

**World Bank Group Consultations on Cambodia's Development Challenges and Opportunities**  
**Consultation with Parliament**  
**July 13, 2015**  
**SUMMARY OF FEEDBACK**

The World Bank Group (WBG) met with 24 members from the National Assembly on July 13, 2015, to exchange views and perceptions on Cambodia's development opportunities and pressing challenges, and ways to address them in the next two to three years. The participants included representatives from both the ruling and opposition parties. In addition, eight participants were from the National Assembly Secretariat. The discussion focused on three guiding questions:

1. What are Cambodia's development opportunities in the next 2-3 years?
2. What are Cambodia's most pressing challenges to be addressed in the next 2-3 years?
3. What policies, reforms and investments will be most important for Cambodia over the next 2-3 years to realize these opportunities and overcome these challenges?

**1. What are Cambodia's development opportunities in the next 2-3 years?**

- These are well spelled out in current Government's strategy and priorities, and the World Bank's presentation is consistent with this strategy.
- Cambodia can leverage World Bank Group support to promote its development goals.

**2. What are Cambodia's most pressing challenges to be addressed in the next 2-3 years?**

- Lack of skills
- High vulnerability and unequal wealth distribution
- Security of land access and land grabbing remain an issue



<ul style="list-style-type: none"><li>• Weak institutions</li></ul>
<ul style="list-style-type: none"><li>• Low productivity of agriculture; high price for agriculture inputs and low price for crops</li></ul>
<ul style="list-style-type: none"><li>• Inadequate irrigation system—lack of secondary and small canals and water user groups (farmer groups)</li></ul>
<ul style="list-style-type: none"><li>• Illegal migration</li></ul>
<ul style="list-style-type: none"><li>• No clear study on the micro-finance institutions regarding high interest rate, and impact on borrowers.</li></ul>
<b>3. What policies, reforms and investments will be most important for Cambodia over the next 2-3 years to realize these opportunities and overcome these challenges?</b>
<ul style="list-style-type: none"><li>• Invest in rural electricity, irrigation, rural roads and increased access to finance and key inputs such as fertilizer.</li></ul>
<ul style="list-style-type: none"><li>• Accelerate economic development by focusing on agriculture and exports, with enhanced support from the international community.</li></ul>
<ul style="list-style-type: none"><li>• Cambodia’s competitiveness with ASEAN will depend on a major improvement in the country’s level of human capital. Skills development is a long-term investment that requires sustained investment in education and vocational training.</li></ul>
<ul style="list-style-type: none"><li>• Transparency and effectiveness of public financial management.</li></ul>
<ul style="list-style-type: none"><li>• Develop a rice production master plan for short-, medium- and long-terms.</li></ul>
<ul style="list-style-type: none"><li>• Focus on the services sector like Singapore.</li></ul>
<ul style="list-style-type: none"><li>• The World Bank should focus on three priority areas: extend the electricity grid, help improve rural incomes, and increase investment for agriculture (including irrigation).</li></ul>
<ul style="list-style-type: none"><li>• The World Bank should assess the impact of the micro-finance-institutions or other loans to farmer and assess the price of fertilizer.</li></ul>