

# CAMBODIA'S ROAD MAP FOR SUSTAINABLE DEVELOPMENT

## THE NATIONAL ENVIRONMENT STRATEGY AND ACTION PLAN

Cambodia's National Environment Strategy and Action Plan, 2016–2023 (NESAP) aims to ensure that environmental protection and sustainable natural resource management are pillars of the country's socioeconomic development.

The NESAP—Cambodia's first national environment plan since 2002—provides the country with a road map for achieving many of its Sustainable Development Goals.

The NESAP provides a detailed analysis of the state of the environment in Cambodia, and outlines priority policy and governance improvements and financing mechanisms that can help the country achieve environmentally sustainable economic development. A \$260 million pipeline of current and planned environmental projects and programs is included in the NESAP.

Work on the NESAP and on a national environment code to strengthen legal frameworks for environmental management began in 2015. The NESAP was endorsed by the National Council for Sustainable Development in October 2017 and then by the Government of Cambodia in December 2017.

The NESAP development process was overseen by a task force comprising 16 line ministries and institutions, and involved other relevant stakeholders. The Greater Mekong Subregion Core Environment Program provided extensive support to the process. Consultations with stakeholders on the NESAP were held across Cambodia, and involved hundreds of representatives from government ministries, civil society, and development organizations.

This brief introduces the main elements of the strategy and action plan.



## CONSTITUTIONAL AND LEGAL BASIS

The NESAP has a solid constitutional and legal foundation. The plan has a clear basis in the Constitution, particularly Article 59, on the management and protection of the environment and natural resources. It will also help enact the Law on Environmental Protection and Natural Resource Management, 1996,

as well as the new Environment and Natural Resources Code, once promulgated. The NESAP closely aligns with national socioeconomic and sustainable development strategies and plans. These include the Rectangular Strategy Phase III and the National Strategic Development Plan, 2014–2018.

“ The NESAP is a strategy for all government ministries, as well as the private sector, civil society, and development partners, to integrate environmental concerns into economic policies and investments. ”

—Say Samal, Minister of Environment, Cambodia

## THE CORE ENVIRONMENT PROGRAM'S CONTRIBUTION

The Core Environment Program will be an important partner of Cambodia in realizing the NESAP's objectives. Under the Core Environment Program's Strategic Framework and Action Plan, 2018–2022, two large investments have been identified to directly support the NESAP's implementation. One will support integrated and sustainable land use management. The other will aim to improve the quality of the rural environment, focusing on pollution control and waste management.



# STATE OF THE ENVIRONMENT AND NATURAL RESOURCES

Drawing on the latest data and information, the NESAP included an assessment of the environmental situation in Cambodia. The assessment covered biodiversity, land and soil, forests, the protected area network, marine and coastal ecosystems, fisheries, minerals, water resources, etc. It also examined the impacts of pollution and climate change on the environment, and considered how agriculture, industry, tourism, trade, and urban sectors rely on and affect the environment and natural resources.

This analysis under the NESAP identified many persistent and some emerging environmental issues, including the following:

- substantial threats to biodiversity and ecosystem services from land use changes (agricultural intensification, for example), forest degradation, climate change, and pollution
- various and considerable development pressures on the protected area system and on marine and coastal areas
- loss of wild fisheries due to unsustainable fishing and ecosystem damage
- indoor air pollution and forest loss from a reliance on fuelwood for rural energy needs

- more frequent and severe droughts due to climate change and inadequate water management
- increasing air, water, and soil pollution due to economic development, including the rapidly growing manufacturing sector
- increasing greenhouse gas emissions from transport, and the vulnerability of transport infrastructure to climate change

The NESAP's assessment of environmental governance concluded that, although significant improvements had been made, much more needs to be done. This includes improving coordination between ministries, making legal and policy frameworks more cohesive, achieving greater decentralization, building technical capacity, increasing private sector participation, and raising public awareness.

The NESAP also reviewed current government strategies, policies, and action plans relating to the environment. Some, such as the Rectangular Strategy Phase III and the National Strategic Development Plan, are crosscutting, while others focus on specific issues, such as disaster risk reduction and biodiversity conservation. Based on the assessment, the NESAP identified priorities for achieving environmental sustainability, including key challenges, risks, and opportunities.



▼ A man harvesting salt in Kampot Province.



## THE STRATEGY AND ACTION PLAN

The NESAP is based on what it calls the “three Hs,” which are essential for achieving balanced and long-term development. The three Hs are the following:



**Head:** All levels of administration have strong political will and the commitment to contribute to cross-sector coordination and inclusive and sustainable development.



**Heart:** All key actors and decision-makers are committed and devoted to common goals for moving toward pro-green and equitable development.



**Hands:** Human and financial resources as well as science and technology resources are available for informing decisions and sustaining actions to achieve the NESAP vision, mission, and objectives.

The **vision** of the NESAP is to (i) strengthen enabling conditions and (ii) leverage environmental and natural resources development and conservation—for sustained and stable social and economic growth in Cambodia.

The **mission** of NESAP is to (i) provide a road map for mobilizing resources and guiding the actions of key stakeholders including the public and private sectors, civil society, and development organizations to achieve sustainable and inclusive development; and (ii) prioritize sectors, programs, and projects for initial efforts to shift to more sustainable and inclusive development. These stakeholders include ministries and institutions, the private sector, civil society, and development organizations.

The three **guiding principles** for the NESAP are the following:

- greater efficiency in resource use and more effective efforts to prevent environmental degradation, rather than relying on costly “restorative” measures
- the right balance among command-and-control environmental management instruments, such as polluter- and user-pay schemes, green investment incentives, and environmentally friendly certification initiatives, to “internalize” costs and actions
- participatory implementation and broad-based ownership through NESAP programs and projects that are aligned with development priorities, built upon the collective knowledge and experience of stakeholders, and socially and culturally sensitive



▲ A large cement factory under construction.

## STRATEGIC OBJECTIVES AND THE ACTION PLAN

The NESAP has four overarching strategic objectives that cover governance, resource efficiency, financing, and capacity strengthening and awareness raising. To achieve them, there are 14 objectives, each comprising a number of priority activities (70 in all).

### Strategic Objective 1

Strengthen cross-sector collaboration and relevant legal instruments and guidelines to improve coordination, regulation, and delivery functions for sustainable development outcomes.

- Strengthen cross-sector coordination of the mainstreaming of environmental conservation and the sustainable use of natural resources.
- Strengthen and scale up inter-ministerial collaboration on promoting environmental conservation and the sustainable use of natural resources.
- Strengthen and scale up spatial planning and classification for land use to promote the more productive and sustainable use of land and to reduce poverty.
- Promote good environmental governance in order to halt biodiversity loss and sustain ecosystem services and functions.
- Build institutional and human capacity for applying environmental policy tools and instruments, and to support the implementation of the Environment and Natural Resources Code.

### Strategic Objective 2

Improve resource use efficiency for a healthy environment and social well-being, while increasing business competitiveness and incentivizing technological innovation.

- Promote the development and application of innovative technologies, products, and services.
- Promote inclusive, safe, resilient, and sustainable cities and other human settlements.

- Support national line institutions and subnational administrations in their efforts to improve waste management and achieve Cambodia's reduce, reuse, and recycle targets.
- Improve the management of chemical and hazardous waste.

### Strategic Objective 3

Develop and implement financing mechanisms and benefit-sharing schemes, and fund mobilization plans, to modernize environmental conservation and natural resource management.

- Strengthen the internalization of environmental costs and the use of fiscal, policy, and economic instruments and processes.
- Integrate sustainability and inclusiveness principles into budgeting, bank lending, and other financial arrangements.
- Support systematic social and economic development decision-making and risk management.

### Strategic Objective 4

Raise public awareness, build individual and institutional capacity, promote technology transfer, and strengthen the application of science and technology to improve the conservation, management, and monitoring of the environment and natural resources.

- Create and implement programs for developing and disseminating technology for environmental conservation, natural resource management, and disaster risk management.
- Strengthen public awareness and the application of informed environmental decision-making.





▲ Khmer women selling fish at a local market in the town of Siem Reap.

## GOVERNANCE AND MANAGEMENT

The NESAP details the roles and responsibilities for implementing its action plan. The National Council for Sustainable Development will oversee the plan's implementation, including monitoring, quality assurance, and financing. Under the council, a NESAP subcommittee will be set up to work closely with ministries and institutions, development partners, the private sector, and civil society organizations.

The Ministry of Environment will be responsible for environmental regulations and conservation initiatives. Other ministries and institutions will be required to help achieve the NESAP objectives by mainstreaming natural resource and environmental sustainability considerations into their activities.

The NESAP envisages the increased participation of the National Committee for Sub-National Democratic Development, as well as local authorities and communities, in the decision-making, planning, implementation, and monitoring and evaluation.

## FINANCING

The NESAP provides a detailed analysis of available funding streams, and highlights the financing gaps—and opportunities—for implementing the action plan. It has identified \$263 million of current and pipeline projects that will contribute to the plan's implementation. Details about these projects, including which objectives and Sustainable Development Goals they contribute to, are listed in an appendix to the NESAP document.

The funding gaps are also outlined. These include gaps in funding for achieving objectives relating to technology and science transfer, public–private partnerships in green and sustainable development, and chemical and hazard waste management. The NESAP indicates that financing requirements will be met by cofinancing from the government, development partners, investment funds, and private sources.

Existing and potential financing mechanisms for implementing the NESAP are highlighted. The plan emphasizes the need to improve access to public funds to enable the more effective use of development partner assistance and to better leverage private sector finance. The NESAP's implementation will require innovative and progressive fiscal instruments. It proposes environmental taxation, as well as carbon offsetting and payments for ecosystem service schemes, as some examples.



## WAY FORWARD

The NESAP recognizes that the government, with the support of development partners, has taken several measures in recent years to improve environmental protection and natural resource management. The effectiveness of these interventions, however, has been limited by financial constraints, a lack of technical and management capacity, and inadequate coordination. One of the key challenges is incorporating environmental protection and sustainable natural resource management into sector plans and programs.

A business-as-usual approach to the environment is not an option if Cambodia is to develop a low-carbon, climate-resilient, equitable, sustainable and knowledge-based society. The NESAP provides the guidance and road map for the reforms and modernization measures needed to improve the governance of the environment and natural resources.

The government recognizes that mobilizing funds to implement the NESAP is a priority. In lobbying for higher spending on the environment, the National Council for Sustainable Development, the Ministry of Environment, line ministries, and institutions must build a convincing case that investing in the environment makes economic sense. The job creation, increased competitiveness in trade, and better access to global markets that stem from green growth initiatives can provide much of this evidence.

Ministries and institutions need to mainstream natural resource and environmental sustainability considerations into their strategies, programs, and projects. Providing clear guidance on how they can do this and addressing their resource needs will be of utmost importance.

The NESAP can be downloaded from the Cambodia country section of the Core Environment Program website: <http://gms-eoc.org>.

▼ Phnom Penh, the capital of Cambodia.



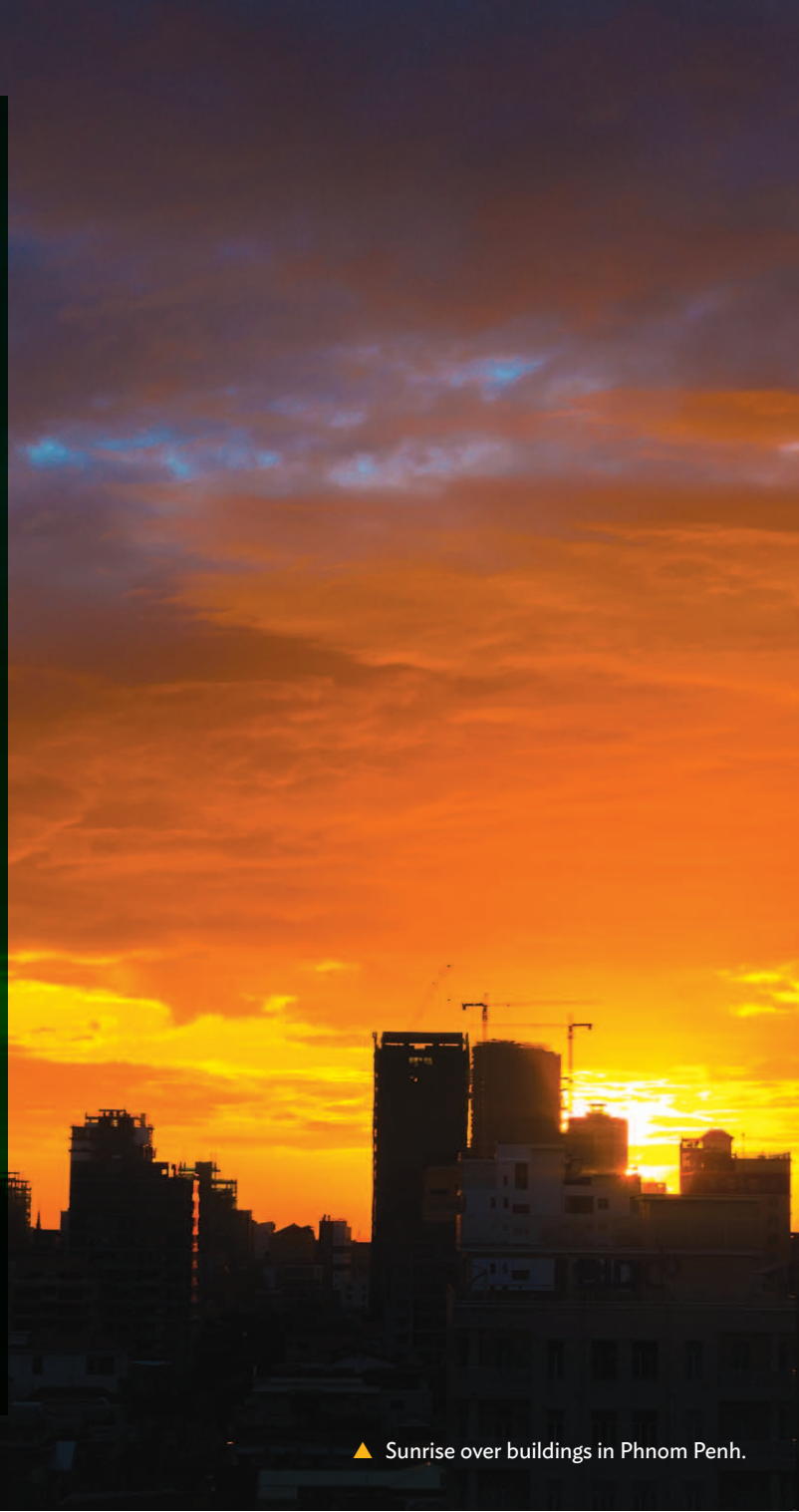


## ABOUT THE ASIAN DEVELOPMENT BANK

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 67 members—48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.

## ABOUT THE CORE ENVIRONMENT PROGRAM

The Core Environment Program (CEP) supports the Greater Mekong Subregion (GMS) in delivering environmentally friendly economic growth. Anchored on the ADB-supported GMS Economic Cooperation Program, the CEP promotes regional cooperation to improve development planning, safeguards, biodiversity conservation, and resilience to climate change—all of which are underpinned by building capacity. The CEP is overseen by the environment ministries of the six GMS countries and implemented by the ADB-administered Environment Operations Center. Cofinancing is provided by ADB, the Global Environment Facility, the Government of Sweden, and the Nordic Development Fund.



▲ Sunrise over buildings in Phnom Penh.



GREATER MEKONG  
SUBREGION  
CORE ENVIRONMENT  
PROGRAM

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