



"Empowering Sustainable Development: Unleashing the Potential of Public-Private Partnerships in Cambodia"

October 2024

Ministry of Economy and Finance, Cambodia



Contents



The Evolution of PPP in Cambodia



About the GDPPP



Priority PPP Project List 2024



How Cambodia Manages **Solicited** and **Unsolicited Proposals**



Developing Sustainable, Resilient, and **Green Infrastructures**



Challenges in Implementation of PPP In Cambodia



Promoting GDPPP





The Evolution of PPP In Cambodia

At-a-glance

1990s

2007

2007 Onwards

2013-2016

2021



GETTING STARTED

Cambodia has prepared and implemented concession projects (also known as PPP projects), specifically in the energy and aviation sectors, under an ad-hoc mechanism.

LAW ON CONCESSION

The Law on Concession was promulgated to govern concession projects in the absence of established supporting rules and regulations.

TRANSITIONAL PERIOD

During this transition, the concession projects/PPP projects continued to be implemented and managed under an **ad-hoc mechanism**.

POLICY FOR PPP

In 2013, the GKC mandated the MEF to initiate the preparation of a PPP policy. In 2016, the GKC approved the **Policy Paper on PPP for Public Investment Project Management 2016-2020**.

LAW ON PPP

Was promulgated to replace the Law on Concession marking a milestone for the GKC in further promoting and enhancing the use of the PPP mechanism.



About General Department of Public-Private Partnerships (GDPPP)

Our mission is “ *To promote, coordinate, and manage projects by the PPP mechanism in an innovative and effective manners to contribute to supporting sustainable long-term economic growth and increasing Cambodia’s competitiveness.*”

The GDPPP was set up as a **One-Stop Service** to catalyze private capital investment for sustainable development and economic growth in Cambodia.

Since 2021, GDPPP has been providing support to line ministries and state-owned enterprises in developing and delivering successful PPP projects.

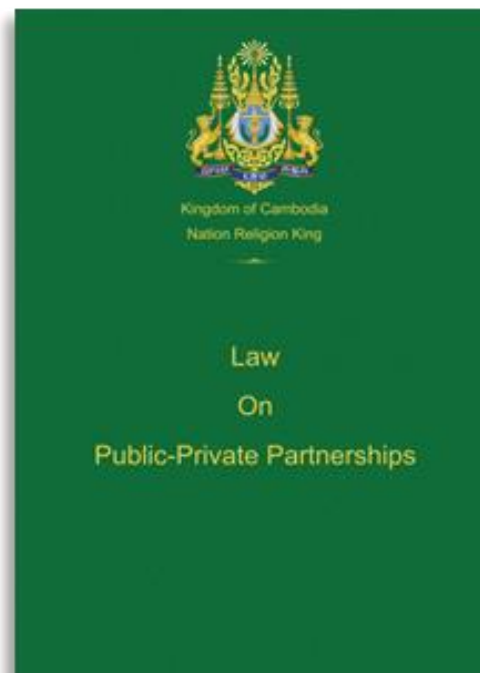
IDENTIFY
viable PPP projects

DEVELOP
viable PPP projects

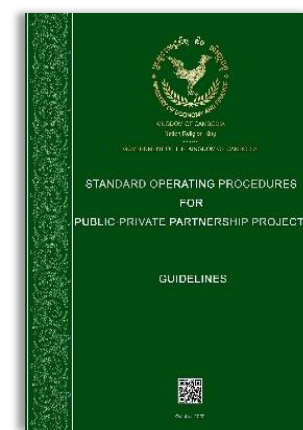
CREATE
PPP-enabling
environment

PROMOTE
sustainable
infrastructure
development

Law on PPPs (2021)



Standard Operating Procedures Guidelines (2022-2023)



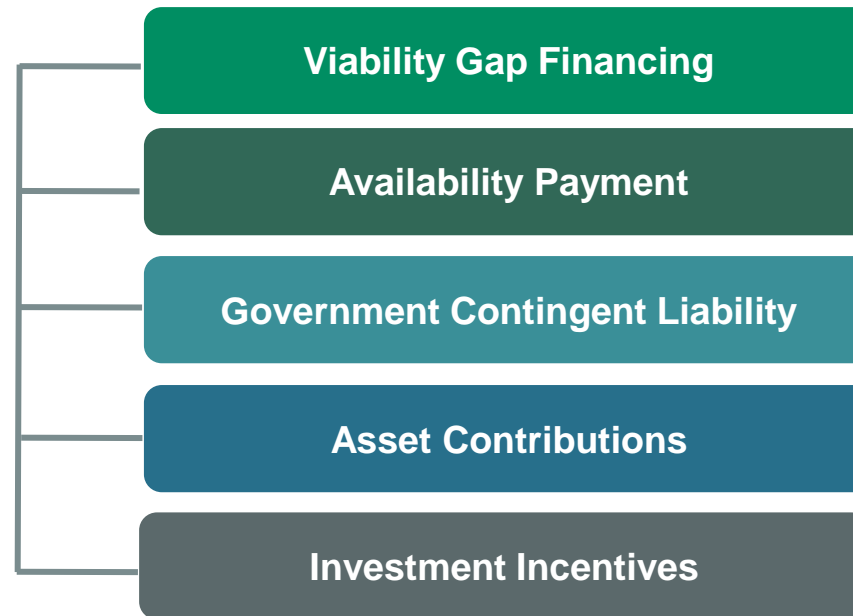
Sound, Transparent, and Effective PPP Management Framework to Safeguard The Investment

Law on PPPs: Creating an Enabling Environment

General Overview:

- Was enacted on November 21, 2021, replacing the Law on Concession (2007)
- The **Law on Public-Private Partnership** includes 14 chapters and 48 articles.
- Applies to all qualified projects seeking private investment into public infrastructure and public services.
- Implemented under the overview of **Ministry of Economy and Finance**

Government Support Measures:



Eligible Sectors : (Article 8)



Mine and Energy



Laboratory, Food Processing, Product Storage, Trade Promotion



Transport and Logistics



Industry, SEZ, SME, and Innovation Park



Health and Education



Clean Water and Sanitation



Agriculture and Irrigation



Posts, ICT, Telecom, and Digital Technology



Others (as permitted by law)

SOPs for PPP Projects: Providing Clear Guidance

General Overview:

- SOPs contains **policies, guidelines and procedures** for the *identification, preparation, procurement, implementation, and management* of public investment projects delivered as PPP Projects.
- Covers requirements as set out in the Law on PPPs

Volume I Policies and Procedures

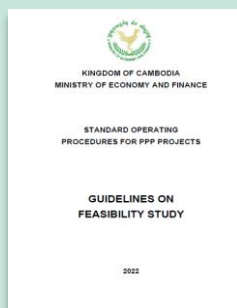
Volume II Guidelines

- Project Identification and Selection (PIS)
- Project Development Facility (PDF)
- Government Support Measures (GSM)
- Contract Management (CM)

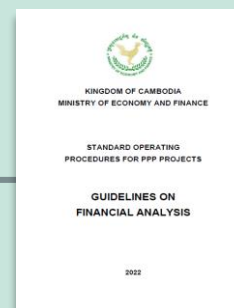
Volume III Procurement Manual

- Selection of Consultants
- Selection of Private Partner

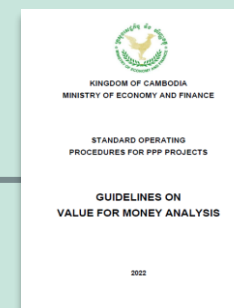
Additional Supporting Guidelines



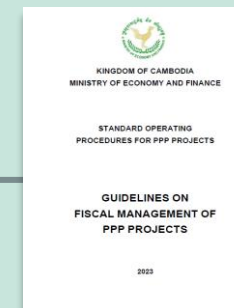
Guidelines on Feasibility Study



Guidelines on Financial Analysis



Guidelines on VfM



Guidelines on Fiscal Management of PPP Projects

Aligning PPP Projects with Government Objectives and Policies

The Pentagonal Strategy – Phase I emphasizes the important role of Private sector in the Economic Diversification and Growth.

PENTAGONAL STRATEGY – PHASE I

For Growth, Employment, Equity, Efficiency, and Sustainability

**Pentagon 3:
Development of
Private Sector &
Employment**

**Pentagon 4:
Resilient,
Sustainable, and
Inclusive
Development**

**Pentagon 2:
Economic
Diversification
& Competitiveness
Enhancement**

**Pentagon 5:
Development of
Digital Economy
and Society**

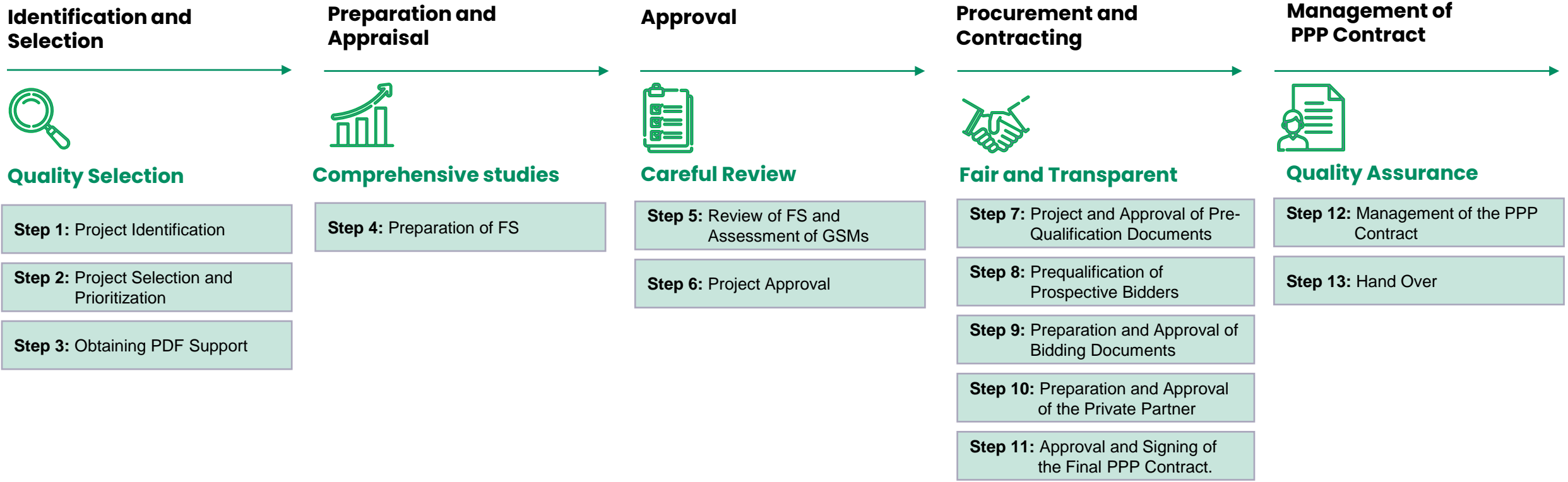
**The core
strategy for
governance
reform**

**Pentagon 1:
Human Capital
Development**

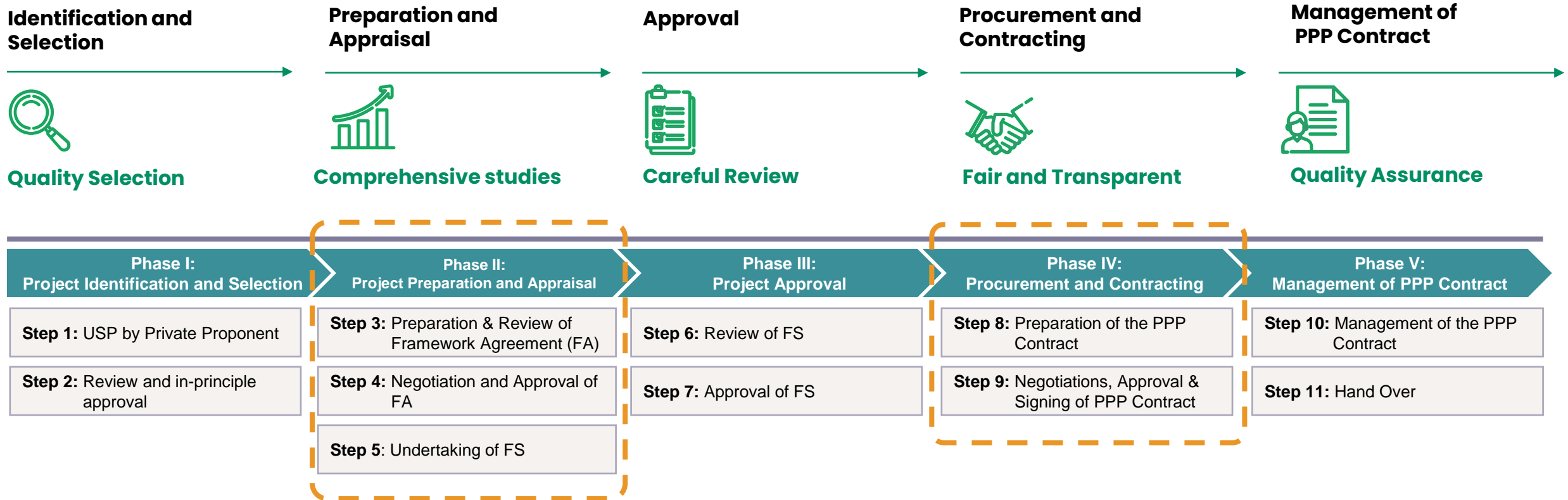
In Pentagon 3 - Side 3 Strengthening of the PPPs

- Capacity Building to promote the management of Public Investment Projects through PPP mechanism,
- Establishing the financial support and GSM to support the PPP market,
- Utilizing PPP projects to reduce budgetary pressures and public debt,
- Data collection from line ministries to strengthen the management of fiscal risks, and
- Improving the inspection and monitoring mechanism for PPP projects.

How Cambodia Manages Solicited Proposals



How Cambodia Manages Unsolicited Proposals



The Priority PPP Project List 2024

A growing portfolio as we continue to proactively identify new projects.

TOTAL PROJECTS

 **15**

SOLICITED PROJECTS

6

UNSOLICITED PROJECTS

9

A Breakdown of Our Priority PPP Project List

No.	Project	Sector	Implementing Agency	Status (Phase)	Model
SOLICITED PROJECTS					
1	Kampot International Tourism Port	Tourism	MPWT	Phase V: Management of PPP Contract	O&M
2	Sihanoukville Logistic Complex	Logistics	MPWT	Phase II: Project Preparation & Appraisal	-
3	Electric Buses in Siem Reap City	Transportation	MPWT	Phase II: Project Preparation & Appraisal	-
4	Prey Kabas Irrigation System	Irrigation System	MOWRAM	Phase II: Project Preparation & Appraisal	O&M
5	Sihanoukville Smart Parking	Transportation	Preah Sihanouk Administration	Phase II: Project Preparation & Appraisal	BOT
6	Green Special Economic Zones	Special Economic Zones	MEF/CDC	Phase II: Project Preparation & Appraisal	-

Source: GDPPP, MEF

*Note: These are the projects under the management of GDPPP.

A Breakdown of Our Priority PPP Project List

No.	Project	Sector	Implementing Agency	Status (Phase)	Model
UNSOLICITED PROJECTS					
1	Phnom Penh – Sihanoukville Expressway	Transportation	MPWT	Phase V: Management of PPP Contract (Operation and Maintenance)	BOT
2	Provision of Aviation Security Services	Aviation	SSCA	Phase V: Management of PPP Contract (Operation and Maintenance)	DBFOM
3	Phnom Penh-Bavet Expressway	Transportation	MPWT	Phase V: Management of PPP Contract	BOT
4	Phnom Penh Logistics Complex	Logistics	MPWT	Phase III: Project Approval	BOO
5	Firefighting Facilities and Equipment Inspection & Testing Research Center	Public Service	MOI	Phase II: Project Preparation & Appraisal	BOOT
6	Vocational Fire Safety Training School	Public Service	MOI	Phase II: Project Preparation & Appraisal	BOOT
7	Phnom Penh-Siem Reap-Poi Pet Expressway	Transportation	MPWT	Phase II: Project Preparation & Appraisal	BOT
8	Upper Tatay Pumped Storage Hydropower	Energy	MME	Phase II: Project Preparation & Appraisal	-
9	Development of New Mondulkiri Airport	Aviation	SSCA	Phase II: Project Preparation & Appraisal	-

Source: GDPPP, MEF

*Note: These are the projects under the management of GDPPP.

Handling of Unsolicited Proposal

At-a-glance



**PHNOM PENH – SIHANOUKVILLE
EXPRESSWAY**

**PROJECT STATUS:
OPERATIONS & MAINTENANCE**

**COST:
USD 2 Billion**

**OPERATIONAL YEAR:
2022**

Unsolicited Project

Project Description:

The four-lane expressway spanning 187 km is the first expressway ever built in Cambodia. It provides connection between the two economic poles of Cambodia, Phnom Penh-Sihanoukville, which significantly reducing travel time and improve logistical efficiency in the country.

Location: Phnom Penh connecting to Preah Sihanouk

Sector: Transportation

Implementing Agency: Ministry of Public Works and Transport

PPP Model: BOT

Private Partner: China Road and Bridge Corporation (CRBC)

Developing Sustainable, Resilient, and Green Infrastructures

At-a-glance



Solicited Project

GREEN SPECIAL ECONOMIC ZONE (GREEN SEZ)

PROJECT STATUS:
PROJECT PREPARATION AND APPRAISAL

COST:
USD 300 Million

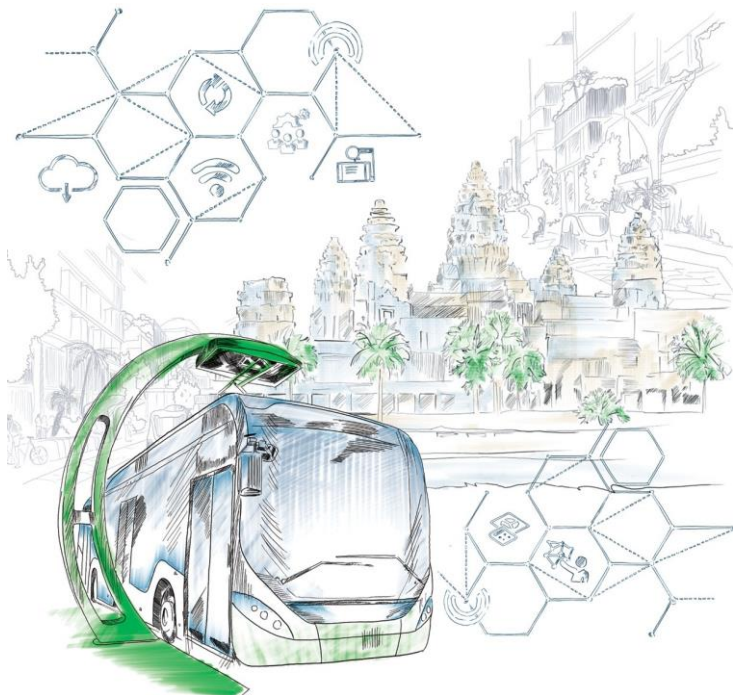
Project Description:

The Green SEZ aims to support Cambodia's key priorities of 'Economic Diversification and Competitiveness Enhancement' through strengthening the efficiency and attractiveness of SEZs, and 'Resilient, Sustainable, and Inclusive Development' by promoting the green economy and contributing to Cambodia's climate transition efforts.

The Green SEZ will incorporate high use of **renewable energy, energy-efficiency and circularity elements** to help Cambodia provide a differentiated value proposition to investors as a green industrial manufacturing hub by targeting priority sectors such as **Automobiles, Electronics, and high-end Textiles.**

Developing Sustainable, Resilient, and Green Infrastructures

At-a-glance



Solicited Project

**E-BUS
AS PUBLIC SERVICE
IN SIEM REAP CITY**

**PROJECT STATUS:
PROJECT PREPARATION AND APPRAISAL**

**COST:
USD 12 Million**

Project Description:

Siem Reap province is set to introduce Electric Buses (E-Bus) and smart transport management technologies as a way of achieving a sustainable and efficient public transport system. The initial considerations for this project are focused on bus lines located within the Siem Reap city area, covering a distance of approximately 50 kilometers through the main roads of the city.

Location: Siem Reap Province

Sector: Transport

Implementing Agency: Ministry of Public Works and Transport (MPWT)

Challenges in Implementation of PPP In Cambodia



Government's Financial Capacity

Some potential PPP projects require support from the Government (supporting infrastructure, subsidy, assets) to make them viable, which therefore create additional financial burden on the government budget.



Limited Capacity and Willingness of IA

- PPP is still new in Cambodia and many line ministries still have doubts and limited understanding about PPP.
- Challenges in developing and retaining talents to oversee PPP project preparation and implementation.
- Language barrier, especially at the sub-national level.



Lack of Bankable PPP Project Pipeline

- Need to develop a pipeline of bankable PPP projects that deliver value for money to the government.
- Slow uptake on solicited PPP projects.



Access to Finance

- Reliance on cross-border financing.
- Inadequate mobilization of domestic sources of finance.

Promoting GDPPP:



PRIORITY SECTORS FOR PPP PROJECTS 2025-2035

Consultation Workshop on the “ Identification of Priority Sectors for Public-Private Partnerships Projects 2025-2035” held on August 02, 2024 *to ensure a comprehensive and coherent approach to identify priority sectors for PPP projects in line with Government’s strategic policies and line ministries’ investment policies.*

On October 11, 2024, the GKC endorsed the **Priority Sectors for PPP Projects 2025 to 2035**, including:

- ❖ **Transportation and Logistics** (roads, bridges, ports, and logistics)
- ❖ **Energy and Public Services** (clean water and waste management)

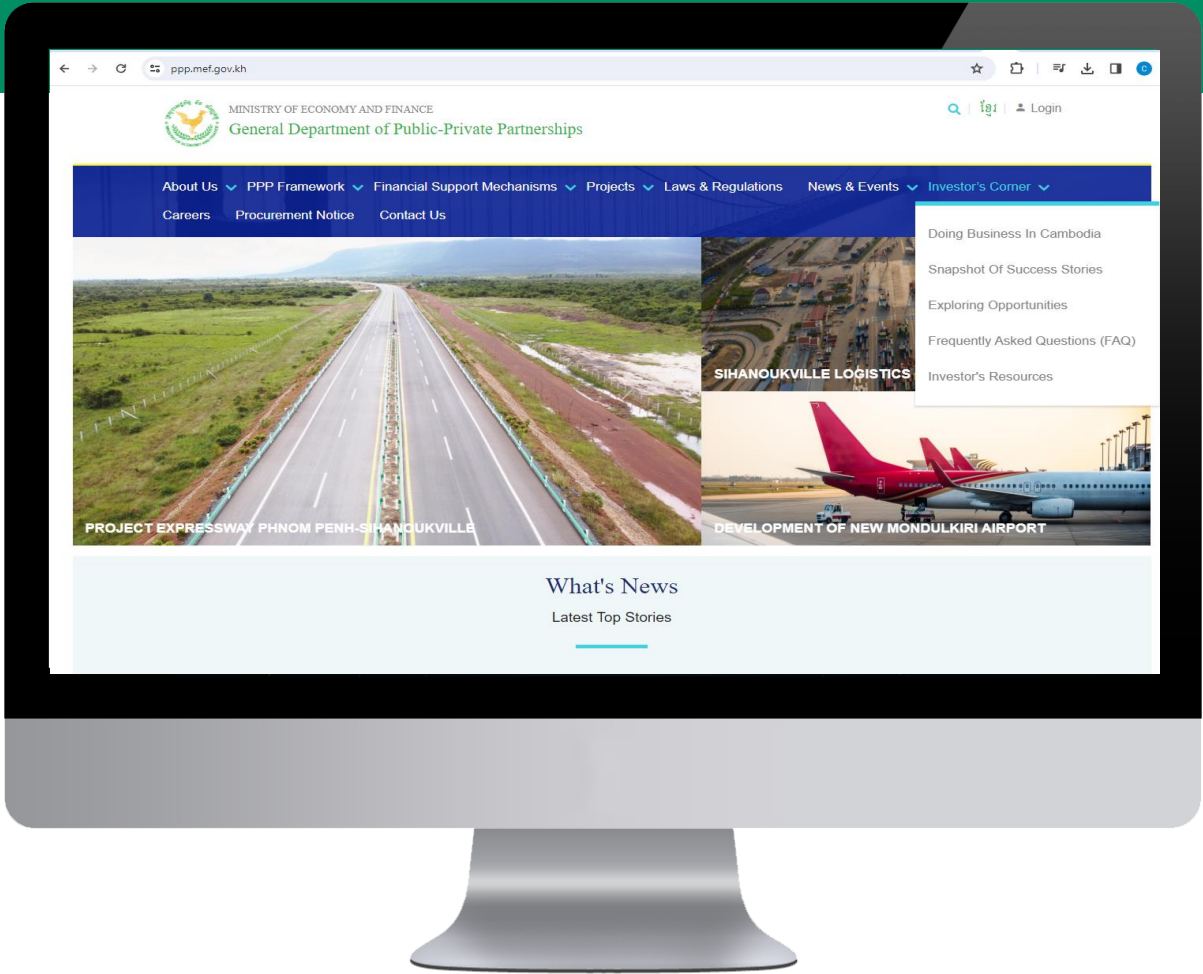
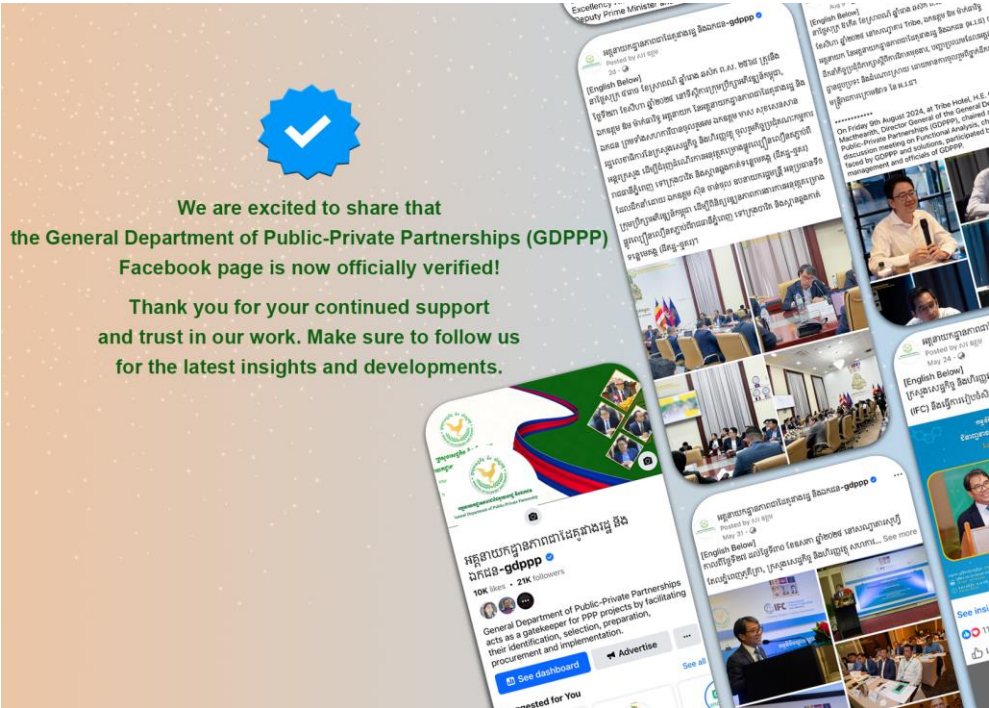
APPROVED!!!



FOLLOW US ON:

“Improving investors relations with easy to find information that are accessible and transparent”

Keep up with our latest update via our Facebook Page @GDPPP



Our Website: <https://ppp.mef.gov.kh/>



General Department of Public-Private Partnerships

Lexicon on Public-Private Partnerships



Scan QR To Get Document





Contact Us:

Om Macthearith, Director General of GDPPP, MEF
Email: macthearith.om@gmail.com

QR Code to Law on PPP and SOP for PPP Projects

Thank you

