

Development Cooperation Programme of the Czech Republic with the Kingdom of Cambodia **2024 – 2030**



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1. INTRODUCTION

Czechia is traditionally committed to fostering closer relations with Cambodia and engaging in a constructive dialogue on foreign policy matters of mutual interest. The most active cooperation between the countries took place in the 1980s when Czechoslovakia was involved in the reconstruction of Cambodia after the end of the Khmer Rouge genocide, through infrastructure and other projects. In 2013, Czechia reopened its Embassy in Phnom Penh and resumed its development cooperation activities in Cambodia – first by treating the bilateral debt and later by expanding the reach of Czechia's foreign development cooperation (FDC) to Cambodia as a priority country.

According to the United Nations (UN) classification¹, Cambodia remains one of the least developed countries (LDCs). The long-standing presence of foreign development donors in the country and Cambodia's high economic growth are helping the country gradually meet its development goals. By 2027, the country could graduate from LDC status to lower middle-income country which will bring about new risks and opportunities. Despite Cambodia's economic progress, certain regions may continue to benefit from FDC, particularly in the healthcare and education sectors, which remain key priorities for Czechia's development initiatives. Many rural regions continue to lack full access to drinking water and sanitation or to affordable sources of electricity. Despite promising conditions for agricultural development, Cambodia is only minimally integrated into global or regional value chains.

As regards development activities conducted in Cambodia, the European Union (EU) and Czechia should continue to target areas that are in line with Czechia's interests and values and that help Cambodia achieve the Sustainable Development Goals under the 2030 Agenda; such areas being the education and healthcare sectors on which Czechia intends to centre its development activities in the next programming period. To further strengthen its influence in these two priority areas, Czechia can use projects targeted at youth (scholarship schemes, inter-university cooperation, training in academic research skills) as youth will soon form a new powerful political force. Cambodia's growing economy and its anticipated transition to a lower middle-income country before 2030 present opportunities for enhanced Czech-Cambodian economic cooperation, building on the strong foundation established through development initiatives and mutual trust. A key to this is also integrating the Czech FDC activities into those pursued by the EU and leveraging the potential of EU instruments for use by Czech entities.

Cambodia is currently the only priority country of the Czech Republic in Asia, and Czechia wishes to keep its development presence in this dynamic region. The FDC is a crucial topic in bilateral relations which paves the way for contacts at the highest political level (including the prime ministerial level) and for dialogue on sensitive topics.

¹ <https://www.un.org/ohrlls/content/list-ldcs>



2. CAMBODIA'S DEVELOPMENT NEEDS AND PRIORITIES

2.1 Cambodia's main medium-term priorities and their linkage to the achievement of the 2030 Agenda and the SDGs

Since the early 1990s, Cambodia has managed to evolve from a war-torn country into a country that will soon be classified as a middle-income country.

The main development strategy adopted at the national level is the Pentagonal Strategy – Phase I for Growth, Employment, Equity and Efficiency: Building the Foundation Towards Realizing the Cambodia Vision 2050. The individual needs are analysed against the backdrop of the Sustainable Development Goals (SDGs). Except for an additional goal to clear the country of landmines (Demining & ERW), the Cambodian SDGs Framework (2016-2030) *de facto* replicates the global 2030 Agenda goals. The framework comprises 18 Cambodian Sustainable Development Goals (CSDGs) and 148 global and locally defined indicators and focuses on thematic areas in which Czechia has experience in implementing FDC activities, as is evidenced by the evaluations of some projects. The monitoring and reporting on the progress on SDGs falls under the remit of the Cambodian Ministry of Planning. The national progress in achieving the goals is monitored through Voluntary National Reviews (VNR). Out of 193 global and locally defined indicators/sub-indicators tracked in the second June 2023 VNR², 140 are on track (72.5 per cent), 39 are off track (20.2 per cent), while data collection efforts are being made on the remaining 14 indicators (7.3 per cent).

2.2 Specific objectives under individual thematic priorities

The strategic development document Pentagonal Strategy - Phase I for Growth, Employment, Equity, Efficiency and Sustainability is a direct follow-up to the previous national development strategies (Rectangular Strategies I - IV). Adopted and presented by the new Cabinet in September 2018, the current strategy defines five strategic objectives which are as follows:

- Ensuring crisis-resilient economic growth of around 7 per cent per year on average;
- Creating more jobs, both quantity and quality, for Cambodian people, especially for the youth;
- Achieving the poverty reduction targeting of below 10 per cent and continue to keep the poverty rate to a minimum;
- Continuing to strengthen capacity, governance, and improving the quality of public institutions, both national and subnational, to ensure efficiency of public services; continuing to strengthen private sector governance; and continuing to promote a favourable environment for business, investment and trade; and
- Ensuring sustainable socio-economic development and building resilience to climate change.

² <https://hlpf.un.org/sites/default/files/vnrs/2023/VNR%202023%20Cambodia%20Report.pdf>



The five strategic pentagons, however, pivot around the following five development areas: Pentagon 1: Human Capital Development; Pentagon 2: Economic Diversification and Competitiveness Enhancement; Pentagon 3: Development of Private Sector and Employment; Pentagon 4: Resilient, Sustainable and Inclusive Development; and Pentagon 5: Development of Digital Economy and Society.

The current priorities of the Czech FDC programme fall under the first strategic pentagon as human capital and capacity building remain the biggest challenge for Cambodia's development; and reflect also the eligibility criteria to be met by Cambodia for graduating from the LDC category.

Individual ministries have their own strategic documents that are reflected in the strategies of development partners. Relevant partners for the Czech FDC on the Cambodian side are: the Ministry of Health; the Ministry of Education, Youth and Sport; and the Ministry of Labour and Vocational Training.

The key documents relevant to the thematic priorities of the Czech FDC are listed in Appendix 2.

2.3 Principal political, security, economic and other aspects of the situation in Cambodia with impact on Czech FDC

As defined in its constitution, Cambodia is a country committed to the principles of multi-party democracy with regular elections being held since 1993. In recent parliamentary elections, the ruling Cambodian People's Party (CPP) secured an overwhelming majority of seats, while the participation of opposition candidates was limited due to electoral regulations. Hence, Cambodia's political landscape is currently characterized by a dominant ruling party, with limited opposition representation in parliament. In recent years, various international actors have highlighted concerns regarding civic space and the operating environment for civil society organizations, political activists, and several media outlets in Cambodia. Given the violations of human rights, the EU decided in 2020 to partially withdraw Cambodia's trade preferences under the Everything but Arms scheme. Yet, the EU and Cambodia continue to cooperate closely; and the EU is ready to restore full preferential access to its market should Cambodia make a significant progress on civil and political rights.

Since then, the country has witnessed a peaceful transfer of power. The new government formed in 2023 is chaired by Hun Manet, son of the previous Prime Minister Hun Sen. The Cabinet is composed of 10 deputy prime ministers, 18 senior ministers and 22 ministers mostly recruited from the incoming generation of younger and university educated CPP members. The new Prime Minister himself is Western educated (United States, United Kingdom) and the new Cabinet gives the impression of concern for reforms, particularly in terms of promoting the country's socio-economic growth.

The EU considers FDC an important tool for deepening engagement with Cambodia and fostering shared values in an evolving regional landscape. Although Cambodia is currently one of the biggest supporters of Chinese political-economic interests in the Association of Southeast Asian Nations (ASEAN) region, Cambodia took a more forceful stance during its chairmanship of ASEAN in 2022 and adopted a discourse which was closer than expected to Czechia's mindset in the context of Russia's aggression against Ukraine. China is the largest exporter, the second largest investor and one of the largest donors of development aid. It is estimated that around half of Cambodia's foreign debt is owed to China. Although the coronavirus pandemic has slowed down



Chinese investment in Cambodia, Chinese entities remain the most active in large infrastructure projects (construction of development projects, airports, power plants, ports, etc.). Cambodia and China are also linked by military cooperation, including joint military exercises. Some observers have noted that certain Chinese investment projects (ports, airports) may carry a risk of dual use. Such close relationship with China creates a significant geopolitical challenge for the whole region. Most democratic partners, such as Japan, Australia, South Korea or the United States, are countering this challenge by strengthening trade ties, upping investments or increasing development cooperation as an alternative to the Chinese offer

Cambodia thus occupies an important place also in the Indo-Pacific strategies of developed countries. Both the EU's strategy for developing relations with Indo-Pacific countries and the Czech Republic's Indo-Pacific strategy regard Cambodia as an important partner for achieving the objectives in this dynamically developing region.

The Czech-Cambodian bilateral development cooperation programme contributes to achieving the EU priorities in Cambodia and also constitutes an integral part of the Team Europe Initiative (TEI). Through development cooperation, Czechia helps build a closer partnership between the EU and Cambodia and contributes to strengthening political dialogue, promoting European values and implementing the EU Strategy for Cooperation in the Indo-Pacific. Czech FDC activities in Cambodia, the main objective of which is to support the overall development of the Cambodian economy and society, will thus also contribute indirectly to reducing disparities in the level of development of individual countries in the region and will promote faster integration of Cambodia within the ASEAN community.



3. INTERNATIONAL COOPERATION IN CAMBODIA

3.1 Coordination mechanisms

Development cooperation falls under the remit of the Council for the Development of Cambodia (CDC). The Council serves as the primary coordinating body for donor activities, while ministries—particularly the Ministry of Economy and Finance—play a key role in managing concessional loans as a financing instrument utilized by various donors.

The EU Member States and Switzerland coordinate their activities; the embassies covering Cambodia from Bangkok or Hanoi take part online. Monthly meetings are being held to share information about the activities carried out by the individual EU Member States and by the Delegation of the European Union to the Kingdom of Cambodia (DEU) or about experience of cooperating with Cambodian ministries. The meetings also include a thematic session with external guests. The United Nations Development Programme (UNDP), together with the United Nations Resident Coordinator Office, organises monthly coordination lunches for bilateral and multilateral donors to share information and to introduce activities of the development partners.

The Czech Republic is a member of all working groups operating in the Czech FDC priority sectors. The group focusing on health is chaired by the World Health Organization (WHO) and co-chaired by the US agency USAID, the latter having taken this position from the previous co-chair of five years the Germany's GIZ. After the pandemic, the technical working group was re-established with the Cambodian Ministry of Health as its member and with the Japan International Cooperation Agency (JICA) serving on the secretariat. The working group on education is co-chaired by UNICEF and UNESCO and focuses mainly on primary education, with a marginal focus being placed on secondary and tertiary education. In the area of technical education, there exists a separate informal working group chaired by the Swiss Agency for Development and Cooperation (SDC) and a technical working group renewed in 2024 with the Cambodian Ministry of Labour and Vocational Training as its member. There are also working groups centred around digitisation in healthcare, data for governance and aquaculture. These working groups meet irregularly and are attended by project implementers.

3.2 EU activities: involvement of the Czech Republic in joint programming and other EU cooperation formats

Czechia has got involved actively in the preparation of the Joint European Strategy (JES) developed in 2020 for the period of 2021-2027. The strategy outlines six priority areas: Governance and Democracy (EUR 95 million), Democratic Participation (EUR 78 million), Human Development (EUR 637 million), Competitiveness on Global and Regional Markets (EUR 145 million), Sustainable Development (EUR 468 million) and Preservation of Cultural Heritage (EUR 1.5 million). The strategy aims to strengthen the coherence and impact of the Czech-EU development cooperation policies in Cambodia, implement the SDGs, tackle the poverty and promote the European values, with a total financial envelope of as much as EUR 1.4 billion. The mid-term review of the strategy completed in 2024 with input from all EU Members States suggested that: the JES should be aligned with the TEI and Global Gateway, i.e. with the current main strategic priorities of the EU; the JES should be aligned with the Cambodia's Joint Monitoring Indicators were presented by the individual ministries



towards the end of 2024; emphasis should be placed on the added value of European cooperation and on cooperation towards country's graduation; and that the implementation of the strategy and joint monitoring activities should be accelerated.

Thematically, the DEU supports Cambodia's integration into ASEAN by promoting green growth and decent jobs to strengthen Cambodia's economic recovery and resilience. Through the Team Europe Initiatives (TEIs), the DEU aims to contribute to the green transformation within specific industrial and agricultural value chains and to the improved access to markets (EU and ASEAN). These interventions aim to mobilise additional funding for investment from European financial institutions under the Global Gateway strategy and to support the Team Europe Initiative. There are two TEIs for Cambodia, with Czechia officially participating in TEI 1: Sustainable landscapes, forests and agriculture.

TEI 1. Sustainable landscapes, forests and agriculture: Integrating Cambodia into international and regional markets; Fostering sustainable and deforestation-free value chains; Attracting green investments and creating decent employment opportunities. Examples of investments under this TEI: Drawing in green infrastructure and climate-resilience infrastructure initiatives; Promoting certified processing facilities for agricultural products; Encouraging the use of digital technologies for sustainable land management.

TEI 2. Green energy and industrial value chains: Enhancing Cambodia's access to high-value markets (standards); Improving energy efficiency and advancing the use of renewable energy sources (environmental standards); Facilitating the upskilling of workers for industry; Ensuring social due diligence in factories. Examples of activities under this TEI: Blending in renewable energy; Upgrading customs clearance facilities, improving risk management; Promoting technical and vocational education and training in production plants; Improving compliance in garment factories (energy audits, system to accelerate private sector financing, labour compliance).

Key areas that could support this transition include ongoing developments in public financial management, strengthened trade cooperation within ASEAN, and advancements in education and research (technical and vocational education, garment industry, data for policy making in education, mobility within ASEAN and the EU).

Four main EU programmes:

1) EU CAPSAFE (TEI1) – Cambodia Partnership for Sustainable Agriculture and Food Systems (EUR 17 mil. + co-financing from Germany of EUR 7.3 mil.). The programme supports the development of agriculture in 2021-2030 through enhancing the competitiveness of local farms and increasing the safety of agricultural and food products, including those intended for export abroad to the ASEAN and EU countries. Czechia is engaged in these lines of action by fostering technical training in food processing and aquaculture provided under bilateral and trilateral cooperation which includes also financing the transition to solar energy in agriculture; and through B2B partnerships, the UNDP Challenge Fund and the Capacity Building of Public Universities programme – cooperation of Czech agricultural universities with the Cambodia's Royal University of Agriculture.



2) EU Partnership for Sustainable Energy Practices in Industry (TEI2) (EUR 6 mil.) – The programme targets the creation of decent jobs, transformation of the garment industry into a greener and more competitive sector, transition to renewable energy, promotion of energy efficiency in factories, alignment with EU standards and enhancement of regulatory framework.

3) Transforming Technical Education EU-Cambodia Partnership 2024-2027 (up to EUR 49 mil.) – The programme aims to support technical education and promote science, technology, engineering and mathematics (STEM) education at secondary schools and universities with a focus on green energy and IT/digital/robotics and to enhance literacy and other skills of garment factory workers to embrace system automation. The programme targets at increasing interest in technical education, reducing dropout rates, increasing the number of girls enrolling in technical courses and enhancing data and public financial management at the Ministry of Education. This programme is being implemented under the budget support scheme which provides a direct support to the Cambodian Ministry of Education complemented with the Twinning grant and is aligned with the Czech Republic's programme and its objectives in the thematic priority of technical education at secondary level as well as with the objectives of the bilateral project Introduction of Biomedical Engineering in Cambodia.

4) Trade and Private Sector (EU GATE) (up to EUR 7 mil.) – Trade and logistics in Cambodia remain below the regional average and the regulatory environment remains weak. The programme will focus on supporting Cambodia to meet its commitments under the ASEAN Economic Community Blueprint and commitments to international organisations (such as WTO).

Delegated cooperation:

The DEU has funds allocated for delegated cooperation until 2025 and is open within the planned mid-term review to discuss preparations for a specific project for the following period. This is in line with efforts to place the activities of the Czech FDC in a broader context and hence build on the experience and capacities of the Czech Development Agency. In the area of education, in which Czechia engages, the opportunities have so far been limited by the financing instruments earmarked for the objectives – budget support and funding from the European Investment Bank (EIB) – under which the funds are disbursed directly into the national budget of Cambodia. There is also room for sharing experience gained from work in other priority countries (food certification or mapping and sustainable forestry).

3.3 Cooperation of the Czech Republic with other donors

Cambodia engages with a wide range of bilateral and multilateral development partners, including the Asian Development Bank (ADB), the EU, and key bilateral partners such as Japan, the United States, Australia, South Korea, Germany, and France, among others. Cambodia also engages in substantial development cooperation with China, which operates under a distinct framework separate from traditional ODA classifications.



In the Czech FDC's priority sector of healthcare, the most active donors include Japan, South Korea, Germany's GIZ, USAID, UN agencies (namely UNFPA and UNICEF) and WHO. In the technical education sector, these include the Swiss Agency for Development and Cooperation (SDC), French Development Agency (AFD), World Bank (WB), Japan International Cooperation Agency (JICA), Korea International Cooperation Agency (KOICA) and ADB. There is ongoing cooperation with GIZ on identifying the priorities in both sectors, with a focus currently placed on Social Protection. The main partner here, however, is the Ministry of Planning rather than the Ministry of Health. There is ongoing coordination with the Korea Foundation for International Healthcare (KOFIH) in introducing the profession of biomedical engineering (KOFIH trains technicians in hospitals, and Czechia educates students). Based on the experience exchanged with GIZ, recommendations to make changes to the biomedical engineering curriculum have been developed from the experience that GIZ gained in introducing the profession of Laboratory Technician created on the same principle. Regarding trilateral cooperation, Czech implementers are mostly involved in EU projects.

Czechia is interested in continuing the dialogue on cooperation with donors in Cambodia, although no significant practical cooperation has yet taken place mainly due to the different mechanisms applied by individual donors. Czechia is doing its best to take an active part in joint programming in line with its own priorities and capacities and in the spirit of principles of aid effectiveness, aid harmonisation and mutual accountability between the donors and the Royal Government of Cambodia. Czechia has allocated a significant amount from its humanitarian budget to support the COVID-19 vaccination campaign implemented by UNICEF and WHO with support from other donors; and used unspent bilateral resources to support UNICEF activities on two occasions as UNICEF – aside from its primary focus on education – focused its activities in the second year on addressing also healthcare, water and sanitation which corresponds to the priorities of the Czech FDC. The Czech Republic is also a partner of the United Nations Volunteers (UNV) programme. Volunteers are actively involved in the work of the selected UN agency and the agency is informed by the Czech embassy of the Czech FDC activities carried out in Cambodia. Czechia also partners with the UNDP. Implementers of Czech-UNDP's Challenge Fund projects and their achievements are regularly presented to relevant agencies. In the thematic area of maternal and child care, the closest thematic partner is UNFPA; in the thematic area of technical education, interest in establishing cooperation has been expressed by the United Nations Industrial Development Organization (UNIDO). However willing they are to implement their activities together with Czech implementers, UN agencies and programmes nonetheless use donor funding primarily to finance their own projects. Development banks look for partners to co-finance their projects and as such are open to cooperation with the National Development Bank of the Czech Republic (*Národní rozvojová banka*, NRB), provided that the NRB has its local representative on the ground.

In the context of humanitarian assistance, the Czech Republic is a member of the donor consortium (along with UNDP, SDC and WFP) that supports the implementation of the early warning system project and the international platform CREWS (Climate Risk & Early Warning Systems).



4. CZECH REPUBLIC'S DEVELOPMENT COOPERATION WITH CAMBODIA

4.1 Focus areas and results to date, recommendations and challenges

Cambodia was included among the priority countries under the Development Cooperation Strategy of the Czech Republic 2010-2017, mainly because the priority status made it easier to implement the package of development projects agreed in relation to the treatment of Cambodia's debt owed to Czechia and because the countries shared a history of rich cultural and political relations. Initially, Cambodia was the only FDC priority country in which Czechia had no resident embassy. The Embassy of the Czech Republic in Phnom Penh was reopened in 2013.

Cooperation between Czechia and Cambodia takes the form of: bilateral and trilateral projects falling under the remit of the Czech Development Agency; small local projects and humanitarian cooperation projects coordinated by the Ministry of Foreign Affairs (MFA) and by embassies; and government scholarship schemes.

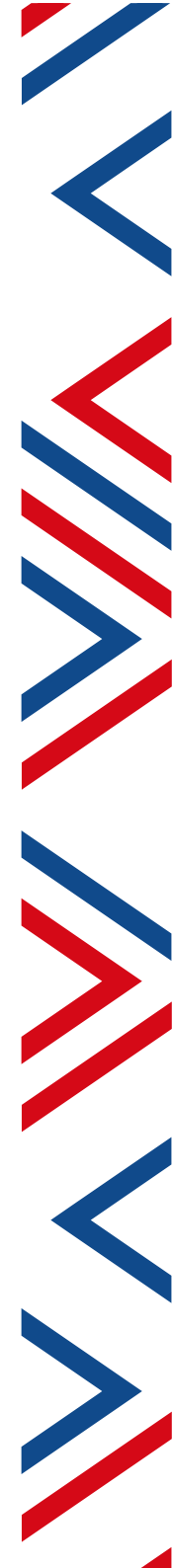
The previous Czech FDC programme implemented in Cambodia focused on three thematic areas:

Water and sanitation: Universal and equitable access to safe and affordable drinking water, adequate sanitation and hygiene for all in selected locations in the target province

The cooperation supported the development of sustainable drinking water, sanitation and hygiene infrastructure in selected locations, including rehabilitation and building of drinking water sources. Improved hygiene and access to safe water help control the spread of diarrheal and other infectious diseases and reduce malnutrition rates. In remote areas and ethnic communities, the need for increased access to drinking water and sanitation remains high.

The implementation of water management projects is challenged by limited financial resources and other limiting factors – technical solutions for drinking water supply, mapping of available water resources, land ownership, acceptance of solutions by the community, unclear mandates on the part of the Cambodian ministries, the need to tender technical solutions according to Czech regulations. Scrutinised by independent project evaluators, the bilateral projects implemented in this sector are criticised in this context for not being sustainable enough or ensuring further continuity.

Czechia's budgetary and organisational capacities make it impossible to further implement own bilateral projects. Czechia is thus looking for effective cooperation with development finance institutions and other donors within the Global Gateway investment projects.



Water and sanitation will remain a thematic priority of technical cooperation and will be addressed in line with the experience and policies of other donors built on the premise of Cambodia's ongoing graduation to middle-income status. This graduation *de facto* brings about a change in the country's needs – building capacities of public institutions and implementing modern technologies and know-how for comprehensive solutions. Healthcare sector: Reduce preventable deaths of newborns and children under five years of age, reduce maternal mortality in selected locations in the target province.

The cooperation contributed to developing the capacities of healthcare professionals, supplying selected healthcare facilities (except for the lowest tier of healthcare centres) with medical equipment and conducting public awareness campaigns in target areas. The cooperation could have also indirectly helped reduce malnutrition rates, yet this was addressed by humanitarian projects. This indicator will therefore no longer appear in the follow-up bilateral programme.

In the period of 2018-2023, the Czech FDC focused on the development of neonatal care at the partner hospital (National Pediatric Hospital (NPH) where a well-functioning neonatal unit was established and increasingly staffed. NPH built a new large-capacity maternity ward with funding from the state, equipped with Czech equipment. The number of deliveries conducted there per month is gradually increasing. With the support of the Czech FDC, efforts are being made to transition the ward to the Czech model of a perinatal centre. the integration of relevant units presents an opportunity for further strengthening of hospital capacities and streamlining perinatal data management.. In the future, there will be a need to involve also other partners, particularly the National Maternal Child Health Centre, and to work closely with other relevant stakeholders (such as UNFPA, WHO) and ministries (health, planning). Further reductions in child mortality indicators, however, depend strongly on the way the healthcare system, i.e. the referral system, is configured. The referral system in Cambodia has not yet been fully developed. At the same time, however, Cambodia has a wide network of healthcare centres. The maternal and neonatal mortality rates are dropping considerably, although the maternal mortality is still very high.

At the provincial level, the Czech Aid renovated the provincial maternal and child ward in the city of Kampong Chhnang and joined GIZ's nationwide initiative to map the prices of healthcare services for the purposes of establishing a health insurance system in the country. This system, however, continues to function rather imperfectly. The Czech FDC interventions conducted at the level of provincial and national hospitals were complementary in theme, yet they took the form of separate projects. The follow-up project aims to create direct links between the provincial and national levels while addressing each level as a separate entity.

The partner's demand for additional infrastructure persists. The Czech Aid continues to provide medical equipment supplies, yet – with regard to sustainability – in increasingly smaller volumes but with emphasis on business continuity for the private sector. There is a continuing need for investment in providing access to healthcare and in increasing healthcare staff capacity. Healthcare in Cambodia is following the general trend set by the public administration and the donor community towards the digitisation of the entire system.



In line with the equipment sustainability and business continuity, interventions conducted in healthcare should be linked to that conducted in biomedical engineering education (see below) and attention should be paid to country policies for equipment management, both in closer cooperation with the Cambodian Ministry of Health.

Education: Ensure equal access for all women and men to affordable, quality and inclusive technical, vocational and tertiary education, including university

The cooperation supported the building and development of capacities for practically oriented agricultural and technical education in selected provinces tailored to the needs of the local job market. Development in many areas of the Cambodian economy was delayed by the COVID-19 pandemic. In the education sector, the progress seen in the previous years (especially in primary education) slowed down due the closure of schools. The worsened economic situation of families prevents pupils from advancing their studies. Given the country's progressive industrialisation, foreign direct investment and efforts to diversify the economy, the Royal Government of Cambodia continues to see technical education as a priority.

In the area of technical and vocational education and training (TVET), a systematic approach was introduced through cooperation of project implementors with the relevant local authorities and private sector and through coordination of activities with other donors, in result of which many successful projects were implemented in the previous programming period. A prominent example is the development of the Food Processing curriculum. Designed in cooperation with the Czech University of Life Sciences Prague, the curriculum was implemented at a vocational high school in the Kampong Chhnang province along with teaching materials and equipment and was approved by the Ministry of Education. Two other projects were implemented in cooperation with the Ministry of Labour and Vocational Training and with the Provincial Training Centres: a bilateral project implemented in the Kampong Chhnang province, and a trilateral project implemented in cooperation with GIZ in the Battambang province. The sector reviews carried out in 2023 and consultations held with relevant working groups revealed the importance of internships for students under 15 years of age, continuity of technical programs under the Ministry of Education and under the Ministry of Labour and Vocational Training, cooperation with the private sector, sustainable financing (teachers, equipment and consumables), involvement of universities. Another problem are missing socio-economic data from provinces (unemployment, average wages, grey economy, etc.).

The introduction of the biomedical engineering study programme was slowed down by the pandemic and closure of universities; the programme is expected to have long-term impact on the healthcare sector (both private and public) once it begins to produce a steady number of graduates each year. The first and second course of this associate degree programme were delivered to 28 students and there is interest in continuing this programme; hospitals and the private sector were quick to take graduates into practice. The challenges this profession faces include the profession's standing in the healthcare system and official recognition as a non-medical profession as well as the generally low awareness of the profession among the public and especially secondary school students. These challenges are being responded to by the second phase of the project.



The long-term goal is to elevate the status of the programme and offer it as a bachelor's degree programme. In response to the need to improve the qualifications of teachers, the Czech biomedical engineering programme is supported under the government scholarship scheme. On the Cambodian side, the academic title awarded by the partner universities remains to be clarified as one university falls under the remit of the Ministry of Education and the other under the remit of the Ministry of Health.

TVET is also covered by projects implemented through other instruments such as the UNDP Challenge Fund, trilateral programme and small local projects. Sharing a common implementer on the Czech side, several of these projects were implemented in integration with other activities. Yet, most projects continue to lack common identification to be implemented under comprehensive interventions and with the involvement of multiple instruments.

The education sector sees Czech and Cambodian universities to partner successfully under the programme Capacity Building of Public Universities; summer schools are being organised and long-term scientific collaborations are being cultivated. The partner Royal University of Agriculture is also involved in bilateral projects. This creates good synergies among the instruments used and the projects help the Czech universities identify suitable candidates for government scholarships. Each year, Czechia awards scholarships to approximately 18 students to study in selected programmes related to the thematic priorities of Czech FDC.

4.2 Thematic and geographical focus of future cooperation

The Czech-Cambodian bilateral development cooperation programme sets out to support public institutions and human capacity development in line with Cambodia's development ambitions, with a focus on healthcare and education, especially in the rural areas. Czechia will support Cambodia in its effort to tackle poverty and social inequalities, to set the preconditions for realising the promise of sustainable economic, social and environmental development and to promote social stability especially in the rural areas. The programme's projects will focus on ensuring healthy lives and promoting well-being for all at all ages, building inclusive social services, supporting the upskilling of young people and promoting lifelong learning opportunities for all, with the objective to help create a society open to everybody, including excluded and vulnerable groups. The programme activities will also include transfer of technology and know-how in the areas of cooperation and will help Cambodia build resilience to natural disasters. The projects must be sustainable, with demonstrable development impacts in line with Cambodia's development strategies and must raise Czechia's profile in the country.



Priority 1: Inclusive social development – health (SDGs 3.1, 3.2, 5)

Reduce maternal and child mortality and increase access to and quality of healthcare services

The activities carried out under this thematic priority will help increase the capacity and level of education of healthcare staff, supply selected healthcare facilities with medical equipment, conduct awareness campaigns in target locations and enable efficient collection, analysis and utilisation of healthcare data. The activities should be carried out in close cooperation with the Cambodian Ministry of Health and Ministry of Planning and will involve also cooperation regarding pharmaceutical policy.

Official data collected over the past 20 years on maternal and child mortality show a significant downward trend. In 2000, the maternal mortality rate per 100,000 live births was 605.59³. The latest data from 2020 indicate a drop in this indicator over two decades to 217.98⁴. Similar positive trends can be seen also in the number of neonatal deaths (2000: 35.2; 2022: 12.18 deaths/1,000 live births)⁵ and infant deaths (2000: 26,286; 2022: 6,476 infant deaths per year)⁶. While Cambodia has made progress in reducing maternal and neonatal mortality, continued cooperation aims to further align healthcare outcomes with regional trends.⁷

The Czech-Cambodian cooperative activities will continue to promote the positive development in the number of maternal and child deaths and help Cambodia raise the quality of its healthcare to the level comparable to that seen in the region.

The Czech FDC activities have so far been deployed mostly in the capital city of Phnom Penh. In the coming years, the focus will need to be expanded to cover also rural areas to strengthen the capacities of local staff and healthcare facilities and to provide medical equipment and supplies. The cooperation will continue to build on the achievements to date and will contribute to improving the collection and analysis of healthcare data. As more and more births are being attended by skilled healthcare providers, there is a need to systematically improve the care delivered to mothers and children with the help of good quality and reliable data and educated staff.

^{3,4} WHO Data Platform: [https://platform.who.int/data/maternal-newborn-child-adolescent-ageing/indicator-explorer-new/mca/maternal-mortality-ratio-\(per-100-000-live-births\)](https://platform.who.int/data/maternal-newborn-child-adolescent-ageing/indicator-explorer-new/mca/maternal-mortality-ratio-(per-100-000-live-births))

⁵ WHO Data Platform: <https://platform.who.int/data/maternal-newborn-child-adolescent-ageing/indicator-explorer-new/mca/number-of-neonatal-deaths>

⁶ WHO Data Platform: <https://platform.who.int/data/maternal-newborn-child-adolescent-ageing/indicator-explorer-new/mca/number-of-infant-deaths>

⁷ WHO Data Platform: [https://platform.who.int/data/maternal-newborn-child-adolescent-ageing/indicator-explorer-new/mca/neonatal-mortality-rate-\(per-1000-live-births\)](https://platform.who.int/data/maternal-newborn-child-adolescent-ageing/indicator-explorer-new/mca/neonatal-mortality-rate-(per-1000-live-births))



Priority 2: Inclusive social development – education (SDGs 4.3, 4.4, 5)

Ensure equal access for all women and men to affordable, quality and inclusive technical, vocational and tertiary education including university

The cooperation will support the development and strengthening of capacities for practically oriented agricultural and technical TVET in selected provinces. It will focus on addressing inequalities in access to education and will promote equal access to education for women, men, people with disabilities and other marginalised groups. It will also support educational facilities and their sustainability; namely, it will encourage them to provide vocational training to adult workers. The result of the programme will be effective vocational training available to women and men and tailored to the needs of the local job market to help Cambodia build a productive workforce for social and economic development. The activities may also target the development of expertise in sectors crucial to balanced development (such as sustainable management of natural resources, including mineral and water resources, or sustainable agricultural mechanisation). Less focus will be placed on promoting the employment and upskilling of people with disabilities as this specific topic is already addressed by many other donors. The relevant Cambodian ministries are the Ministry of Education, Youth and Sport (secondary technical schools) and the Ministry of Labour and Vocational Training (vocational schools and polytechnics). The Royal Government of Cambodia regards TVET as a tool to eradicate poverty and is ready to provide incentives both to individuals undergoing the training and to private businesses participating in the training. At the same time, however, the country is yet to collect key socio-economic data as can be seen in the voluntary Cambodian SDGs reporting – no data exists for the indicator measuring gross enrolment rates in technical education for adolescents aged 15-24 for the period 2019-2022.

The Czech FDC will focus on areas which reflect the added value Czechia is recognised to have in the region and the experience that the Czech implementers have gained so far and on topics which can be integrated into future comprehensive interventions to complement the Team Europe Initiative activities.

Tertiary technical education still needs to be made more accessible and more tailored to the needs of the local job market. Cooperation with the private sector needs to be improved, teaching capacities strengthened and the increase of girls enrolled in technical courses promoted. The number of students dropping out of lower secondary education mainly due to economic difficulties remains high and there is a lack of sufficient funds to equip laboratories, computer labs or libraries, to supply teaching materials or to cover school operating costs, including electricity or teachers' salaries.

The Czech FDC will primarily support the training of biomedical engineering technical staff and the building of biomedical engineering and agricultural capacities.



Priority 3: Good governance and civil society (SDG 16)

Technical cooperation with public authorities. Czech development cooperation will support public authorities in developing expert capacities and will provide also technical assistance to promote sustainable management of natural resources, including water, to develop disaster prevention system and to safeguard sustainable transformation of public finance in the context of middle-income transition. The development activities will promote the development of sustainable and inclusive public services, with emphasis put on universal access to water and sanitation, healthcare and social security services and to elementary education and vocational training. The development activities will also continue to support inclusive employment initiatives, aligned with Cambodia's national development priorities, to promote equal opportunities for all, including for people with disabilities. Czech FDC will also focus on strengthening Cambodia's cybersecurity and on partnering with individual ministries and will involve the transfer of applicable know-how. In this context, Czechia will also support capacity-building initiatives and knowledge-sharing partnerships in areas identified as priorities by Cambodian public institutions.

Cross-cutting principles (SDGs 1, 3, 4, 5, 8, 10, 13, 16 and other)

The Czech FDC Strategy for 2018–2030 identifies the cross-cutting principles to be mainstreamed into the implementation of each of the objectives outlined above. The cross-cutting principles include good (democratic) governance, environment and climate friendly approach, and respect for fundamental human, economic, social, and labour rights of the project beneficiaries, including gender equality. They will be considered in terms of their direct as well as indirect impacts and will be mainstreamed into all development interventions (including those that do not directly address the areas to which a given principles refers). The mainstreaming will take place in all phases of the intervention, from preparation and implementation to monitoring and evaluation. None of the interventions should worsen the situation of the target group or escalate any problem addressed under the given cross-cutting topic.





Geographically, the projects of the Czech Development Agency implemented under the previous programme targeted mainly the capital city of Phnom Penh and the Kampong Chhnang province. In the Kampong Chhnang province, the synergetic use of different instruments resulted in almost ideal comprehensive intervention – see the continuity of the bilateral project, small local projects and the UNDP Challenge Fund in the Sustainable Management of Natural Resources sector. The CDC considers the focus of the Czech FDC on this province highly relevant. The province is often perceived as a mere pass-through province, too close to the capital; yet it still requires attention in terms of further development. The province's proximity to the capital city brings also other challenges – delineation of hospital catchment areas and the outflow of companies and students to Phnom Penh. The most in-need regions highly ranked in terms of development priorities of the Royal Government of Cambodia are those located in remote areas. Constrained by capacity and funding, the Czech FDC nonetheless does not target remote regions – apart from projects developed and delivered in the geographical priority areas through Team Europe Initiatives (provinces bordering Tonle Sap Lake, provinces threatened by deforestation, provinces of origin of garment industry workers).



4.3 Relevant FDC formats and instruments

The objectives and results of the programme will be achieved through bilateral development cooperation projects complemented by trilateral cooperation projects co-financed by other donors, as well as through B2B partnerships and the Capacity Building of Public Universities programme. These core formats will be complemented by technical cooperation implemented in cooperation with other ministries, multilateral development cooperation of the Czech Republic and humanitarian assistance. In selected cases, the programme activities may also be implemented in coordination with other donors, for instance, through EU Delegated Cooperation or Global Gateway.

The bilateral development cooperation projects will be implemented mainly through project instruments aimed at increasing the capacity of partners and beneficiaries: transfer of know-how, technologies, delivery of plant equipment and other. The delivery of these projects will be based solely on the verified needs of local Cambodian entities, in line with the programme's objectives, and will be achieved through subsidies, public contracts, budgetary measures and, where appropriate, financial donations to local entities. Small local projects which help deliver smaller, precisely targeted development activities consistent with the programme's focus will be implemented under the control and direction of the Czech Embassy. The programme's objectives and targets will further be achieved also through economic instruments such as feasibility studies, development-business partnerships, investment-business partnerships and Aid for Trade projects designed to mobilise private resources in alignment with Cambodia's national development priorities. Technical cooperation will be implemented through the transfer of know-how and awareness campaigns conducted directly in the priority areas identified by the development cooperation programme. All this in synergy with other instruments, such as scholarship schemes, technical cooperation provided by the Ministry of Finance of the Czech Republic, UNDP Challenge Fund, Capacity Building of Public Universities programme.

In the future, the funding should be concentrated in a smaller number of larger bilateral projects (projects administered by the Czech Development Agency with a lifespan of at least three years, worth approximately CZK 30 million) so that the projects could be administered more efficiently and so that there would be sufficient time for the projects to be identified and formulated. The preliminary vision is as follows: preparation and identification – one year; first phase plus evaluation – three years; second phase (if any) – three years. In terms of content, priority will shift from "hard" projects to more comprehensive projects with or without a "hard" component (for instance, demonstration or reference unit).

Business cooperation will be supported through B2B partnerships – a tool which has already been successfully used in Cambodia (for instance, to help process Kampot pepper).

The Czech Republic is exploring the introduction of soft loans as a complementary financial instrument, aimed at enhancing long-term sustainability and promoting joint investment in key sectors.



4.4 Czech humanitarian assistance in Cambodia, complementarity with Czech FDC

The Czech bilateral development activities in Cambodia will be complemented by humanitarian assistance in reaction to serious natural disasters and negative climatic impacts. Natural disaster prevention is an integral part of the humanitarian assistance agenda, and its importance is growing in the context of climate change. Czechia will therefore continue to put an emphasis on supporting activities and measures aimed at reducing disaster risk, improving disaster preparedness and strengthening disaster resilience of local communities and local authorities, especially as part of early warning systems and adaptation strategies designed in line with the Sendai Framework for Disaster Risk Reduction 2015-2030. In doing so, Czechia can build on activities conducted so far at both the national and local level (project EWS 1294 – Early Warning System).

4.5 Options for an integrated approach, including the theory of change for selected thematic priorities

The integrated solutions pivot around four fundamental, interrelated parameters: thematic priorities, tools, funding sources and actors. Within each of these parameters, the integrated solutions aim primarily to give a comprehensive response to a development issue, maximise synergies and impacts, allow for more efficient project funding beyond the bilateral FDC budget and foster partnerships among project beneficiaries, implementers and Czechia as a donor and among different categories of implementers (public, private and non-profit partners).

Successful implementation of integrated solutions at the individual stages of the project cycle requires to:

- evaluate the performance to date and identify the positive lessons learned and opportunities for future integrated solutions;
- set and follow an evaluation plan (a plan of ongoing evaluations conducted with the involvement of relevant actors – partner country, donor, implementers);
- develop a problem tree mapping out the causes and effects of topics elaborated (including thematic overlaps), actors involved (including their roles) and possible solutions leading to the desired change/transformation;
- categorise the topics into sub-interventions; set a coherent monitoring and evaluation plan;
- identify appropriate formats and tools to be used for each intervention and the requirement (if any) for ancillary interventions (feasibility studies, sending of experts);
- define the actors and target groups for interventions; potential synergies with other donors; prerequisites and risks (feasibility, sustainability and other); and monitoring and evaluation framework (communication, integrated solution, monitoring, evaluation);
- use measures enhancing the quality, predictability and transparency of individual formats (announce planned tenders well in advance, allow for sufficient preparation time, offer mass consultations);
- use, where appropriate, professional expertise and internal and external capacities for monitoring or conduct joint monitoring with cooperating donors and beneficiary's actors; and
- use findings, conclusions and recommendations from evaluations systematically at all stages of the project cycle to improve the quality of implementation and accountability to all stakeholders.



5. TECHNICAL CONDITIONS OF COOPERATION

5.1 Terms and conditions for implementation of FDC

At present, there is no international agreement in place between the Czech Republic and the Kingdom of Cambodia that would govern development cooperation and humanitarian assistance. Czech FDC and humanitarian assistance projects were implemented in Cambodia under a Memorandum of Understanding on Development Cooperation signed by the MFA and the CDC on 17 May 2018. A new Memorandum of Understanding (MoU) is being prepared in the context of approval of the 2024-2030 Czech-Cambodian Bilateral Development Cooperation Programme. The said MoU commits the Czech Republic to contribute to the implementation of priorities set by the Royal Government of Cambodia in the current Pentagonal Strategy – Phase I for Growth, Employment, Equity and Efficiency: Building the Foundation Towards Realizing the Cambodia Vision 2050, and in the 2030 Agenda. The MoU further commits the Czechia to act in a coordinated manner with other donors and to build on the priorities set by the Joint European Programming. Cambodia commits itself to facilitate cooperation with regional public authorities and to create conditions for duty and VAT exemptions for the necessary equipment imported under the Czech FDC as follows:

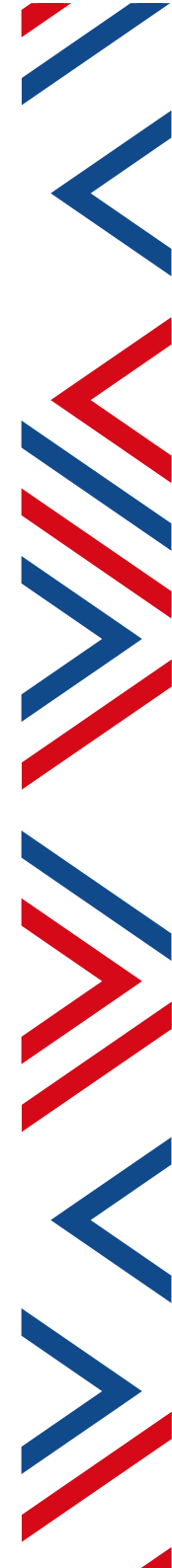
- exempt from customs duties, taxes and other mandatory payments and charges any goods and services financed from the Czech contributions, as well as any equipment, materials and labour required for the implementation of the MoU agreement; and
- facilitate customs clearance of the individuals involved in the implementation of the projects, both on arrival and departure; consider reducing the waiting time for their entry visas and permits (work and residence); and ensure their favourable treatment.

For the period 2024-2030, Cambodia has further proposed to draft sectoral memoranda setting out the objectives for each thematic priority. Where necessary, the Czech Development Agency (or the project implementer) and the relevant Cambodian ministry sign a sub-MoU to govern an individual project.

5.2 Actors and communication, monitoring and coordination mechanisms

At the project identification stage, it is recommended to look for comprehensive project proposals to support the programme thematic priorities. Links between individual projects and programmes should as well be established – at present, projects often run in parallel without creating the necessary synergies. This may be addressed by intervention logic and systemic/integrated approach.

Project monitoring and evaluation of programme implementation are basic requirements to keep all actors informed of the course and results of cooperation to the necessary extent and quality. These processes will be governed by provisions contained in the Czech FDC Strategy and in the Czech Development Cooperation Methodology. The results of monitoring and, namely, evaluations will form an important basis for comprehensive assessment of development activities, for decision-making on further cooperation with Cambodia at the strategic, programme and project level, and for the subsequent comprehensive management system which will link the results to strategic objectives.



Development activities set out in this programme and the cooperation objectives set out in the results matrix will be continuously monitored and evaluated. A results-based approach will be applied; the outputs and targets of individual projects will be monitored as a means of more efficient management and flexible adjustment of necessary changes in response to the evolving conditions of implementation and lessons learned (learning by doing).

The development activities carried out by Czechia in Cambodia will be monitored by the staff members of the Czech Embassy in Phnom Penh. The projects administrated by the Czech Development Agency will be monitored by the staff members of the Czech Development Agency. Monitoring will be carried out once or twice a year. Czechia will seek to conduct joint monitoring missions with the Cambodian authorities, implementers and partners involved in the development activities. The results will be detailed in monitoring reports to be submitted to the MFA (Development Cooperation and Humanitarian Assistance Department) and shared with the Czech Development Agency, the Czech Embassy in Phnom Penh and with Cambodian authorities. The monitoring reports will also serve as a baseline for subsequent evaluations. The values of output indicators and programme objectives will be reviewed in two-year cycles according to the sources of data verification (especially those provided by the Cambodian authorities).

The evaluations will assess the long-term impacts and benefits of development interventions in Cambodia, in accordance with the OECD's internationally standardised methodology and with a focus on individual thematic areas defined in the Czech FDC Strategy that are relevant to this programme –that is, primarily, inclusive social development. Links to the achievement of the relevant SDGs will also be evaluated. The geographic and regional focus of the programme will be assessed, too. Czechia will seek to engage and strengthen Cambodian evaluation capacities.

During each year of programme implementation, the MFA will host one or two consultations with the Development Cooperation and Humanitarian Assistance Department, the MFA territorial desk, the Czech Development Agency and any other relevant programme implementers with the aim to reach an interim consensus regarding the implementation of the programme and its expected results and to arrange for a timely response to major issues (if any). The consultations will be based on the monitoring reports and a summary report drafted by the Czech Embassy and by the Czech Development Agency describing the process of achieving the programme results. Ahead of the expiry of the programme, the Czech Embassy and the Czech Development Agency will work together within their respective mandates and areas of development intervention and draw up an overall report for the MFA describing and evaluating the results of the overall impact analysis. The report will include explanations in those instances where the set objectives and outputs have not been achieved and will also discuss which tools have proven good and which have not. The report will form an important basis for the final programme evaluation and for a decision on further cooperation with Cambodia.

Cambodia appreciates the practice of consulting the Czech FDC project topics with the CDC and recommends that this good practice be continued.



5.3 Regular programme evaluations and updates

This Czech-Cambodian bilateral development cooperation programme covers the period from 2024 to 2030. Its implementation will be continuously evaluated in accordance with the 2018-2030 Czech FDC Strategy and in accordance with the annual monitoring and evaluation plans. Where necessary and appropriate, the programme will be refined based on the evaluation results. A comprehensive evaluation will be carried out by 2030 to decide on further cooperation and, where applicable, on extending the areas of cooperation to other areas as proposed by the members of the working group to cover the clearly stated needs and requirements of the Cambodian side.

5.4 Assessment of risks and opportunities arising from the political, security and economic situation in Cambodia

Risks are managed in accordance with the Czech FDC Strategy. A fundamental underlying document is the analysis of risks involved in implementing Czech development cooperation programme in Cambodia, which includes a list of strategic and project-related risk management tools. The risks and risk-prevention measures will be monitored regularly.

The priorities of Cambodia's new Cabinet which has been in power since 2023 open up new **opportunities** to Cambodia. The priorities set by the new Cabinet include: improving vocational training; creating a better business environment and reducing administrative burdens to businesses; embracing digitisation; increasing the use of renewable energy; and investing in further development of infrastructure to meet the country's current needs.

The likelihood of these plans coming to fruition is supported by the favourable development of Cambodia's economy which has rapidly returned to a growth trajectory after the pandemic. In 2022, the country's GDP was up 5.2 per cent, followed by 5.3 per cent in 2023. Forecasts for 2024 and 2025 predict further acceleration to 6.0 percent and 6.3 per cent. Inflation in 2023 reached 5.3 per cent; in 2024, it is expected to fall to 3.7 per cent. In terms of sectors, the economic importance of agriculture continues to decline and the role of industry to grow, while services maintain a stable share.

Foreign direct investments, combined with domestic investments, reached USD 4.9 bn in 2023. The CDC has approved a total of 268 investment projects (247 new enterprises and 21 reinvestments), which are expected to create over 300,000 new jobs. Most of these projects target opportunities in the industrial sector and encompass investments in motor car and tyre factories and motorcycle assembly plants, as well as in factories for the manufacture and assembly of advanced technology solar panels, machinery and power equipment. Cambodia's economy is thus gradually drifting away from textile manufacturing towards industries with greater added value. The main foreign investors come from China, Japan, Thailand and Singapore. Cambodia, however, is keen to encourage more investments by European investors – both to allow for greater diversification and to calm its own worries about the possible decline in existing major sources of capital.



The inflow of foreign investments is further induced by incentive mechanisms created under the 2021 Law on Investment. Priority sectors are agri-food, automotive, electronics, textile and apparel, bike and parts, and furniture and plywood. High quality investment projects are eligible for generous incentives such as exemption from income tax for a period of up to nine years, special depreciation allowances, exemption from export tax, exemption from import tax (construction materials, equipment, manufacturing inputs), exemption from value added tax for local manufacturing inputs, tax credit of 150 per cent for research and development, innovation, training, social facilities and services for employees or machinery upgrades and other.

Cambodia's economy is also benefiting strongly from the changing structure of the country's energy sector. Currently, the share of renewable energy in the total energy mix is 62 per cent (compared to 45 per cent in 2020), with solar and hydro being the primary energy sources complemented to a lesser extent by wind and, rarely, biomass. By 2030, further investment initiatives are to increase the contribution of renewables to 70 per cent. At the same time, the Royal Government has announced its decision to halt further development of coal-fired power plants and to launch a comprehensive review and assessment of the possibility of faster decommissioning of existing facilities, which currently generate approximately 23 per cent of Cambodia's total electricity production. Decarbonisation is one of the challenges that awaits many and more countries in the coming years and almost always leads to varying degrees of increases in energy prices. In Cambodia, most of the relevant investments into decarbonisation have already been made and reflected into prices; in the medium term, Cambodia is thus unlikely to see a spike in prices for consumers and the manufacturing sector. Together with the country's overall good external and internal security situation, the state of Cambodia's energy sector can contribute to maintaining stable investment conditions both for ODA investments and for mixed or purely commercial enterprises.

Plenty of opportunities arise also from Cambodia's anticipated graduation from the UN's Least Developed Country (LDC) category, which is scheduled for December 19, 2029. While the standard transition period is three years, Cambodian authorities have successfully extended it to five years, allowing the country to retain preferential access to developed markets until 2029. Additionally, Cambodia will benefit from an extra three-year post-graduation period of preferential treatment under the Everything But Arms (EBA) scheme, extending until 2032.. Cambodia would then, if the criteria are met, switch to less advantageous schemes: Generalised System of Preferences (GSP) or GSP+.

Despite being slower than expected, the graduation demonstrates that Cambodia is undergoing a major transformation, modernising its economic and social systems. Although Cambodia's economic performance is still rather weak in the context of other Southeast Asian countries, the government, educational institutions and the private sector are currently trying to make up for the loss. The medium-term goal for Cambodia is not only to rank among the middle-income countries but also to further transit to high-income status by 2050. Graduation will make it easier for the country to access international financing and should lead to a more favourable score in investment risk assessment.



Graduation, however, also carries certain **risks** in the form of an expected decline in ODA allocated to the country. Cambodia has been a long-term beneficiary of various forms of foreign aid since its independence. The country, especially the country's public sector, will have to get prepared for a decline in these financial flows. The negative impact of the decline in ODA can be mitigated through a gradual and predictable phasing out of support, as well as through promoting the delivery of more comprehensive projects and technical assistance to the public sector and the availability of loans or blended finance to the private sector and to some extent also to the civil sector; with significant added value being generated not only in the form of funding itself but also in the form of rigorous assessment of the financial and economic sustainability of the projects supported.

The rapid economic growth the country has been enjoying over the past decade may also be seen as a kind of vulnerability. Rapid economic growth is obviously good news in general terms, yet a consequence of such rapid growth is that as much as 44 per cent of the results have been achieved in the last ten years. Many investment and other projects are therefore still in their early stages, suffering from greater vulnerability to, for instance, global macroeconomic fluctuations and recessions. The growth achieved should therefore be seen as fragile and as requiring a specific form of support to strengthen its robustness. The thematic priorities of this programme (healthcare, education) are based on the knowledge of such risk and help mitigate it by completing the socio-economic background necessary to sustain the physical capacity achievements to date.

The uneven development between the Phnom Penh metropolitan area and the rest of the country poses a significant risk that rather deepens over time. According to the World Bank, there are up to twice as many people living below the poverty line in rural areas than in urban agglomerations. This creates pressure for out-migration from rural to urban regions. This trend is long-standing – a high degree of centralisation was already present in the Khmer Empire and many processes in the country's modern history can be seen on the axis of urban-rural relations. Rural depopulation and lower rural growth have an impact on the sustainability of projects implemented in rural areas and provinces as the number of users of various services is declining and the purchasing power of rural consumers is rather low. Speaking of the sustainability of results, different openness to new practices and technologies also come into play. Targeting some of the activities – foreseen by this programme – at provinces may at least help mitigate this trend; provided, however, that the beneficiaries become involved in the project cycle already at the identification stage and the sustainability of projects is subjected to rigorous assessment. It is therefore also desirable to give preference to implementers with a permanent presence on the ground or at least in the country. An alternative option is to accept the fact that rural areas are systematically falling behind urban areas and to concentrate the activities to a greater extent on and around the capital city.

Challenges in governance and institutional capacity may affect the implementation of development projects. Strengthening transparency and effective law enforcement remains a shared objective for sustainable socio-economic development (see the Transparency International's corruption perception index).



6. RESULTS MATRIX

This Czech-Cambodian bilateral development cooperation programme is valid for the period 2024-2030. Its implementation will be continuously evaluated in accordance with the 2018-2030 Czech FDC Strategy and in accordance with the annual monitoring plans and expert evaluations. Where necessary and appropriate, the programme will be refined based on the evaluation results. A comprehensive evaluation will be carried out by 2030 to decide on further cooperation.

Each thematic priority contains sub-objectives and results that reflect Cambodia's development priorities based on potential access to the EU and the SDGs Framework. Each result is further defined by sub-indicators. Where possible, the indicators, their baselines and values for achievement are set according to the SDGs Framework and the 2023 Voluntary Review: Implementation of the 2030 Agenda 2030 for Sustainable Development⁸. In cases where the SDGs Framework does not include the target values, expected trends are explored or alternative values are set.

Achievements of individual Czech FDC interventions are projected against suggested outputs and typical indicators – these additional indicators, their outputs and target values, must be specified at the project formulation stage and incorporated into the project intervention logic.

⁸ See <https://hlpf.un.org/sites/default/files/vnrs/2023/VNR%202023%20Cambodia%20Report.pdf>



Outcome	Indicator	Verification source
Thematic priority 1. INCLUSIVE SOCIAL DEVELOPMENT – HEALTH (Pentagon 1, CSDG 3, 4, 5) – Improving the health of the population		
Goal: Reduce maternal and child mortality and increase access to and quality of healthcare services		
Sub-objective 1.1 Promoting better health care	Improving access to quality healthcare: <ul style="list-style-type: none"> Better antenatal, delivery and postnatal care Better health care for children 	CSDG 3.2.1 Maternal mortality ratio per 100,000 live births Baseline: 154 (2022); Target: 70 (2030) CSDG 3.2.2 Proportion of births attended by skilled healthcare staff Baseline: 79% (2022), Target: 95% (2030)
Possible outcomes:	1.1.1 Skilled healthcare staff 1.1.2 Medical equipment 1.1.3 Infrastructure 1.1.4 Directly treated mothers or children	Number of trained healthcare staff, type, method and duration of the training (Baseline 2024: 0) Quantity and type of medical equipment provided (Baseline 2024: 0) Nature, extent, capacity of new or reconstructed infrastructure (Baseline 2024: 0) Number of mothers and children treated, nature of treatment or interventions, age categories (Baseline 2024: 0)
Sub-objective 1.2 Supporting education in the health sector	Better health education: <ul style="list-style-type: none"> New training modules/fields Disease prevention and improved access to healthcare 	CSDG 3.c.1 1 Ratio of physician/nurse/midwife per 1,000 population Baseline: 1.6 (2022); Target: 2.4 (2030)
Possible outcomes:	1.2.1 Trained teachers 1.2.2 Newly introduced subjects or disciplines 1.2.3 Informed citizens	Number of trained teachers, type, method and duration of the training (Baseline 2024: 0) Number and specification of newly introduced subjects or disciplines (Baseline 2024: 0) Number of people reached by public health education; outreach/engagement methods (Baseline 2024: 0)



Thematic priority 2. INCLUSIVE SOCIAL DEVELOPMENT – EDUCATION (Pentagon 1, CSDG 4, 5, 8, 13) – Development and use of professional skills (better employment)

Goal: Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

<p>Sub-objective 2.1 Supporting vocational education and training (VET)</p>	<p>Better vocational education and training:</p> <ul style="list-style-type: none"> • Increased qualification of instructors • Improved educational approaches • Improved training environment 	<p>CSDG 4.3.2 The number of student enrolment in technical-vocational education programmes (15 to 24 years old) by sex Baseline: 0.03% (2015); Target: 35% (2030)</p> <p>CSDG 4.3.3 Annual number of participants in training on entrepreneurship and related topics Baseline: 1420 (2022), Target: unspecified / increase (2030)</p>	<p>VNR</p>
<p>Possible outcomes:</p>	<p>2.1.1 Trained instructors 2.1.2 Newly introduced approaches 2.1.3 Supported training centres 2.1.4 VET graduates</p>	<p>Number of trained instructors, type, method and duration of the training (Baseline 2024: 0) Number and specification of newly introduced approaches and subjects (Baseline 2024: 0) Type and quantity of equipment; capacity of supported training centres (Baseline 2024: 0) Number of VET graduates, type, method and duration of training (Baseline 2024: 0)</p>	<p>Project documentation</p>
<p>Sub-objective 2.2 Supporting universities</p>	<p>Access to better university education:</p> <ul style="list-style-type: none"> • Increased teacher qualifications • Accredited training programmes • Improved learning environment 	<p>CSDG 4.3.1 Gross enrolment ratio for tertiary education (18-21 years old) by sex Baseline 12.4% (2022); Target: 50% (2030)</p> <p>CSDG 4.c.4 Percentage of teachers who received professional training Baseline: 24.4% (2022), Target: 30% (2030)</p>	<p>VNR</p>
<p>Possible outcomes:</p>	<p>2.2.1 Trained teachers 2.2.2 Newly introduced subjects or disciplines 2.2.3 Facilities & Equipment of universities 2.2.4 Number of students involved</p>	<p>Number of trained teachers, type, method and duration of the training (Baseline 2024: 0) Number and specification of newly introduced subjects or disciplines (Baseline 2024: 0) Type and quantity of equipment provided (Baseline 2024: 0) Number of students involved, method and duration of involvement (Baseline 2024: 0)</p>	<p>Project documentation</p>



Thematic priority 3. GOOD GOVERNANCE AND CIVIL SOCIETY (Pentagon 1, 2, 4, 5, CSDG 16)

Goal: Good (democratic) governance

Sub-objective 3.1 Strengthened public administration capacity and an engaged civil society

- Public administration is, in partnership with citizens, able to better address development challenges such as employment, sustainable management of natural resources, resilience to natural disasters and sustainable transformation of public finances
- Cambodia graduates to lower middle-income countries.

Status of Cambodia according to the UN Development Policy Committee criteria
 Baseline: Least Developed Country status (2024); Target: Lower Middle-income Country status (2027)

VNR

<https://www.un.org/ohrrls/content/list-ldcs>

Possible outcomes:

- 3.1.1 Trained public administration professionals
- 3.1.2 Methodologies and documents
- 3.1.3 Piloted systems or technologies
- 3.1.4 New forms of cooperation with citizens

Number of trained public administration professionals, type, method and duration of the training (Baseline 2024: 0)
 Number and type of documents prepared for local partners (Baseline 2024: 0)
 Scope and nature of newly introduced systems, new technologies (Baseline 2024: 0)
 Nature and scope of new forms of public administration cooperation with citizens (Baseline 2024: 0)

Project documentation



TRANSVERSAL THEMES – DEMOCRATIC GOVERNANCE (Pentagon 1, 2, 4, 5, CSDG 8, 13, 16), HUMAN RIGHTS, GENDER AND SUPPORT FOR MARGINALISED GROUPS (Pentagon 4, CSDG 1, 3, 4, 5, 8, 10), ENVIRONMENTALLY AND CLIMATE FRIENDLY APPROACH – Developing rural areas (Pentagon 2, CSDG 2, 3, 6, 8, 13)

<p>Sub-objective 4.1 Democratic governance and civil society mobilisation, including support for women and marginalised groups</p>	<p>Enhanced social, economic and political inclusion of all regardless of age, gender, disability, race, ethnicity, origin, religion, economic or other status</p>	<p>CSDG 16.3.1 Proportion of people involved in disseminating laws Baseline: 3.16% (2022); Target: 4.14% (2030) CSDG 10.2.1 Proportion of people living below 50 per cent of median income, by age, sex and persons with disabilities Baseline: 53.1% (2015); Target: 30% (2023)</p>	<p>VNR</p>
<p>Possible outcomes:</p>	<p>4.1.1 Supported persons or groups 4.1.2 Newly introduced procedures or tools (e.g. to fight disinformation)</p>	<p>Number and characteristics of persons or groups supported, method of support (Baseline 2024: 0) Examples of the use of new procedures or tools, the extent of their use (Baseline 2024: 0)</p>	<p>Project documentation</p>
<p>Sub-objective 4.2 Environmental and climate friendliness, access to water and sanitation</p>	<ul style="list-style-type: none"> Reducing vulnerability to climate change Prevention of waterborne diseases Sustainable development of rural areas 	<p>CSDG 13.1.1 Percentage of communes vulnerable to climate change Baseline: 34.2% (2022); Target: 25% (2030) CSDG 6.1.2 Proportion of population using safely managed drinking water services –rural Baseline: 19.4% (2022), Target: 50% (2030) CSDG 6.2.1 Proportion of rural population using safely managed sanitation Baseline: 33.6% (2022), Target: 50% (2030)</p>	<p>VNR</p>
<p>Possible outcomes:</p>	<p>4.2.1 Procedures to reduce vulnerability 4.2.2 Persons with access to water or sanitation 4.2.3 New or reconstructed infrastructure 4.2.4 Water management 4.2.5 Activated public</p>	<p>Type of newly introduced procedures to reduce vulnerability, target groups (Baseline 2024: 0) Number of persons with new access to water or sanitation (Baseline 2024: 0) Number and capacity of new or reconstructed infrastructure (Baseline 2024: 0) Nature of new management approaches, number of trained experts (Baseline 2024: 0) Method and reach of awareness campaigns, number of people involved (Baseline 2024: 0)</p>	<p>Project documentation</p>

