

PROJECT INFORMATION SHEET

PIP No :

1619

(To be allocated by MOP)

PART A : BASIC PROJECT INFORMATION

(Must be completed in all cases)

1. PROJECT NAME: **Eliminating Hazardous Chemicals from Supply Chains in Cambodia**
2. PROJECT DATES:
- PROJECT START: **6/1/2025**
- ESTIMATED COMPLETION: **6/1/2031**
3. TOTAL PROJECT COST: **\$6,025,000**
4. RESPONSIBLE MINISTRY: **Ministry of Environment**
- RESPONSIBLE UNIT: **General Directorate of Environmental Protection, Department of Hazardous Substances Management, UNDP Cambodia**
- អង្គភាពទទួលខុសត្រូវ: **អគ្គនាយកដ្ឋានគាំពារបរិស្ថាន, នាយកដ្ឋានគ្រប់គ្រងសារធាតុគ្រោះថ្នាក់, កម្មវិធីអភិវឌ្ឍន៍សហប្រជាជាតិប្រចាំកម្ពុជា (UNDP Cambodia)**
5. PROJECT STATUS: **On Going**

DETAILED PROJECT INFORMATION

6. TYPE OF PROJECT: **Free-standing technical assistance**
7. SOURCE OF PROJECT FUNDING: **Grant**
8. THE POLICY AREA OF THE PENTAGON STRATEGY PHASE I THAT THIS PROJECT FALLS UNDER:V

Side 5. Ensuring Environmental Sustainability and Readiness for Responding to Climate Change, as well as Promotion of Green Economy

9. THE CONTRIBUTION OF THE PROJECT TO ACHIEVE THE ABOVE POLICY:

The project seeks to identify and reduce/eliminate hazardous chemicals from these significant supply chains by providing opportunity for change in production and use of alternative sustainable materials. The key expected global environmental benefits (GEBs) of this project will contribute to improvement practices of landscapes, mitigation of GHG emissions, reducing the use and emission of chemical of global concern and their waste, and reducing and avoiding emissions into the air. In addition to this, this project covers the adoption of circular economy approached and responsible sourcing of materials by local fashion and construction business, adoption of cleaner production practices, and implementation of post-use 9Rs with piloting of circular reverse logistics system. These outcomes will reduce the use of hazardous materials and improve manufacturing processes, through policy, financial and innovation levers being applied through a close partnership with national and international partners with extensive experience in Cambodia on the two sectors.

10. SUPPORT TO CAMBODIA INDUSTRIAL DEVELOPEMENT POLICY:

Does this Project support to the implementation of the Cambodia Industrial Development Policy? **Yes**

Investment Promotion (Investment climate and Development of Special Economic Zones (SEZs) and Preparation of Industrial Zones)

11. SECTOR:

Manufacturing, Mining and Trade

12. PROJECT LOCATION: (Describe the location of the project and its components.)

Phnom Penh,

13. PROJECT OBJECTIVE: (Describe the major purpose of the project.)

This project enhances sustainable sourcing from raw materials, promoting net zero, nature positive, and pollution-free approaches to scale up fashion and construction sector transformation in the purpose of tackling environmental degradation by transforming fashion and construction supply chains to be green and sustainable, achieving zero pollution and zero waste, integrating nature-based solutions, and become carbon neutral.

14. PROJECT DESCRIPTION: (Provide a description of the project and all its components.)

“Eliminating Hazardous Chemicals from Supply Chains” is initiated to transform two global industries: fashion and construction. The project seeks to re-orient the action in each supply chain, encouraging regenerative design, the substitution of non-renewable materials, resource-efficient production, better purchasing behavior and post-use collection. With fashion and construction supply chains becoming progressively long, complex and highly degrading, planned interventions include working with designers to improve material sourcing upstream, scaling alternative material fibers from biowaste, improving the uptake of existing standards and certification schemes, supporting financial incentives for the adoption of sustainable practices and creating reverse logistics systems for repair, reuse and recycling. The project will provide a replicable methodology to shift other globally significant supply chains towards sustainability and directly contribute to national commitments under the Minamata and Stockholm Conventions, the United Nations Conventions on Climate Change and Desertification, and other multilateral environmental agreements including the Kunming-Montreal Global Biodiversity Framework (GBF).

Aligning to the context of Cambodia, this project implementation focuses on 4 main components, which consists of the outcomes as follows:

Component 1 : Circular Economy Approaches and Responsible Sourcing of Materials

Outcome- Local fashion and construction adopt circular economy approaches and responsible sourcing of innovative materials

Component 2: Cleaner Production

Outcome- Fashion and construction factories adopted cleaner production practices to reduce emissions and hazardous chemical pollution and waste

Component 3: Post-use 9Rs

Outcome- Fashion and construction supply chain actors in Cambodia implement circular reverse logistic systems

Component 4: Monitoring and Evaluation

Outcome- Project partners adopt and act upon project results and lessons.

15. PROJECT JUSTIFICATION: (Give reasons why this particular project is considered worthwhile.)

The accelerating growth in the fashion and construction sectors contributes to harmful impacts to human health and the environment given the use of unsustainable material coupled with high resource intensity like energy and hazardous chemicals use, linear supply chains that may be treated and/or contain or reduce harmful chemicals such as Persistent Organic Pollutants (POPs), Heavy Metals and accompanying Greenhouse Gas (GHG) emissions.

16. BENEFITS: (Who will benefit, directly and indirectly, from the project?)

This project seeks to address environmental degradation from globally significant supply chains through the sound management of chemicals and waste. The project is intended to be the catalyst for integrating actions across several environmental dimensions to create clean, circular, regenerative, and transparent supply chains that drive innovations in new materials, methods, and policy. Global Environmental Benefits (GEBs) and their corresponding link to the Kunming-Montreal Global Biodiversity Framework (GBF) include:

- o Restoration of land and ecosystem (Target 10)
- o Mitigation of greenhouse gas (GHG) emissions (Target 8 and 11)
- o Reduction of chemicals of global concern and their waste (Target 7)
- o Avoidance or reduction of Persistent organic pollutants (POPs) (Target 7)
- o Global Beneficiaries- reduction of chemical exposure to women and men workers in both supply chains (Target 22 and 23).

17. FEASIBILITY STUDY

Is a Feasibility Study for the project required? **No**

If YES, has it been carried out? **Not yet**

18. SOCIAL & ENVIRONMENT IMPACT: (Briefly describe the effects of the project, if any, on the people and the surrounding environment. Will the project assist in alleviating poverty?)

This project does not have any negative effect on social and environment. In addition to this, the project also considers on economic aspects and engages with women and vulnerable groups.

19. CLIMATE CHANGE

a. Is any activity or output of the project related to Climate Change? **Yes**

If Yes, please indicate **Mitigation**

b. How is the project relevant to Climate Change?

Please select a Climate Change related sector of the project and fill up the contribution of the climate change related expenditure compared to the total project cost.

Climate Change-Related Sector	Percentage	Climate Change Relevance
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20. DISASTER RISK REDUCTION

Is any activity or output of the project related to Disaster Risk Reduction? **No**

21. GENDER ANALYSIS: (How does the project affect the roles of the men and women in the project area? Will women be actively involved in the implementation of the project?)

This project expects to include gender-responsive measures to address gender gaps or promote gender equality or women empowerment throughout- improving women's participation and decision-making; generating socio-economic benefits or service for women.

22. CAPACITY TO IMPLEMENT: (Does the Ministry have the skills and experience required to implement the project?)

The project is offered by UNEP and Department of Hazardous Substances Management in terms of technical assistance. Also, the project needs to recruit international and national experts.

23. STATUS OF PROJECT IMPLEMENTATION: (Provide a brief update on the progress of the project to date. Discuss any major problems causing delays in project implementation.)

The project will be started in late 2025 and expected to finished in late 2031.

24. PROJECT PRIORITY: (Please indicates the priority ranking of the project decided by the ministry/agency.)

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25. DONOR INVOLVEMENT: (Provide any information on current or potential donor involvement in the project.)

The project is funded by the Global Environment Facility (GEF).

PART B : PROJECT COSTS AND FUNDING SOURCES
(In US\$'000)

INVESTMENT COST	2024		2025 Budget	2026 Estimate	2027 Estimate	2028 Estimate	3yr Total 2026-2028	Recurrent Cost Est.
	Budget	Actual						
Operational Expenditure	0.0	0.0	0.0	27.8	27.8	27.8	83.4	0.0
Salaries	0.0	0.0	0.0	17.8	17.8	17.8	53.4	0.0
Materials + Admin	0.0	0.0	0.0	10.0	10.0	10.0	30.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Expenditure	0.0	0.0	0.0	583.9	583.9	583.9	1,751.7	0.0
Construction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consultancy (i.e. TA) + Admin	0.0	0.0	0.0	470.0	470.0	470.0	1,410.0	0.0
Equipment+ Furniture	0.0	0.0	0.0	10.3	10.3	10.3	30.9	0.0
Training	0.0	0.0	0.0	103.6	103.6	103.6	310.8	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL COST	0.0	0.0	0.0	611.7	611.7	611.7	1,835.1	0.0
FUNDING SOURCES	2024		2025 Budget	2026 Estimate	2027 Estimate	2028 Estimate	3yr Total 2026-2028	
	Budget	Actual						
Project Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Government Funding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Cash Input	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other Resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Donor Funding	0.0	0.0	0.0	611.7	611.7	611.7	1,835.1	
Global Environment Facility	0.0	0.0	0.0	611.7	611.7	611.7	1,835.1	
TOTAL COMMITTED FUNDING	0.0	0.0	0.0	611.7	611.7	611.7	1,835.1	
FUNDING REQUIRED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
(Total Cost - Funding Available)								

**Seen and Approved by
Minister**

(Signature)

Date :