



**Kingdom of Cambodia**

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**Royal Government of Cambodia**



## **Development Cooperation and Partnerships Strategy 2024 - 2028**

**Phnom Penh, December 2023**

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## PREFACE

In the context of full peace, political stability, national unity, security and public order, and social harmony, under the realistic, and long-term visionary leadership of **Samdech Akka Moha Sena Padei Techo HUN SEN**, the Royal Government of Cambodia has achieved remarkable progress in sustainable and inclusive socio-economic development. Achieving high economic growth for more than two decades, the success over the battle against the spread of COVID-19 pandemic and control of its associated impacts on public health, maintaining macro-economic stability and socio-economic development as well as people's livelihoods balance have enabled Cambodia to fully re-open, normalize and revitalize its economic activities in late 2021. These have laid a solid foundation for the recovery and future development of Cambodia in the next phases.

The Royal Government of Cambodia acknowledges the importance of development assistance in complementing Cambodia's own resources for national socio-economic development. In this regard, the Royal Government has made remarkable achievements in implementing the Development Cooperation and Partnerships Strategy (DCPS) despite the difficult situation caused by the COVID-19 pandemic, geo-political tensions and the fast-changing of global development architecture. The Royal Government has strengthened ownership and leadership in mobilizing, managing, and orienting development assistance, enhanced partnerships, and promoted mutual accountability, transparency, efficiency and effectiveness in using these resources to achieve national development goals.

At the first Cabinet Meeting of the 7<sup>th</sup> Legislature of the National Assembly on 24 August 2023, the Royal Government of Cambodia has formally launched the Pentagonal Strategy - Phase 1. To support its implementation and enhance the ownership of the Royal Government in managing development assistance, the Development Cooperation and Partnership Strategy (DCPS) 2024-2028 has been developed based on the evaluation of performance and challenges of the previously implemented DCPS, taking stock of socio-economic transformation and the evolving global development architecture as well as adhered to outcomes of the Global Summit on Effective Development Cooperation in late 2022. The main goal of this strategy is to enhance the effectiveness of development cooperation and foster inclusive partnerships to support the recovery and acceleration of post-crisis socio-economic development, to support Cambodia's pathway toward Least Developed Countries (LDC) graduation and the attainment of the Cambodian Sustainable Development Goals (CSDGs) by 2030. The strategy sets out goals, prioritized actions, partnership mechanisms, and tools for the government to manage development cooperation and partnerships in the current national and global development contexts.

The DCPS (2024-2028) has been formulated under the leadership and coordination of the Cambodian Development Cooperation Board of the Council for the Development of Cambodia through inclusive consultations with government ministries and agencies, development partners, and other relevant stakeholders. With the Royal Government's commitment, ownership and responsibility and development partners' support, together with a proactive implementation approach, I am confident that the close collaboration among development actors will enhance the effectiveness and efficiency of development cooperation and inclusive partnerships, contributing to support the Royal Government's efforts in achieving Cambodia's development goals and priorities as articulated in the Pentagonal Strategy - Phase 1.

Phnom Penh, 29 December 2023

**Prime Minister**

Signed and Stamped

**Samdech Moha Borvor Thipadei HUN MANET**

## Executive Summary

Under the talented, wise, pragmatic and long-term visionary leadership of **Samdech Akka Moha Sena Padei Techo HUN SEN**, the Royal Government of Cambodia has made tremendous achievements in socio-economic development by progressively sustaining economic growth for more than two decades, maintaining macroeconomic stability, controlling inflation, alleviating poverty and promoting people's welfare and livelihoods.

To carry on the great momentum aiming at maintaining political stability, social security, promoting economic development and improving the living conditions of Cambodian people, especially marginalized group, **Samdech Moha Borvor Thipadei HUN MANET, Prime Minister of the Kingdom of Cambodia** has officially established the “**Pentagonal Strategy-Phase 1**” at the first Cabinet Meeting on August 24, 2023 to serve as “Socio-Economic Policy Agenda” of the Royal Government of Cambodia for the Seventh Legislature of the National Assembly.

The government has made remarkable progress in managing development cooperation in recent years, whilst continuing to address challenges posed by Cambodian socio-economic transformation and evolution of regional and global development architectures. The government's success in mobilizing external resources from year to year, from one legislature to another and the resilience of ODA during COVID-19 crisis has reaffirmed that development cooperation continues to play an important role in promoting and accelerating national socio-economic development. In this regard, enhancing the efficiency and effectiveness of development cooperation continues to be a top priority for the Royal Government. On this basis, the Pentagonal Strategy - Phase I has emphasized the necessity to formulate the Development Cooperation and Partnerships Strategy 2024-2028.

The formulation of the Development Cooperation and Partnerships Strategy 2024-2028 has considered the context of Cambodian socio-economic transformation and the evolving regional and global development architecture, including progress toward socio-economic development, poverty reduction, CSDGs, LDC graduation, challenges and opportunities from COVID-19 experience, rising geo-political competition, and other regional and global events over the past years.

The Development Cooperation and Partnerships Strategy 2024-2028 has the objective to establish a framework for enhancing the efficiency and effectiveness of development cooperation in support of the national development priorities as articulated in the Pentagonal Strategy - Phase I, in readiness for Cambodia's LDC graduation and the achievement of CSDGs. To achieve the above objectives, the five strategic goals are set out as follows: (1) strengthen the ownership and leadership of the Royal Government in development cooperation; (2) enhance the effectiveness of inclusive partnership mechanisms between the Royal Government and development actors; (3) increase the efficiency of the implementation of key tools that reflects the mutual accountability for results in sectoral development and the government reform programs; (4) promote public accessibility of information on development cooperation; and (5) implement and monitor the commitments on enhancing efficiency and effectiveness of development cooperation.

While outlining principles for efficiency and effectiveness of development cooperation, the strategy identifies partnership mechanisms and key tools for implementation. The partnership mechanisms defined in the strategy include: National Multi-Stakeholders Consultations,

Bilateral Consultations with Development Partners, Technical Working Groups, Government and NGOs Consultation Meeting, Sub-national Partnership Dialogue, South-South and Regional Cooperation, and Global Partnership for Effective Development Cooperation. The key partnership tools include: ODA and NGO Databases, Development Cooperation and Partnerships Report, and Joint Monitoring Indicators. The strategy also focuses on monitoring the implementation by establishing a result framework and identifying institutional arrangement for leadership and coordination.

Given the significant role of ODA and the imperative need to enhance the efficiency and effectiveness of development cooperation, the Royal Government under the leadership of **Samdech Moha Borvor Thipadei HUN MANET, Prime Minister of the Kingdom of Cambodia**, will continue to strengthen closer cooperation with all development actors to successfully implement this DCPS 2024-2028 strategy, based on the principles of the government's ownership, equal partnerships and mutual accountability.

## I. Introduction

Full peace and political stability, national unity, security and public order, and social harmony, which are the immense and historic achievements of the Win-Win Policy, function as indispensable pre-requisites for Cambodia's socio-economic development. Under the talented, wise, pragmatic and long-term visionary leadership of **Samdech Akka Moha Sena Padei Techo HUN SEN**, the Royal Government of Cambodia has made tremendous achievements in socio-economic development by progressively sustaining a high economic growth for more than two decades, maintaining macroeconomic stability, controlling inflation, alleviating poverty and promoting people's welfare and livelihoods. Nevertheless, Cambodia's economy, like others across the globe, was interrupted by the COVID-19 pandemic, rising geo-political competition, and spillover effects borne by the conflicts and wars in some regions. Notwithstanding, the Royal Government of Cambodia has firmly taken a proactive approach. This focuses on outmaneuvering the circumstances whilst horizontally having accomplished extensive achievements in countering the COVID-19 pandemic including the response to the impacts of the pandemic on public health, social and economic areas to protect and secure people's livelihoods. The effective implementation of the National Social Protection Policy Framework 2016-2025 has created an enabling environment for Cambodia to reactivate and further expand socio-economic activities to normalcy. As a result, the Cambodian economy took a leap from contracted growth in 2020 to positive growth in 2021, and further growth is projected in the coming years.

At the first Cabinet Meeting on August 24, 2023, **Samdech Moha Borvor Thipadei HUN MANET, Prime Minister of the Kingdom of Cambodia** has officially established the "Pentagonal Strategy-Phase 1" to serve as "Socio-Economic Policy Agenda" of the Seventh Legislature of the National Assembly. It will be continually implemented on the basis of previous achievements as implemented in the Triangular Strategy and the four phases of the Rectangular Strategy. In the meantime, the Royal Government of Cambodia recognizes the important role of development cooperation in complementing Cambodia's efforts to continue to promote socio-economic development, especially during the COVID-19 and in supporting the recovery effort. On this basis, the Royal Government of Cambodia continues to place priorities on strengthening government ownership and leadership in the development, enhancing inclusive partnerships with development actors and promoting development cooperation effectiveness in attaining a high middle-income country status by 2030, Cambodian Sustainable Development Goals (CSDGs), and Cambodia's Least Developed Countries (LDC)'s graduation as well as Cambodia's vision 2050.

To contribute to the implementation of a policy agenda for socio-economic development as enshrined in the Pentagonal Strategy - Phase 1, the Royal Government of Cambodia has formulated the Development Cooperation and Partnerships Strategy (DCPS) 2024-2028. This is based on the evaluation of performance in implementing the DCPS 2019-2023, taking stock of socio-economic transformation and the fast-evolving global development architecture as well as the global good practices on effective development cooperation. The Development Cooperation and Partnerships Strategy (DCPS) 2024-2028 which is a policy instrument to support the implementation of the Pentagonal Strategy-Phase 1, sets out goals, prioritized actions, partnership mechanisms, and tools as well as identifies principles for implementation and framework for monitoring the results.

## **II. Development Cooperation and Partnerships Context**

To support the implementation of the “Pentagonal Strategy - Phase 1”, the formulation of the Development Cooperation and Partnerships Strategy (DCPS) 2024-2028 has taken into account the context of Cambodian socio-economic transformation and the fast-changing regional and global dynamics and development architecture.

Over the past two decades, the Royal Government of Cambodia has made glorious achievements in sustaining socio-economic development which reflected through continuous economic growth, macroeconomic stability, poverty reduction, improving people’s livelihoods, attainment of lower middle-income country status, and being eligible for the first time for the LDC graduation process in 2021. For international affairs, the Royal Government of Cambodia has made a number of marvelous achievements in strengthening its relationships with countries in the region and around the globe, adhering to the principles of an independent foreign policy based on the rules of law and the contribution to the UN peacekeeping mission by subsequently dispatching Blue Helmet forces. As a host and taking on the ASEAN Chairmanship in 2022, Cambodia successfully performed its function to lead ASEAN in addressing the complex challenges at both regional and global levels. In the meantime, being the chairman of “ASEAN’s 40th and 41st Summits and related Summits”, the co-chair of “ASEAN-EU Commemorative Summit” and a host of the 32nd SEA Games and the 12th ASEAN Para Games in 2023 have presented Cambodia’s prestige to the international stage. This reflects Cambodia’s ability and more active role as a sovereign and independent state who fully and fairly engages with all partners in addressing international affairs and enhancing cooperation.

Similar to other countries across the globe, Cambodia’s socio-economic trajectory was disrupted temporarily by the COVID-19 pandemic. Additional contextual factors that are relevant to development partnerships and wider diplomacy include rising geo-political competition and spillover effects caused by conflicts and wars in some regions. Nevertheless, with the proactive control and earnest implementation of macroeconomic policies, together with civic engagement, the Royal Government has successfully combated the COVID-19 pandemic and responded to its impact in areas of public health and people’s livelihoods balance in a well-managed fashion. Simultaneously, the Royal Government has addressed the structural impediments to enhance Cambodia’s economic competitiveness and diversification through the introduction of the Strategic Framework and Programs for Economic Recovery in the context of living with COVID-19 in a new normal 2021-2023, the Cambodia Digital Economy and Society Policy Framework 2021-2035, the Law on Investment, the Law on Public-Private Partnerships, and the implementation of the Free Trade Agreements with trading partners. As a result, the Cambodian economy has been lifted from negative growth in 2020 to positive growth in 2021. This growth rate is estimated to reach 5.2% in 2022 and is projected to reach 5.6% in 2023. All these achievements have laid a solid foundation for Cambodia’s socio-economic development in the next phases.

Rising geo-political competition, global economic uncertainty, tensions and instability in some regions, together with the fragility of the contemporary post COVID-19 recovery, have disrupted the global production and supply chain. As a ripple impact, the global economies have encountered uncertainty and experienced high inflation with sluggish growth which could possibly lead to the implementation of protectionist policies on



economic and trades amongst some partner countries. These tensions and crises may trigger some development partners to implement their resource restrictive policies to the developing countries, or may redirect the funding to higher-demand regions or countries; otherwise, may reprioritize the supports to the crisis sectors or to serve humanitarian purposes. Cambodia's economy integrated into the global economy and trade, also potentially gets affected which may eventually impact on domestic resources for investment and the implementation of socio-economic recovery and development policy.

Cambodia is taking bold steps towards achieving a high middle-income country status by 2030, along with the progress toward achieving CSDGs and Least Developed Countries (LDC) graduation. This will present Cambodia's prestige on the international stage and recognition of the Royal Government of Cambodia's achievements in maintaining peace, political stability, macroeconomic stability, and sustainable development that continues to create a favorable environment for attracting private investment, especially foreign direct investment. However, graduating from the LDC grouping could lead to the loss of trade preferential, the possible decline in the provision of grant assistance which may substitute the loan assistance coupled with the change of loan concessional terms; and the possibly loss of access to some trade-related support measures. On this basis, the preparation and implementation of Transition Strategy for LDC graduation is imperative to ensure a smooth successful graduation and sustained development in a confident manner. In this regard, development cooperation will play an important role in this transition to support the Royal Government of Cambodia in implementing the key measures or recommendations that may be eventually set out in this Transition Strategy.

Experiences in fighting against the COVID-19 have shown that development cooperation has become increasingly crucial for social protection. In fact, development cooperation has focused not only on promoting economic growth and governance, but has also effectively supported human security, public health and food security, which are the priorities in the social sector and the social protection of the Royal Government of Cambodia. Meanwhile, promoting the green economy and developing a smart economy have become high priorities of the Pentagonal Strategy - Phase 1 and in development cooperation as Cambodia is moving toward achieving CSDGs and attaining high middle-income country in 2030 and Cambodia's vision 2050. On this premise, Cambodia will make effort to grab maximum benefits and stands ready to actively engage with the international community in tackling environmental and climate change challenges as well as to promote the digital transformation.

### **III. Progress of Development Cooperation and Partnerships**

Under the wise and long-term visionary leadership of **Samdach Akka Moha Sena Padei Techo HUN SEN**, the Royal Government has made remarkable achievements in the effective implementation of the Development Cooperation and Partnerships Strategy 2019-2023 to further strengthen partnerships for development cooperation.

#### **1- Strengthening Ownership in Development Cooperation**

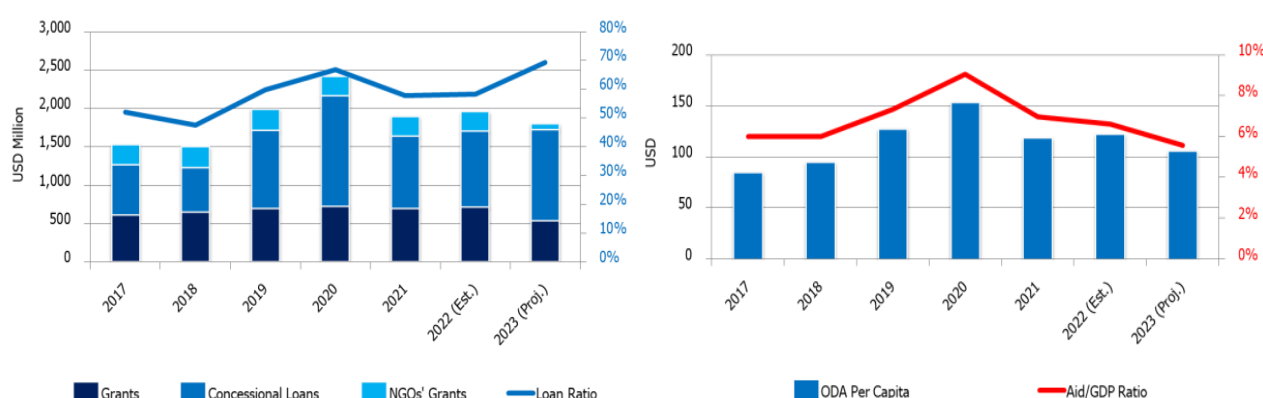
The Royal Government had succeeded in mobilizing development partners' resources, aligning these resources with the priorities articulated in Rectangular Strategy-Phase 4,



the National Strategic Development Plan as well as sectoral strategies and the post-COVID Economic Recovery Plan.

Over the 5 years period (2019-2023), the Royal Government has mobilized a total of more than USD 10.1 billion worth of ODA with an average amount of more than USD 2 billion annually. This far exceeds the total mobilization of USD 7.1 billion in 2014-2018. Concessional loans have continued to increase over the reporting period, with an amount of over USD 1.1 billion per annum, while grants have remained stable at roughly USD 900 million annually. This indicates the gradual shift from grant assistance to concessional loans, owing to the country's rapid, promising socio-economic development, as evidenced by the attainment of lower middle-income country status. The total amount of resources mobilised exceeded 23.37% compared to the National Strategic Development Plan 2019-2023 resource requirements, in which USD 8,154 million was planned. Whereas ODA/Gross Domestic Product (GDP) ratio increased from 6% in 2017 to 7% in 2019 and leveled-off in the last five years (2019-2023). ODA per capita trend has been generally stable since 2019 at USD 120, except in 2020 that peaked at USD 150 due to single disbursement (figure 3.1).

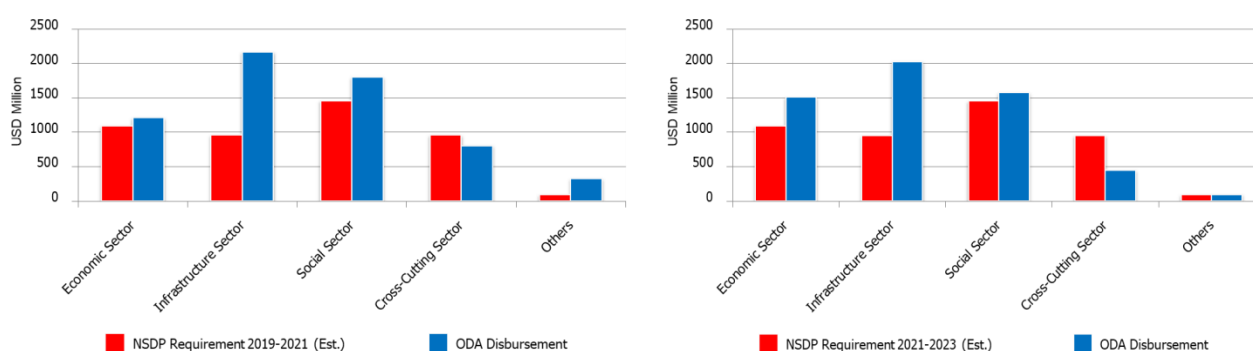
*Figure 3.1: Mobilization of ODA 2019-2023*



Source: Cambodia ODA Database (February, 2023)

In addition to the successful resource mobilization, the Royal Government had made significant progress in aligning these resources with the priorities set out in the National Strategic Development Plan (NSDP) 2019-2023 (Figure 3.2). In general, the actual ODA disbursement is higher than the resource needed as articulated in the NSDP.

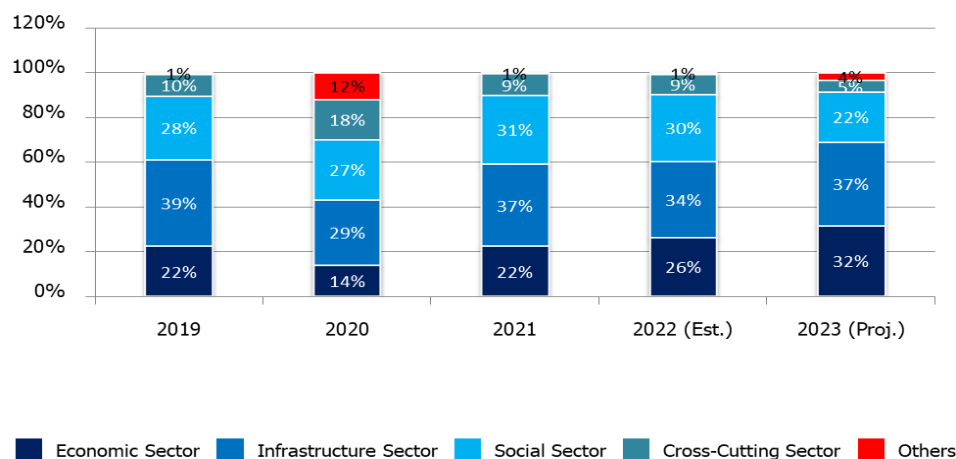
*Figure 3.2: ODA Alignment by Sector*



Source: - Cambodia ODA Database (February, 2023)  
- 3-Year Rolling Public Investment Program

Over the period from 2019 to 2023, the infrastructure sector received the largest share of ODA, approximately USD 3.5 billion that accounted for 34.7% of the total, an increase of 60% from the previous 5 years recorded period (2014-2018). The social sector received USD 2,790 million, equivalent to 27.7% of total ODA, with 45% and 37% of ODA to the social sector being disbursed to the health and education sectors respectively. The economic sector received USD 2,293 million, or 27.7%, which is USD 800 million higher than the previous five years (2014-2018) (Figure 3.3).

*Figure 3.3: ODA Disbursement by Sector*



Source: Cambodia ODA Database (February, 2023)

## **2- Building Inclusive Partnerships with Development Actors**

The implementation of partnership mechanisms at all levels (national, sectoral and sub-national levels) had spurred inclusive partnerships by fostering opportunities for development actors (development partners, private sector and NGOs) to participate with the Royal Government in political dialogues as well as in technical discussions on all aspects of socio-economic development. However, in 2019-2023, some annual or bi-annual partnership dialogue mechanisms between the Royal Government and development partners were not implemented or postponed due to the obligation to comply with health measures during the COVID-19 pandemic.

Despite the difficult situation, the Royal Government and development actors are committed to continuing cooperation and consultation in a spirit of partnership, gentleness, and flexibility through the use of appropriate modalities or adapting some necessary processes that can respond to the situation and ensure their effectiveness. For instance, the Bilateral Consultations mechanism with development partners which has been put in place since 2004, was further strengthened under the leadership of the Council for the Development of Cambodia (CDC) or the Ministry of Economy and Finance (MEF), especially amidst the COVID-19 pandemic and after full reopening of socio-economic activities. Furthermore, the Consultative Meeting with NGOs, which is a multilateral consultation forum, continues to be organized on a regular basis under the leadership and coordination of the responsible ministries. In addition, the Royal Government has promoted partnerships with the private sector through the Government-Private Sector Forum, which has provided opportunities for the private sector to participate in socio-economic development discussions with the Royal Government.

In the meantime, the Technical Working Groups (TWGs), a mechanism established by the Royal Government in 2004, continued to carry out their activities effectively despite the adverse impacts of the COVID-19 pandemic. The number of TWGs has increased from 17 in 2004 to 19 in 2018 and to 21 TWGs in 2023. This illustrates the importance and effectiveness of this mechanism for discussing and exchanging views between stakeholders on the issues related to socio-economic development, as well as the coordination, allocation and utilization of ODA.

### **3- Enhancing Accountability and Transparency**

In early 2019, the TWGs developed their Joint Monitoring Indicators (JMIs), identifying 66 activities for the five-year period (2019-2023). According to the Progress Report on Implementation of the Joint Monitoring Indicators in 2021, there were 22 fully achieved outputs, while the other 22 outputs were partially achieved, 13 outputs were on track, and only 9 were not implemented due to specific reasons. This concrete progress enhanced the accountability between the Royal Government and development partners.

The Cambodia ODA Database and NGOs database, managed by the Council for the Development of Cambodia, were customized and updated to respond to Cambodia's needs and to adapt to the evolution of the Global Partnership for Effective Development Cooperation (GPEDC). To bolster transparency to relevant stakeholders, all development partners and NGOs were encouraged to regularly update their programs and project information, including actual disbursements in the current fiscal year and projected disbursements for the coming years into this publicly accessible system.

### **4- Strengthening Development Effectiveness**

After having successfully implemented Aid Effectiveness<sup>1</sup> principles between 2004-2011, the Royal Government shifted the focus to implementing Development Effectiveness<sup>2</sup> and achieved substantive results. As highlighted in Table 3.1, the use of country systems was broadly implemented by development partners. For instance, the use of results frameworks increased from 64% in 2017 to 88% in 2021, while the use of public financial management system (PFM) by development partners increased from 61% in 2017 to 74% in 2021. In addition, 86% of ODA was recorded on the national budget, whereby annual and medium-term plan shares recorded an increase of more than 90%.

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<sup>1</sup> Aid effectiveness means aid management that includes ownership and the relationship between partner country government and its development partners that focuses on alignment and harmonization.

<sup>2</sup> Development effectiveness comprises of three important components: 1) Results of development; 2) Ownership of development priorities; and 3) Inclusive Partnerships. This means that development Effectiveness is a broader development discourse which looks beyond issues in aid effectiveness and towards the impact that stakeholders' partnership has on promoting welfare and developing resilience in economy and society.

*Table 3.1: GPEDC Development Effectiveness Framework*

| Indicator  | 2017    | 2019    | 2021    |
|--|---------|---------|---------|
| 1a- Development partners use country-owned results framework     | 64%     | 63%     | 88%     |
| 1b- Countries strengthen their results framework                 | 93%     | -       | 80%±    |
| 2- CSOs enabling environment and development effectiveness       | 59%     | Yes     | Yes     |
| 3- Quality of public-private dialogue                            | 59%     | Yes     | Yes     |
| 4- Information on development cooperation is publicly available  | 100%    | 100%    | 100%    |
| 5a- Development cooperation is predictable on annual basis       | 96%     | 122%    | 96%     |
| 5b- Development cooperation is predictable on medium-term        | 93%     | 99%     | 99%     |
| 6- Development cooperation is recorded on national budget        | 83%     | 92%     | 86%     |
| 7- Mutual accountability is strengthen through inclusive reviews | Yes     | Yes     | -       |
| 8- Gender equality and women's empowerment                       | No Data | No Data | No Data |
| 9a- Countries strengthen their PFM systems                       | -       | -       | 80%±    |
| 9b- Development partners use PFM systems                         | 61%     | 81%     | 74%     |
| 10- Aid is untied  | -       | -       | 77%     |

Source: Cambodia ODA Database (February, 2023) and GPEDC's Survey 2019 and 2021

Note: Indicator 9a and 10 are measured at the global level, Indicator 8 is related to gender budgeting system

#### **IV. The Need for the Development Cooperation and Partnerships Strategy 2024-2028**

Along with the remarkable progress in development cooperation achieved in recent years, the Royal Government continues to address challenges posed by evolution of regional and global contexts and the Cambodian socio-economic transformation. The government's success in mobilizing external resources which has continued to increase from year to year, from one legislature to another, shows that the objectives, goals, principles and mechanisms that the Royal Government set out in the development cooperation and partnership strategy 2019-2023 are relevant and necessary.

Although Cambodia was affected by the COVID-19 pandemic, development cooperation remains resilient as disbursements by development partners in the form of both grant assistance and concessional loans continued to increase. Moreover, in 2020-2022, development partners responded effectively and in a timely manner to the resolute guidance by **Samdech Akka Moha Sena Padei Techo HUN SEN** in the fight against COVID-19 pandemic and supported and implemented various measures set out by the Royal Government in order to re-activate social and economic activities and to fully re-open the country. Specifically, the Royal Government has mobilized more than USD 200 million from the development partners and injected immediate response to health emergencies, including the management of COVID-19 affected cases and the provision of vaccines and medical equipment. Furthermore, development partners have provided more than USD 800 million to support the implementation of the Strategic Framework and Programs for Economic Recovery in the context of living with COVID-19 in a new normal (2021-2023). In the same period, about USD 76 million was disbursed to support the social sector, which contributed to the recovery and improvement of people's livelihoods during the crisis.

Resilience of development cooperation during the crisis, especially during the COVID-19 pandemic, the structural change of development finance flow in Cambodia, at the same time that Cambodia has to respond to challenges posed by the fast-evolving global development architectures and Cambodia's own social and economic transformation over the last two decades have reaffirmed the opportunities and necessities for the Royal Government to further enhance the efficiency and effectiveness of development cooperation as the top priority. On this basis, development cooperation continues to play an important role in promoting and accelerating national socio-economic development, as well as continues to play as a catalyst to complement domestic and other development finances in support of the implementation of national and sector policies, supporting Cambodia's LDC graduation process, achieving the SDGs and realizing the Cambodia Vision 2050.

**Key Declaration at 2022 GPEDC Summit  
Geneva, Switzerland**

***Global Partnership Principles***

1- The Summit took stock of the progress in implementing the Principles of Effective Development Cooperation, namely country ownership, focus on results, inclusive partnerships, and transparency and mutual accountability that all remain relevant to continue to guide our actions.

***Integrated National Financing Frameworks***

2- Development cooperation increasingly mobilises different types of finance and partnerships, the Global Partnership monitoring strengthens INFFs, a powerful instrument contributing to the alignment of development finance with country priorities and more coordinated support by partners.

***In-country Capacity matters***

3- Strengthening the capacity of all actors and institutions at the country level remains a high priority if partner countries are to take charge of their own development through a whole-of-government and a whole-of-society approach.

***Data matters***

4- Timely, secure, transparent, and high-quality data in the national statistical systems are necessary to ensure results-orientation, inclusive partnerships, country ownership and transparency and mutual accountability.

***The new Global Partnership Monitoring***

5- The new Global Partnership Monitoring generates evidence for inclusive dialogue and action at country level while contributes to greater accountability. The new monitoring measures (what) existing progress on Paris Declaration, and strengthens country-level processes, accountability amongst all actors (how) by replacing biennial term to a four-year global rolling round that provides opportunity for reflection, dialogue and actions on results.

Based on the partnership achievements as aforementioned, the Pentagonal Strategy - Phase I has emphasized the necessity to have the Development Cooperation and Partnership Strategy 2024-2028 adapted to the fast-evolving national and global context and adhered to key principles derived from the Declaration of the Global Summit on Effective Development Cooperation in late 2022.

## **V. Objective and Goals**

**1- Objective:** The Development Cooperation and Partnerships Strategy 2024-2028 has the objective to establish a framework for enhancing the efficiency and effectiveness of development cooperation in support of the national development priorities as articulated in the Pentagonal Strategy - Phase I, in readiness for Cambodia's LDC graduation and the achievement of CSDGs.

**2- Goals:** To achieve the above objective, the Royal Government has set five strategic goals as follows: (a) strengthening ownership and leadership of the Royal Government in development cooperation; (b) improving the effectiveness of inclusive partnership mechanisms; (c) enhancing effective implementation of key tools which reflect the mutual accountability for development results<sup>3</sup> in sectors and reform programs;

<sup>3</sup> Development Results focuses on the impact and sustainable development. Development Result is one element of Development Effectiveness which focuses on effective implementation of key policy tools such as dialogues, programming, reporting that take account for mutual accountability for development outcomes.



(d) encouraging wider public disclosure of information related to development cooperation; and (e) monitoring the implementation of development effectiveness commitments.

## VI. Principles, Partnerships Mechanisms and Tools

### 1. Principles

Based on Cambodia's experiences in managing development cooperation and best practices as recognized in the global forums on the effectiveness of development cooperation, the Development Cooperation and Partnership Strategy 2024-2028 identifies the following key principles:

- a. The Royal Government emphasizes the strengthening of **ownership and leadership** in mobilizing, managing, coordinating, and aligning development cooperation with priorities set out in the Pentagonal Strategy – Phase I, National Strategic Development Plan, sectoral policies and plan, and core reform programmes of the Royal Government, as well as leveraging domestic resources to support national development.
- b. Under the leadership of the Royal Government, the effectiveness of **inclusive development partnership**, as measured by the GPEDC commitments, with all development actors should continue to be strengthened.
- c. The Royal Government recognizes the importance of strengthening **mutual accountability** in implementing commitments aimed at enhancing the efficiency and effectiveness of development cooperation.
- d. In promoting **transparency** of development cooperation and consistent with GPEDC commitments, all development partners should provide up-to-date information related to projects and programs into the national information management systems and the Royal Government shall ensure this information shall be disseminated **publicly and widely**.
- e. Development cooperation and partnership is linked to **results**, through incorporating into a monitoring framework set out in the National Strategic Development Plan, sectoral policies and plan, using resource-outcome linking approaches.

### 2. Partnerships Mechanisms

Along with the successful implementation of the partnership mechanism for mobilizing, aligning, and managing development cooperation resources, the Royal Government has set out policies and prioritised actions to enhance the effectiveness and efficiency of development cooperation. On this basis, the Royal Government will implement the following partnership mechanisms at the national, sectoral and sub-national levels adhering to a flexibility approach under the leadership of the Royal Government.

#### a. National Multi-stakeholders Consultations

The Royal Government recognizes the importance of inclusive partnerships. Against this backdrop, national multi-stakeholders consultative forums shall provide opportunities for all development actors (development partners, the private sector, Non-Governmental

Organizations, academia, and research institutions, etc.) to meet with the Royal Government to jointly review and discuss Cambodian socio-economic development progress or progress of sector-specific practices as well as to identify appropriate strategies and actions for implementation.

**b. Bilateral Consultations with Development Partners**

The Royal Government continues to place importance on bilateral consultations meetings with development partners on development cooperation at both policy and operational levels. The Royal Government encourages the use of this mechanism in a more efficient and results-oriented manner. This bilateral consultation mechanism has served not only for identifying the priorities, developing programs, and preparing resources for priority implementation, but has also provided opportunities in reviewing progress, identifying challenges and jointly seeking solutions. Under the leadership and coordination of the Council for the Development of Cambodia (for grant) and the Ministry of Economy and Finance (for concessional loans), bilateral consultation mechanisms can be organized according to specific needs and based on programming cycles of each development partner.

**c. Technical Working Groups**

Technical Working Groups (TWGs) remains an effective partnership mechanism for discussing and coordinating development cooperation at the sectoral level with development partners. As a general principle, each technical working group is led by the ministries and institutions of the Royal Government and supported by development partners lead facilitators. To date, most of TWGs have been highly effective and achieved good results in supporting the implementation of sectoral policies and plans as well as core reform programmes of the Royal Government, despite challenges being faced in fulfilling the roles by some TWGs. The Royal Government continues to pay close attention to monitor the implementation of this mechanism in order to promote the effectiveness of the process, while adhering to the flexible approach and adjusting the ways of operation of this mechanism, if necessary.

**d. Government and NGOs Consultation Meeting**

The Royal Government continues to recognize the important role of Non-Government Organizations (NGOs) in contributing to national socio-economic development. Most NGOs mobilize resources and work in partnership with other actors to contribute to the provision of public services in the social sector, especially within the community. To enhance partnerships, the Royal Government continues to lead consultative forums with NGOs to review progress and challenges so that they can increase their participation and support for the implementation of national development priorities, as well as to strengthen bilateral relations, transparency and effective implementation of their activities.

**e. Sub-national Partnership Dialogue**

The Royal Government encourages the implementation of sub-national partnership dialogue mechanisms. This partnership dialogue serves as a coordination and inclusive discussion mechanism between sub-national administration, development partners, and non-governmental organizations and relevant actors to improve the quality in the provision of public services at the sub-national level. It will further develop the capacity of sub-national administrations to achieve sub-national development goals through the identification of relevant priorities and appropriate support. In addition, the sub-national



partnership dialogue mechanism is also a technical level mechanism to support the implementation of sub-national development policies and plans and to review progress, challenges, and identify measures to facilitate the implementation of development cooperation projects. The Council for Development of Cambodia shall provide technical support to the provincial sub-national administration, when necessary, to ensure the effectiveness of this mechanism, especially the support in setting topics, agenda and identifying participants. Development partners, non-governmental organizations, and private sectors operating at the sub-national level are encouraged to participate in this consultation mechanism.

**f. South-South and Regional Cooperation**

While Cambodia is preparing to graduate from the LDC status, South-South Cooperation and Regional Cooperation provide opportunities for Cambodia to participate and share development experiences with other developing countries. Through South-South and regional cooperation mechanism, Cambodia can both share and receive knowledge and experiences related to success, best practices and the effectiveness of the development cooperation model. With the support and coordination from development partners, South-South and regional cooperation can be conducted through training, experience-sharing seminars, study tours or sending volunteers and experts within the framework of regional and global cooperation such as within the United Nations framework.

**g. Global Partnership for Effective Development Cooperation**

Principles and priorities within the Global Partnership for Effective Development Cooperation framework remain important to support the Royal Government's efforts to promote and enhance the effectiveness and efficiency of development cooperation in Cambodia. On this basis, the Royal Government continues to collaborate with development partners to participate in the Global Partnership monitoring process. Approaches and methodologies of the Global Monitoring Survey, informed by the outcome of the Global Partnership Summit 2022, shall be used as a basis for strengthening the implementation of priority actions to enhance the effectiveness of development cooperation in Cambodia.

**3. Key Tools**

The Royal Government has identified key tools for implementing priority activities and monitoring the implementation results as follows:

**a. ODA and NGO Databases**

The Cambodian ODA and NGO databases, managed by the Council for the Development of Cambodia, are national systems for managing information and data related to programs and projects of development partners and NGOs. Both databases are transparent, owing partly to the fact that development partners and NGOs regularly update data related to their projects and programs, and partly, the information in these databases is widely and publicly accessible at [www.odacambodia.com](http://www.odacambodia.com). In addition, the structure and format of the databases are regularly updated to meet the needs and the evolution of development cooperation.

## **b. Development Cooperation and Partnerships Report (DCPR)**

The Council for the Development of Cambodia continues to prepare the Development Cooperation and Partnerships Report (DCPR) which is an important tool for analyzing, reviewing and monitoring the progress in the implementation of DCPS 2024-2028. This report is prepared on a regular basis focusing on analysing the trend of development partners' disbursement and NGO resources, assessing the support of development partners in a number of priority areas, such as support to climate change, private sector development and Cambodian Industrial Development Policy, evaluating the effectiveness of development cooperation through the use of global indicators, reviewing progress in achieving the CSDGs and Cambodia's progress toward LDC graduation.

## **c. Joint Monitoring Indicators (JMIs)**

Joint Monitoring Indicators (JMIs) are developed by the Technical Working Groups (TWGs) as a tool to enhance mutual accountability between the Royal Government and Development Partners. In the meantime, the joint monitoring indicators have become the framework for determining the medium-term work in each sector and the core reforms of the Royal Government. Along with the progress of Public Financial Management reform program, the JMIs preparation will be strengthened alongside the budget preparation process to ensure the effective linkages of policies to the budgets and results. Joint Monitoring Indicators are based on national development strategic plans and sectoral policies and strategies.

## **VII. Result Framework**

The Cambodian Development Cooperation Board of the Council for the Development of Cambodia (CDCB/CDC) will lead the coordination and implementation of the DCPS 2024-2028 and report to the Royal Government on its implementation progress. The result framework for monitoring the implementation of the DCPS 2024-2028, as defined below, shall also be embedded in the results framework of the National Strategic Development Plan 2024-2028 and of the CSDGs:

| Goal  | Indicator   | Data Source  | Responsible  |
|---|---|--|--|
| <b>Goal 1:</b><br>Strengthening ownership in development cooperation              | 1 -Disbursements of development cooperation (in USD and as GDP ratio)<br><br>2 -Use of National result framework (at least 89%)<br><br>3-Use of Public Financial Management System (at least 75%) | - Cambodia ODA Database<br>- Reports on macro-economic situation<br>- Busan Monitoring Report  | -CDCB/CDC<br>-Ministry of Planning<br>- Ministry of Economy and Finance  |
| <b>Goal 2:</b><br>Improving the effectiveness of inclusive partnership mechanisms | 1 -Partnership Dialogue/ Consultation/Forum<br><br>2 -Performance evaluation and survey of TWG functioning (annually)   | - Cambodia ODA Database<br>- TWG's Partnership Survey Report<br>- Progress reports on conducts and functioning of partnership mechanisms | -CDCB/CDC<br>-Ministry of Economy and Finance<br>-Ministry of Foreign Affairs and International Cooperation<br>-Ministry of Interior |

|   |  |  |   |
|---|--|--|---|
| <b>Goal 3:</b><br>Enhancing effective implementation of policy tools for mutual accountability in sectors and reform programs | 1- Formulation and approval of JMIs<br><br>2- Monitoring of progress of implementation of JMIs (annually)                            | - Progress report on implementation of JMIs<br>- Cambodia Development Cooperation and Partnership Report                                     | - CDCB/CDC<br>- TWGs                            |
| <b>Goal 4:</b><br>Encouraging public and wide-ranging dissemination of development cooperation information                    | 1- Regular updating of Cambodia ODA Database (annually)<br><br>2- Development cooperation recorded in national budget (at least 90%) | - National budget and Cambodia ODA Database<br>- Busan Monitoring Survey Report<br>- Cambodia Development Cooperation and Partnership Report | - Ministry of Economy and Finance<br>- CDCB/CDC |
| <b>Goal 5:</b><br>Implementing and monitoring the implementation of development effectiveness commitments                     | 1-Development Cooperation Progress Report (annually)<br><br>2-Progress report on development cooperation effectiveness (annually)    | - Cambodia Development Cooperation and Partnership Report<br>- Busan Monitoring Survey Report  | - CDCB/CDC                                      |

## VIII. Conclusion

Over the last two decades, the RGC has recognized that ODA has played an important, catalytic role in complementing domestic and other resources to contribute to Cambodia's socio-economic development. Through inclusive partnership, mobilization, management and effective and efficient use of these resources have contributed to key achievements such as poverty reduction and progress in implementing key socio-economic indicators for growth and a prosperous society. These achievements are a testament to the long-term and visionary leadership of **Samdech Techo HUN SEN**. In addition, this reaffirms the validity of the Development Cooperation and Partnership Strategy that sets out strategic goals and priority actions for managing and coordinating development cooperation as well as further strengthening partnerships with all development actors aiming at achieving national development priorities.

The Royal Government of the 7<sup>th</sup> Legislature of the National Assembly, under the leadership of **Samdech Moha Borvor Thipadei HUN MANET, Prime Minister of the Kingdom of Cambodia**, reiterates the importance of development cooperation and emphasizes the efforts in enhancing efficiency and effectiveness of the management and the use of these resources. In this regard, the DCSP 2024-2028 is formulated to contribute to achieving the five strategic priorities in the Pentagonal Strategy - Phase I, aiming at attaining a high middle-income country status by 2030, achieving the CSDGs, graduating from the LDC status, and achieving the Cambodia Vision 2050. In the meantime, the DCPS 2024-2028 outlines objective, goals, principles, mechanisms and tools for implementation and develops a result framework for monitoring and evaluation.

In the spirit of an inclusive partnership for the implementation of this strategy, the Royal Government will continue to strengthen closer cooperation with development partners and other development actors, in order that national priorities identified in this strategy shall be translated into actual practical actions for supporting the achievement of the objectives identified in the Pentagonal Strategy - Phase 1. In this sense, it is Cambodia's expectation

that equal partnership, mutual accountability and harmonization, oriented and coordinated under the ownership of the Royal Government will be further promoted so that to strengthen the quality and effectiveness of development cooperation.

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