

Cambodia Country Partnership Framework 2019-2023

Summary of Consultation Discussions with Subnational Government

Phnom Penh, January 30, 2019

Participants: 57 representatives from subnational government (12 provincial level, 15 district level, 30 commune level)

Introduction: The World Bank team opened with a presentation outlining the country context and development priorities as identified in the Systematic Country Diagnostic (SCD), as well as the proposed areas of focus for the upcoming Country Partnership Framework (CPF), which align with priorities of the Royal Cambodian Government's (RCG) Rectangular Strategy. The proposed CPF focus areas include: 1) promote state efficiency and boost private sector development, 2) foster human development, 3) improve agriculture and strengthen sustainable use of natural resources; and a cross-cutting theme of strengthening governance, institutions and citizen engagement. In addition to the SCD pathways and RCG strategy, the CPF aims to consider the WBG's areas of comparative advantage. Participants split into breakout groups to brainstorm and record responses to the WB's discussion questions and then presented their conclusions.

Top issues raised in discussion: Capacity building, skills development, strengthening public service delivery, natural resource management and waste management, rural infrastructure, agriculture

Areas of discussion	Key points raised
What are Cambodia's most pressing development challenges and needs?	<ul style="list-style-type: none">• Natural resource management is a major issue affecting economic growth. There are issues with resource consumption, inappropriate waste disposal and environmental protection. Both cities and rural areas share a need for better waste collection, disposal/treatment, and water treatment. Education on pollution and other issues is essential. Natural resource issues also impact the agriculture sector. Natural resource law enforcement is also not effective to enforce policies.• Inadequate capacity of workers and the gender gap have seen progress but are still an issue.• SMEs are still not yet strong in Cambodia. They should be further supported for future economic development.• Cambodia's human resources are underdeveloped. Education needs to be targeted to critical skills needed for the future industries of the country.• Early childhood education is also an issue. In rural areas there may not be sufficient facilities, or it can be challenging to convince parents to send their young children to early childhood education, for a variety of reasons.• Cambodia has lower productivity and capacity than many other countries in the region. Processing should be improved. Some areas lack irrigation systems or sufficient water to practice improved agricultural techniques or cultivate during dry seasons.

	<ul style="list-style-type: none"> • Rural public works are inadequate and flooding results in road degradation and difficulty accessing some areas. In general, filling infrastructure gap the infrastructure gap should be a priority – roads, communications networks, schools, water systems. • Health facilities are lacking in some areas, while in others they are seen as inadequate, so people would rather travel to other countries for care. • Improving access to finance and encouraging private sector development are important. • Irresponsible lending practices leads to indebtedness in many communities, which is a risk factor for migration.
<p>What would be the priority areas for WBG support over the next 5 years? What should the WBG do more or less of?</p>	<p><i>Human Development</i></p> <ul style="list-style-type: none"> • Participants appreciated ongoing WB engagement in education, health, and skills development and urged the Bank to continue supporting these key sectors. • WB should continue to support improved quality of health services and the health equity fund to the poor. Improvement of services can help build trust in the local health system. Local health staff also need further training. • In the education sector, WB should encourage improved science education in rural areas, not just urban. Vocational training in agriculture and trades would be important to develop workers’ skills. WB should consider supporting community learning centers for training. • WB should consider partnerships and further consultations with the association of the poor, related to job creation. • Support to strengthening SMEs will be important for economic development. This should go hand in hand with developing workers’ skills and general curricula as well as improving technology <p><i>Rural Development and Infrastructure</i></p> <ul style="list-style-type: none"> • WB should invest in provincial infrastructure (ie. Water and sanitation facilities) to narrow the infrastructure gap. • Assist the association of the poor and expand livelihoods support projects. <p><i>Environment and Agriculture</i></p> <ul style="list-style-type: none"> • WB planned support to agriculture sector is appreciated. The Bank should support the sector through improving irrigation to allow for year-round cropping, diversification, improved techniques, and commercialization. • Ecotourism is an opportunity the WB should support and can help provide income to local communities, while ensuring that natural resources are protected. • Disaster risk management is an area that needs further attention, particularly flooding and drought, to reduce poverty caused by vulnerability. • WB should support pollution reduction. This entails improved waste disposal and treatment, elimination of public dumping and reducing the use of plastic.
<p>What could be the most significant</p>	<ul style="list-style-type: none"> • Inadequate capacity of implementing agencies can be a challenge, which may benefit from short and medium term training. More general sector reform and public financial management should also be improved to ensure that delivery is effective and efficient.

implementation challenges and how could they be mitigated?	<ul style="list-style-type: none"> • Global political and economic conditions also place pressure and external risks to projects in Cambodia. • Projects cannot be effective without the buy in and participation of the local communities. Work should be done to improve the understanding of local people about projects in their areas and ensuring that they participate. Projects should be better coordinated with local authorities in order to encourage community members to take part. • Low levels of enforcement of existing policies and rules regarding natural resource use poses a challenge. • It is difficult to continue projects after their closure. More training of community members and local government should be done to ensure sustainability. • Local knowledge and skills are drained by migration.
Other comments	<ul style="list-style-type: none"> • Many participants expressed a general appreciation of WB partnership and suggested to support projects that can be sustainable even after donor support has ended. They also mentioned the difficulty of choosing only a few areas of focus, when there are many different needs, particularly in rural areas, across the country.