



COUNTRY PROFILE

CAMBODIA

Cambodia National Context for SCP and Connection to the Global Agenda

Cambodia's priorities have long been focusing on economic growth and poverty reduction in mainly four sectoral pillars: agriculture, garment, tourism and construction. Cambodia is currently implementing the fourth phase of the Rectangular Strategy for growth, employment, equity and efficiency, which are aligned with its National Poverty Reduction Strategy and the new National Strategic Development Plan (NSDP 2019-2023). The latter has mainstreamed both the Cambodian SDGs 2016-2030 framework and sectoral development plans. Since 2009, Cambodia's SCP practices have been guided by a vision on low-carbon development outlined in the country's Green Growth Roadmap, which envisioned a combination of objectives for economic growth and development, human well-being, and environmental quality. Enhancing sustainable consumption and production, next to greening markets and businesses, creating favorable climate for establishing sustainable infrastructure and equal access to resources, as well as the incremental implementation of fiscal policy instruments such as green tax and budget reform are acknowledged measures to increase the sustainability of economic growth in Cambodia.

The priority areas of the country's Green Growth policy for 2013-2030 focus on leading the country towards a "green civilisation", with special focus on green investment and green jobs creation, green/blue economy, natural resources management, human resources development, green technology management, green social safety system, green cultural heritage, and good governance on green growth.

The Cambodian government response to climate change includes a Climate Change Strategic Plan 2014-2023, sectoral Climate Change Action Plans, and the Nationally Determined Contribution (NDC) to the Paris Climate Agreement in 2015. Cooperation with the European Union has continued over more than a decade to promote the shift to sustainable consumption and production through SWITCH-Asia utilising the Grants Programme, which in the past has made possible eight projects between 2009 and 2019, aimed at energy efficiency, environmental management, waste management, and resources efficiency in the textile and leather, rice, and rattan industries.

CHALLENGES

Cambodia is on its way to develop into an upper middle-income country and go through economic structural transformation with a changing demography.

- Energy is a critical development challenge in Cambodia. Currently, only 40% of the population has access to reliable electricity. The RCG's Rural Electrification Fund which was set up to provide a sustainable supply of various types of energy at a reasonable price, has been supported by international development assistance and foreign direct investors, the latter mainly from China (e.g., hydropower).
- Waste management and recycling infrastructure is weak. Some of the recyclable waste is exported to Thailand and Vietnam for reprocessing. The remainder, especially in rural areas, is burnt due to the lack of dumpsites or waste collection services, or ends up as litter in the environment and waterways.
- Unsustainable practices in its main trading sectors (agriculture, garment, tourism) have resulted in advanced environmental pressures, while aspiring to grow the economy in view of further poverty reduction with a growing population and urbanisation. Challenges include the lack of sustainable urban transportation.
- Economic growth has come at a cost of over-exploitation of Cambodia's fisheries and forests over the last decades. In addition, climate change has been causing adverse effects on the ecosystem and its socio-economic development.
- Agriculture plays an important role in the national economy, both in its contribution to poverty reduction, improvement in people's livelihoods and job creation. An accelerated and upscaled diversification and productivity of the agriculture sector is key to replace the widely used traditional production methods, which have negative environmental impacts, but clean agricultural technology is unaffordable.
- The mobilisation of resources for green growth remains a challenge due to high interest rates, low domestic savings, and rising household debt. Mobilizing science and technology cooperation and developing

quality, competent and productive human resources are key to support green sector opportunities.

- Governing and developing capacity for green growth: lacking inclusivity, limited inter-sectoral collaboration, weak public awareness.

PRIORITIES

In response to the challenges and beyond, Cambodia sets the following priorities in the field of sustainable consumption and production:

- Sustainable energy: renewable energy, energy efficiency, and providing energy access, and waste-to-energy solutions.
- Enhancing capacity in infrastructure, water resources management, and agriculture which is adaptive to climate change.
- Increase of industrial productivity through using resources more efficiently and sustainable transportation.
- Overall, Cambodia seeks to diversify sectors and job creation to create value added and revenue while transforming the economy into a more developed and sustainable one. Such sectors include, for example, waste management (focus on recycling processing), energy, agri-food processing (focus on fish and aquaculture products), finance, and increased use of product-services combinations, e.g., in the context of a sharing economy. Technological advancement in the current stage of industrial revolution 4.0 will result in the creation of new kinds of jobs and businesses. The digital economy is advancing very quickly thanks to the high shares of telephone and internet users.
- Governance: strengthening the capacity of relevant public institutions at central and sub-national levels.
- Equality: reduction of poverty and the social gap through enhanced market participation, social protection and quality public services.

OPPORTUNITIES

- SWITCH-Asia can build on above ambitions to transform Cambodia's economy while remaining competitive in a growingly climate and environmental-aware ASEAN and global supply chains.
- Support inter-disciplinary nature of SCP by support of multi-sectoral cooperation.
- Train media to report on SCP and to create awareness among the public, particularly involve private enterprises in greening the development of the private sector (awareness rising, sector-specific capacity development).
- Further exploration of innovative finance as well as sustainable consumption will help to create an enabling environment for green investment to set market signals for the domestic economy and to foster new green job growth.

GRANT PROJECTS IN CAMBODIA



Ongoing

SWITCH GARMENT

Promotion of sustainable energy practices in the garment sector in Cambodia

Theme: Multi-industry



Cambodia



Ongoing

SWITCH TO SOLAR

Increasing access to solar solutions

Theme: Agri-food



Cambodia



Completed

MEET-BIS CAMBODIA

Mainstreaming Energy Efficiency through Business Innovation Support Cambodia

Theme: Multi-industry



Cambodia



Completed

REDUCING PLASTIC BAG WASTE

Reducing plastic bag waste in major cities of Cambodia

Theme: Plastics



Cambodia



Completed

WTE IN RICE MILLING SECTOR

Waste to Energy for the rice milling sector in Cambodia

Theme: Agri-food



Cambodia



Completed

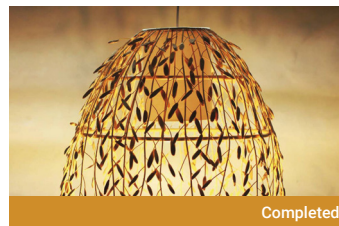
SUSTAINABLE RATTAN

Establishing a sustainable production system for rattan products in Cambodia, Lao PDR, Vietnam

Theme: Multi-industry



Cambodia, Lao PDR, Vietnam



Completed

SPIN-VCL

Sustainable Product Innovation in Vietnam, Cambodia and Laos

Theme: Multi-industry



Cambodia, Lao PDR, Vietnam



Completed

AEMAS

Establishment of the ASEAN Energy Management Scheme

Theme: Multi-industry



Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Thailand, Vietnam



Completed

SUSTAINABLE FREIGHT AND LOGISTICS

Sustainable freight transport and logistics in the Mekong Region

Theme: Transport and Logistics



Cambodia, Laos, Myanmar, Thailand, Vietnam



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