



Cambodia Outlook Brief*

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2013 Cambodia Outlook Conference Policy Priorities¹

1. Upgrade and diversify energy production and supply

- Continue drive to extend power availability to rural households
- Improve institutional arrangements and safeguards for building hydropower dams
- Diversify domestic energy resources used to produce electricity, for example into coal and solar power.

2. Upgrade and diversify transport infrastructure for export and trade competitiveness

- Reform river-shipping industry and waterway tariffs to develop inland waterways and river ports
- Develop logistics services capacity to remedy slow and costly bureaucratic procedures, for example single-window service
- Increase capacity of hard infrastructure, such as seaports, inland ports, navigable waterways, bridges, rural feeder roads, trunk roads and railways.

3. Bolster inter-agency mechanisms for Public-Private Partnerships in energy and transport

- Strengthen coordinating bodies such as the PPP and Risk Management Unit
- Set up funds that can build on successful projects
- Implement screening and safeguards to mitigate social impact and environmental risk of PPP activities.

4. Secure lower cost, higher quality farm inputs

- Better regulate seed and fertiliser markets to ensure quality products
- Scale up seed distribution programmes, focusing on smallholders
- Expand reach of formal credit services to cut cost of credit for smallholders.

5. Commercialise and diversify agriculture

- Encourage smallholders to diversify from rice, for example to small-scale rubber production and livestock farming
- Provide quality extension services to optimise and diversify farming techniques
- Formalise markets by developing institutions that leverage fair input-output prices, and improve access to markets and reliable market information, particularly for smallholders.

6. Up-skill the workforce to strengthen and diversify the economy

- Scale up and increase access to Technical and Vocational, Education and Training (TVET) programmes, with a focus on reducing the high youth unemployment rate
- Better integrate private sector providers into the education sector to promote curricula that meet private sector needs
- Focus on up-skilling the workforce to enable Cambodia to move into higher value-added production.

¹ Policy priorities are based on the presentations and question and answer sessions at the 2013 Cambodia Outlook Conference.

7. Improve institutions for land management

- Better regulate Economic Land Concessions (ELCs) to attract investors that promote socially responsible and environmentally sustainable agro-industry
- Step up redistribution of cancelled ELC areas to the landless through Social Land Concessions (SLCs)
- Universally secure the tenure of vulnerable smallholders by speeding up the national land titling programme.

8. Promote development that is inclusive

- Improve health indicators, access to healthcare and social safety nets, particularly for the poor
- Improve access to secondary and higher education, especially for girls and particularly among the poor
- Redress widening social and income inequalities to maintain social peace, economic stability and sustainable growth.

9. Pursue policy to benefit from a growing Asia

- Structure economy to seize new market opportunities from Chinese industry and consumers
- Increase intra-ASEAN linkages being vigilant to maintain domestic policy space
- Build institutional capacity to enforce contracts and resolve disputes to create an enabling business climate for foreign investors.

10. Reform the financial sector to prepare for middle-income country status

- Increase well-regulated formal credit for small and medium-sized enterprises (SMEs) to drive and diversify growth
- Increase sophistication and transparency of financial reporting by SME's to facilitate extension of formal credit
- Formalise SMEs to generate public revenue and create fiscal space
- Develop strategy to de-dollarise the economy and deepen the finance sector.

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