



MINISTRY OF ECONOMY AND FINANCE



PPP Management Framework in Cambodia

2023 APN Conference: “Setting the Context for Infrastructure as Catalyst for Sustainable Recovery and Climate-resilient Transition”

Presented by: H.E. Sim Vireak
Under Secretary of State
Ministry of Economy and Finance

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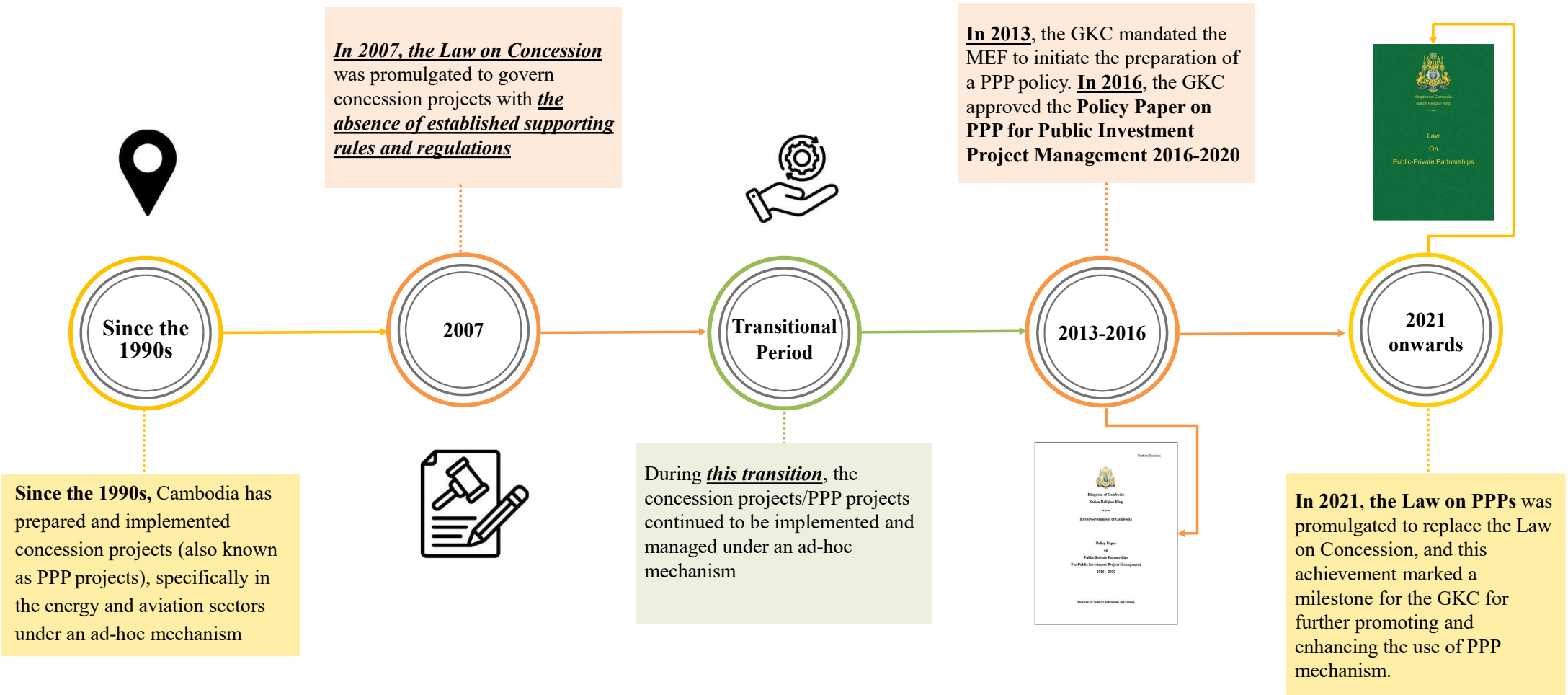
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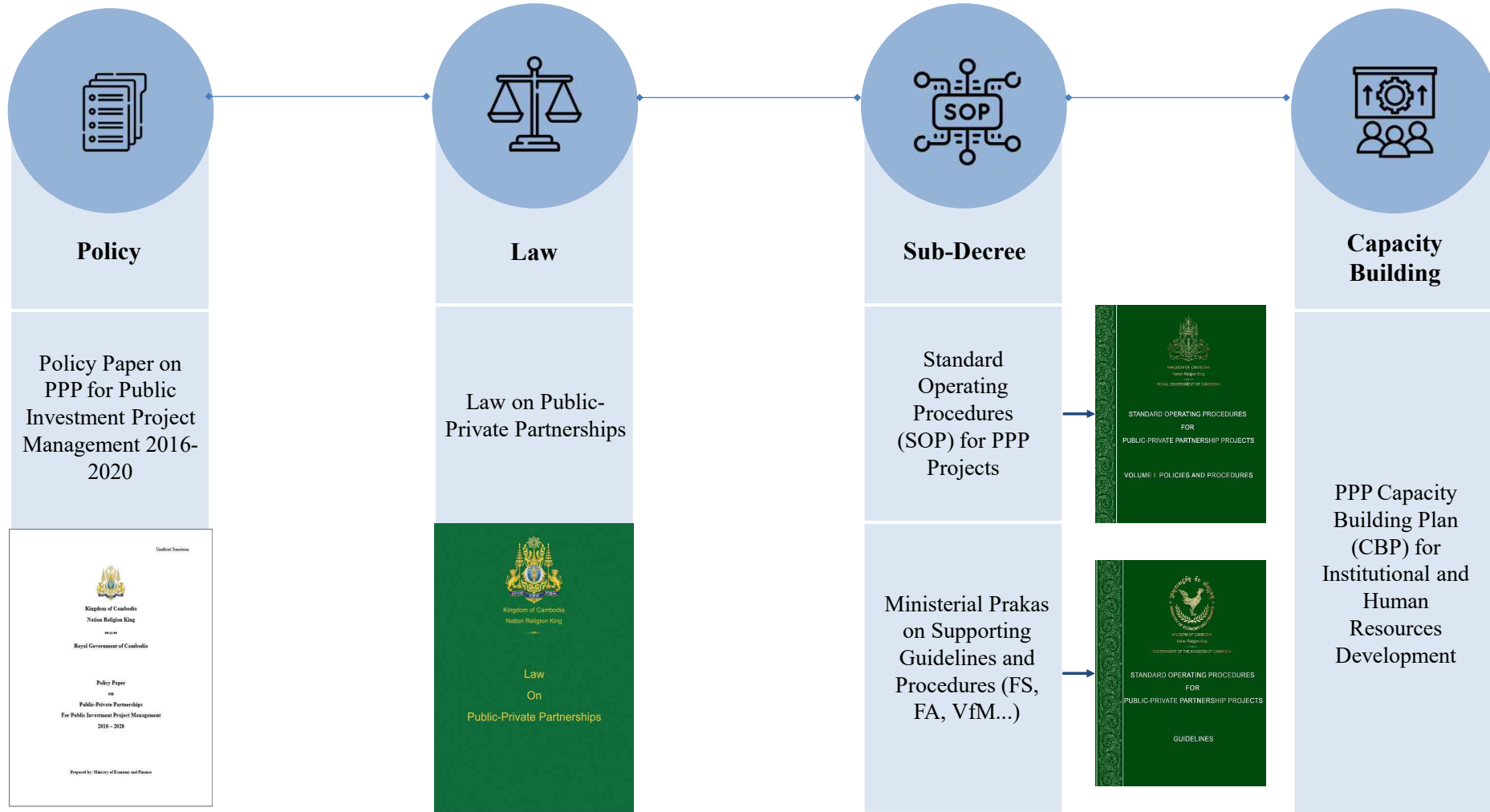
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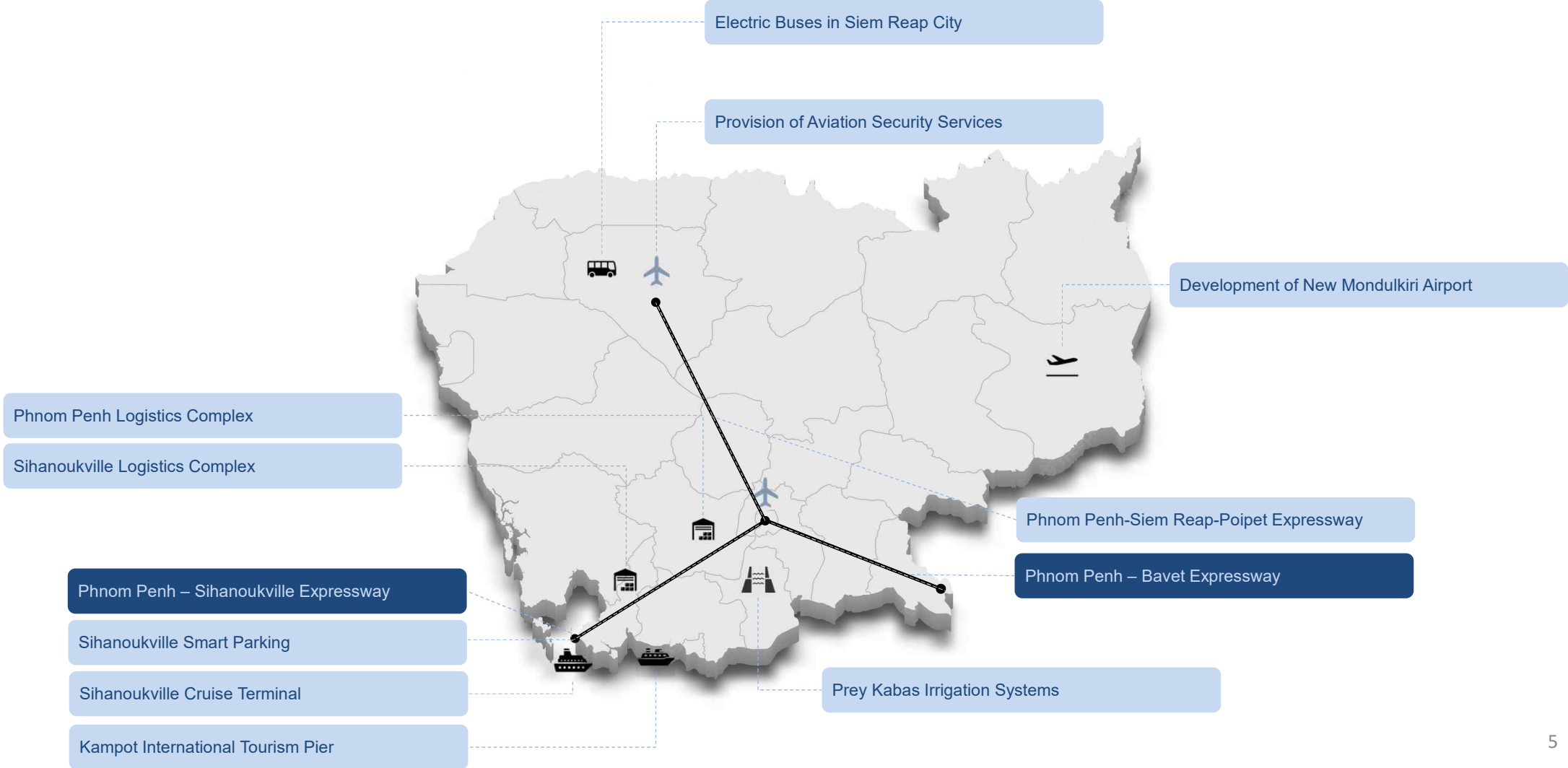
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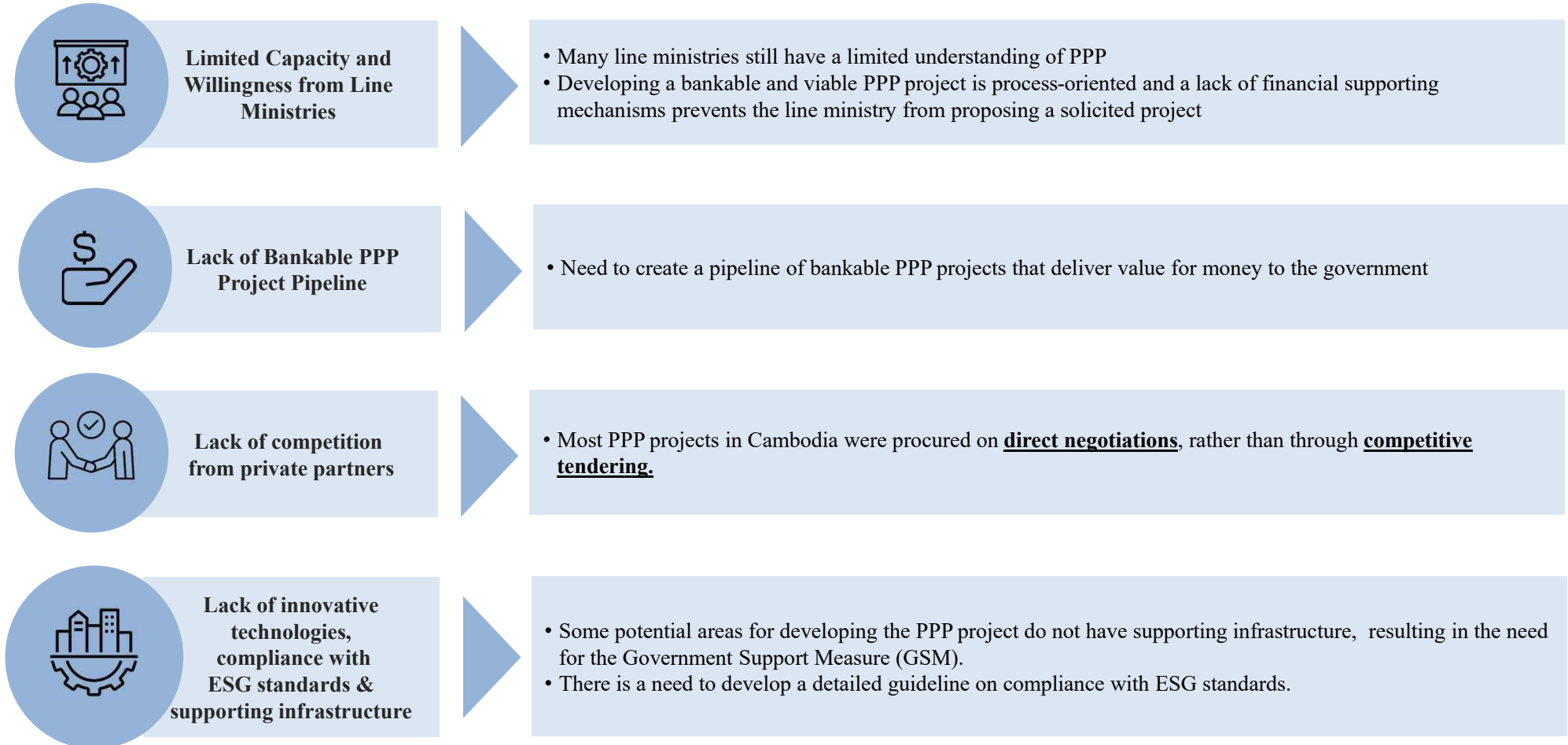
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Priority PPP Project List in Cambodia

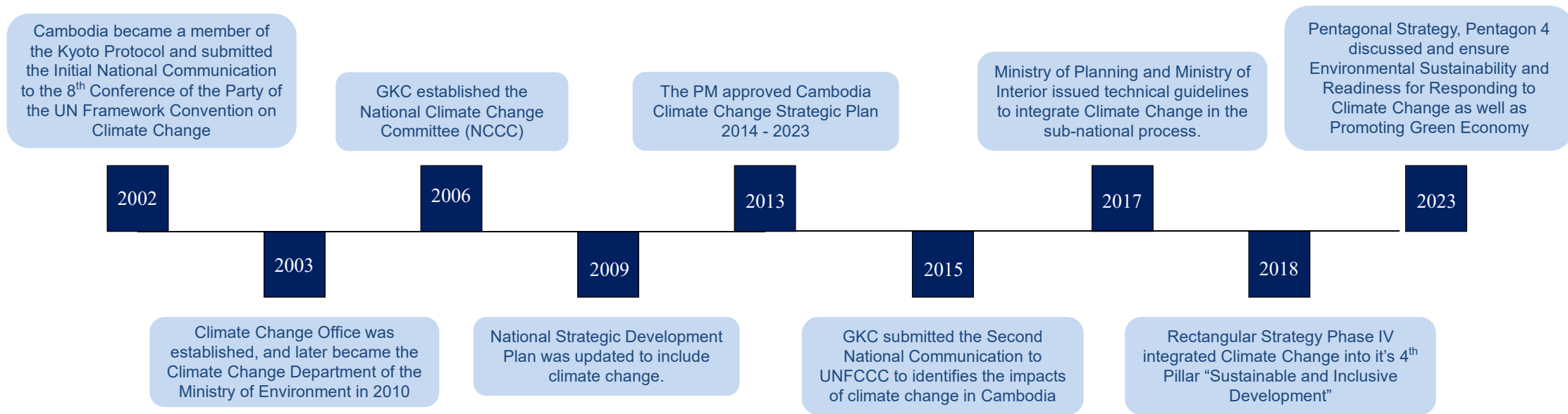


Current PPP Issues in Cambodia



Addressing Climate Change Challenges in Cambodia

Global Climate Change has been affecting countries all over the world, Cambodia included. As a country, the GKC has taken extensive measure to alleviate the effects of climate change through several means:



Partnership Strategies

- **Asian Development Bank (ADB):** through Country Partnership Strategy (2019-2023) in which the climate change issues are addressed in Pillar 1: Accelerate competitiveness and economic diversification, and Pillar: Foster green, inclusive and sustainable development.
- **World Bank Group (WBG):** through its Country Partnership Framework (2019-2023) improve agriculture and strengthen sustainable use of natural resources

Cambodia's Effort Toward Sustainable Energy

- In 2022, in installed capacity term our energy mix consisted of 62% renewables, including hydropower, solar and biomass and only 38% fossil fuels.

Addressing Climate Change Through PPPs



Environmental and Social Impact Assessments

EIA must be carried out to identify the potential direct, indirect, cumulative, and induced impacts and risks in the Project's area of influence.

The assessment will include climate change impacts and the proposed mitigation measures to make the project sustainable and green.

Challenges

Environmental and Social Impact Assessments may be costly, and is very difficult to apply to smaller project. Therefore, not all projects have gone through extensive environmental research.

GKC highly encourages Environmental and Climate Analysis, especially for PPP Projects

Forum Addressing Climate Change Challenges

UNCTAD urges channeling net-zero finance to support the energy transition in developing economies

Energy transition, a critical element in addressing climate change, requires *substantial investment* and the investment needs are much higher in developing than in developed economies, relative to their existing asset bases.

Foreign direct investment critical to energy transition

- *International project finance* constitutes 55% of total project finance values, *rising to over 75%* in the least developed countries (LDCs), but the high cost of capital, particularly in countries facing debt distress, poses a significant hurdle.

International investors have a vital role

- On average, bringing in international investors *lowers the spread on debt finance by 8%* in developing countries.
- Collaboration with multilateral development banks and government stakes in public-private partnerships can further *decrease the spread by 40%*.
- UNCTAD emphasizes the need for collaboration among parliamentarians, policymakers and business leaders for a nuanced and collaborative approach to address the challenges of the sweeping global economic transformation that a transition to a net-zero economy will require.



UNCTAD Prosperity for all

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UNCTAD urges channelling net-zero finance to support the energy transition in developing economies

17 October 2023

The call was issued at the 8th World Investment Forum and underscores the vital need for capital in developing countries, where substantial growth opportunities exist.



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Thank You!