



Overview of Recent Development of PPP in Cambodia

Macthearith OM

Deputy Head of Central PPP Unit

Ministry of Economy and Finance

Kingdom of Cambodia

05 November 2018

Contents

1. PPP Policy
2. Legal Framework
3. Institutional Framework
4. Standard Operating Procedures
5. Project Pipeline

1. PPP Policy



The Problem:

If not managed properly, PPPs could present unexpected fiscal risks and may waste fiscal and other public resources and/or not provide adequate socio-economic benefits or value for money.

Vision:

“A comprehensive and interlinked system for identifying, selecting, prioritising, preparing, procuring and implementing PPP projects in accordance with international best practice by the end of 2020”

1. PPP Policy (Con't)



Objective:

To promote and encourage the private sector to contribute to restoring, building, financing, operating and maintaining public infrastructure and providing public services that sustain or enhance economic growth.

1. PPP Policy (Con't)



- Priority Sectors and Revenue Models
 - Priority Sectors - transport, energy, water supply, waste water treatment, industrial zones, solid waste management, affordable housing, vocational training, tourism, public markets, car parks, and other sectors that sustain or enhance economic growth
 - Pilot phase – projects where user fees are sufficient to cover investment costs – without government payments, viability gap funding, or guarantees
- Policy Measures
 - Develop a legal framework and operational procedures
 - Develop financial support mechanisms
 - Develop an institutional framework
 - Capacity building

2. Legal Framework



- Our current Law on Concessions has been reviewed
- Some provisions regarding certain roles of relevant ministries are not clear and comprehensive
- Key points to be included in new draft PPP Law:
 - Definition of PPP that is regulated by the law
 - Which entities are authorised to enter into PPP contracts
 - Eligible sectors
 - Eligible projects
 - Institutional arrangements – roles and responsibilities
 - PPP project cycle
 - Financial support mechanisms – forms of state aid
 - Procedures for selection of the private partner including procedures for handling unsolicited proposals
 - Principles of PPP contracts
 - Investment incentives
 - Project Implementation and Monitoring
 - Concession Period, Termination and Handback

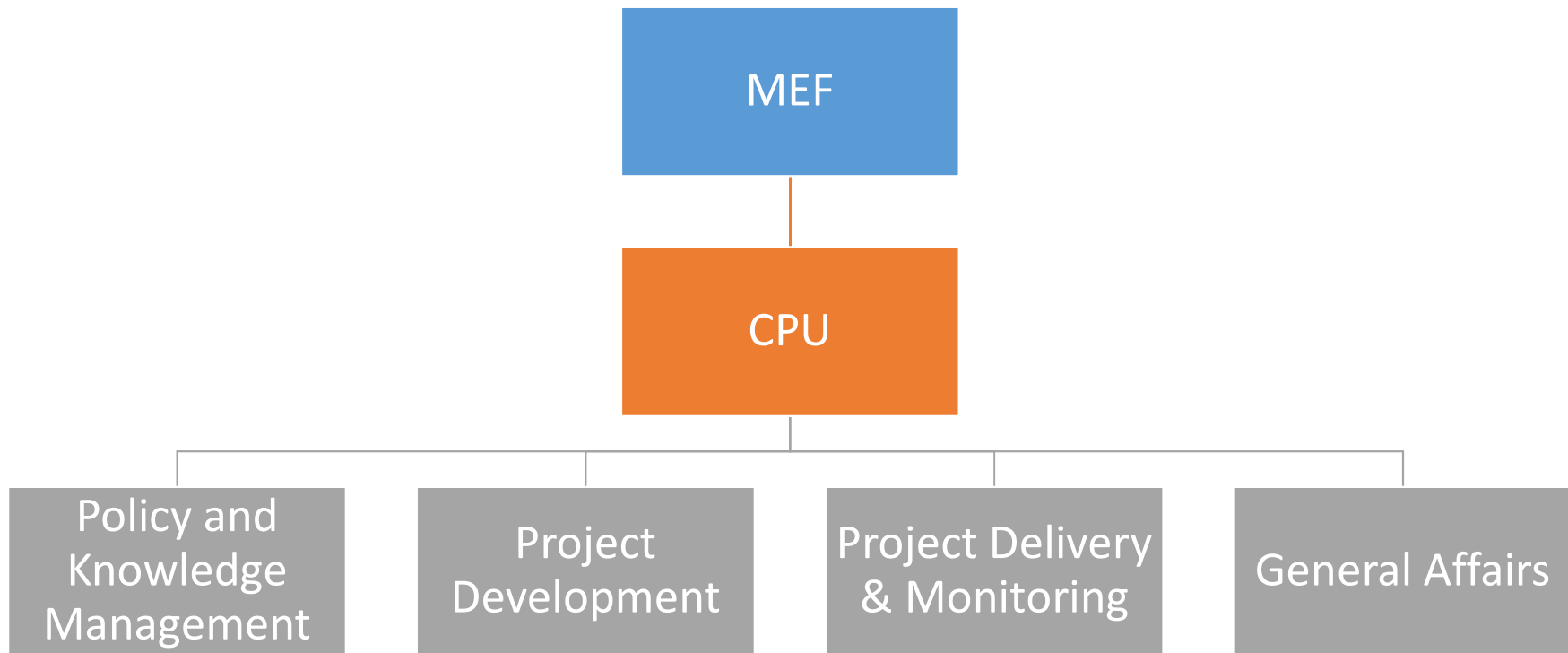
3. Institutional Framework



Inter-ministerial Committee for Steering the Implementation of Policy on PPPs

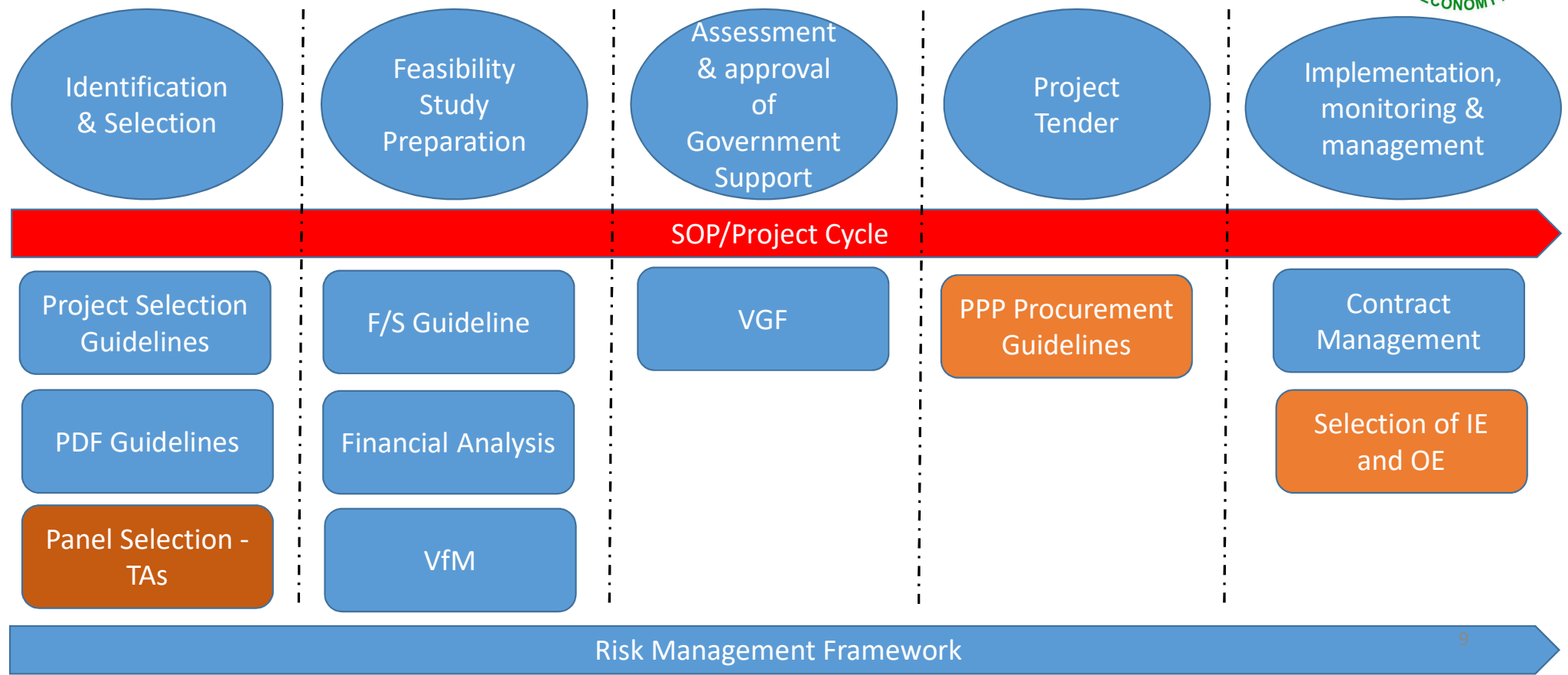
- **Main Responsibility:**
 - i) Review provisions stipulated in the Law on Concession and other related laws and make amendments as necessary or propose a new law on Public-Private Partnership mechanism if necessary.
 - ii) Prepare sub-decrees, Prakas, related legal instruments, operational management procedures for public investment projects using PPPs.
 - iii) Review and approve priority project list and the findings from feasibility studies of those priority projects while piloting PPP projects.
- **Members:** 9 from the MEF (including the Chairman), and 16 from line ministries/institutions.
- **Secretariat:** Central PPP Unit

3. Institutional Framework (Con't)





4. Standard Operating Procedures



5. Project Pipeline

- Sihanoukville Cruise Terminal Project
- Phnom Penh Logistics Complex
- Phnom Penh Specialised Bulk Cargo Terminal Project
- Public Rice Warehouses Project
- Rehabilitation of Stung Treng Regional Airport
- Aviation Meteorological Services Centre
- Solar Energy Park





Thank you!!!