

PROJECT INFORMATION SHEET

PIP No :

692

(To be allocated by MOP)

PART A : BASIC PROJECT INFORMATION

(Must be completed in all cases)

1. PROJECT NAME: **Develop Flexible Trade Policy for Business Promotion**
2. PROJECT DATES:
- PROJECT START: **1/3/2025**
- ESTIMATED COMPLETION: **1/1/2027**
3. TOTAL PROJECT COST: **\$693,000**
4. RESPONSIBLE MINISTRY: **Ministry of Commerce**
- RESPONSIBLE UNIT: **Department of Trade Policy**
- អង្គភាពទទួលខុសត្រូវ: **នាយកដ្ឋានគោលនយោបាយពាណិជ្ជកម្ម**
5. PROJECT STATUS: **Planned**

DETAILED PROJECT INFORMATION

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

Pentagon 2: Economic Diversification and Competitiveness Enhancement

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

The project will contribute for building and developing sustainable production bases for quality processing, potential product diversification, and market diversification to enhance regional and global market competitiveness.

10. SUPPORT TO CAMBODIA INDUSTRIAL DEVELOPEMENT POLICY:

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

Improvement of Regulatory Environment (Trade Facilitation and Export Promotion Measures, Industrial Standards and Property Rights, Facilitation for Payment of Tax and Excise, and Labor Market Development and Industrial Relations)

11. SECTOR:

Manufacturing, Mining and Trade

Industry and Support Services

ការអភិវឌ្ឍន៍ទីផ្សារការងារ - Job development

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

All Provinces,

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

- **To make Cambodia to be a place of production and processing**
- **To be a reliable supplier for regional and global markets**
- **To diversify products and markets to promote Cambodia's exports**

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

- Focus on the priority sectors that Royal Government is focusing on, considering the potential products, target markets by identifying the challenges that these sectors are facing in order to be able to take the necessary appropriate measures
- To transform from subsistence to commercial production and follow technical principles, where the profitability of farmers is enhanced to generate incomes in the context of price volatility of agricultural or agro-industrial products, sustainable land use and climate-smart agriculture
- To support active processors and attract investment to produce value added products to supply diverse markets
- Disseminate new markets that Cambodia has just gained from negotiating free trade agreements in addition to existing preferential tariff markets
- To enhance trade competitiveness by turning from market access to market presence, improving trade facilitation, reducing trade-related costs, and connecting to inter-sectors that related to import.

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

If the project is designed and implemented successfully, it will create such as providing employment opportunities and job creation for rural labor. In addition, this project will play an important role in taking maximum advantage from existing markets and free trade agreements, as well as sector promotion and development. Cambodia Agro-Industry will promote the goal of becoming an exporter of processed agricultural products and toward high middle-income country by 2030.

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

- Promoting and developing Cambodia's potential sectors and products
- Increasing production and capacity of local processing by cost reduction and incentives
- Improving the contribution of the private sector and stakeholders to understand their challenges and find appropriate solutions so they can compete, penetrate and capture regional and global market share
- Improving the participation in regional and global value chains in line with market and import market conditions
- Promoting the diversification of Cambodia's products and export markets
- Increasing the competitiveness of the agricultural and agro-processing sector in the form of a public-private partnership to improve agriculture and agro-processing into a value-added processing industry.

17. FEASIBILITY STUDY

Is a Feasibility Study for the project required? **Yes**

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 enviroment. Will the project assist in alleviating poverty?)

The project will not affect the environment and the people, but it will contribute for developing of skills and improving the living standards which will reduce the poverty.

19. CLIMATE CHANGE

a. Is any activity or output of the project related to Climate Change? **No**

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?)

Promote gender quality in agriculture and agro-business.

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

The Ministry has skills and experience required to implement the project, but also needs the cooperation of national and international experts to provide trainings.

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.)

Not fully implemented because of Covid-19 pandemic and there is not enough resources in order to implement this project yet; and there is a demand of participation from all related agencies.

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

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

**HEKs, CIRD, Grow Asia, HAVEST II participate in technical assistance for Cashew Policy
UNDP has been involved in providing technical assistance for cassava policy.**

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

INVESTMENT COST	2023		2024 Budget	2025 Estimate	2026 Estimate	2027 Estimate	3yr Total 2025-2027	Recurrent Cost Est.
	Budget	Actual						
Operational Expenditure	9.0	0.0	0.0	267.0	167.0	167.0	601.0	0.0
Salaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials + Admin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	9.0	0.0	0.0	267.0	167.0	167.0	601.0	0.0
Capital Expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0	0.0
Equipment+ Furniture	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Training	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL COST	9.0	0.0	0.0	267.0	167.0	167.0	601.0	0.0
FUNDING SOURCES	2023		2024 Budget	2025 Estimate	2026 Estimate	2027 Estimate	3yr Total 2025-2027	
	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								
TOTAL COMMITTED FUNDING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FUNDING REQUIRED	9.0	0.0	0.0	267.0	167.0	167.0	601.0	
(Total Cost - Funding Available)								

**Seen and Approved by
Minister**

(Signature)

Date :