



# JOINT EUROPEAN STRATEGY FOR DEVELOPMENT COOPERATION WITH CAMBODIA 2021-2027

This document outlines the Joint European Strategy (JES) for Development Cooperation with the Kingdom of Cambodia for the period 2021-2027. The participating development partners include Belgium, Czech Republic, the EU, European Investment Bank, France (with AFD), Germany (including GIZ and KfW), Hungary, Ireland, Sweden and Switzerland (hereafter referred to as “European partners”).



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# 1. OVERVIEW OF EUROPEAN PARTNERS' COOPERATION IN CAMBODIA

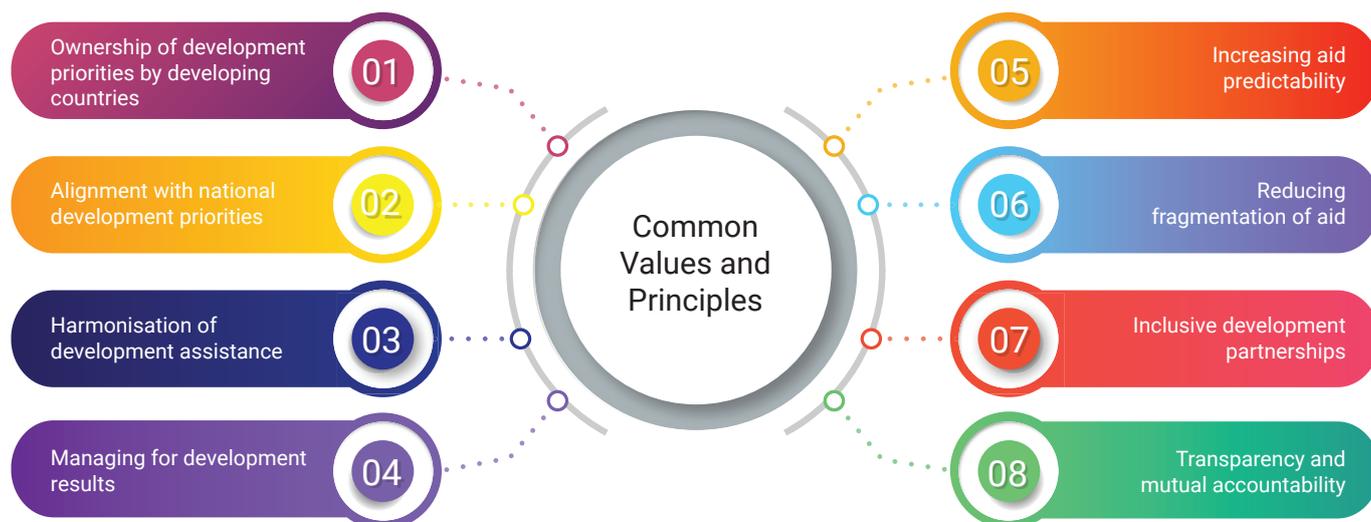
## 1.1 Status and basis for Joint Programming

The European partners have agreed to work closely together in their development cooperation with Cambodia, taking a so-called Joint Programming approach. This collaboration relies on a jointly established multiannual programming document framing their partnership with Cambodia, the **Joint European Strategy (JES)**. The overarching objective of Joint Programming and the JES is to promote European policy coherence, raise visibility and understanding of joint European commitments and to ensure greater impact of European cooperation, in partnership with Cambodia. The Strategy envisions providing effective support to a country-led sustainable development process that integrates the rights-based approach, reduces poverty and promotes inclusion, equity, equality and resilience. Democratic values, transparency and mutual accountability will underpin

European development cooperation in line with Global Partnership norms.

The JES (2021-2027) seeks to work with Cambodia for an inclusive, sustainable and climate neutral socio-economic recovery, support acceleration of reforms in line with Cambodia's national development agenda, as well as norms across a range of policy areas, in convergence with European global strategic priorities and values. It will foster connectivity and integration of Cambodia in ASEAN and the Greater Mekong Sub-region, and maximise the potential for connecting Cambodia to European expertise and standards. The JES will also establish closer collaboration with civil society, the private sector and education institutions. With this approach, the JES will also address the challenges reflected in the EBA partial withdrawal decision.

Common values and principles underpin the actions of European partners in Cambodia:



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## 1.2 Justification and context

European partners have been working together through Joint Programming (including Joint Implementation and Joint Analysis) since 2014, in partnership with Cambodia, to contribute to a life of dignity for all.

For the period 2021 – 2027, the JES focuses on areas of cooperation where the European priorities and comparative advantages meet with Cambodia's priorities and fit into cooperation areas of the EU-ASEAN strategic partnership.

### a. EU's global priorities and comparative advantages for development cooperation

According to Article 208 of the Treaty on the Functioning of the European Union and Article 21(2) of the Treaty of European Union, the aim of its development cooperation is fostering the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty.

The European Consensus on Development (2017) emphasises this goal by aligning the Union's development policy with the 2030 Agenda. The European Consensus on Development further underlines that democracy, the rule of law, human rights and the principles of equality and solidarity are at the heart of the 2030 Agenda.

With the European Green Deal, the EU has laid down its new green growth strategy with a roadmap towards climate neutrality by 2050, positioning itself as a frontrunner for climate action. EU's development cooperation can be a mechanism to contribute to climate and environmental protection (including clean energy) beyond the European Union and to support developing countries on this path towards a global ecological transformation.

### b. Cambodia's development priorities

The Rectangular Strategy – Phase IV (RS4) represents the Royal Government of Cambodia's development vision for the period 2019-2023 and aims at moving the country towards its goal of becoming an upper middle-income country by 2030 and a high-income country by 2050. With its central themes of Growth, Employment, Equity and Efficiency, the RS4 comprises a core of governance reform and four priority objectives ("rectangles").

The National Strategic Development Plan (NSDP, 2019-2023), which integrates the Cambodian SDGs, operationalises the RS4 agenda and provides indicative costings and a monitoring framework. Cambodia's RS4 underpins a set of national strategies and plans (most of which extending to 2030) that are focused on Cambodia achieving upper middle-income status. The RS4 states that this transition requires strengthening of public institutions and public sector capacity, respect for human rights, governance and the rule of law, structural change, quality jobs, public services, income security (especially for persons in vulnerable situations), industry 4.0, natural resources management and climate change. RS4 also has a focus on efficiency and horizontal coordination.

Sector programmes and major government reform programmes provide detailed inputs to the NSDP and enable it to elaborate the high-level policy direction set out in the RS4. The Royal Government's Development Cooperation and Partnerships Strategy (DCPS) outlines coordination and dialogue arrangements as part of Cambodia's commitments to implementing the Global Partnership's development effectiveness principles.

### c. EU-ASEAN strategic partnership

The ASEAN and the EU opened a new chapter in their relationship by becoming Strategic Partners on 1 December 2020. The 23<sup>rd</sup> ASEAN-EU ministerial meeting highlighted the shared position on enhancing cooperation on the implementation of the 2030 Agenda and its Sustainable Development Goals, the Paris Agreement on Climate Change, and the Sendai Framework for Disaster Risk Reduction. It recognised that a common effort is needed to conserve and sustainably use the region's natural heritage. The EU and ASEAN relations are based on shared values and principles, such as a rules-based order, multilateralism and free and fair trade. The main areas of EU-ASEAN cooperation are economic cooperation, sustainable development, sustainable connectivity and security cooperation, whereby European development cooperation focuses mainly on the first three areas.

Furthermore, the 2020 agreed Regional Comprehensive Economic Partnership (RCEP) provides a framework to enable better regional trade (and beyond). In the mid-term, this provides an opportunity for the European Partners to assist Cambodia achieve better integration of its economy and value chains globally and in the region, in line notably with Cambodia's Industrial Development Policy 2015-2025.



#### d. Development challenges and opportunities created by the COVID-19 pandemic

Cambodia has performed well in containing the spread of the pandemic during its first year. The overall effects of the pandemic are socio-economic, with reduced growth rates as well as rising unemployment. The important sectors of tourism and hospitality as well as garment have been very severely hit. The Cambodian government has adopted a range of measures to cushion the social and economic impacts of the pandemic, as defined in the National Action Plan “Preparing for and responding to Novel Coronavirus (COVID-19) in the Kingdom of Cambodia”. Although there is high uncertainty about how long the COVID-19 pandemic will last, it is likely to continue to affect the economy, with the risk of slowing down the process for Cambodia to become an Upper Middle-Income Country. At the same time, the recent development challenges created by the pandemic have also generated opportunities for cooperation to “build back better”. These opportunities received particular considerations in reorienting European Partners’ cooperation with Cambodia, not least in the framework of the Team Europe Initiatives.

### 1.3. Overall Objectives and Priority areas of the Joint European Strategy with Cambodia

The **Overall Objective** of the Joint European Strategy (2021-2027) is to work in partnership with the Royal Government of Cambodia in furthering the implementation of the Agenda 2030 and the Sustainable Development Goals, to support Cambodia’s connectivity with ASEAN and to narrow the development gap vis-à-vis ASEAN member states, for improved regional and global integration. European partners will contribute to reduce poverty and inequality in the country by promoting inclusive, sustainable and green growth, decent job creation, human development as well as democratic, transparent and accountable governance. The European Partners will aim at strengthening institutional capacities at all levels, at fostering an active and diversified civil society in Cambodia and promoting a results-oriented and rights-based approach, gender equality and women empowerment.



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To achieve this overall objective, the European Partners will focus on six priority areas where there is momentum for reform and alignment with Cambodia's development agenda in convergence with European priorities and values, as well as an identified added value of European partners together. The six areas are:

- 1. Strengthen democratic accountability,** integrity and effectiveness of Cambodia's public institutions, systems and services at all levels ('supply side of governance') with particular focus on major governance reform programmes, including corruption.
- 2. Foster democratic participation,** respect for human rights, gender equality, and support an enabling environment for civil society in Cambodia ('demand side of governance').
- 3. Support quality, accessible and inclusive services to strengthen human development** that contributes to sustainable socioeconomic development, and poverty alleviation, encompassing education, skills development and TVET, health, nutrition and social protection as well as social and rural infrastructure.
- 4. Enhance competitiveness of Cambodia on the regional and global marketplaces** through trade and private sector development, an enabling business environment and sustainable production as well as decent employment practices in line with international standards.
- 5. Sustainable green development,** including management of Cambodia's natural resources, environmental protection and conservation, disaster risk reduction and resilience to climate change, promote green energy and energy efficiency, the sustainable development of agriculture, aquaculture and fisheries, forestry and mine clearance.
- 6. Active and coordinated support to the preservation of Cambodia's cultural heritage,** with a particular but not exclusive focus on Angkor.

A sectoral division of labour and indicative financial allocations by sector and by partner will guide implementation for the period of the strategy.

In comparison to the previous JES (2014 – 2020), the focus remains on governance reforms, social development, and strengthening of the economy as

well as support to Cambodia's integration in the region and beyond. However, the new strategy puts more emphasis on strengthening socio-economic recovery and resilience, especially related to health, green growth, decent job creation, skills, social protection and livelihoods in response to the COVID-19 pandemic.

This approach reflects the shift from the social-oriented MDGs during the first strategy cycle 2014-2020 to the now broader Agenda 2030 and SDGs and is in line with the European global priorities, including the Green Deal. It also contributes to realise the SDGs objective 'leave no one behind' and post-COVID-19 principle to 'build back better', alluding to the need for a green recovery, adoption and alignment with international norms and standards in Cambodia and at the regional level.

All priority areas include measures to address the systemic challenges of capacity and coordination, both across Government and with development partners. As stated above, crosscutting priorities, such as the rights-based approach (non-discrimination, participation, transparency and accountability), climate & environmental sustainability, gender equality, women empowerment and youth engagement will underpin all the priority areas. The Joint European Strategy also identifies entry-points to advance digitalisation and assist the Royal Government's lead agencies to ensure compatibility, sustainability of ICT solutions and alignment with relevant international norms and standards, in particular as regards data protection.



## 2. EUROPEAN PARTNERS' SUPPORT PER PRIORITY AREA

The six priority areas presented in this section are mutually reinforcing and, when viewed as a whole, define a balanced and coherent cooperation programme that is relevant to national priorities and consistent with the European priorities and the “policy first” approach.

### 2.1 Priority area 1 - Strengthen democratic accountability, integrity and effectiveness of Cambodia’s public institutions, systems and services at all levels (‘supply side of governance’) with particular focus on major governance reform programmes, including corruption.

European Partners will support the **Public Financial Management (PFM)** Reform Program to enhance fiscal discipline, raise efficiency and transparency on budgeting and accountability, increase domestic resource mobilisation, improve allocation of financial resources for a better-quality service delivery, citizen’s participation and Parliamentary oversight. The European Partners will support a greater involvement of line ministries in the implementation of the reform program. In the context of the PFM reform intervention, the European Union may provide additional support to Public Administration Reform (PAR) to strengthen the synergies between governance reforms.

The **Sub National Democratic Development (SNDD)** reform remains highly relevant to the Cambodia’s sustainable development agenda, notably to protect the rights of the most vulnerable to access quality public services and participate in local decision-making. European Partners will support the implementation of the 2<sup>nd</sup> National Programme on Sub-National Democratic Development (2021-2030) and the Integrated Framework for Social Accountability (ISAF). Engagement with sub-national administrations to promote citizen-oriented

service delivery, citizen engagement and participation, social accountability and local development lay at the centre of this support.



European Partners will continue their policy dialogue with the Government on governance, including on **democracy and human rights**. In the context of the Joint European Strategy, the European Partners will consider, where possible, engaging

with the Government to promote improvements in the Rule of Law including in the reform of the justice sector and compliance with international human rights conventions. Engagement in governance will also include working with Cambodia to improve trade and business climate, through improved transparency, predictability and clarity in the regulatory framework, enhanced trade facilitation and market access as well as higher alignment with relevant international best practices and standards.

Reducing **corruption** is of critical importance to meeting the RS4 commitment to “social justice and sustainable and equitable socio-economic development” and to improve economic competitiveness and investment attractiveness. European Partners will also promote Government’s cross-reform coordination, which is critical to advance the governance reforms.

**Data and statistics** play a vital role in steering Cambodia’s development. They provide the evidence required to develop and monitor effective development policies; to highlight where resources are most needed and to provide the means to track progress and assess the impact and performances of different policies. European Partners will therefore support the National Statistical System in a holistic way to reinforce the Cambodian government’s capacity to coordinate and meet the growing demand for high quality, sex- and age disaggregated, timely and accessible statistical information required for evidence-based decision-making and enhancing transparency and accountability.

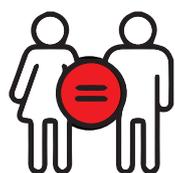
## 2.2 Priority area 2 – Foster democratic participation, respect for human rights, gender equality, and support an enabling environment for civil society in Cambodia (‘demand side of governance’).

European Partners consider improvements in good governance to be one of the most important factors underpinning inclusive and sustainable growth in Cambodia and recognise that the nature of relations between civil society and government is an essential aspect of good governance.

European Partners will continue their efforts to promote democratic participation, respect for human rights, gender equality, women empowerment and an enabling environment for civil society in Cambodia, as well as the social accountability at sub-national levels. It is important to empower youth (women and men, girls and boys), to hold the government accountable at all levels.

In promoting an **enabling environment for civil society** in Cambodia, European Partners will support civil society’s capacities, resilience and participation. This will include activities linked to the legal framework for civil society, freedom of association, assembly and expression, and engaging civil society in decision-making and budget assessments. Civil society organisations in Cambodia will continue to benefit from substantial European support to promote human rights, rule of law, democratic processes and to contribute to an inclusive, transparent, accountable and sustainable society.

All relevant stakeholders (civil society, including women’s organisations, the private sector, trade unions, parliamentarians, local government representatives) will be involved in policy dialogue as well as routine consultations and coordination in line with Global Partnership’s development effectiveness principles.



European Partners are strongly committed to **gender equality and women’s empowerment**. They will support national efforts to eliminate all forms of gender-based violence and

discrimination, promoting women’s human economic, social, cultural, political and civil rights. These commitments are translated into practical activities and are jointly reported on by European Partners. All European Partners in Cambodia have appointed a Gender Focal Person (GFP).

European Partners will continue to work with Cambodia, in collaboration with the UN Office of the High Commissioner for Human Rights (OHCHR), in its efforts to improve **land management** with a focus on communal land titling and resettlement policy. Support will also be directed towards civil society organisations that aid the most vulnerable communities in defending their land rights, enabling increased participation and access to information, transparency and accountability around land management and community management of natural resources such as forests and fishing grounds.

At the regional level, European Partners support smallholder farmers and forest users to receive a secured and equitable access to and control over agriculture land and forest in the Mekong Region. Several concerned countries have begun to turn their attention to legal and policy issues on land governance – issues that remain at the centre of the region’s development challenges.

## 2.3. Priority area 3 – Support quality, accessible and inclusive services to strengthen human development that contributes to sustainable socioeconomic development and poverty alleviation, encompassing education, skills development and TVET, health, nutrition and social protection, as well as social and rural infrastructure.

European Partners will work in partnership with Cambodia to contribute to quality, accessible and inclusive services to strengthen human development that contributes to an enabling civil society, sustainable socioeconomic development, poverty alleviation and resilience.

**Education** – The European Partners have been engaged with Cambodia in the education sector for a long period.



Recently, the support was adapted to Cambodia's efforts to address the challenges of COVID-19, elaborate online and distance learning initiatives and ensure a safe reopening of the schools.

European Partners will continue to engage with the government for an improvement of the quality, accessibility, inclusiveness and resilience of the education system, as well as helping to boost completion rates. Education is a basic human right and necessary for the country's continued development and growth. An important objective is to equip the future Cambodian workforce with relevant skills and adapt education to the needs of the labour market.

The Education Strategic Plan 2019-2023 provides the framework for European Partners' support to the sector. Having successfully achieved almost universal access to primary school, the Ministry of Education, Youth and Sport (MoEYS) is now turning enhanced focus on equity and quality, to strengthen learning outcomes, which remain low.

European Partners support the approach taken by the MoEYS to focus on sustainable long-term reforms to improve quality and learning outcomes at all levels. In close partnership with MoEYS and relevant stakeholders, European Partners will seek to focus on the implementation of selected key reforms in the sector to maximise the impact of their operations.

European Partners will continue to focus on both basic and higher education, including non-formal education, striving towards gender parity throughout the education chain. While basic education, including Early Childhood Education, builds the foundation of learning, it is acknowledged that higher education and research are critical to build human capital for career development, innovation and economic diversification. This will bring Cambodia into line with ASEAN and international standards and help to meet job market requirements.

Over the period 2021-2027, European Partners will also continue to provide funding for partnerships between Cambodian and European higher education institutions, including capacity building for management, research and education, and scholarships to Cambodian students and higher education lecturers. Study at leading European universities will support the links between higher education and scientific research, technology development and innovation. There will be a concerted effort to ensure that talented students

from disadvantaged backgrounds can access higher education scholarship programs. With these objectives, partnerships between Cambodian, European and other ASEAN member states higher education institutions, already well developed, will be further enhanced, including through the new Erasmus programme 2021-2027.

**Skills Development and Technical and Vocational Training (TVET)** provide a broad range of knowledge, technical and soft skills as well as disciplines indispensable for meaningful participation in work and life. European Partners will therefore contribute to an inclusive and gender responsive skills development, including life skills, and quality TVET that meet labour market needs in Cambodia – one of the major priorities for Cambodia in view of socio-economic recovery. European Partners will work closely together with the Ministry of Labour and Vocational Training (MoLVT), the Ministry of Tourism (MoT) and the MoEYS, as well as with the private sector and both public and private vocational training institutions. They will also engage in system and policy development, technical assistance, program development and research.

The private sector is the driving agent for economic growth and employment of the country's growing workforce. European Partners will therefore collaborate closely with the private sector in the design and delivery of skills training as well as in the creation of decent jobs and workplaces. European Partners will also promote development of the legislative framework, which is crucial for increasing the relevance and the credibility of the national TVET system.



**Health** - European Partners recognise Government commitment to the health sector reform and the need to improve health outcomes and patient welfare. With the COVID-19 pandemic, the strengthening of the health system

in Cambodia has accelerated. European Partners will support the health sector to ensure that all citizens have the right to social welfare and can actively contribute to the political and socio-economic development of the country.

European Partners will continue to work with the Ministry of Health (MoH), for the implementation of the Health Equity and Quality Improvement Project (H-EQIP2) succeeding to H-EQIP1, at national and provincial levels. They will facilitate the design of the accreditation system

and the costing of health services. Furthermore, they will support Pre-Service Training for Health Workers to contribute to a better quality of health services.

Support will also be provided in the fields of maternal and reproductive health, child health, mental health, non-communicable diseases, research and higher education (technical assistance and scholarships).

European Partners remain committed to fighting HIV/AIDS, tuberculosis and malaria in Cambodia through their investment in the Global Fund and complementary technical assistance and projects.

**Nutrition, including food security and food safety** is an integral component of the health sector. European Partners will engage in nutrition programs through a multi-sectoral approach addressing the root causes of malnutrition, particularly for women and young children.



**Social protection** - The development of the emerging social protection system remains a priority. European Partners will continue to support the RGC in the implementation of the National Social Protection Policy Framework, in both pillars of social assistance and social security, with a view to ensuring broader protection of the Cambodian citizens throughout their life cycle.

In the context of the COVID-19 crisis, European Partners will also support the RGC in implementing an integrated, shock responsive, sustainable Social Protection system in line with the objectives of the aforementioned framework.

They will also support the implementation of Cambodia's "National Action Plan: Preparing for and Responding to Novel Coronavirus (COVID-19)", which requires the engagement of a wide range of stakeholders in both health and non-health sectors.

The needs and opportunities to support a common framework for social protection of migrant workers in ASEAN will be monitored.

**Social and rural infrastructure** – In its partnership with Cambodia, European Partners will put emphasis on the development and improvement of infrastructure for economic and social sectors.

To this end, European Partners will contribute to sustainable rural and urban development and access

to electricity, water and sanitation, waste management (including wastewater management), rural markets and rural roads (including roads maintenance, off-road measures, climate resilient road rehabilitation, road safety), as well as inland water navigation schemes. The promotion of climate resilient and sustainable infrastructure will be prioritised. Emphasis will also be placed on ensuring the inclusive character of urbanisation, including gender dimensions and rights-based approaches.

European Partners will promote and support greater rural, urban and regional connectivity, with strong focus on resilience against the negative impact of climate change.

Support to the Phnom Penh Water Supply Authority (PPWSA), the Ministry of Science, Technology and Innovation (MISTI), the Ministry of Public Works and Transport (MWPT) to improve urban water and sanitation services in Phnom Penh and provincial cities will continue. Technical assistance will be provided for environmentally sound wastewater treatment facilities.

## 2.4. Priority area 4 - Enhance Cambodia's competitiveness on the regional and global market-places through trade and private sector development, an enabling business environment and sustainable production as well as decent employment practices in line with international standards.

European Partners will contribute to Cambodia's economic productivity, diversification and competitiveness as well as its global and regional connectivity. European Partners will support Cambodia's integration in ASEAN and the Great Mekong Sub region, by narrowing the development gap with the other ASEAN nations, through enhanced connectivity, competitiveness, integration in regional and global markets and value chains, trade related assistance, green technology, international standards, private sector development and an enabling business environment. It will also promote sustainable production and encourage labour conditions and rights, in line with international conventions, and CSR requirements, including in relation to possible impacts



of trade and value chains on land rights. These sectors have gained strong prominence in Cambodia further to the socio-economic consequences of the pandemic.



### Trade and private sector development

- Prerequisites for economic diversification and modernisation include the promotion of productivity, competitiveness, efficiency and innovation, enhanced market access, trade facilitation measures, foreign direct investment, modern industrial policy and private sector development. In addition, a sound, predictable and fair regulatory environment for businesses and investments is a prerequisite for a prosperous and dynamic private sector, creating jobs and contributing to growth. Cambodia's private sector, in particular Micro, Small and Medium-Sized Enterprises (MSMEs), need significant support to be competitive, access markets and integrate in regional and global value chains.

Cambodia has made large efforts to enhance its market access via a number of trade agreements with third countries, including at the ASEAN level. However, regional trade remains limited with only around one fifth of exports being directed to ASEAN. Instead, hundreds of thousands of direct jobs – particularly in the textile sector - have been created thanks to unilateral preferential trade arrangements with Western countries, contributing to lifting a substantial number of people out of poverty. Given **the relevance of the textiles' sector in terms of job opportunities, the links to TVET, to environmentally sound production**, and to labour standards, European Partners will continue to pay particular attention to a sound development of the sector. Cambodia is negotiating Free Trade Agreements with several countries to sustain growth and create jobs through enhanced diversification and access to markets, and in order to be less dependent on unilateral trade preferences. The European Partners will emphasise adherence to relevant international standards and due diligence processes taking the UN Principles for Business and Human Rights into consideration (including on potential environmental and human rights issues, as well as gender equality) as part of the promotion of Cambodia's integration in the regional and global economy.

In line with Cambodia's WTO commitments and obligations, European Partners will provide expertise to facilitate trade, enhance market access and expand connectivity between Cambodia and ASEAN partners.

Focus will be on the implementation of the WTO Trade Facilitation Agreement and commitments in the ASEAN Economic Community blueprint, as well as regulatory reforms to improve business environment and financial services, including those affecting Cambodia's regional ranking in the Doing Business yearly survey. Cambodia has attracted foreign direct investment successfully thanks to the relocation of low-cost manufacturing and to an advantageous tax regime. Increased competitiveness, **market and product diversification as well as integrating industrial value chains and a predictable regulatory framework would be key to attract further investment**, allow domestic firms to expand and create jobs.

To promote the wider drive for economic diversification, export promotion and regional integration, European Partners are particularly interested in supporting the upgrading of sustainable agro and industrial value chains in a way that does not favour land dispossession, the networking of small producers and the creation of employment opportunities. Enabling the private sector (especially SMEs and small landholders) to take full advantage of regional opportunities as well as the established, and new, Free Trade Agreements with third countries will also be supported. In the context of rural development, the uptake and implementation of permissive functions in local economic development by the sub national authorities will be encouraged, which will contribute to implementing aspects of the decentralisation reform.

Complementary European support in other related fields, such as tax reform, agriculture, fisheries, energy, and skills development, also play an important role in private sector development and in increasing labour productivity. European Partners work closely with the European Chamber of Commerce (Eurocham) to engage constructively with national counterparts for an improved overall business environment, as well as the promotion of European values and interests, including labour conditions and clean energy transition.

### Sustainable production and decent employment -

European Partners will continue to support and promote the enforcement of basic labour rights and conditions, including access to legal remedies. Together with European brands, they will also continue to support the improvement of social and environmental standards in the exporting sector (in particular textiles). They will continue to focus on the development and reinforcement of sustainable production by supporting

the improvement of agricultural and industrial value chains, better local economic promotion, waste management/circular economy, and the development of MSMEs. Particular attention will be given to the linkages between skills development and decent employment opportunities.

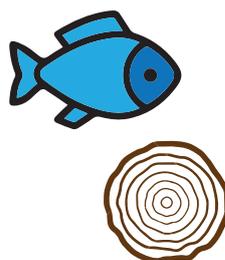
European Partners will continue to support progress on Sustainable Consumption and Production (SCP) in Cambodia and the region. In a context where there is a shortage of skilled workers which can respond to the needs of the labour market, European Partners will support initiatives that enable, in particular, young people to have access to quality education, skills and employment, whilst promoting rightful and decent working conditions, in line with the International Labour Organisation (ILO)'s standards. European partners will promote an improved social dialogue at labour market and partnerships between government, private sector, trade unions and civil society, as a part of the Global Deal Initiative that Cambodia has signed.

**Financial services** – European partners will support resilience in the microfinance sector in Cambodia following the Covid-19 pandemic crisis and contribute to the promotion of responsible and sustainable financial inclusion in the country. They will support the local financial system to develop a sustainable approach and adapt capacities to serve small enterprises, including on women-led enterprises, notably in rural areas.

## **2.5. Priority area 5 – Sustainable green development, including management of Cambodia's natural resources, environmental protection and conservation, disaster risk reduction and resilience to climate change, promote green energy and energy efficiency, the sustainable development of agriculture, aquaculture and fisheries, forestry and mine clearance.**

European Partners will contribute to inclusive, green and sustainable economic growth and production capacities. They will put emphasis on a sustainable

management of Cambodia's natural resources and cultural heritage, resilience to climate change, preserving biodiversity while also promoting development of inclusive, affordable and sustainable industry value chains, infrastructure and green energy contributing to connectivity, green growth and decent job creation.



**Agriculture, aquaculture and fisheries, forestry** - European Partners will work with Cambodia to increase its productivity, diversification and quality for the country's economic growth, sustainable livelihoods and jobs as well as equitable rural development.

Sustainable agriculture and agribusiness with specific focus on green technology (including on green energy, particularly solar), digitalisation and added value, will boost green economic growth and jobs while promoting climate resilience and environmental sustainability. European Partners will support sustainable agricultural value chains in various sectors including aquaculture, horticulture and Geographical Indications (Kampot pepper, Kampong Speu palm sugar, etc.) and taking into consideration consumers' expectations as well as limiting deforestation and environmental degradation. Importantly, European cooperation will support the rehabilitation and modernisation of the country's irrigation systems, alongside strengthening the water governance framework and investing in social maintenance mechanisms. The promotion of water efficiency and watershed management, landscape restoration, approaches for agroforestry and agroecology, crop diversification, and/or climate-smart agriculture will be integrated and embedded in landscape management approaches in order to respond to the challenges of climate change and resource degradation. As agriculture is a major driver of deforestation and land dispossession, European agri-investments will be linked to social and environmental safeguards and due diligence conservation and protection ambitions.

The fisheries and aquaculture sector contributes to growth and job creation and is a source of affordable and nutritious food. European support will focus on both inland and marine fisheries, co-management and improved livelihoods, wetland protection in Tonle Sap and Upper Mekong Ramsar sites as well as community fisheries and fisheries value chains and marketing.



Improved management practices will contribute to reducing the overexploitation of fisheries resources. Work on marine fisheries will also include support to the IUU process and rely on regional initiatives, for instance by supporting the Southeast Asian Fisheries institutions as well as ASEAN fisheries and IUU dialogue.

The growing aquaculture sector will be supported with freshwater small-scale and semi-intensive culture systems, as well as private sector hatcheries and nurseries. The sector has the potential to contribute to Cambodia's economic recovery, create jobs and business opportunities. It has also potential to substitute importations of fish and contribute significantly to national food and nutrition security. Private sector collaboration will be guided by the National Aquaculture Development Strategy (NADS) and the roadmap for the development of aquaculture in Cambodia.

European Partners reaffirm their commitment to contribute to the protection and improvement of the existing natural forests, especially its primary forests; and significantly increase sustainable, biodiverse forest coverage worldwide, including by supporting community forestry and new productive forestry.

Given the vital importance of the annual flooding of Cambodia's central plain for agriculture and fisheries which provides livelihoods and food for millions of Cambodians, support will be directed to Cambodia as part of the Lower Mekong Basin, as European Partners support the Mekong River Commission (MRC).

European Partners support forest law enforcement and forest governance (FLEGT), which aims to tackle illegal logging, promote trade in legal timber products and contribute to sustainable forest management and poverty reduction. Their programmes will also promote adherence to Environmental, Social, and Governance (ESG) Standards.

European Partners, in close cooperation with the government, civil society and private sector actors, will also focus on rural communities to help securing their access to forestry resources, to improve income and food security through enhanced production practices, while advancing public dialogue on sustainable natural resource management.

**Natural resource management, environmental protection and conservation** European Partners will contribute to Cambodia's efforts in the protection and

sustainable management of its natural and cultural resources. To ensure continued economic growth and sustainable development of Cambodia, it is essential to put sustainable management of the environment at the forefront of Cambodian development strategies. This entails measures to address the inland and marine fisheries management, deforestation, degradation of ecosystems and biodiversity loss, wildlife trafficking, the management of protected areas, the respect for land rights, as well as timber production sustainability.

European Partners will remain devoted to work with Cambodia on environmental protection and preservation, through dedicated actions aiming at a sustainable management of natural resources and environmental due diligence (including forests, water resources, fisheries), through an integrated approach with communities and ethnic minorities. Sustainable landscape management will be supported around the Tonle Sap and possibly other key landscapes. From a regional perspective, additional efforts are made to the conservation and green growth efforts in the Indo-Burma Biodiversity Hotspot (Cambodia, Lao PDR and Myanmar).

**Mine clearance** - European Partners' support, in line with the National Mine Action Strategy 2018-2025 and the SDG n°18 (Cambodia mine/Explosive Remnants of War free), will aim to contribute to a mine-free Cambodia, where the threat of explosive remnants of war is minimised and human and socio-economic development takes place safely. European support to mine clearance is focused on strengthening livelihoods, as cleared land provides an opportunity for agriculture and other productive means.



**Climate change** - European Partners will work with Cambodia to fulfil its United Nations Framework Convention on Climate Change (UNFCCC) requirements.

Mitigating, and adapting to, climate change and reducing risk of climate related disasters is a mutual priority for European Partners and Cambodia in working together to help achieve Cambodia's National Determined Contribution (NDC) and to promote national implementation of the Sendai Framework for Disaster Risk Reduction.

European Partners' efforts will continue to be directed to the Cambodia Climate Change Alliance (CCCA), climate finance programs and other actions where

climate change and Disaster Risk Reduction (DRR) will be mainstreamed related to e.g. natural resource management, environmental preservation, biodiversity loss, forestry, fisheries (including aquaculture), sustainable agriculture as well as infrastructure development.

European Partners will also undertake initiatives in partnership with the government that raise awareness on climate change and DRR and seek to help Cambodians - especially those who are dependent on natural resources - cope with its effects. DRR will be promoted through initiatives related to drinking water supply and protection of water sources, wastewater management and sustainable use of natural and mineral resources.



**Green energy and energy efficiency** - The JES prioritises the promotion of a sustainable, accessible and affordable energy sector, with emphasis on energy efficiency and enhanced use of renewable energy. European Partners will continue their dialogue with the government on this matter, amid announcements by the authorities in 2020 and 2021 to increase the use of coal and gas that will decrease the share of renewable energy in power generation. European Partners will be ready to work with Cambodia in support of clean energy, based on a government commitment to renewable energies, and low carbon, energy efficient practices. This also includes investments into a modern and efficient electricity grid and investments to make the electricity system more flexible and ready for higher proportions of variable renewable energy (in particular solar), e.g. through energy storage, smart electric management. Collaboration with the private sector, in particular the exporting industry, will continue to promote enhanced energy efficiency and reduced emissions, with a link to environmental due diligence.

European Partners and companies stand ready to share green technologies and expertise. EuroCham's 2019 White Book includes several recommendations for Trade & Investment in Green Business, Renewable Energy, Energy efficiency and Green financing.

## 2.6. Priority area 6 - Active and coordinated support to the preservation of Cambodia's cultural heritage, with particular but not exclusive focus on Angkor.

Preservation efforts equally apply to Cambodia's rich cultural heritage. European Partners will continue to lead international efforts to support restoration, conservation and promotion efforts of Cambodia's World Cultural Heritage sites, including contributions to vocational training, research and capacity building of Cambodian specialists in the sector.

## 2.7 #TEAMEUROPE Initiatives

Team Europe Initiatives (TEIs) are specific coordinated and collective actions by the EU, its Member States and their development agencies and financial institutions. These are designed to promote ambitious European flagship initiatives in partner countries with a maximum transformative impact. In Cambodia, Team Europe has already identified two synchronised and mutually reinforcing areas of cooperation, one being "sustainable landscape, forest and agriculture," the other "green energy and industrial value chains". These are relevant to deliver the JES in the six priority areas and are supportive of EU, Cambodia and ASEAN commitments to "build back better" in the post-COVID-19 context, enhancing green growth, employment and resilience.



## 3. ADDITIONAL MEASURES

### 3.1 Engagement with Civil Society

A dynamic civil society and Civil Society Organisations (CSOs) provide the ‘demand side’ of the accountability equation. CSOs, particularly those working on human rights and democracy, increasingly express concerns over challenges they experience to carry out their activities. The implementation of the Law on Association and Non-Governmental Organisations (LANGO) translates into obstacles to registration and organising events, whilst reporting requirements can be burdensome.

The Team Europe’s engagement with civil society will aim at fostering an improved enabling environment, especially through support to accelerated reform and service delivery. Building on positive trends, the Team Europe will maximise entry-points across all priority areas and will continue to engage directly in a partnership dialogue with CSOs, academia and the private sector on all six priority areas.

### 3.2 Gender Equality and Women’s Empowerment

The European Partners will integrate a gender dimension in the implementation of the JES, fostering gender equality, the empowerment of women and girls and the eradication of gender-based violence.

This commitment aligns with the global EU Gender Equality and Women’s Empowerment Action Plan III (GAP III, 2021–2025), which aims to curb the rise of inequalities in the difficult context created by the COVID-19 health and socio-economic crisis, and to accelerate progress on gender equality and women’s empowerment as a key aspect of building back better.

The GAP III emphasises the importance of working together with EU Member States and in close cooperation with all partners, including civil society, especially women’s and youths’ organisations and movements.

FOSTERING GENDER EQUALITY,  
THE EMPOWERMENT OF WOMEN  
AND GIRLS AND THE ERADICATION  
OF GENDER-BASED VIOLENCE.

## 4. DURATION OF THE JOINT EUROPEAN STRATEGY AND OPTION FOR SYNCHRONISATION

Cambodia's Rectangular Strategy – Phase IV and the NSDP will end in 2023. The Government however has for some time, been explicitly linking its reforms and sector plans to its aspirations to achieve upper middle-income status by 2030 as well as to attain the SDG targets. The JES implementation period, 2021-2027, therefore allows for dynamic alignment as national policy priorities evolve in line with 2030 Agenda. A mid-term review in 2024 of the Strategy will provide an opportunity for dialogue with the Royal Government at a point when it will be formulating its next 5-year development plan (2024-2028).



# ANNEX 1 - JOINT RESULTS FRAMEWORK

## Results Framework

The structure of the results framework is fully aligned with the Rectangular Strategy Phase IV (RS-IV) of the Royal Government of Cambodia. The outputs of the results framework and the related output indicators are based on the existing government and development partners' Joint Monitoring Indicators (JMIs) and Cambodian SDGs (CSDGs). Where needed, additional outputs and indicators are identified using existing European initiatives.

**Overall goal:** To work in partnership with the Royal Government of Cambodia, to support Cambodia's connectivity with ASEAN and narrow the development gap vis-à-vis ASEAN member states, for improved regional and global integration. To contribute to reducing poverty and inequality in the country by promoting inclusive, sustainable and green growth, decent job creation, human development as well as democratic, transparent and accountable governance by strengthening institutional capacities at all levels, fostering an active and diversified civil society in Cambodia and promoting a results-oriented and rights-based approach, gender equality and women empowerment.

The attainment of goals and targets identified in this results framework will likely be affected by the COVID-19 pandemic. At the time of drafting of the framework however, the COVID-19 pandemic is still in effect. It is therefore difficult to predict its potential impact on the implementation of the Joint Strategy. The contents of the results framework will be reviewed and if necessary revised in due course against the impact of COVID-19 crisis on different sectors.

European Strategy Outcome	Expected Output(s)	Lead and active partners
<b>Rectangular Strategy Goal 1 (Governance - Core):</b> Intensify institutional reform and capacity building; enhance accountability and integrity in the public administration; strengthen work efficiency; and strengthen private sector governance		
<b>European Strategy Outcome 1:</b> Strengthen democratic accountability, integrity and effectiveness of Cambodia's public institutions, systems and services at all levels ('supply side of governance') with particular focus on major governance reform programmes, including corruption.		
<b>PFM:</b> Overall fiscal discipline, allocation of resources to priority needs, and efficient and effective allocation of public services is achieved.	Improved Budget credibility.	<u>EUD</u> FR, SE
	Improved Financial Accountability	
	Improved budget-policy linkages	
<b>SNDD:</b> SNAs promote citizens-oriented service delivery and local development, contributing to an improved welfare and quality of life for the citizens in their respective jurisdiction	JMI-based outputs	DE CH, EUD
<b>Data and statistics:</b> The National Statistical System meets the growing demand for high quality, timely and accessible statistical information for evidence-based decision making and quantitative measurements of development progress in CSDG, NSDP and other data requirements.	Annual priorities of National Strategy for Development of Statistics (NSDS) 2019-2023 are fully implemented (JMIs)	<u>SE</u> DE, EUD
<b>European Strategy Outcome 2:</b> Foster democratic participation, respect for human rights, gender equality, and support an enabling environment for civil society in Cambodia ('demand side of governance')		
<b>Civil society (integrated CSO Roadmap)</b> The enabling environment for civil society in Cambodia is strengthened and European partners support CSOs' capacities, resilience and participation.	CSO Roadmap based output to be agreed when the new CSO Roadmap is formulated.	All
<b>Gender equality and Women's empowerment (integrated Gender Action Plan)</b> All forms of gender-based violence and discrimination are reduced, while the respect for and promotion of all women's human rights (economic, social, cultural, political and civil) in all settings increase to meet the CSDGs.	GAP-based output to be agreed when the new GAP is formulated.	<u>SE</u> All



European Strategy Outcome	Expected Output(s)	Lead and active partners
<b>Rectangular Strategy Goal 2 (Human Resource Development – Rectangle 1):</b> Strengthen quality of education, science, and technology as well as vocational training; enhance public health service and nutrition; and strengthen gender equity and social protection		
<b>European Strategy Outcome 3:</b> Support quality, accessible and inclusive services to strengthen human development that contributes to sustainable socioeconomic development and poverty alleviation, encompassing education, skills development and TVET, health, nutrition and social protection, as well as social and rural infrastructure.		
<b>Education</b> The quality, accessibility and inclusiveness of the education system, as well as completion rates, improve.		
<i>(Basic and secondary education):</i> Completion rate of students in basic education increases with better learning outcomes.	JMI-based outputs	<u>EU</u>  BE, CZ, FR, SE
<i>(Higher education and research)</i> The quality of and access to university improve.	Improving the quality of and access to university.	<u>FR</u>  BE, CZ, EU, IE, SE
<b>TVET/skills development:</b> Access and quality of TVET increases to meet the labour market demands.	Improved quality of TVET to meet labour market demands (JMI)	<u>CH</u>  CZ, DE, EU, FR, SE
	Expanded TVET in support of socio-economic development (JMI)	
	By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university (CSDG 4.3)	
	Strengthened Public-Private Partnership and cooperation with other partners to ensure the TVET sustainability. (JMI)	
<b>Social protection and health</b> Health and social protection services ensure that all citizens can actively contribute to the political and socio-economic development of Cambodia.		
<i>(Health)</i>	By 2030, achieve an overall level of Development of Cambodia's Health and Well-being and their financial risk protection.  (CSDG 3.1)	<u>DE</u>  BE, CH, CZ, FR, IE

European Strategy Outcome	Expected Output(s)	Lead and active partners
<i>(Food security and nutrition)</i>	By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons. (CSDG 2.2)	<u>DE</u> BE, CZ, EU, FR, IE
<i>(Social protection)</i>	Implement nationally appropriate social protection systems and measures for all including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable (CSDG 1.3)	<u>DE</u> BE, CZ, EU, FR
<i>(Social and rural infrastructure)</i>	By 2030, achieve universal and equitable access to safe and affordable drinking water for all (CSDG 6.1)	<u>FR</u> CZ, DE, EIB, EU
	By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations. (CSDG 6.2)	
	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity (CSDG 6.4)	
<p><b>Rectangular Strategy Goal 3 (Economic diversification – Rectangle 2):</b> Improve the logistics system and enhance transport, energy and digital connectivity; develop new main sources of growth; prepare for the digital economy and the Fourth Industrial Revolution; and promote the development of the financial and banking sector; and</p>		
<p><b>Rectangular Strategy Goal 4 (Private sector and job development – Rectangle 3):</b> Develop the job market; promote SMEs and entrepreneurship; organise and implement Public Private Partnerships and strengthen competition</p>		
<p><b>European Strategy Outcome 4:</b> Enhance Cambodia's competitiveness on the regional and global marketplaces through trade and private sector development, an enabling business environment and sustainable production as well as decent employment practices in line with international standards.</p>		
<p><b>Trade and Private Sector Development* (incl. business environment):</b></p> <p>To support greater connectivity and facilitate trade between Cambodia and the rest of ASEAN, strengthening Cambodia's institutional capacity and the engagement of the private sector, and support Cambodia's commitment to WTO.</p>	JMI-based outputs	<u>EU</u> CH, DE, FR



European Strategy Outcome	Expected Output(s)	Lead and active partners
<b>Sustainable production and decent employment:</b> The enforcement of basic workers' rights, including access to legal means, improves.	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment (CSDG 8.8)	<u>DE</u>  BE, CH, EU, FR, SE
<b>Financial services</b> Sustainable approaches and capacities developed to serve small enterprises in rural areas.	Improved access to and usage of financial services that are convenient, affordable and delivered responsibly to serve small enterprises in rural areas.	<u>AFD</u>
<b>Rectangular Strategy Goal 5 (Inclusive and Sustainable Development – Rectangle 4):</b> Promote the agriculture sector and rural development; ensure sustainable management of natural resources and culture; strengthen urbanisation management; and ensure environmental sustainability and readiness to respond to climate change		
<b>European Strategy Outcome 5:</b> Sustainable green development, including management of Cambodia's natural resources, environmental protection and conservation, disaster risk reduction and resilience to climate change, promote green energy and energy efficiency, sustainable development of agriculture, aquaculture and fisheries, forestry, as well as mine clearance.		
<b>Agriculture, aquaculture and fisheries, forestry</b>  Increased productivity, diversification and quality support to Cambodia's economic growth, sustainable livelihoods and equitable rural development.  (ref. TE11)		
<i>(Agriculture)</i>	Improved agricultural productivity and diversification and its export volume (JMI)	<u>FR</u>
	Improve water resources management (Operation & Maintenance [O&M] and Farmer Water Users Communities [FWUC] development) and development and expansion of irrigation system. (JMI)	BE, CH, DE, EUD, EIB
<i>(Aquaculture and fisheries)</i>	Natural fish catch production maintained (JMI/NSDP)	<u>EU</u>
	Increased aquaculture production by 20% annually (JMI)	CH, DE, FR

European Strategy Outcome	Expected Output(s)	Lead and active partners
(Forestry)	Sustainable production and community forests management improved (JMI)	<u>EU</u>
	By 2020, ensure the conservation restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements (CSDG 15.1)	BE, CH, EIB, SE
<b>Natural resources management, environmental protection and conservation</b>  Cambodia's natural resources are protected and managed in a sustainable manner.  (Ref TEI 1)	Forests' biodiversity protected and improved (JMI)	<u>EU</u>  BE, CH, FR, SE
<b>Mine clearance</b>  Cambodia is mine free and the threat of explosive remnants of war is minimized and human and socio-economic development takes place safely.	Release all known landmine contaminated areas. (JMI)  Release prioritized cluster munitions contaminated areas (JMI)  Mine-free Cambodia by 2025 in line with the National Mine Action Strategy 2018-2025 (CSDG 18)	<u>CH</u>  BE, DE, IE
<b>Climate change and DRR</b>  Cambodia fulfils UNFCCC requirements.	Cambodia's revised NDC is submitted in line with UNFCCC requirements (JMI)  Cambodia's Monitoring, Reporting and Verification system for its commitments under NDC is operational (JMI)	<u>EU</u>  CH, DE, FR, SE
<b>Green energy and energy efficiency</b>  Enabled access to and use of affordable, inclusive and sustainable energy services increases.  (Ref TEI 2)	By 2030, increase substantially the share of Renewable Energy in the global energy mix (CSDG 7.2)  By 2030, double the global rate of improvement in Energy Efficiency (CSDG 7.3)	<u>FR</u>  DE, EIB, EU
<b>European Strategy Outcome 6:</b> Active and coordinated support to the preservation of Cambodia's cultural heritage, with particular but not exclusive focus on Angkor.		
<b>Cultural heritage</b> Cambodian cultural heritage preserved and capacity for preservation increased.	Strengthen efforts to protect and safeguard the world's cultural and natural heritage (CSDG 11.4)	<u>FR</u>  DE



## Monitoring and Evaluation Arrangements

The monitoring of results is informed by government and development partners' joint monitoring processes which are jointly agreed and monitored through the relevant Technical Working Group (TWG) mechanism. The assessment of results is also informed by the European partners' individual monitoring and evaluation arrangements, related to their respective project and programme portfolios. The broader picture of the overall direction of change within the core reforms and across sectors will also be considered when assessing overall progress and impact of the Joint Strategy implementation.

The first mid-term report of the present Strategy will cover the period 2021-2023 and will be followed by a second report covering 2024-2027. The findings of the reports will be presented to and discussed with all the relevant stakeholders - the Royal Government of Cambodia, civil society organisations, private sector representatives and development partners.

European partners reserve the possibility to revise and adjust the Strategy and related Results Framework, whenever needed to ensure consistency and alignment with the socio-economic context and with the government's policies and priorities.

# ANNEX 2 - JOINT EUROPEAN STRATEGY - INDICATIVE FINANCING 2021-2027

European partners	Already committed					Indicative new contributions					Grand total					
	BE (3)	CH (1)	CZ (5)	DE	Sum	CH	CZ	DE	EIB	EU		FR	IE	SE	Sum	
<b>Priority area 1 - Supply side of governance</b>	-	2.85	-	6.50	34.19	2.61	-	-	4.50	50.66	7	0	0	0	44	94.66
Budget & Bop Support	-	-	-	-	18.56	-	-	-	-	18.56	-	-	-	-	0	18.56
Economic and Development Policy Planning	-	-	-	-	0.04	1.05	-	-	-	1.09	-	-	-	-	0	1.09
Legal and Judicial	-	2.84	-	0.50	2.84	-	-	-	-	3.34	-	-	-	-	0	3.34
Local Government Reform	-	0.01	-	6.00	0.24	-	-	-	-	9.08	-	-	-	-	0	9.08
Other	-	-	-	-	12.51	1.56	-	4.50	0.01	18.58	-	-	-	-	0	18.58
Public Financial Management	-	-	-	-	1.34	-	-	19.70	21.04	7	0	0	0	50	57	78.04
<b>Priority area 2 - Demand side of governance</b>	-	-	-	-	0.31	-	-	8.60	8.91	1.3	-	-	-	-	1.3	10.21
Civil Society	-	-	-	-	0.48	-	-	1.00	1.48	0	-	-	-	-	0	1.48
Gender	-	-	-	-	0.55	-	-	10.10	10.65	19.9	2.59	0	0	0	70.49	10.65
Human Rights	-	-	-	-	1.54	-	-	1.20	566.58	19.9	2.59	0	0	0	70.49	637.07
<b>Priority area 3 - Human development</b>	12.58	14.12	4.76	105.00	181.49	56.04	191.29	0.10	1.20	566.58	19.9	2.59	0	0	70.49	637.07
Community Development	4.22	0.02	-	-	1.54	-	-	-	1.56	0	-	-	-	-	0	1.56
Education (incl TVET)	5.92	9.11	2.59	25.00	40.26	0.61	-	1.20	84.69	4.7	1.71	-	-	-	6.41	91.10
Emergency & Food Aid	2.44	3.97	1.33	24.00	-	-	-	-	32.69	15.2	0.64	-	-	-	15.84	48.53
Health	-	-	-	2.70	0.35	-	-	-	3.05	0	-	-	-	-	0	3.05
Other	4.22	0.08	-	35.00	7.78	-	-	-	47.09	0	-	-	-	-	0	47.09
Social Protection	-	-	-	-	0.26	20.63	-	-	20.89	0	-	-	-	-	0	20.89
Urban Planning & Management	-	-	-	-	5.84	169.21	-	-	367.38	0.24	-	-	-	-	0.24	367.62
Water and Sanitation	-	-	-	-	0.84	-	-	-	0.84	0	-	-	-	-	0	0.84
<b>Priority area 4 - Trade and private sector development</b>	-	0.48	-	10.52	65.25	4.98	1.64	-	82.87	0	0	0	0	0	62	144.87
Business & Financial Services	-	0.01	-	-	0.25	0.26	-	-	0.52	0	-	-	-	-	0	0.52
Industrialisation & Trade	-	-	-	10.52	4.37	-	-	-	14.89	0	-	-	-	-	0	14.89
Technology, Information and Communications	-	-	-	-	0.36	-	-	-	0.36	0	-	-	-	-	0	0.36
Tourism	-	0.47	-	-	0.92	-	-	-	1.39	0	-	-	-	-	0	1.39
Transportation	-	-	-	-	65.25	0.46	-	-	65.71	0	-	-	-	-	0	65.71
<b>Priority area 5 - Green Deal</b>	6.49	6.53	0.84	17.00	83.83	339.82	0.52	3.50	468.52	7.4	0.6	0	0	8	468.52	
Agriculture	1.80	6.52	0.46	-	56.91	201.45	-	-	267.14	0.2	-	-	-	0.2	267.34	
Climate Change	-	-	0.16	15.00	3.96	25.78	-	-	44.90	5.2	0.32	-	-	5.52	50.42	
Energy, Power & Electricity	-	-	0.22	-	4.49	72.52	-	-	77.23	0.08	-	-	-	0.08	77.31	
Environment and Sustainability	2.81	0.01	-	-	4.95	19.13	-	3.50	30.39	0	-	-	-	0	30.39	
Rural Development	1.88	-	-	2.00	13.53	20.93	0.52	-	38.85	2.2	-	-	-	2.2	41.05	
<b>Priority area 6 - Cultural heritage</b>	-	-	-	-	-	1.18	-	-	1.18	0.3	0	0	0	0.3	1.48	
Culture, Arts & Sports	-	-	-	-	1.00	1.18	-	-	1.18	0.3	-	-	-	0.3	1.48	
Other	-	-	-	-	1.00	-	-	-	1.00	1	-	-	-	1	10.00	
<b>Grand Total</b>	19.07	23.98	5.60	140.02	246.74	180.37	536.54	0.62	28.90	1,181.84	42.6	3.19	0	50	250.79	1,432.63

(1) Switzerland: The indicative figures are funds not yet formally committed but included in the indicative budget for the Mekong Region Cooperation Programme (including Cambodia) 2022-2025. No indicative budget is included for the years 2026 and 2027

(2) EU: the amount only refers to the 2021-2024 period. The allocation for 2025-2027 is not yet confirmed

(3) BE: 2022-2026 period. Rural development = mine clearance

(4) SE: 2021-2024, indicative new contributions will be updated April 2022. Education only for Q1-Q2 2021.

(5) CZ: the amount only refers to the 2021-2024 period. The allocation for 2025-2027 is not yet confirmed



## ANNEX 3 - JOINT EUROPEAN STRATEGY FOR DEVELOPMENT COOPERATION WITH CAMBODIA 2021-2027 – PRIORITY AREAS AND SECTORS IN RELATION TO OECD DAC5 SECTORS AND SDGS

RS4 alignment	JES priorities	DAC sectors	SDGs	Lead EU DP	Active EU DPs	Other DPs (to be completed)
RS4 core: Support the acceleration of governance reforms	<b>PRIORITY AREA 1</b> - Strengthen democratic accountability, integrity and effectiveness of Cambodia's public institutions, systems and services at all levels ('supply side of governance') with particular focus on major governance reform programmes, including corruption.					
	Public Finance Management (PFM)	Government & Civil Society (151)	16.6	EU	FR, SE <sup>1</sup>	ADB, AUS, WB
	Sub-national democratic development (SNDD, including ISAF)	Government & Civil Society (151)	16.6	DE	CH, EU	ADB, CAN, WB, ILO, JAP, KOR, UNDP, USA
	Data and statistics	Government & Civil Society (151)  Other social infrastructure & services (160)	17.18, 17.19	SE <sup>2</sup>	EU, DE	
	Corruption	Government & Civil Society (151)	16.5	SE	EU	USAID
	Democracy and human rights	Government & Civil Society (151)	4.7, 10.3, 16.10, 16.a, 16.b	SE	All	OHCHR
	<b>PRIORITY AREA 2</b> – Foster democratic participation, respect for human rights, gender equality, and support an enabling environment for civil society in Cambodia ('demand side of governance')					
	Civil society (including CSO roadmap)	Government & Civil Society (151)	17.17	EU	All	JAP, KOR, UNDP, USA
	Gender equality & women's empowerment (including GAP)	Government & Civil Society (151)	5	SE	All	AUS, ILO, JAP, UN Women, UNDP, UNIDO, USA

<sup>1</sup> Until 2022

<sup>2</sup> Until 2022, thereafter the EU will take the lead

RS4 alignment	JES priorities	DAC sectors	SDGs	Lead EU DP	Active EU DPs	Other DPs (to be completed)
Social and human resource development (Rectangle 1)	<b>PRIORITY AREA 3</b> – Support quality, accessible and inclusive services to strengthen human development that contributes to sustainable socioeconomic development and poverty alleviation, encompassing education, skills development and TVET, health, nutrition and social protection, as well as social and rural infrastructure.					
	Education (including higher education), science and technology	Education (110)	4	EU	BE, CZ, FR, IE	AUS, CAN, China, ILO, KOR, JAP, NZ, UNESCO, USA, WB
		Scholarships, multisector (430)		FR (higher)		
		Research, multisector (430)				
	TVET/ Skills Development	TVET/SD (113)	4.3/4.4	CH	CZ, EU, FR, DE, HU	UNESCO
	Health (incl. Covid-19 response)	Health (120)	3, 3.3 (health)	DE	BE, CH, CZ, FR, HU, IE, EU	ADB, CAN, China, GAVI, GF, ILO, JAP, KOR, UK, UNDP, UNICEF, UNIDO, USA, WB
		Other Social Infrastructure & Services (160)	5.6 (SRH)			
	Food security and nutrition	Other Social Infrastructure & Services (160)	2, 2.2 (FSN)	DE	CH, IE	CAN, FAO, IEA, JAP, WFP, WB
Social protection	Other Social Infrastructure & Services (160)	1.3 (social protection)	DE	BE	UNDP	
Social and rural infrastructure	Water supply & sanitation (140)	6.5 (water)	FR	CZ, EIB, EU	ADB, China, IAEA, JAP, KOR, USA, WB	
	Other Social Infrastructure & Services (160)					
	Rural development, Multisector (430)					



RS4 alignment	JES priorities	DAC sectors	SDGs	Lead EU DP	Active EU DPs	Other DPs (to be completed)
Economic diversification (Rectangle 2) & Private sector & market development (Rectangle 3)	<b>PRIORITY AREA 4</b> - Enhance Cambodia's competitiveness on the regional and global marketplaces through trade and private sector development, an enabling business environment and sustainable production as well as decent employment practices in line with international standards.					
	Trade and private sector development	Industry (321) Trade Policies & Regulations (331)	12b (tourism) 4.7 (NRM) 8a EIF	EU	CH, CZ, DE, FR (AFD)	ADB, CAN, China, Kora, USA
	Sustainable production and decent employment	Garment sector (321) Tourism (332) Other Social Infrastructure & Services (160)	1.1 (Poverty) 4.7 (NRM) 5.5. (Women Participation) 8.3 (Jobs) 10.1 (Inclusive growth) 12b (tourism)	FR (AFD)	BE, CH, CZ, EU, FR, SE	ADB, ILO, USA
	Financial services	Banking & Financial Services (240) Business & other services (250)	8.2, 9.3 8.3 modernisation	FR (AFD)		ADB

RS4 alignment	JES priorities	DAC sectors	SDGs	Lead EU DP	Active EU DPs	Other DPs (to be completed)
Inclusive sustainable development (Rectangle 4)	<b>PRIORITY AREA 5</b> – Sustainable green development, including management of Cambodia’s natural resources, environmental protection and conservation, disaster risk reduction and resilience to climate change, promote green energy and energy efficiency, sustainable development of agriculture, aquaculture and fisheries, forestry and mine clearance.					
	Agricultural and rural development (Agriculture, Forestry, Fisheries, Livestock)	Agriculture, Forestry, Fishing, Livestock (310)	2a, 12.3 14.4 (marine fisheries, IUU)	FR (Agriculture)	BE, DE, HU, CH, EU, EIB, SE	ADB, AUS, CAN, China, FAO, IAEA, IFAD, JP, NZ, KOR, UNDP, UNIDO, USA, WFP
				EU (Aquaculture/ Fisheries)	FR, DE, HU, CH	FAO, UNIDO, USA,
				EU (Forest)	BE, CH, EIB, SE	FAO, UNDP, USA
	Natural resource management, environmental protection and conservation	General Environment Protection (410)	15 (terrestrial ecosystems) 14.2 (marine and coastal ecosystems) 5.a (Women’s right to economic resources)	EU	BE, CH, FR, SE	JAP, UNDP, CAN
	Climate change and DRR	General Environment Protection (410)  Disaster Risk Reduction (43060), Disaster Prevention and Preparedness (740)	13. 1, 1.5, 2.4, 11b, 9.4 (green tech),  11.5	FR (AFD)	CH, CZ, FR, DE, EU, EIB  CZ	ADB, FAO, JAP, KOR, UNDP, UNESCO, UNIDO, UK, USA
	Green energy & energy efficiency	Energy (230)	7.2 (energy),	FR	CZ, DE, EU	ADB, AUS, China, JAP, KOR, NZ, USA
	Mine clearance	Other multisector (430)	15	CH	BE, DE, IE	KOR, JAP, UK, UNDP, USA
	<b>PRIORITY AREA 6</b> - Active and coordinated support to the preservation of Cambodia’s cultural heritage, with particular but not exclusive focus on Angkor.					
	Cultural heritage	Other Social Infrastructure & Services (160)	11.4 (culture)	FR	BE, DE	China, IAEA, KOR, UNESCO

