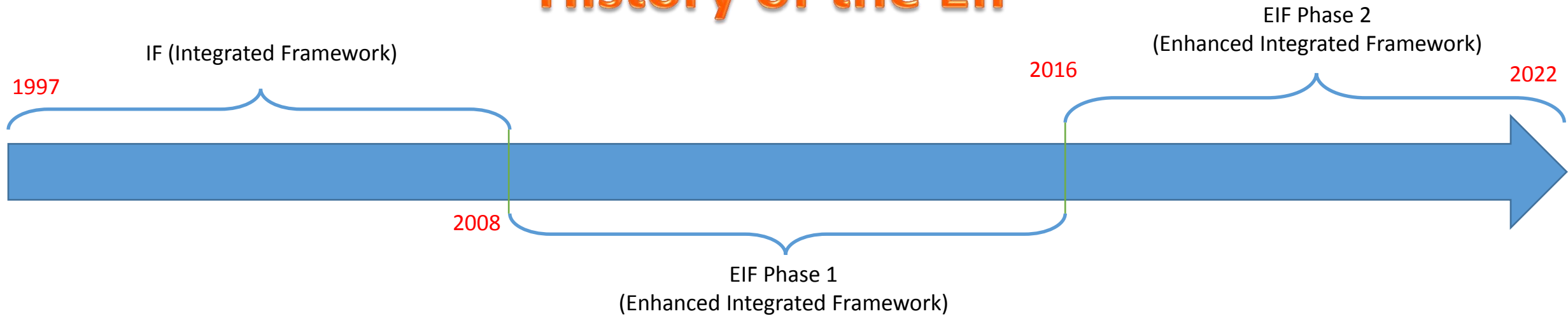
By *CHHIENG Pich*,
Director, DICO
National Project Director, TDSP
Director, EIF-NIU



Designed by CHHIENG Pich



History of the EIF



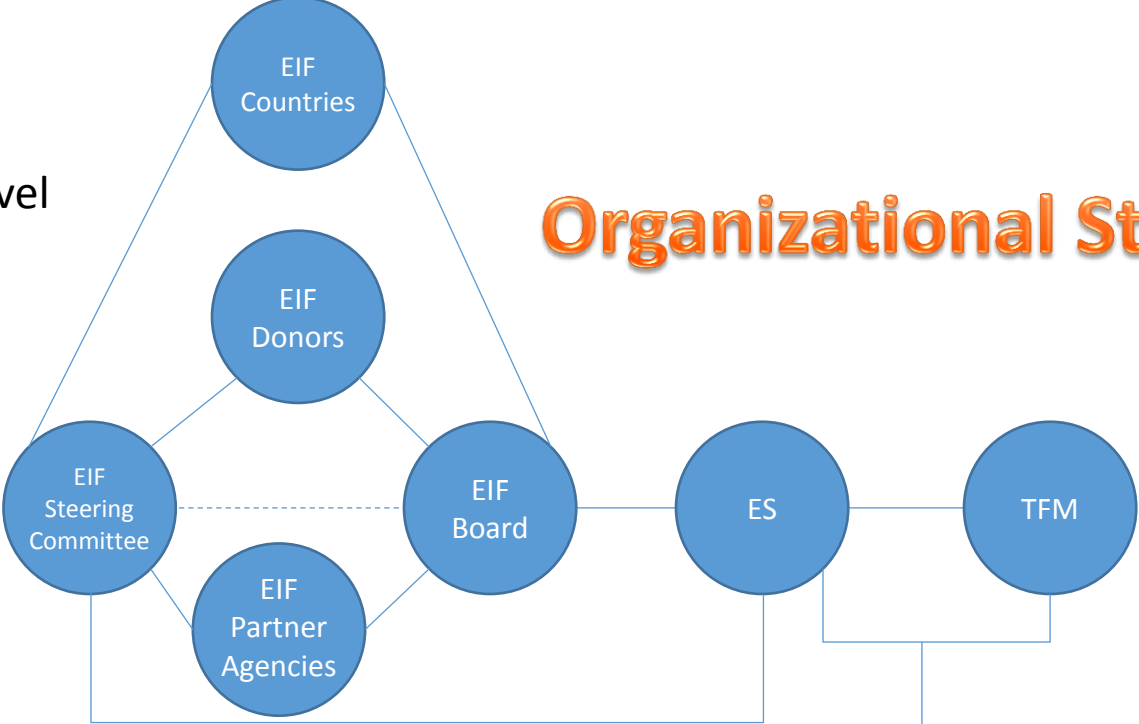
- IF was established in 1997 and reviewed in 2005,
- Objective is to support LDCs to better integrate into the global trading system and to make trade a driver for development,

- EIF was established in 2007; implementation started in 2008; 5-year mandate,
- Objectives:
 - ✓ Increasing financial resources and their predictability,
 - ✓ Strengthening of national institutions,
 - ✓ Enhancing the global governance of the program to support beneficiary countries,
 - ✓ Improving M&E

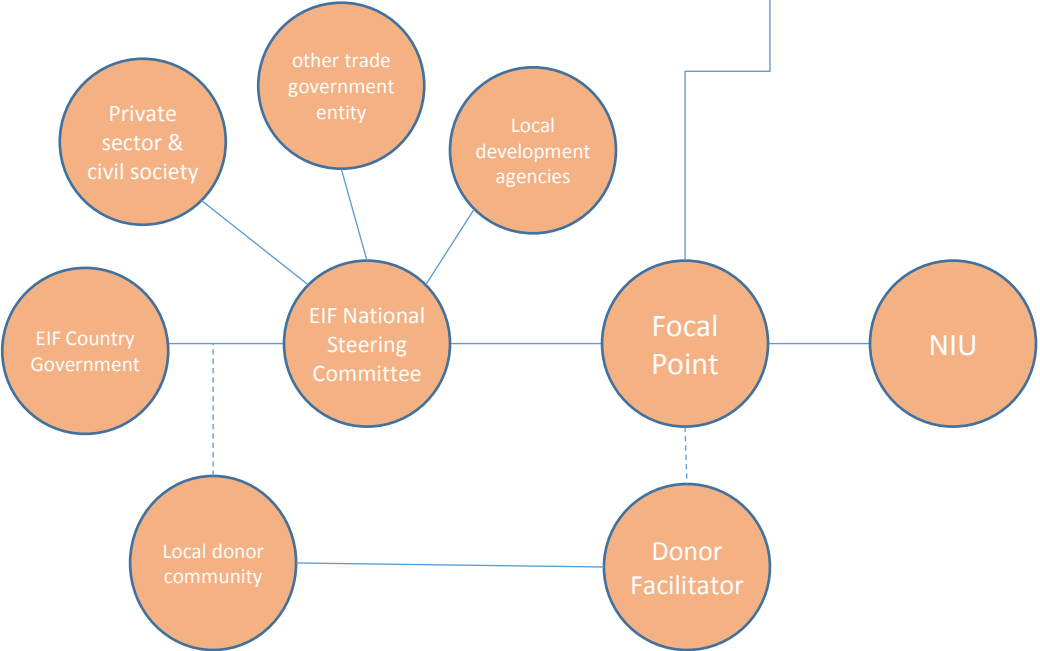
- EIF Phase 2 launched in Jul 2015; implementation starts in 2016;
- EIF Phase 2 will produce more dynamic and result-driven EIF
- Demonstrating increased efficiency, increased effectiveness, increased sustainability and value for money, stronger results-framework, enhanced governance, full risk assessment, strengthening executive secretariat,
- Leveraging AfT resources while assuring that capacity improvements for all LDCs are sustained,

Organizational Structure of EIF

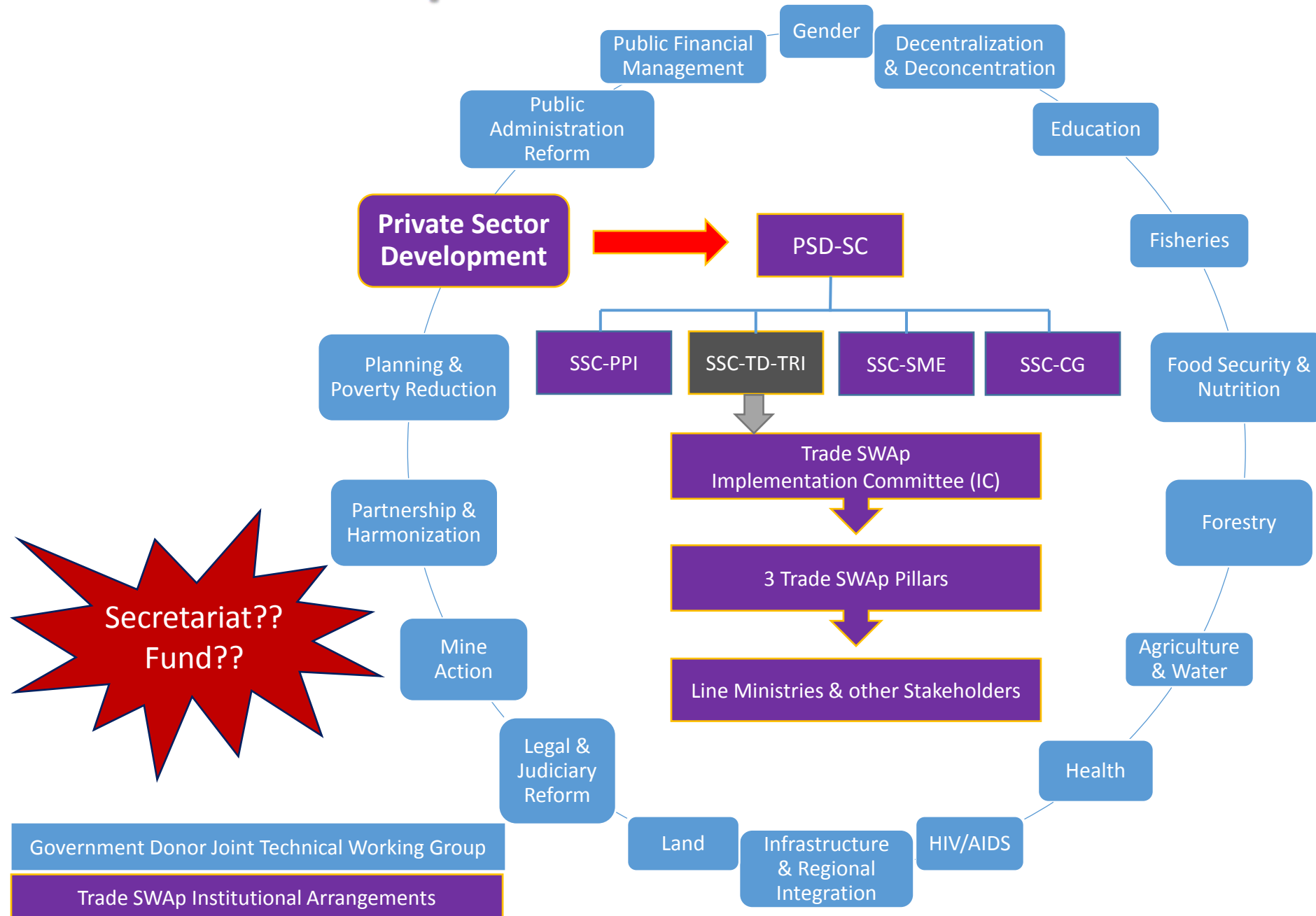
Global Level



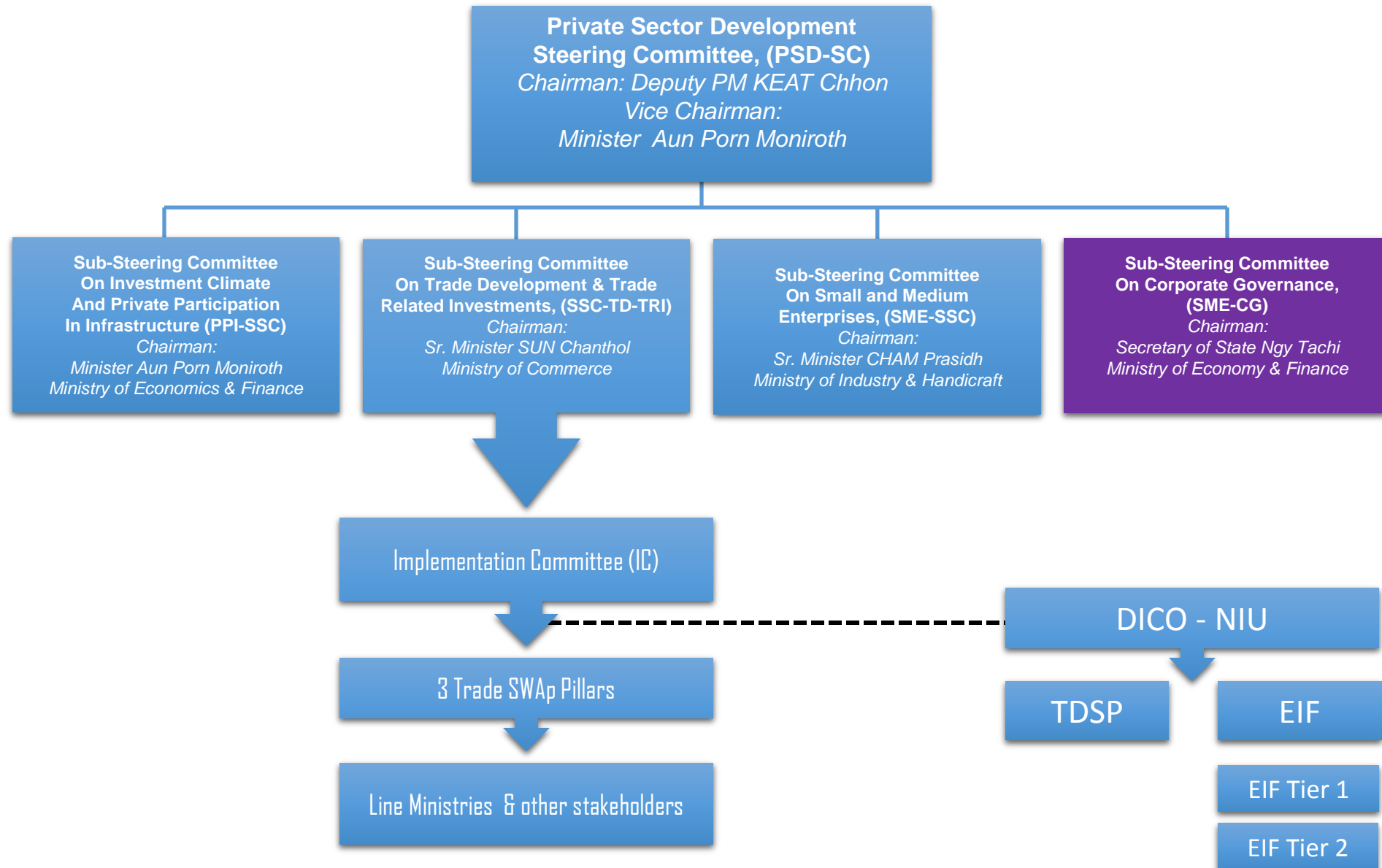
Country Level



Institutional Map

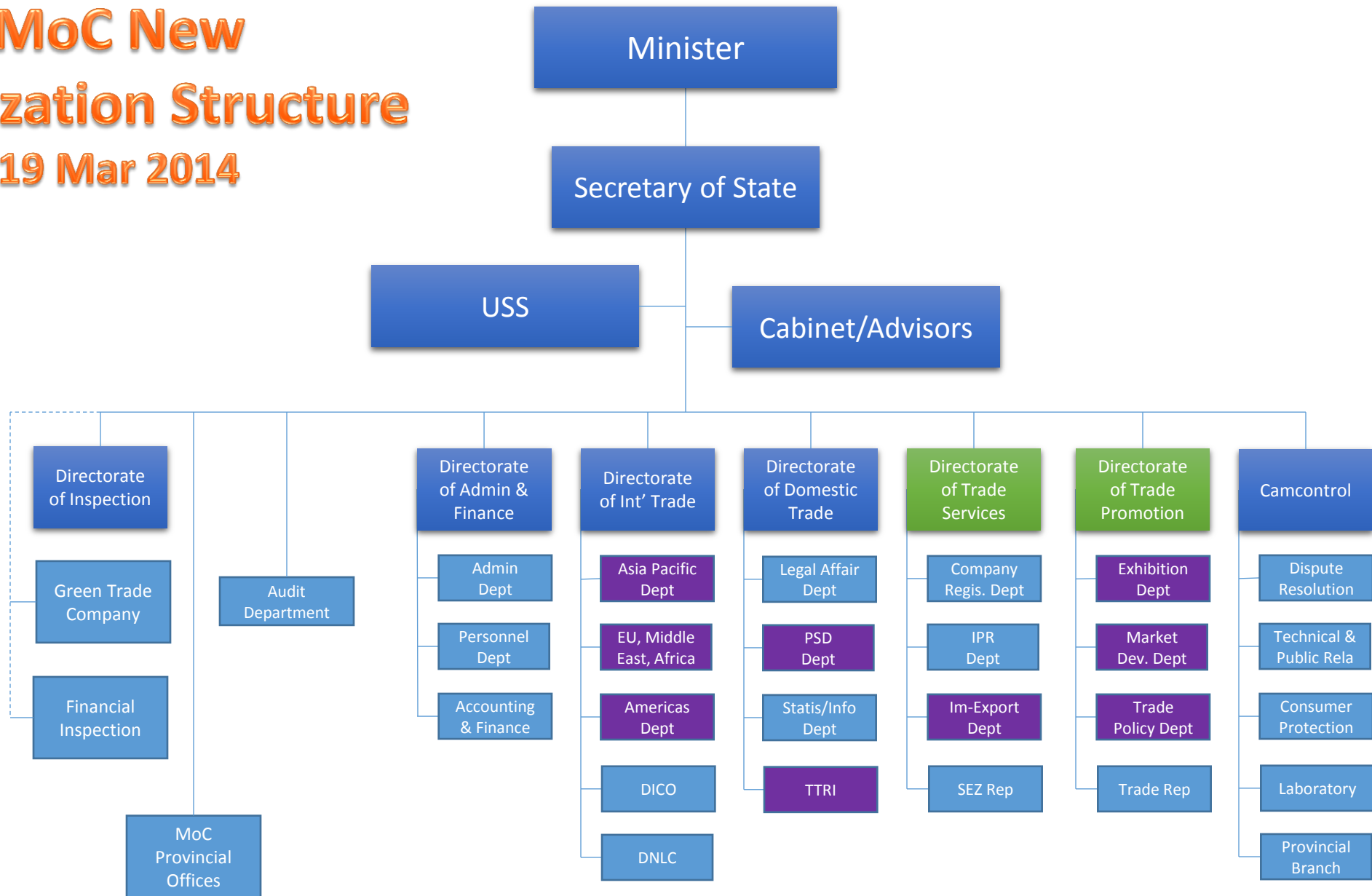


Private Sector Development Steering Committee (PSD-SC)



MoC New Organization Structure

19 Mar 2014



DICO: Dept of International Cooperation; DNLC: Notification & Legal Compliance Dept; TTRI: Trade Training and Research Institute; PSD: Private Sector Development;

what is a SWAp?



Sector **W**ide **A**pproach

a new way of delivering trade-related assistance

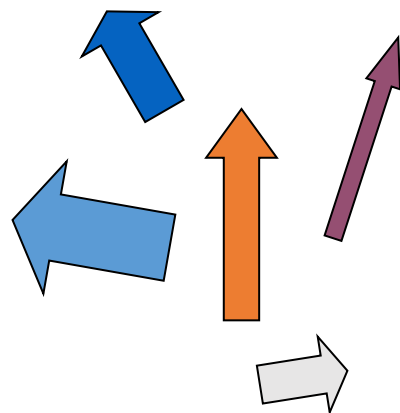
- + more attention for overall **policy** coherence
- + improved **planning, coordination, monitoring**
- + stronger role for **government**
- + more attention for **capacity** building



SWAp represents a Programmatic Approach

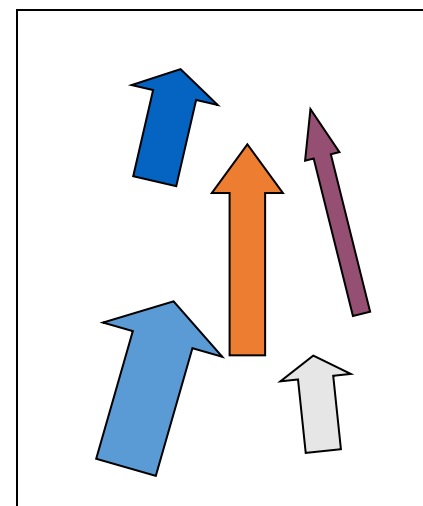
Project Approach

A set of
unrelated
projects

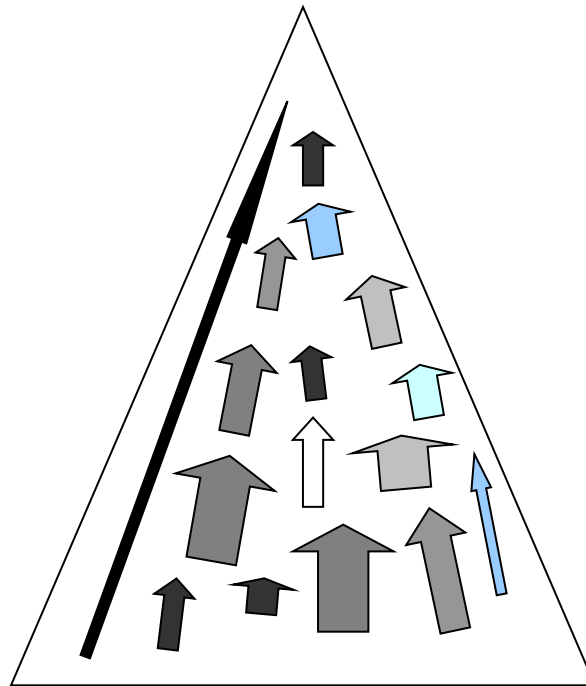


Program Approach

A set of interventions
aimed towards a
shared program goal



Parts of a Program Approach



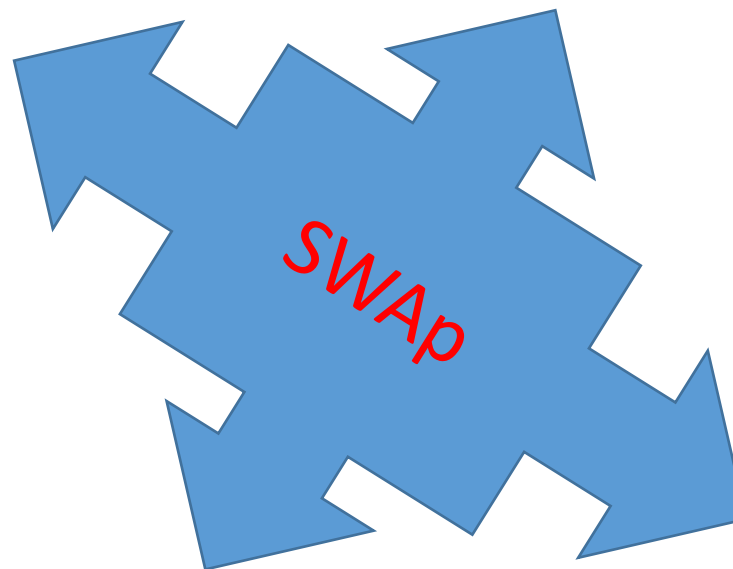
- Analysis / Social research
- Direct delivery
- Capacity development
- Advocacy
- Facilitation
- Mediation
- Awareness raising on rights and responsibilities



why a Trade SWAp?

Coordination
with DPs

Monitoring and
Evaluation
Framework



Planning and
Programming

Pillar WG, IC and SSC
work



CAMBODIA'S DIAGNOSTIC TRADE INTEGRATION STRATEGY AND TRADE SWAp ROADMAP 2014-2018

FULL REPORT



PHNOM PENH, JANUARY 2014



CTIS

(CTIS 2014-2018) and SWAp
roadmaps launched on 18 Feb
2014 by our Prime Minister.

Five Goals

Twenty
strategic
outcomes

And 134
Indicative
Actions

Table 0.2: Development Impacts and Strategic Outcomes Trade SWAp 2014-2018

Development Impacts/Goals	
Impact/Goal 1	Improved competitiveness contributes to reduce poverty through better and new job
Impact/Goal 2	Significant increase in the contribution of the trade sector to GDP and deepening diversification of Cambodia's export base
Impact/Goal 3	Strengthened capacity of RGC to formulate and implement trade policies and strategies
Impact/Goal 4	Responsiveness of RGC to private sector needs increases as a result of better dialogue
Impact/Goal 5	Improved planning, implementation, and monitoring capacity of RGC through implementing Trade SWAp
Strategic Outcomes	
<i>Pillar One</i>	
Outcome 1	Trade Policy Reform and Trade Negotiations: Cambodia meets its trade legal reform obligations under WTO and ASEAN; strengthens its access to markets through trade negotiations; enhances the transparency of its trade rules and laws
Outcome 2	Trade Facilitation: Cambodia increases its competitiveness through reduced import/export costs
Outcome 3	Trade Logistics: Cambodia increases its competitiveness through improved trade logistics
Outcome 4	Technical Standards and SPS Requirements: The capacity of Cambodian exporters to meet technical and SPS requirements standards set by importers and importing countries increases
Outcome 5	Investment Environment for Exports: The environment for investment in the ten DTIS 2013 focus export sectors is strengthened
Outcome 6	Intellectual Property Rights: A modern, trade-supportive intellectual property rights framework is established, implemented, and enforced
<i>Pillar Two</i>	
Outcome 7	Garment: Cambodia continues to grow and diversify its garment export sector through targeting new markets, increasing domestic inputs, and expanding in higher value products
Outcome 8	Footwear: Cambodia continues to grow and diversify its footwear export sector through targeting new markets and developing new market segments
Outcome 9	9A: SEZs: Cambodian SEZs increase their competitiveness and attract additional manufacturing investment 9B: Light Manufacturing Assembly: Cambodia emerges as a node in regional production networks
Outcome 10	Processed Food: Cambodia continues to grow and diversify its processed food sector through new export markets, moving to higher value products, and expanding domestic inputs
Outcome 11	Fisheries Products: A sustainable fisheries sector sees Cambodian exports increase as a result of improved quality, growing production volumes, and strengthened access to markets.
Outcome 12	Milled Rice: Cambodia achieves the target set out under the RGC 2010 Rice Policy for export of milled rice
Outcome 13	Cassava: Cambodia consolidates its exports of Cassava through direct exports to such countries as China and Republic of Korea and lessens its dependency on exports of unprocessed tubers to Thailand and Vietnam
Outcome 14	Rubber: Cambodia progresses towards becoming a key producer and exporter of rubber
Outcome 15	Tourism: Cambodia progresses towards RGC's 2020 target set for Tourism: 8 million foreign visitors
Outcome 16	High Value Silk Products: A small but growing number of Cambodian producers are able to design and export high-value silk products
<i>Pillar Three</i>	
Outcome 17	Skill Gap for Exports: RGC and Cambodian exporters meet the skill gap through the formal education sector and increased public-private partnership to develop vocational/technical education.
Outcome 18	Mainstreaming Trade: Trade development objectives are fully mainstreamed in national development strategy and in product and service sector strategies
Outcome 19	Monitoring and Mobilizing Aid for Trade: RGC's ability to M&E Results of Trade SWAp is strengthened, leading to stronger mobilization of Aft inside and outside SWAp
Outcome 20	Enhancing Private Sector Participation in Aft: A better structured dialogue between private sector and Government contributes to efficient public-private partnerships for trade development based on Aft resources

Projects supporting Trade SWAp

Reform and Cross-Cutting Issues for trade Development.

Pillar Goal I:

Strengthening competitiveness in existing export industries and promoting export diversification by improving formulation and implementation of trade policies and regulations

TDSP

Product and Service Sector Export Development.

Pillar Goal II:

Strengthen the supply capacity of the 10 product and service sectors identified in the 2014 Cambodia Trade Integration Strategy (CTIS)

**CEDEP I
CEDEP II
CEDEP III ?**

Capacity Development.

Pillar Goal III:

Strengthening and Cambodian Trade Stakeholders to implement, update and manage RGC's trade development agenda and to negotiate the country's interests in trade and trade-related investment forums.

TIER 1

CEDEP Contribution to SWAp

Under Trade SWAp Pillar 2, CEDEP targets:

- | | |
|--|-----------------|
| <input type="checkbox"/> Milled Rice (CEDEP I) ended Mar 2015 | IFC |
| <input type="checkbox"/> High Value Silk (CEDEP I) ended Jun 2016 | ITC |
| <input type="checkbox"/> Cassava (CEDEP II) until April 2017 | UNDP |
| <input type="checkbox"/> Marine Fisheries (CEDEP II) until Aug 2017 | UNIDO |
| <input type="checkbox"/> Tourism (CEDEP II as PPP) until May 2018 | SHIFT 360 (NGO) |
| <input type="checkbox"/> Rubber | |
| <input type="checkbox"/> Garment | |
| <input type="checkbox"/> Footwear | |
| <input type="checkbox"/> Processed Food (CEDEP III – PLANNED) | |
| <input type="checkbox"/> Manufacturing Assembly Clusters (CEDEP III – PLANNED) | |

TDSP at glance

1. Project Development Objectives (PDOs): TDSP will contribute to increase the Royal Government of Cambodia's efficiency in formulating and implementing effective trade policies.
2. Multi-Donor Trust Fund : EU, DANIDA & UNIDO
3. Trust Fund Manager : World Bank
4. Executing Agency : DICO/MoC
5. Board approval date : 07 Jan 2009
6. Effective date : 09 Mar 2009
7. Duration : 5 years (until 31 Mar 2012)
8. Original budget : US\$12,350,000
9. Additional budget : US\$3,100,000
10. First extension : 31 Jan 2014 (22 months)
11. Second extension : 31 Mar 2015 (14 months)
12. Third extension : 14 Aug 2016 (17 months)
13. EU-ROM & WB Implementation Support Mission: 22 Sep – 02 Oct 2015
14. Last WB Implementation Support Mission : 02-12 May 2016
15. Implementation Completion & Results Report Mission: 19-30 Sep 2016

EIF in brief

EIF Tier 1	EIF Tier 2
<ol style="list-style-type: none"> 1. Title: Strengthening Institutional Mechanisms for Formulating, Implementing, Managing and Monitoring Cambodia's Trade Integration Strategy. 2. PDO: is aimed at strengthening the in-country arrangements for EIF in order to increase Cambodia's ownership of TRTA and maximizing the benefits that the country, in particular the private sector, can derive from the EIF. 3. Multi-Donor Trust Fund: 23 donors 4. Trust Fund Manager: UNOPS 5. Executing Agency: DICO/MoC 6. Starting date: Feb 2010 7. Closing date: 30 April 2016 8. Government in-kind fund: US\$200,700 9. EIF Fund: US\$1,493,900 10. Total budget: US\$1,694,600 11. Final Evaluation (Completed in June) 12. Project Completion Report (Completed) 	<ol style="list-style-type: none"> 1. Title: Cambodia Export Diversification and Expansion Program (CEDEP I) 2. PDO CEDEP I: to strengthen and diversify export supply capacity in Milled Rice, High-Value Silk sectors and enhance the capacity of DICO/MoC to monitor and evaluate substantive progress of Cambodia's Trade Sector Wide Approach (Trade SWAp). 3. Implementing Agency for CEDEP I <ul style="list-style-type: none"> • Milled Rice by IFC (Completed in June 2016) • High-Value Silk by ITC (Completed in March 2016) • M&E function by DICO/MoC (To be completed on 26 October 2016) <ol style="list-style-type: none"> 1. PDO CEDEP II: to strengthen and diversify export supply capacity in cassava, marine fishery products, academy of culinary arts of Cambodia and enhance the capacity of DICO/MoC to monitor and evaluate substantive progress of Cambodia's Trade Sector Wide Approach (Trade SWAp). 2. Implementing Agency for CEDEP II <ul style="list-style-type: none"> • Cassava by UNDP • Marine Fisheries by UNIDO • ACAC (Academy of Culinary Arts of Cambodia) by Shift360 • M&E function by DICO/MoC • Starting date: 11 Aug 2014 • Closing date: 11 Aug 2017

Challenges, Lessons Learnt & Way forward

Challenges	Lessons Learnt	Way forward
<ul style="list-style-type: none"> ○ Leadership and Coordination are big challenge to manage such a big program, ○ Cooperation among the stakeholders in cross-cutting issues, ○ Mobilizing financial support, ○ Buy-in from line ministries, ○ Limited time of core team participation, ○ Low staff salary is another area 	<ul style="list-style-type: none"> • Political will and proactive engagements of stakeholders are the driving force, • Capacity building will never end, • Donor coordination is quicker said than done, • Participation from all stakeholders is key to success, and should be further encouraging, • Trade SWAp is the enabling environment, not a funding modality: mobilize extra resources to make it last, 	<ul style="list-style-type: none"> ✓ Bridging the gap with and building solid foundations for next 5-year AFT cycle (2017-2021)/ Sustainability Support Proposal/ Medium Term Plan 2016-2020, ✓ Promoting the National ownership, ✓ Promoting the collective actions through Public Private Partnership (PPP) mechanism, ✓ Accelerating growth and diversification of economic base and enter regional and global supply chains.



សូមអរគុណ! Thank You!

ក្រសួងពាណិជ្ជកម្ម

នាយកដ្ឋានសហប្រតិបត្តិការអន្តរជាតិ

អាសយដ្ឋាន: ផ្លូវលេខ ១៩-៦១ វិថីក្រសួងពាណិជ្ជកម្ម
(១១៣បេ), ភូមិទឹកថ្លា, សង្កាត់ទឹកថ្លា, ខណ្ឌសែនសុខ,
រាជធានីភ្នំពេញ ១២១០២

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