Cambodia has been part of the Integrated Framework (IF) since 2001, putting in place a Pro-poor trade strategy and one of the first pilot countries to complete a Diagnostic Trade Integration Study (DTIS). The IF helped support Cambodia's engagement and accession to the WTO, building political commitment for reforms, a strong institutional set-up and a full trade needs assessment in order to kick-start the implementation of reforms and trade and development projects on the ground. There has since been an important roll-out of a new business and trade-friendly legal framework.

**Main Projects Ongoing**

**Description of the projects (objectives and interventions):**

Cambodia's EIF Tier 1 Project, "Strengthening Institutional Mechanisms for Formulating, Implementing, Managing and Monitoring Cambodia's Trade Integration Strategy" has been under implementation since May 2010 by the Department of International Cooperation (D/ICO). The Tier 1 Project takes into consideration Cambodia's updated 2007 Diagnostic Trade Integration Study (DTIS), the National Strategic Development Plan (NSDP), the Trade Sector Wide Approach (SWAp) and Trade SWAp pillar roadmap. Its main objective is to enhance Cambodia's national capacity to formulate, implement, manage and monitor a pro-poor trade policy that is consistent with and supportive of the country's NSDP and its Millennium Development Goals (MDGs).

Cambodia's Tier 2 on "Export Diversification and Expansion Program I" (CEDEP I) supporting sectors such as milled rice, high value silk and also in program monitoring was approved by the EIF Board in August 2012 and is under implementation. A 2nd Tier 2 proposal was submitted and is being considered by the EIF ES. It will support export of marine fish products, cassava and the
hospitality industry (Royal Academy of Culinary Arts).

Under the Integrated Framework (IF), Cambodia has benefited from two Window II Projects including "Capacity-building for pro-poor trade reform" and "Trade-related assistance for development and equity".

Main progresses to date:

Overall, the EIF Tier 1 project has become a program and a platform for better mainstreaming of trade into national development plans through the DTIS Update and contribution to the Government Rectangular Strategy and National Strategic Development Plan 2014-2018. It contributes to the improved coordination and dialogue with Development Partners (DPs) on the country's trade development vision, the Aid for Trade (AfT) mid-term strategy and the results framework leading to an increase in AfT resources managed under the SWAp. The EIF programme also makes an effective contribution to reinforce the institutional set-up for the Trade SWAp or the NIAs.

The Trade SWAp was launched in 2008 based on the DTIS 2007 and serves as a national trade sector development plan. Various SWAp Pillar Working Groups and an Implementation Committee (IC) were set up and held regular meetings with support from the NIU to support the SWAp implementation both at technical and policy levels. A Trade SWAp Pillar Roadmap was validated in 2012 as a Medium-term Programme (MTP) and framework for donor coordination as well as a Monitoring & Evaluation (M&E) Framework for the Trade SWAp.

A trade chapter was included in the National Strategic Development Plan III (NSDP III) 2009-2013. Three out of five priorities of the NSDP III are directly linked to trade.

The new DTIS Update, to be fed into the National Strategic Development Plan IV (NSDP IV) 2013-2018 and Rectangular Strategy (2013-2018), has been prepared.

A trade mainstreaming agenda is developed in 2012 through rolling out an EIF trade mainstreaming module with support from the UNDP. This agenda focuses on integrated trade, competitiveness, sectorial strategies and regional integration. Furthermore, a SWAp communications strategy is developed and under implementation by the NIU.

The Tier 2 project, Cambodia Export Diversification and Expansion Program (CEDEP) Part I: Milled Rice, High Value Silk and Program Monitoring, was approved and has been under implementation since October 2012.

The Tier 2 project on CEDEP II on Fishery, Cassavas, Tourism and M&E is under preparation. The Trade Development Support Program (TDSP), or Multi-Donor Trust Fund for Trade Related Assistance in Cambodia (MDTF TRAC), was extended until 2015. The Asian Development Bank (ADB) took over the role of Donor Facilitator (DF) from UNDP from October 2012.

A Government-Private Sector Forum was established and chaired by the Prime Minister. Under the auspices of the Cambodian Chamber of Commerce, eight thematic working groups were established to facilitate the engagement of the private sector in trade policy related issues.

The Tier 1 project extension for 2 years was approved on July 17, 2013.

Outlook:

The implementation of the Tier 1 Phase 2 will focus on several items. First, strengthening the NIU sustainability and capacities to implement TRTA programmes and to effectively formulate projects for increased economic diversification. Second, maintaining a network of SWAp focal points in line Ministries working as an extended NIU, Third, servicing regular meetings of the SWAp Pillar Working Groups, Implementation Committee. Fourth, mainstreaming of trade in the policy dialogue and formulation and trade awareness-raising. Fifth, supporting the implementation of Tier 2 projects. Sixth, developing a communications plan and EIF awareness-raising. Seventh, sharing experience with other LDCs. Finally an M&E of the SWAp and TRTA project will be completed.

Cambodia is continuing to work on its 2nd DTIS update launched in the first quarter of 2013. It is expected that this DTIS be validated by the end of 2013. The elaboration of strategies for sustainability of NIU and Trade SWAp as well as for AfT resources mobilization is a key feature of the updated SWAp Road Maps.

Results

Computerization of customs operations using ASYCUDA, management of standards to help exporters plus legal and regulatory reforms bringing customs into compliance with WTO obligations have had a significant impact on clearance of containers at the border, cutting the number of days required by over half between 2007 and 2010. This has also reduced the time to export from an average of 37 days in 2007 to 22 days in 2012 and the time to import from an average of 45 days in 2007 to 26 days in 2012 according to the World Bank's Doing Business Survey. Cambodia has since positively advanced 17 places in the "Ease of Doing Business" ranking from 150 in 2007 to 133 in 2013.

With EIF support, the Ministry of Commerce has championed raising awareness on the importance of trade facilitation, which has
helped stakeholders including the customs officials, Camcontrol, the port officials and private sector to understand their role in facilitating trade. At the Sihanoukville Autonomous Port, this has led to an increase in productivity from operating 10 containers for each ship per hour to operating 30 containers per hour.

**Links**

Ministry of Commerce, Trade Sector Wide Approach

**State of implementation**

### TIER 1 OUTCOME AND INDICATORS

**Outcome 1: Sufficient institutional and management capacity built in Cambodia to formulate and implement trade-related strategies and implementation plans**

<table>
<thead>
<tr>
<th>Outcome 1 indicators</th>
<th>Baseline</th>
<th>'10</th>
<th>'11</th>
<th>'12</th>
</tr>
</thead>
<tbody>
<tr>
<td>O1.1: Support to NIAs (Y/N)</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>O1.2: DTIS Action Matrix (Date)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>O1.3: Fiduciary capacity (1-5)</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>1</td>
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<td>O1.4: Trade strategy updated (Y/N)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>O1.5: Trade Strategy quality (1-5)</td>
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<td>3</td>
<td>3</td>
<td>2</td>
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<tr>
<td>O1.6 Trade strategy implemented (1-5)</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>2</td>
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**Outcome 2: Cambodia mainstreams trade into its national development strategies and plans**

<table>
<thead>
<tr>
<th>Outcome 2 indicators</th>
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<td>2</td>
<td>2</td>
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<td>O2.2: Trade in Productive Sector Strategies (Y/N)</td>
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<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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<td>O2.3: Public-Private Dialogue (1-5)</td>
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</tbody>
</table>

**Outcome 3: Coordinated delivery of trade-related resources (funding, TA, etc.) by donors and implementing agencies to implement Cambodia’s priorities following the adoption of the DTIS Action Matrix**

<table>
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<tr>
<th>Outcome 3 indicators</th>
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<td>O3.1: Annual joint sector implementation overview (Y/N)</td>
<td>Yes</td>
<td>Yes</td>
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### Outcome 4: Cambodia secures resources in support of initiatives that address DTIS Action Matrix priorities

<table>
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<th>Outcome 4 indicators</th>
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<td>O4.1: Medium-term Programme (1-5)</td>
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<td>O4.2: Government budget contribution (Y/N)</td>
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<td>No</td>
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<td>Yes</td>
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<td>O4.4: Number and amount of projects funded from DTIS Action Matrix (in US$ million)</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>24</td>
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(1.35) (1.5) (3.1) (14.9)

### Financial information

#### DTIS Update
- **Starting date / End date**
  - 27/02/2013
- **Approved Budget**
  - 199,983
- **Board Approval Date**
  - 29/09/2009
- **Disbursement**
  - 199,983
- **Expenditure Reported**
  - 193,761
- **MOU Approval Date**
  - 25/02/2013
- **MOU Expiry Date**
  - 31/03/2014
- **Phase:**
  - Completed

#### NIA Support
- **Starting date / End date**
  - 06/05/2010
- **Approved Budget**
  - 1,293,900
- **Board Approval Date**
  - 29/09/2009
- **Disbursement**
  - 1,174,606
- **Expenditure Reported**
  - 1,027,944
- **MOU Approval Date**
  - 29/09/2009

| O3.2: Frequency of Government-Donor consultation in trade (1-5) | 1 | 1 | 1 | 1 |
| O3.3: UN-CEB Cluster activities based on DTIS Action Matrix (Y/N) | Yes | Yes | Yes | Yes |
| O3.4: Joint donor initiatives in trade (Y/N) | Yes | Yes | Yes | Yes |
Cambodia Export Diversification and Expansion Program (CEDEP) I - Evaluation Component

Starting date / End date
20/12/2012
Approved Budget
290,520
Board Approval Date
06/08/2012
Disbursement
150,000
Expenditure Reported
67,193
MOU Approval Date
25/10/2012
MOU Expiry Date
24/10/2015
Phase:
Implementation

Cambodia Export Diversification and Expansion Program (CEDEP) I - Silk Component

Starting date / End date
27/09/2012
Approved Budget
1,004,347
Board Approval Date
06/08/2012
Disbursement
1,004,347
Expenditure Reported
826,254
MOU Approval Date
25/09/2012
MOU Expiry Date
24/09/2015
Phase:
Implementation

Cambodia Export Diversification and Expansion Program (CEDEP) I - Rice Component

Starting date / End date
24/01/2013
Approved Budget
1,112,847
Board Approval Date
06/08/2012
Disbursement
1,112,847
Expenditure Reported
297,365
MOU Approval Date
14/12/2012
MOU Expiry Date
31/12/2015
Phase:
Implementation

Cambodia Export Diversification and Expansion Program (CEDEP) II - Evaluation Component

Starting date / End date
14/11/2014
Approved Budget
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<th>Cambodia Export Diversification and Expansion Program (CEDEP) II - Cassava Component</th>
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<td>Starting date / End date</td>
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<th>Cambodia Export Diversification and Expansion Program (CEDEP) II - Marine Fishery Component</th>
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<tr>
<th>Phase: Implementation</th>
<th>Cambodia Export Diversification and Expansion Program (CEDEP) II - Academy of Culinary Arts of Cambodia (ACAC) Component</th>
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