



"Advancing Resilient, Sustainable and Inclusive Industrial Development via PPPs: Cambodia's Pioneer Green Special Economic Zone Project"



Renewable
Energy



Wastewater
recycle

September 2025

Ministry of Economy and Finance, Cambodia

General Department of Public-Private Partnerships



GHG Emission
Tracing



Climate
Resilient



Contents

"Advancing Resilient, Sustainable and Inclusive Industrial Development via PPPs: Cambodia's Pioneer Green Special Economic Zone Project"

- 1. Overview to Cambodia's Commitment Towards Green Development**

- 2. Introduction to the PPP Management Framework in Cambodia**

- 3. Cambodia's Pioneer Green Special Economic Zone Project**

I. Overview of Cambodia's Commitment Toward Green Development

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

Pentagon 1:
Human Capital
Development



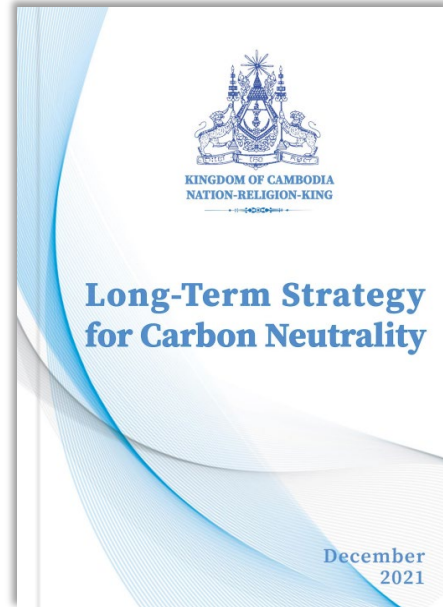
The Pentagonal Strategy –
Phase I is the *socio-economic agenda of the Political Platform of the Royal Government of the Seventh Legislature of the National Assembly...*

Within which, Pentagon 4 focuses on laying out the groundworks for adoption of subsequent policies and framework to support **Cambodia's commitment to resilient, sustainable and inclusive growth.**

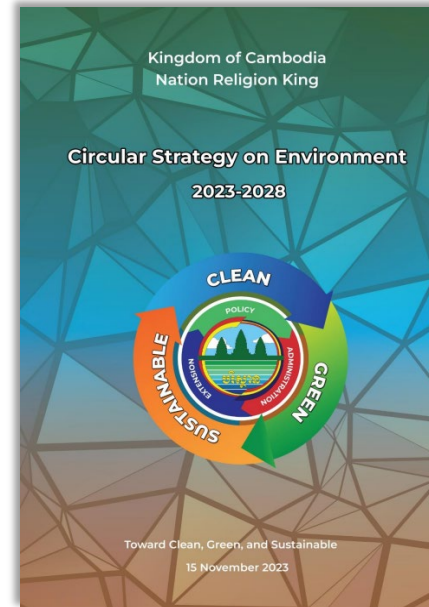
I. Overview of Cambodia's Commitment Toward Green Development (cont.)



National Strategic Plan on Green Growth 2013-2030



Long-Term Strategy for Carbon Neutrality by 2050



Circular Strategy on Environment 2021-2028

Although Cambodia does not yet have a dedicated framework for Green and Inclusive PPP projects, **Pilot Initiatives are underway...**

Other Cambodian Government Commitments:

- ✓ Green bond framework and the launch of green and sustainable finance products
- ✓ Collaboration with UK Export Finance and other development partners to support the development and financing of green and inclusive projects in Cambodia

II. Introduction to the PPP Management Framework in Cambodia



A. The Evolution of PPPs In Cambodia

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**.

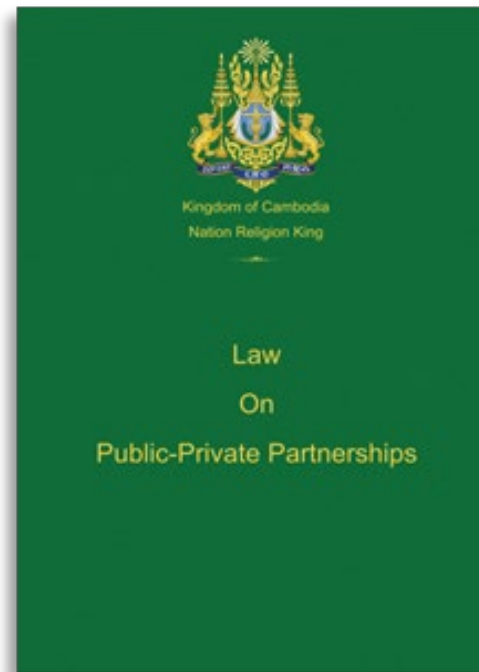
LAW ON PPP

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.

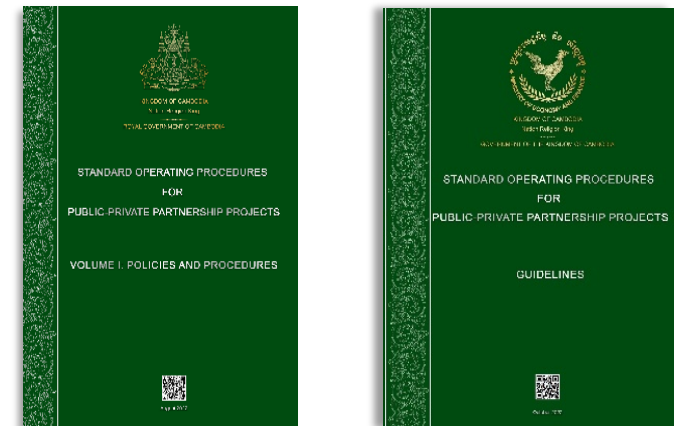
B. PPP Legal and Regulatory Framework

**Robust, Transparent, and
Effective Mechanism
for the Preparation and
Development of PPP Projects
in Cambodia**

**Law on PPPs
(2021)**



**Standard Operating Procedures
and Guidelines
(2022-2023)**



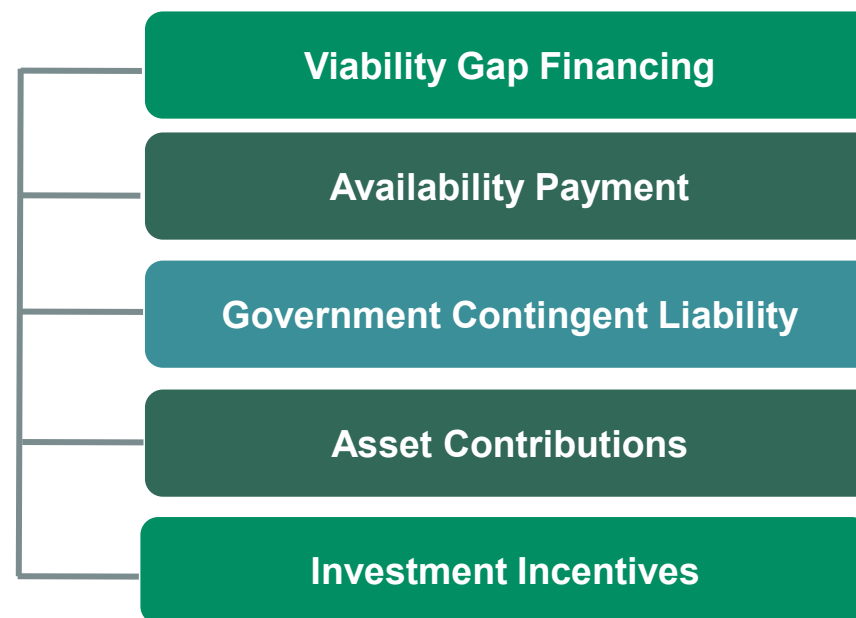
C. Dedicated PPP Mechanisms for an Enabling Environment

What is new?

- Standardising **institutional arrangements** with Ministry of Economy and Finance as gatekeeper for all PPP Projects, ensuring consistency and long-term credibility in PPP implementation;
- Introducing **new modalities for private sector participation** in public infrastructure projects;
- Establishing **dedicated procurement procedures** for PPP Projects.

Additionally...

Dedicated Government Support Measures specifically for PPPs:



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)

D. Clear and Comprehensive Guidance for All Government and Private Sector Stakeholders

General Overview:

- SOPs contains **guidelines and procedures** for all phases of the PPP project cycle.
- This is intended to **guide the implementation by all stakeholders**, Implementing Agencies, the Ministry of Economy and Finance, the Transaction Advisor, Consultants and the Private Sector, each in their respective roles.

Volume I | **Policies and Procedures**

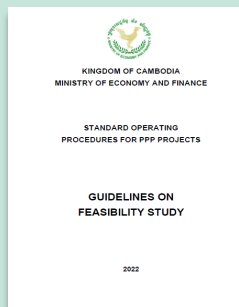
Volume II | **Guidelines**

- 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

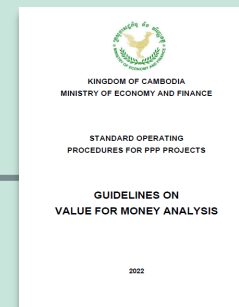
Additional Supporting Guidelines



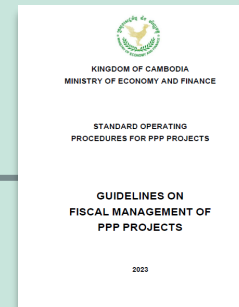
Feasibility Study



Financial Analysis



Value for Money



Fiscal Management of PPP Projects



E. Significance of PPPs – mobilizing private investment for infrastructure

To address below challenges....

Infrastructure Funding Gap

US\$ 28–30 billion

between 2016 and 2040 to sustain high economic growth.

LDC Graduation by 2029

Loss of favorable concessional financing and Preferential Trade Benefits, widening the funding gap.

Adherence to SDGs

US\$ 36 billion

over the next 3 decades to achieve SDGs commitment.

PPP is one of the key strategic tools by the Government to address these increasing funding gaps and shortfalls in public service delivery.

- ✓ Supported by **Pentagonal Strategy Phase 1**, Pentagon 3 – Side 3: Strengthening of the PPPs by promoting the management of Public Investment Projects through the PPP mechanism
- ✓ Further supported by the **Blended Finance product** and other designed **Government Support** tools (VGF, AP, PDF) to increase the bankability of the project
- ✓ Better risk allocation with the support from the Government



III. Cambodia's Pioneer Green Special Economic Zone Project

A. PPP Portfolio

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

TOTAL PROJECTS

 **17**

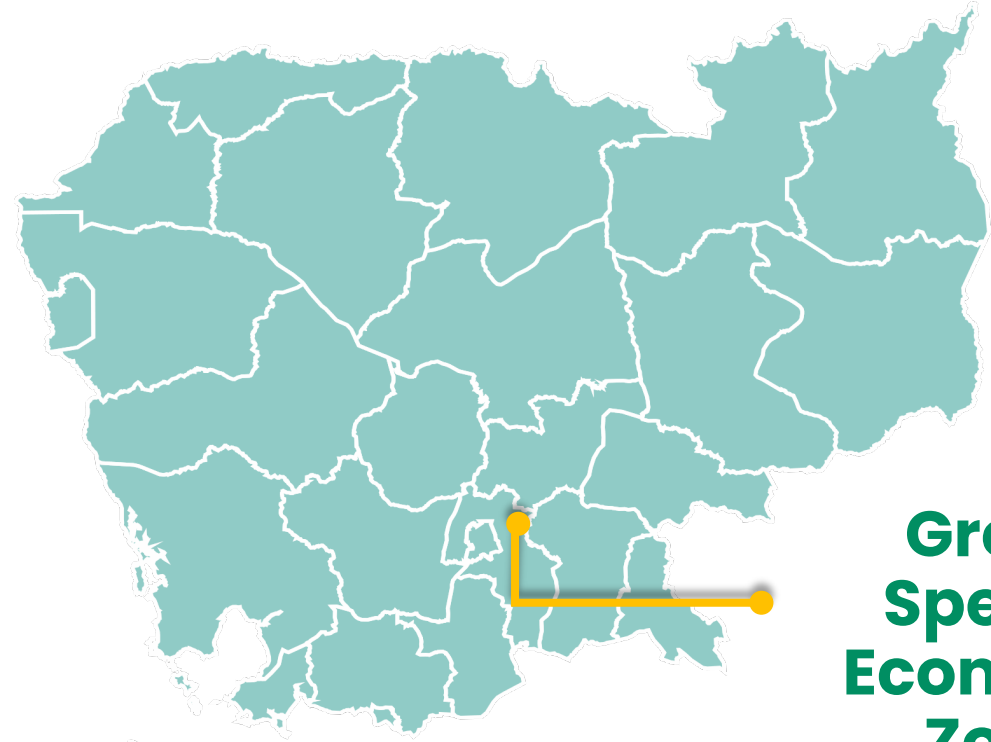
SOLICITED PROJECTS

12

UNSOLICITED PROJECTS

5

Other Green PPP Project: E-bus in Siem Reap Province



**Green
Special
Economic
Zone**

This **Green Pioneer PPP** Project will pave the way for many more future **Green PPP** initiatives...



B. Background Information



The Green SEZ Project is a joint initiative between the Cambodian and UK Governments



STRATEGIC OBJECTIVES:

- Support Cambodia's **economic diversification** into higher-value sectors and climate transition
- Establish Cambodia as a **strategic green export hub** in the region, enabling long-term participation into global value chains
- Building **economic resiliency** in the face of shifting global trade dynamics.



MORE INFORMATION



PROJECT PROPOSAL

Solicited Project



PROJECT COST:

~400 Million USD



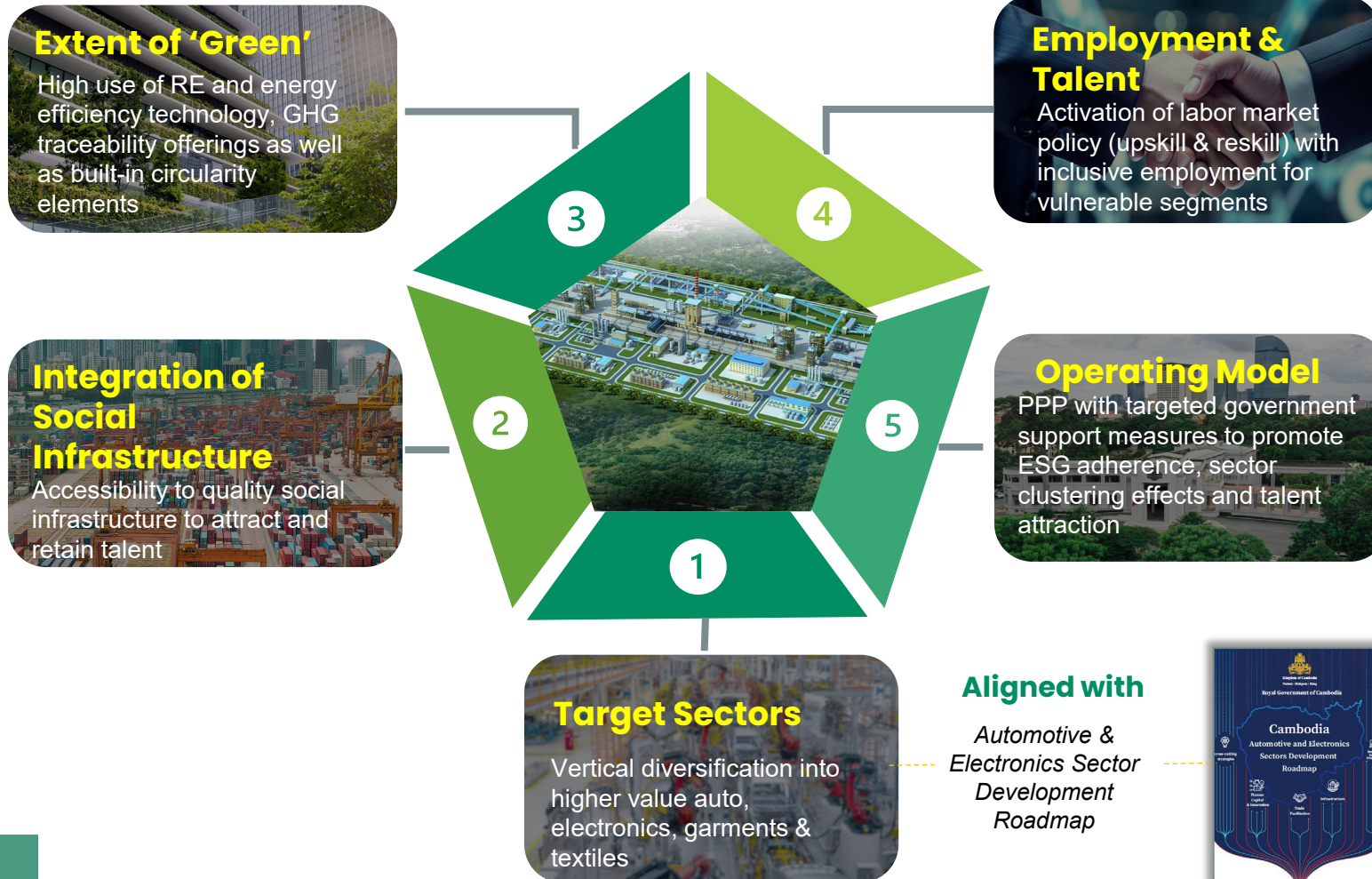
Status:

Project Preparation Phase: *Feasibility Study*



C. Unique Value Propositioning

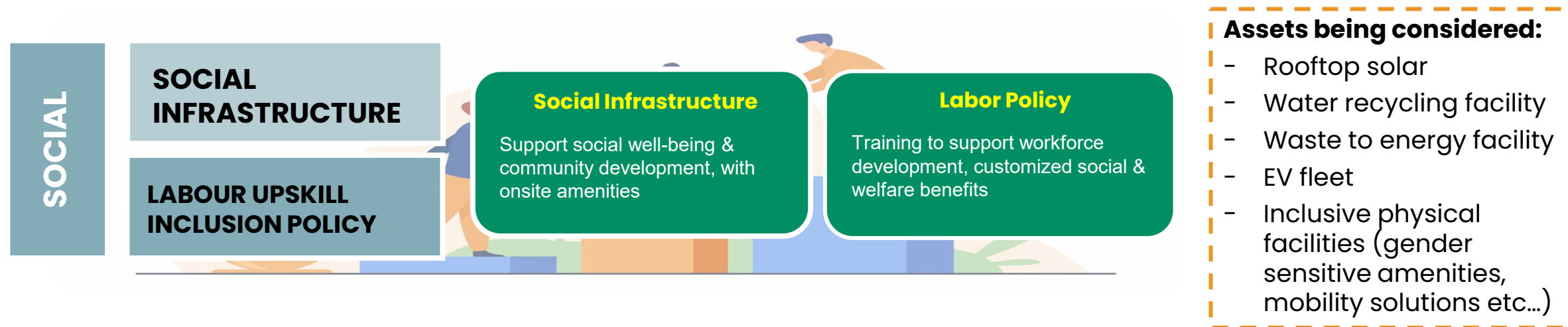
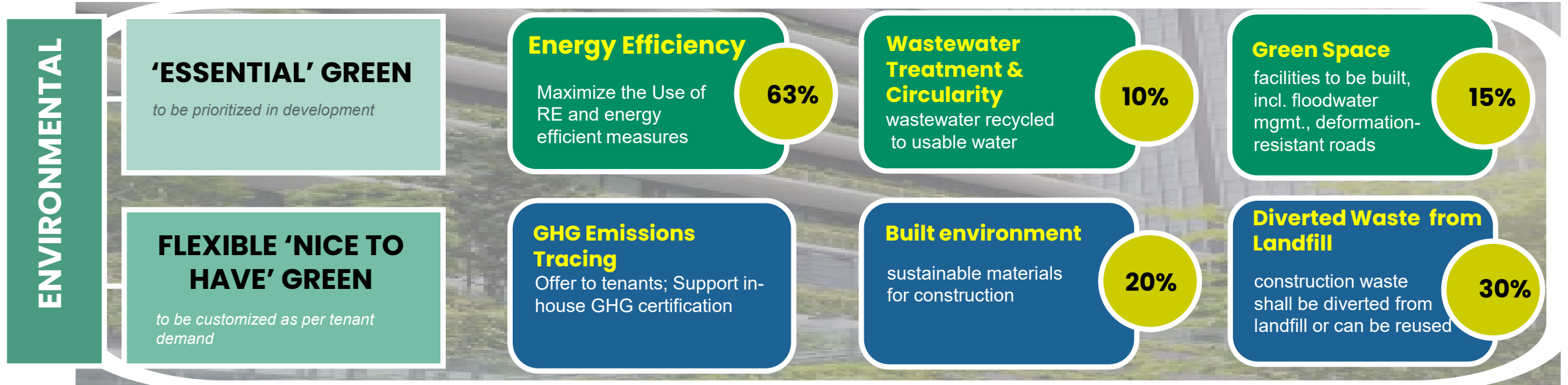
Beyond the common considerations of location, size and multimodal connectivity, **the Green SEZ** embodies the following components:



Trialed and tested
through a series
of successive
market
engagement
campaigns
coupled with
an iterative
approach to
concept
refinement...

D. Environmental and Social Elements

Developer's performance obligations to be ramped up in a **PHASED DEVELOPMENT APPROACH**



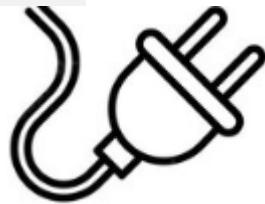


E. Expected Delivery Outcomes

A more **resilient, sustainable and inclusive future** for Cambodia through...



Plugging
seamlessly into
global value chains
and....



ENVIRONMENTAL

- **Setting a precedent** for broader adoption of sustainable infrastructure development
- **Future-proofing industries** against climate change and other ESG related risks
- Providing avenues for **environmentally-compliant investments**

SOCIAL

- **Defining clear implementation standards** for inclusive practices and community well-being
- **Employment Creation & Skills Development** for increased resiliency against economic shocks
- **Fostering the development of people-centric industrial zones** with multi-functionality across residential and commercial elements

ECONOMIC

- Capturing global players' **environmentally conscientious investments**
- Responsiveness to **ESG and trade related regulations** of targeted export markets
- Supporting Cambodia's **economic growth and diversification**

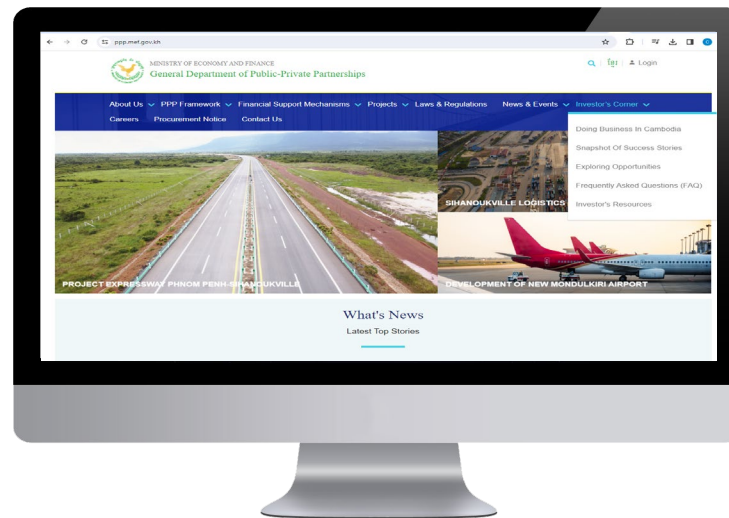
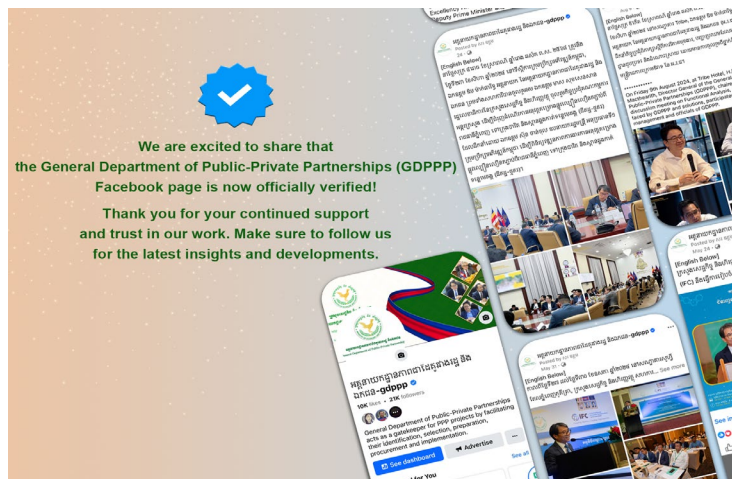


Thank You

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

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

Access to Law on PPP
and SOP for PPP Projects





General Department of Public-Private Partnerships

Lexicon on Public-Private Partnerships



Scan QR To Get Document

