

Annex 2
Priority Project

Table Priority Project List

No	Sector	Project Title
A-4	Primary Industry	Outer City Agriculture Promotion Program
A-7		Vegetable and Fruit Processing Project
B-4	Secondary Industry	Upgrading of Small and Micro Industries
B-6		Garment and Footwear Industry Revitalization Project
C-4	Tertiary Industry	Tourism Master Plan for Greater Capital
E-1	Legal and Institution Framework	Dispatch Experts from Japan for facilitating the Legal and Institutional Framework of the SPZ
E-2		Computerization of Customs Clearance Procedures
F-1	Urban Planning	Enhancement of Planning and Enforcement Mechanism of Urban Planning
F-3		Pilot Urban Master Plan for Sihanoukville
G-3	Human Resources Development	Strengthening Sihanoukville Municipal Vocational Training Center
G-6		Assistance for Rural Entrepreneurship Development
H-2	Rural Development	Income Generation Activities for Farmers in Kandal Province (supporting NGO Project income generation)
I-1	Environment	Capacity Enhancement for Effective Enforcement of Environmental Legislation
I-3		Construction of Controlled Landfill Site
J-2	Transportation	Container Distribution Center Project
J-6		Phnom Penh Urban Transport Project
J-9		Route 48 Upgrading Project
K-1	Water Resources	Master Plan Study on National Water Resources Development and Management
K-4		Improvement of Urban Water Supply in Sihanoukville
L-5	Electricity	220kv Transmission Line between Kampot and Sihanoukville
M-1	Telecommunications	Nourishment of Qualified IT Related Human Resources
M-2		Development of Optical Fiber cable Network between Phnom Penh and Sihanoukville
N-1	FZ Development	Development of Wastewater Treatment Plant (WWTP) for the Sihanoukville Port Free Zone
N-2		Development of Solid Waste landfill for the Sihanoukville Port Free Zone

A. Primary Industry

A-4

Project Name	Outer City Agriculture Promotion Program			
Backgrounds	Demand of vegetables and fruits of urban people, hotels, trade companies and factories increase year by year in Phnom Penh. Therefore, there is high potential for introduction or expansion of high value crops including vegetables, fruits and a part of fodder crops. For the vegetables, however, low market prices are widely observed in the dry season since many farmers cultivate vegetables using home gardens, the river banks and irrigated areas. Therefore, the introduction of new techniques, especially the adjustment of the cropping pattern and more crop diversification is necessary to stabilize the supply of vegetables all year-round. In the fruits or fodder crops, production of those crops is rather small compared to market demand and accordingly stable market price is expected. To hedge the risk to introduction of new crops and techniques, demonstration plots and associated farmer training should be promoted in the program target area.			
Project Purposes	To enhance farm income through expansion of crop diversification and modernized agriculture in outer city area.			
Target Year (Project Period)	2005 (3 years)			
Beneficiaries (Target Group, Target Area)	Local people in outer city area of Phnom Penh			
Activities	<ul style="list-style-type: none"> - Feasibility Study - Technical assistance for overall project management, preparation of crop management calendar, selection, design and establishment of demonstration plots, - Implementation of training program for extension staff of Ministry of Agriculture and Forestry, - Operation and maintenance of demonstration plots - Implementation of technical guidance to farmers in the demonstration plots, - Technical assistance for formulation of production groups and marketing, and - Implementation of agricultural needs assessment and baseline survey, and monitoring and evaluation (M&E) survey. 			
Executing Organization	Ministry of Agriculture and Forestry, Provincial Government			
Outputs(Results)	<ul style="list-style-type: none"> - The cultivated area of value added crops in outer city area is expanded - As result of the above, income of farmers is enhanced. 			
Inputs (Project Cost)	US 5.0 million			
Finance	Budget of Government or Assistance of Donor			
Implementation Schedule	Activity	2003	2004	2005
	Feasibility Study	=====		
	Detailed Design		=====	
	Training extension staff and establishing demonstration plots			=====
	Technical assistance to farmers and Implementation of various survey mentioned above			=====
Evaluation (Including Results of IEE)	Financial and Economic Analysis should be done by Feasibility Study. Agricultural needs assessment and baseline survey should be done for monitoring and evaluation survey during the implementation.			
SW of EIA (if necessary),Mitigation for Impacts	Un-necessary			
Location Map	Phnom Penh			
Project Image Photo etc.				

A. Primary Industry

A-7

Project Name	Vegetable and Fruit Processing Project			
Backgrounds	Raw vegetables and fruits are so cheap in Intermediate area, since middleman has strong power in the negotiation with farmers and there is oversupply of raw products due to the difficulties to change cropping schedule. To add value of vegetables and fruits as well as to keep those in the storage, the processing activities of vegetable and fruits is highly recommendable. However, most of farmers have no knowledge or experience of processing activities using simple equipment. Therefore, proposed training center will provide technical skills for processing activities for vegetables and fruits, In addition, training center has functions such as: i) institutional and financial training to farmers' group, and ii) training on marketing. In addition, the public orientation program will be made to explain how to participate the community managed agro-processing unit (CMAU). The initial inputs including equipment and materials will be provided to community. The cost of those inputs will be subsidized to some extent. However, the scale of subsidy will be examined carefully considering government policy and subsidy condition of other projects.			
Project Purposes	To increase value of vegetables and fruits through processing activities.			
Target Year (Project Period)	2005 (3 years)			
Beneficiaries (Target Group, Target Area)	Farmers, especially women, in Intermediate Area			
Activities	<ul style="list-style-type: none"> • Feasibility Study and Basic Design, • Detailed designing, • Training program to staff in the Center, • Construction of building, and • Installation of equipment. 			
Executing Organization	Ministry of Agriculture and Forestry, Provincial Government			
Outputs(Results)	Increase in household income through selling processed vegetables and fruits.			
Inputs (Project Cost)	US 10.0 million			
Finance	Budget of Government or Assistance of Donor			
Implementation Schedule	Activity	2003	2004	2005
	Feasibility Study	=====		
	Detailed Design		=====	
	Training stuff in the center			=====
	Construction of building and Installation of Equipment			=====
Evaluation (Including Results of IEE)	Financial and Economic Analysis should be done by Feasibility Study. IEE is not conducted because Environmental Impact is not anticipated.			
SW of EIA (if necessary),Mitigation for Impacts	Un-necessary			
Location Map	Intermediate Area			
Project Image Photo etc.				

B. Secondary Industry

B-4

Project Name	Upgrading of Small and Micro Industries			
Backgrounds	Based on the data of the number of enterprises, 99 percent belongs to small and micro enterprises (SME) owned by domestic capital which have serious problems to develop further and shift to modern technology and management system.			
Project Purposes	1) Fostering the traditional SME and promoting new small-scale business incubation, aiming at rearing the domestic capital and entrepreneurs. 2) Extending support for getting information about technology and market. 3) Extending support for getting finance for investment and new business incubation. 4) Fostering managers and marketing experts.			
Target Year (Project Period)	2005 (3 years)			
Beneficiaries (Target Group, Target Area)	Entrepreneurs and employees of small and micro industries.			
Activities	1) Providing support to get access for needed information about technology and marketing. 2) Promoting the further activation of the existing financial support facility including Mekong Project Development Facility. 3) Promotion of the business seeds research and business incubation. 4) Fostering nurturing of the managers and marketing experts. 5) Assisting the formation of the business association/network among the business circles. 6) Establishing the implementation body for implementing the above which should be formed jointly by the government and the private sector.			
Executing Organization	Ministry of Industry, Mines and Energy and the private sector			
Outputs(Results)	1) Modernizing and upgrading of the existing SME and incubation of new businesses. 2) Fostering the domestic capital and entrepreneurs as well as the human resource of managers and market experts.			
Inputs (Project Cost)	Sending experts (SME financing, SME management and marketing, new business incubation); estimated cost US\$0.5 million for 24 M/M			
Finance				
Implementation Schedule	Activity	2003	2004	2005
	Study on the scope and structure of the new organization	=====		
	Discussion and coordination among the Government and the concerned circles of the private sector		=====	
	Taking necessary legislative procedure and establishment of the new organization			=====
Evaluation (Including Results of IEE)	This project will make sizable contribution to rearing the domestic capital and entrepreneurs which is the prerequisite to the sustainable growth of the industry of the country.			
SW of EIA (if necessary),Mitigation for Impacts				
Location Map	Phnom Penh			
Project Image Photo etc.				

B. Secondary Industry

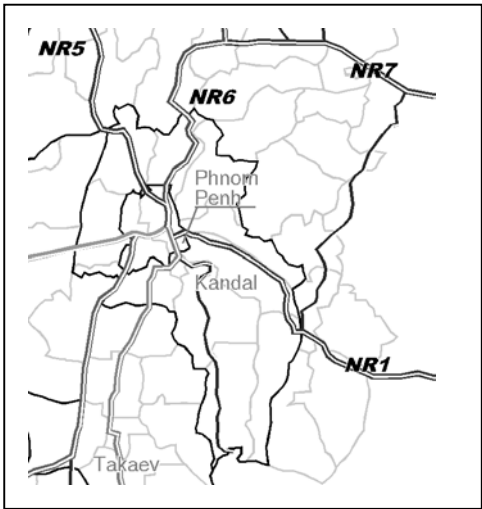
B-6

Project Name	Garment and Footwear Industry Revitalization Project			
Backgrounds	Garment and footwear industry is a staple industry for Cambodia, currently employing approximately 200,000 of people and earning 70 % of export value. This is an incomparable local resource to Cambodian economy. The strength of Cambodian garment and footwear industry is closely related with the existing quota under GSP. With possible dismantling of the quota in 2005, revitalization of the industry to survive and recapture the export market after 2005 is imperative to Cambodia			
Project Purposes	In order that the Cambodian garment and footwear industry stays in business after 2005, active promotion needs to be filed by assisting the marketing of the products in markets other than USA; providing vocational training to potential and current garment workers for higher skills and supporting Cambodian garment manufactures to grow.			
Target Year (Project Period)	Project implementation is planned to be completed in 2005.			
Beneficiaries (Target Group, Target Area)	<ul style="list-style-type: none"> ● 200,000 employed by the garment industry. ● Target Area is in and around Phnom Penh, where most of the garment factories are located. 			
Activities	<ul style="list-style-type: none"> ● Export promotion of garment and footwear to EU and Asian markets ● SME support for domestic garment and footwear manufactures by utilizing various multinational funding (ex. MPDF, Asia Foundation, etc.) 			
Executing Organization	MIME			
Outputs(Results)	Sustaining of employment in garment and footwear industries and enhancement of competitiveness of related local manufactures			
Inputs (Project Cost)	Sending experts (Industrial development); estimated cost US\$0.5 million for 24 M/M			
Finance				
Implementation Schedule	Activity	2003	2004	2005
	Study on the scope of the project and implementing organization	=====		
	Discussion and coordination among the Government and the concerned circles of the private sector		=====	
	Taking necessary legislative procedure			=====
Evaluation (Including Results of IEE)	This project will make sizable contribution to the up-keeping of the main stay industry of garment and rearing another labor-intensive industry of footwear.			
SW of EIA (if necessary),Mitigation for Impacts				
Location Map	Phnom Penh			
Project Image Photo etc.				

C. Tertiary Industry

C-4

Project Name	Tourism Master Plan for Greater Capital Area
Backgrounds	<p>Phnom Penh is a tourism gateway for foreign tourists offering several cultural and historical tourism resources and attractions including Royal Palace, Silver Pagoda, National Museum, Toul Sleng Genocide Museum, etc. In recent years, an increasing number of foreign tourist only visiting Angkor Wat temples in Siem Reap coming by a directly flight arrive to visit Siem Reap by direct flight from Bangkok and other cities in neighboring countries. Most foreign tourists spend only one or two days visiting major tourist sites in Phnom Penh.</p> <p>Phnom Penh is designated as one of four priority development areas by the RGC, but it still remains opportunities for improvement and development of tourist sites, accommodation, information services and so on in order to attract more tourists and increase the tourist's length of stay.</p> <p>In the past, Tourism Development Strategy for Phnom Penh (July, 1996, UNDP, WTO) and Greater Phnom Penh Tourism Development Strategy (2001, ADB) were prepared bur there is no master plan in Phnom Penh yet.</p> <p>Referring to the previous studies, Greater Phnom Penh area (Phnom Penh and Kandal Province) is necessary to prepare and formulate a tourism Master Plan for short and long term including tourism development guideline feasibility analysis of projects/programs.</p>
Project Purposes	<p>To analyze current situation of tourism industry in Greater Phnom Penh Area and find development potential.</p> <p>To provide an appropriate tourism planning and development guideline of Greater Phnom Penh Area for MOT and relevant agencies.</p> <p>To prepare effective implementation measure for proposed projects/program for shot-long term.</p>
Target Year (Project Period)	Master plan preparation period; 2003-5 (2 –3 years), Master plan period is 15 years.
Beneficiaries (Target Group, Target Area)	Locals engaged in tourism and service business in Phnom Penh and Kandal Province Domestic and foreign tourists, private sector (tourism business operator, hotels, etc), MOT, local government
Activities	<ul style="list-style-type: none"> - Analysis of existing condition for tourism sector - Field survey of tourist sites - Analysis of development constraints and potential - Tourism demand projection - Tourism development framework, development scenario and strategies - Proposing projects and programs - Feasibility Study of selected projects and programs - Implementation and management, marketing plan - Holding seminar and workshop
Executing Organization	Ministry of Tourism in collaboration with Phnom Penh Municipality, Ministry of Public Works, relevant ministries, Kandal Provincial government and private sectors
Outputs(Results)	<ul style="list-style-type: none"> - Improve existing tourist sites and enhance cultural and historical value - Increase in income of local people and reduction of poverty - Increase in tourist's length of stay and tourist expenditure - Revitalizing tourism and service business and increasing employment opportunity - Growth of domestic and foreign tourists in Greater Phnom Penh
Inputs (Project Cost)	Requiring total of 50 men months of experts; estimated cost US\$1.7 million
Finance	Technical assistance by international agency or donor

Implementation Schedule	Activity	2003	2004	2005
	Preparation of Scope of Work	=		
	Data collection and analysis		===	
	Tourism Master Plan Framework		===	
	Selection of Priority projects/program and FS			===
	Preparation of Final Report and holding seminar			===
Evaluation(Including Results of IEE)				
SW of EIA (if necessary),Mitigation for Impacts				
Location Map	Study area covers Phnom Penh Municipality and Kandal Province.			
				
Project Image Photo etc.				

E. Legal and Institution Framework

E-1

Project Name	Dispatch of Experts from Japan for Facilitating the Legal and Institutional Framework of the SPZ
Backgrounds	<p>The RGC has long been considering the introduction of Special Promotion Zone to promote FDI and activate national and regional economies. In SEDP II, the establishment of the SPZ is one of the policy targets and its intention has been repeatedly reported in its implementing report.</p> <p>In spite of its strong will and policy, there has not been any legal framework provided for establishing such SPZ, except for the Sub-Decree of 1995 on the appointment of Stung Hav Industrial Zone. The real purpose, legal and institutional framework, preferential treatment provided to the investors to locate in the Zone, detailed rules on the business activities of the investors or the licensing and approval procedures have never been seriously examined. This might be due to the lack of experiences and capacities in the RGC for implementing such a policy.</p> <p>Among ASEAN members, some countries already succeeded in the economic take-off by utilizing the similar scheme for quite a while. China also introduced “one country-two schemes” policy some twenty years ago. For attracting FDI and letting market-oriented economy works in the country, they introduced so-called “Economic Special Zones” and recorded remarkable success.</p> <p>Those countries are still very much in need of FDI for their economic growth and there can be seen the hard competition among the Asian countries to promote FDI in own country. China is making over-all success in such competition again and the other Asian countries now seem to concentrate their efforts to the selected field where they think they still keep the competitiveness over China. In view of such tendency, there is not much time left for Cambodia and the country shall start serious efforts on implementing the attractive SPZ to promote FDI. To assist such efforts of the RGC, it is recommendable that the RGD would invite from outside some specialists with experiences and knowledge of implementing the legal and institutional framework for the similar zone.</p>
Project Purposes	<ul style="list-style-type: none"> • Promote FDI in Cambodia • Present and give advise to the RGC officials in charge regarding the development concept of the SPZ • Coordinate the interests among relevant governmental sections • Streamline the investment procedures and licensing process necessary for the exports-imports activities by utilizing the SPZ • Being consulted about the measures of the operation management of the SPZ • Facilitate the formation of legal and institutional framework for the SPZ • Assist the RGC officials in drafting the law and regulations regarding the SPZ • Cooperate with the RGC for fund raising
Target Year (Project period)	2005 (2003 – 2005)
Beneficiaries (Target Group, Target Area)	Private sector investors and regional inhabitants. Newly employed incremental workers.
Activities	<ul style="list-style-type: none"> • Number of Specialists: Each one specialist for forming legal and institutional framework • Duration of Dispatch: Minimum for two years: Until the development planning will be completed with the enactment of the SPZ Law including the assistance in drafting of

	Sub-Decree on the Implementation of the Law (After the promulgation of the SPZ Law) Above dispatch will be implemented intermittently according to the work schedule and necessity. (3 weeks/time x 4 times/year x 2 years)			
Executing Organizations	The CDC will be the main governmental sector for implementing the project. The MOC, MIME and other relevant ministries shall cooperate with the CDC.			
Outputs (Results)	Improve Cambodia's competitiveness in attracting FDI Increase in FDI and local private investment, which lead to industrial development of Cambodia			
Inputs (Project Cost)	The consulting fees and related expenses such as traveling cost are estimated to be around US\$0.5 million.			
Finance	Donation fund to be provided by the international donors			
Implementation Schedule	Activities	2003	2004	2005
	Study on the desirable concept of the prospective SPZ. Form the initial concept plan of legal and institutional framework, together with the incentive plans to be provided to the investors in the SPZ. Draft the Law and the Sub-Decree on the Implementation of the Law.	■■■■■		
	Coordinate the interests among the relevant sections. Facilitate the promulgation of the Law.		■■■■■	
	Assist in searching for the financing source to establish the SPZ.			■■■■■
Evaluation	IEE will not be applicable.			
SW of EIA, Mitigation of Impacts				
Location Map				
Project Image Photo, etc.				

E. Legal and Institution Framework

E-2

Project Name	Computerization of Customs Clearance Procedures
Backgrounds	<p>The CED currently operates the customs clearance work manually. The manual method obviously delays the customs clearance process, allows the leakage of the possible taxation, makes the trade statistics incorrect, forces the investors (exporters and importers) to deal with the duplicated documentation work (for example, the VAT refund procedures) and reporting to the relevant government sections. The human contacts unavoidably occurred by the manual method is said to allow the request for the unofficial charges and fees during the course of customs clearance.</p> <p>In 1998, the CED started to examine the possibility of introducing ASYCUDA (Automated System to the Customs Data), which is a package software developed by UNCTAD, to apply to the customs clearance and once updated the introduction plan in 2000. The CED finally gave up the introduction plan because of the budgetary constraint.</p> <p>Although the CED is now working on the installation plan of computer systems with assistance of UNDP under Technical Cooperation Action Plan (TCAP), the scope of installing such computer system is said to be limited to a general use at inside of the CED. As of October 28, 2002, UNDP started the recruit of IT Development Officer in Cambodia for strengthening the advisory and planning activities to the CED in the field of IT development. According to the Reform Program 2002 – 2008 of the CED, they plan to develop and implement the Customs Automation System in between 2002 and 2006.</p> <p>Among ASEAN member countries, Singapore, Malaysia, Thailand and Indonesia have already installed the computerized customs clearance system. Those systems are believed to contribute considerably to facilitate cargo reporting, shorten the customs clearance time, value customs duty and tax precisely, establish the traders profile, realize effective Post Clearance Audit (PCA) scheme, produce more accurate trade statistics and make revenue analysis easier. The problem of unofficial cost arise in the customs clearance process would not be solved by simply installing the computerized system (by avoiding human contacts) but the computerization of the customs clearance process would bring enormous benefits to both the investors and the RGC.</p>
Project Purposes	<p>The computerization of customs clearance procedures has the following objectives:</p> <ul style="list-style-type: none"> • Simplifying the customs clearance operation • Harmonizing with PSI scheme • Enabling the advance cargo reporting • Eliminating unnecessary physical inspection by establishing Database of traders • Widening the PCA opportunities • Realizing smooth flow of goods • Providing the investors with the opportunities for planned and rationalized operations, which promote the trade activities • Avoiding duplicate documentation among the relevant governmental sections • Preparing accurate trade and revenue statistics in time so that they could contribute to well-planned policy making
Target Year (Project period)	2005 (2003 – 2004)
Beneficiaries (Target Group, Target Area)	Importers and exporters. Prospective FDI providers. Private industrial sectors. Public planning sectors.
Activities	<ul style="list-style-type: none"> • Sector to be covered by the new computerized system <p>The computerized system is to be installed in the CED, including Head Quarter</p>

	<p>and main boarder gates such as Sihanoukville Port, Phnom Penh Airport and major gates (3- 4 places as the first stage)</p> <ul style="list-style-type: none"> • Systems ASYCUDA, EDI or self-development software Necessary hardware • Contents of the System Customs declaration systems for exports and imports Selection system of automatic approval for customs clearance Preparation for intelligent audit Database for PIA Preparation and supply of Profile data Application to handle bond-related procedures Application to handle customs duties, excise taxes and VAT Application to handle VAT refund Application to handle the investors' reporting to the CDC Automatic preparation of trade statistics and revenue statistics 			
Executing Organizations	<p>The CED, Ministry of Economy and Finance (MEF) would conduct the implementation of the system, with cooperation of the Tax Department, MOC, MIME and other relevant ministries. Outside software consultants with good knowledge of computerization of customs operations and computer hardware engineers would also participate. Local software houses would have to be involved for preparing the future maintenance work.</p>			
Outputs (Results)	<p>Improve Cambodia's competitiveness in trade activities and attracting FDI Increase in FDI and local private investment, which lead to industrial development of Cambodia Strengthen the activities in the SPZ</p>			
Inputs (Project Cost)	<p>ASYCUDA is said to cost US\$2 to 2.5 million. In case of self-developed software, the estimated cost would vary according to the scope of work. Hardware cost is subject to the estimation.</p>			
Finance	<p>Donation fund to be provided by the international donors.</p>			
Implementation Schedule	Activities	2003	2004	2005
	Research on the current procedures and required scopes of the system. Future needs and requirements have also to be studied. Outline the desirable system and estimating the expected cost of implementation including the hardware. Complete basic system design.	■		
	Complete system design and start programming		■	
	Complete programming and test run. Start formal operation by the end of year			■
Evaluation	<p>IEE will not be applicable.</p>			
SW of EIA, Mitigation of Impacts				
Location Map				
Project Image Photo, etc.				

F. Urban Planning

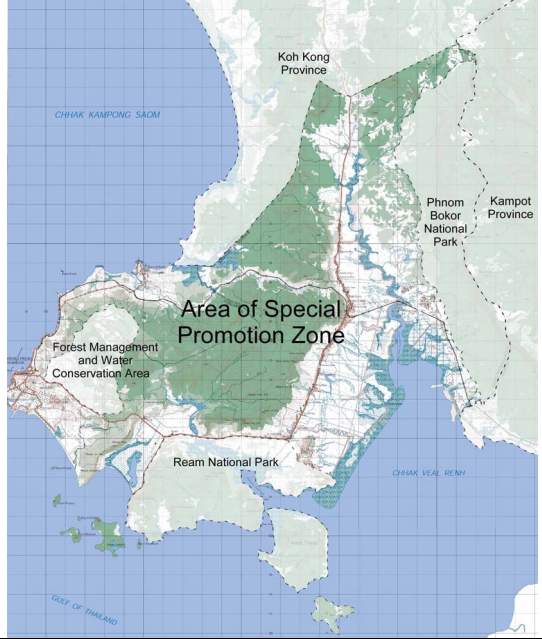

F-1

Project Name	Enhancement of Planning and Enforcement Mechanism of Urban Planning			
Backgrounds	<p>The urban planning and enforcement mechanism in Cambodia is generally weak. Although the Law on Land Use Planning, Urbanization and Construction recognize the need for development master plans and land use plans as instruments for urban planning, the substance and methodology of the planning remain to be established. Enforcement of the master plans and land use plans depends on the means of instrumentation. The Law provides “construction permission” is a regulatory instrument. The procedure of construction permission is not substantiated in the Law, nor any guidelines are in effect. Without clearly stipulated procedures and guidelines, the construction permission mechanism only fosters room for uncertainty and unpredictability for developers and investors.</p> <p>The imperative task of urban planning in Cambodia resides in the enhancement of the planning and enforcement mechanism. Though the Law provides basic framework for urban planning, specifics of the urban planning and enforcement procedure are still widely open for substantiation.</p>			
Project Purposes	<p>The objective of this project is to establish guidelines of the development master plan and land use plan, and to establish an autonomous criteria for the provision of construction permissions fro developers/investors. In order to achieve this, the prerequisite conditions for specific type of construction in specific zoning area needs to be established clearly.</p> <p>These criteria shall be officially announced by RGM in due form.</p>			
Target Year (Project Period)	2003			
Beneficiaries (Target Group, Target Area)	<p>The general population of Cambodia, 13 million in 2000 (Target group; Urban population 2 million in 2000)</p>			
Activities	<p>1) Compilation of the Guideline for Urban Master Plan - Procedures and methodologies for Development Master Plan - Requirements for Development Master Plan - Requirement for Land Use Plan - Procedures for approval</p> <p>2) Technology transfer and capacity building of counterpart in urban planning</p>			
Executing Organization	Ministry of Land Management, Urban Planning and Construction			
Outputs(Results)	<p>1) Provision of practical guideline for the Development Master Plan and Land Use Plan stipulated by the Law on Land Use Planning, Urbanization and Construction</p> <p>2) Ensuring effective management of urban growth and thereby alleviating the urban poverty</p> <p>3) Establishing a stable and transparent system of construction permission, and thereby promoting investments for development</p>			
Inputs (Project Cost)	Expatriate expert providing advices and consultancy 18 Person/month; estimated cost US\$0.4 million			
Finance	Grant based technical assistance			
	Activity	2003	2004	2005
	Dispatch of Experts	=====	=====	
Evaluation (Including Results of IEE)	IEE will not be applicable.			
SW of EIA	Not necessary			
Location Map	Urban Areas in Cambodia			
Project Image Photo etc.				

F. Urban Planning

F-3

Project Name	Pilot Urban Master Plan for Sihanoukville			
Backgrounds	The most important strategy of urban planning in Cambodia is to facilitate a good pilot model of urban planning combining the local and expatriate expertise. The pilot Urban Master Plan shall include the development master plan and land use plan, as stipulated in the Law, together with a guideline for enforcement, particularly in regard to construction permission.			
Project Purposes	The objective of the pilot Urban Master Plan is not only to construct a solid urban planning base for a specific city, but to establish methodologies, assumptions and procedures for urban master plans that follow. It will also serve as the first draft plan to be contemplated by the National Committee for approval. Formulation of the pilot Urban Master Plan shall involve Department of Urban Planning and relevant regional office of MLMUPC, Municipality/Province and relevant agencies/organization.			
Target Year (Project Period)	2003			
Beneficiaries (Target Group, Target Area)	The general population of Sihanoukville Municipality, 180,000 in 2000 (Target group; Urban population of Sihanoukville, 80,000 in 2000)			
Activities	1) Formulation of the Urban Master Plan of Sihanoukville - Planning framework; Establishing planning parameters such as population, employment, tourism, industry etc. - Development Master Plan including population projection of sub-districts; planning of urban structure; population distribution; transportation network plan; infrastructure planning of water, power sewerage and telecommunication; environmental management; and recreational area planning - Land Use Plan with a zoning plan with residential, commercial, industrial, recreational, public, defense and other relevant categories; relevant regulatory criteria; and an enforcement plan 2) Technology transfer and capacity building of counterpart in urban planning 3) Submittal of Urban Master Plan to National Committee for approval			
Executing Organization	Ministry of Land Management, Urban Planning and Construction in collaboration with Sihanoukville Municipality			
Outputs(Results)	1) Alleviation of urban poverty as a combined effect with the improvement of Port of Sihanoukville and development of SPZ in Sihanoukville 2) Effective management of urban growth of Sihanoukville 3) Establishing of methodologies, assumptions and procedures for urban master plans in other cities of Cambodia that will follow 4) Support for the enhancement of planning and enforcement mechanism of the urban planning practices in Cambodia			
Inputs (Project Cost)	Expatriate consultancy, combined with local resources, with necessary guidance and consultancy from the expatriate. Total expatriate input is estimated to be 50 M/M (Grant for technical assistance US\$1.7 million)			
Finance	Grant aid from international donor for t/a			
Implementation Schedule	Activity	2003	2004	2005
	1) Formulation of the Urban Master Plan of Sihanoukville		=====	
	Planning Framework		----	
	Development Master Plan		----	
	Land Use Plan		----	
	2) Technology transfer		=====	
	3) Submittal for Approval			*
Evaluation (Including Results of IEE)	The proposed pilot urban master plan will play a key role in the balanced and sustainable management of urban environment, as well as facilitate efficient use of land resources in the urban areas. As the first urban plan to be considered for			

	<p>approval, this pilot project will open a road for subsequent planning efforts at other urban centers. (This project was not a subject of IEE)</p>	
<p>SW of EIA (if necessary), Mitigation for Impacts</p>	<p>EIA will not be necessary, as this pilot project does not involve any immediate change of the physical environment. Considerations will be made to facilitate necessary protection of good natural environment and sustainable use of natural resources. This project would also mitigate the possible negative effects of absence of an approved urban master plan.</p>	
<p>Location Map</p>		<p>Municipality of Sihanoukville</p> <p>Two national parks and the forest conservation area will be excluded for land use and urban development plan.</p> <p>The existing urban centers are located in the western part of the Municipality.</p>
<p>Project Image Photo etc.</p>	 <p>Central city area of Sihanoukville</p>	

G. Human Resources Development

G-3

Project Name	Strengthening Sihanoukville Municipal Vocational Training Center			
Backgrounds	There are 2 Upper Secondary School and 2 Vocational Training Schools (Don Bosco and JVC) and 1 Municipal Vocational Training School in Sihanoukville. In Sihanoukville, there are a few garment factories. There are many foreign supervisors working in these factories. It is more cost effective to replace these foreign workers with Cambodian workers. Cambodian supervisors may be able to better communicate with Cambodian subordinates. There is a Garment Training Center in Phnom Penh where garment factories supervisor candidates are trained			
Project Purposes	1) To train instructors of garment course in the Training Center in order to better teach garment production management.			
Target Year (Project Period)	2005 (3 Years)			
Beneficiaries (Target Group, Target Area)	1. Sihanoukville Municipal Vocational Training Center instructors, 2. Garment factories in Sihanoukville			
Activities	1. To design course curricula together with local enterprises 2. To arrange equipment and materials for the program 3. To implement training program (20 participants/ 1 course * 3 times/year)			
Executing Organization	Sihanoukville Municipal Vocational Training Center under Department of Education, Sport and Youth of Sihanoukville Municipality			
Outputs (Results)	1. Sihanoukville Municipal Vocational Training Center instructors become able to teach production management of garment factory 2. Rural women entrepreneurial groups are identified and trained			
Inputs (Project Cost)	Japanese experts (Garment production management); 24 M/M 2. Sewing machine and ancillary equipment about Japanese Yen 10 million value Total input US\$0.6million			
Finance	Technical cooperation (Development Study)			
Implementation Schedule	Activity	2003	2004	2005
	Course preparation	=====		
	Course implementation		=====	=====
Evaluation (Including Results of IEE)				
SW of EIA	Not required			
Location Map	Sihanoukville Municipal Vocational Training Center Located in Mitthapheap District			

G. Human Resources Development

G-6

Project Name	Assistance for Rural Entrepreneurship Development			
Backgrounds	<p>There is growing number of young personnel unemployed and underemployed. Providing productive employment for these new entrants to labor market is an important issue. Facilitation of private sector-led employment development is essential. Employment creation should not be limited to paid employment in FDI's. More attention shall be given to self-employment. Without assistance on entrepreneurship, many of the rural young women might be left as surplus agricultural workers or left in casual employment.</p> <p>Takaev and Kampong Spue provinces are located along the Routes No. 3 and 4 respectively and their proximity to Phnom Penh market is considered advantage.</p>			
Project Purposes	<p>1) To improve the quality of life of rural population. 2) To strengthen capacity of provincial government officials and TVET Dept. of MoEYS through jointly undertaking the following</p> <ul style="list-style-type: none"> - To identify new value added products in rural areas - To provide rural women with entrepreneurial and managerial training - To explore marketing strategy for existing and new value added products 			
Target Year (Project Period)	2005 (3 Years)			
Beneficiaries (Target Group, Target Area)	<p>1. Provincial government officials (Vice governor's office and Planning Department) and Technical and Vocational Education and Training Department of MoEYS, 2. Rural young women in Takaev and Kampong Spue Provinces</p>			
Activities	<p>1. To conduct study jointly with Cambodian provincial government officials on rural women entrepreneurship 2. To provide entrepreneurship training with young Cambodians wishing to start their own business (e.g. how to prepare business plan, basics of accounting, business law, marketing) at Provincial Training Centers of Kampong Speu and Takeo, and at private training institutes. 3. To provide financial assistance (micro credit) for those wishing to start up a business utilizing Self Employment Generation Fund in the Pilot projects</p>			
Executing Organization	Technical and Vocational Education and Training (TVET) Department, MoEYS and Takaev and Kampong Spue Provincial governments			
Outputs (Results)	<p>1. Provincial government officials become able to provide entrepreneurial and managerial training and advice 2. Rural women entrepreneurial groups are identified and trained</p>			
Inputs (Project Cost)	<p>1. Japanese experts (e.g., Business Development, Marketing, Participatory Planning and Food Processing) 2. Provincial government staff Total input; 50M/M, estimated cost US\$1.3million</p>			
Finance	Technical cooperation			
Implementation Schedule	Activity	2003	2004	2005
	Master Plan		=====	
	Pilot Project			=====
Evaluation (Including Results of IEE)				
SW of EIA	Not required			
Location Map	<p>Entire Takaev and Kampong Spue Provinces Takaev province - population 790 thousand, Land area – 3,563km Kampong Spue Province - population 600 thousand, Land area – 7,017km</p>			

H. Rural Development

H-2

Project Name	Income Generation Activities for farmers in Kandal Province (supporting a NGO project income generation)			
Backgrounds	Recent economic growth of Phnom Penh Municipality has pulled up the economy in Kandal Province. Intensive vegetable production, food-processing, and handicrafts making targeting at the Municipality in a micro-scale by farmers as their family business have high potentially to generate additional income.			
Project Purposes	Income generation of farmers in Kandal province			
Target Year (Project Period)	2005			
Beneficiaries (Target Group, Target Area)	Farmers who have already experienced either vegetable production, food-processing, or handicrafts making as their small family business, and have land and intentions to enhance the business.			
Activities	Farmers who have already experienced either vegetable production, food-processing, or handicrafts making as their small family business, and have land and intentions to enhance the business.			
Executing Organization	International or Cambodian NGO with support from PAFF, PRD, and relevant provincial organizations.			
Outputs(Results)	Increases of income of the farmers. Upgrading their production skills. Setting-up preparatory functions for formulating agricultural or craftsmen cooperatives.			
Inputs (Project Cost)	International or Cambodian NGO (experts of agriculture, agriculture food-processing, and handicrafts, experts of marketing and accounting, experts of operation of production cooperatives), materials for training, cost for marketing and marketing survey. Total input US\$0.12 @ 3 years = US\$0.4 million			
Finance	JICA Grass Root Project Grant			
Implementation Schedule	Activity	2003	2004	2005
	1) Identifying potential markets in Phnom Penh Municipality and potential products			
	2) Researching potentiality to utilize the past experiences of farmers			
	3) Formulation of production skill training based on the result from 1) and 2) Conducting the skill training for production			
	4) Purchasing of the products from the farmers by the NGOs			
	5) Selling of the products by the NGOs in the market			
	6) Conducting skill training for marketing and accounting			
	4) Purchasing of the products from the farmers by the NGOs			
	5) Selling of the products by the NGOs in the market			
	6) Conducting skill training for marketing and accounting			
	7) Evaluation			
Evaluation (Including Results of IEE)	IEE is not required			

SW of EIA	Not Required
Location Map	Office of MOE, Office of DOE in SNV, PP, Kandal, Takaev, Kampong Spuew, Kampot, and Kaoh Kong
Project Image Photo etc.	

I. Environment

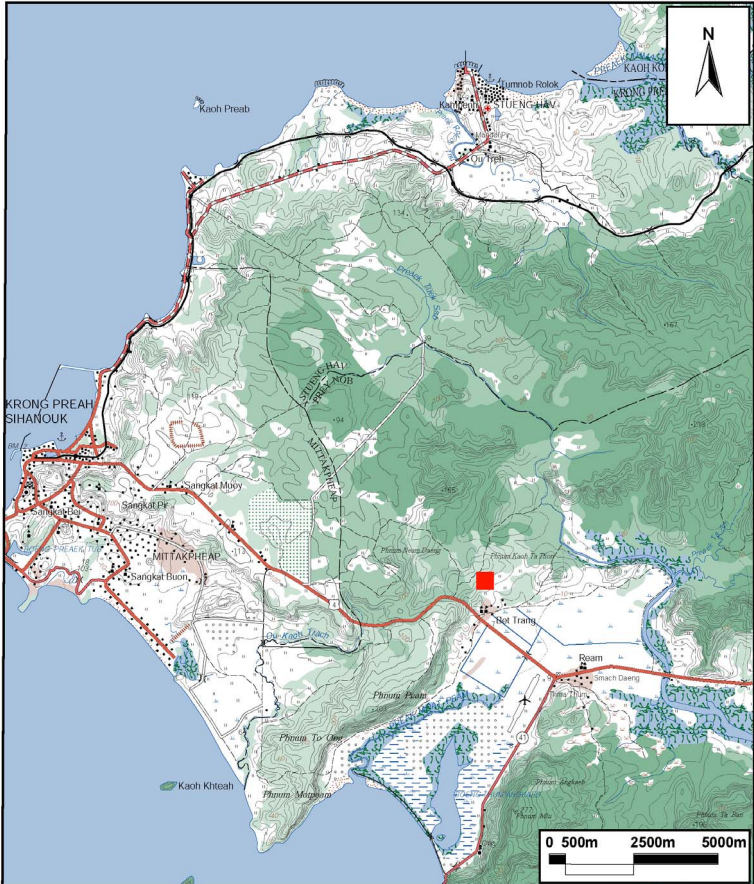

I-1

Project Name	Capacity Enhancement for Effective Enforcement of Environmental Legislation			
Backgrounds	<p>The enforcement system for the environmental legislation has not been sufficient in Cambodia. Although environment related basic legislation have been established step by step since the enactment of the Law on Environment Protection and Natural Resource Management in 1996, the enforcement system itself cannot satisfy the purpose of the laws. Insufficient law enforcement has no effect on prevention of environmental degradation.</p> <p>Effective enforcement of the environmental legislation requires institutional capacity building both in the Ministry of Environment (MOE) and the provincial/municipal departments of environment, enactment of procedures and guidelines for law obedience, standardized pollution control system which covers wide range of pollution sources, and sufficient number of expertise. It is not until the above-mentioned factors are satisfied that the effective law enforcement becomes practicable.</p>			
Project Purposes	<ol style="list-style-type: none"> 1) To strengthen technical and institutional capacity of MOE and provincial and municipal departments of environment for effective law enforcement 2) To support making procedures and guideline (and relevant laws if necessary) for effective law enforcement 3) To train MOE and DOE staff for strict pollution source control and effective law enforcement 			
Target Year (Project Period)	2004~07 (more than 2 years)			
Beneficiaries (Target Group, Target Area)	Staff of Ministry of Environment and Provincial/Municipal Departments of Environment			
Activities	<ol style="list-style-type: none"> 1) Supporting to make procedures and guidelines for effective law enforcement, 2) Supporting to establish additional or detailed environmental legislation if necessary 3) Educating and training MOE and DOE officials based on the procedures and guidelines 4) Making the rounds of supervision to the provincial/municipal departments of environment 			
Executing Organization	Ministry of Environment, Provincial/Municipal Departments of Environment			
Outputs(Results)	Capacity for strict enforcement of environmental legislation will be strengthened and effective environmental management will be accomplished.			
Inputs (Project Cost)	Japanese experts or senior volunteers, related equipment Estimated cost US\$0.6million			
Finance	Technical Assistance or Expert Dispatch			
Implementation Schedule	Activity	2003	2004	2005
	Dispatch of Experts			
Evaluation (Including Results of IEE)	IEE is not required			
SW of EIA	Not Required			
Location Map	Office of MOE, Office of DOE in SNV, PP, Kandal, Takaev, Kampong Spuew, Kampot, and Kaoh Kong			
Project Image Photo etc.				

I. Environment


I-3

Project Name	Construction of Controlled Landfill Site			
Backgrounds	<p>In Sihanoukville, the volume of solid waste has been increasing with the population increase and industrial development. The municipality has an eight hectares dump site, but the site is not fully controlled. The collection and disposal of solid waste is consigned to the private company, but only 30% of discharged waste has been collected. The capacity of the company is limited at this stage, and the improvement of waste collection and management system cannot be expected in the short run. The amount of solid waste discharged in Sihanoukville is about 80 tons in 1998. However, it is anticipated that the volume of solid waste will be about 220 tons in 2005 and 540 tons in 2008. To cope with the rapid increase of solid waste volume and to appropriately dispose of high volume of solid waste, upgrading present solid waste management system, including construction of controlled landfill site, is imperative and urgently required.</p>			
Project Purposes	<ol style="list-style-type: none"> 1) To facilitate appropriate solid waste disposal 2) To cope with predicted increase of solid waste discharge 3) To improve living conditions of local people 4) To prevent negative health impact caused by inappropriate solid waste disposal 			
Target Year (Project Period)	2 years			
Beneficiaries (Target Group, Target Area)	Local people, Local Enterprises, Sihanoukville Municipality			
Activities	<ol style="list-style-type: none"> 1) F/S (including EIA) and D/D of controlled landfill site 2) Construction of controlled landfill site 3) Training for the municipal staff or responsible private company on operation and maintenance 			
Executing Organization	Sihanoukville Municipality, Private Waste Service Company (P.M. Rasy)			
Outputs (Results)	By upgrading the present least controlled landfill site, discharged solid waste will be appropriately disposed. The establishment of controlled landfill site will mitigate negative impact on the surrounding environment and reduce health risk of the people living near the landfill site.			
Inputs (Project Cost)	Construction Materials, Construction Equipment and Vehicles, Expert for F/S and D/D, and landfill site management, Initial Operation Cost F/S and D/D, roughly estimated cost is US\$3.0million			
Finance	Loan or grant from various financial institutions, government budget, expenditure from the private waste service company			
Implementation Schedule	Activity	2003	2004	2005
	F/S, D/D		=====	
	Construction			=====
	Training for operation/maintenance			=====
Evaluation (Including Results of IEE)				
SW of EIA (if necessary), Mitigation for Impacts	EIA is required			

<p>Location Map</p>	
<p>Project Image Photo etc.</p>	<p>Present Condition</p> 

J. Transportation

J-2

Project Name	Container Distribution Center Project			
Backgrounds	The exporters around Phnom Penh pay high land transportation costs for containers because of its location. There are several small inland container depots but a larger facility is required.			
Project Purposes	To improve and modernize container inflows and outflows.			
Target Year (Project Period)	2007			
Beneficiaries (Target Group, Target Area)	Both exporters and importers. Transportation companies.			
Activities	<ul style="list-style-type: none"> - Bonded Inland Container Depot for both Phnom Penh Port and Sihanoukville Port. - One-stop service for all documentation for export and import including custom clearance. - Electric Data Interchange. - Including a Container Freight Station for cargoes less than a container load. 			
Executing Organization	MOC, MPWT, two Port Authorities, and Department of Customs. A private company under PFI contract can operate the yard.			
Outputs(Results)	Rehabilitation of rail beds. Establishment of signal and communication system Introduction of new rolling stocks			
Inputs (Project Cost)	Loan from financial institutions. PFI is also appropriate. Roughly estimated implantation cost is US\$12 million, including the detail design.			
Finance	Domestic Budget. Soft loan from donors			
Implementation Schedule	Activity	2003	2004	2005
	Site Selection	---		
	Feasibility Study		---	
	Detailed Design			---
	Construction			2006-
Evaluation (Including Results of IEE)	See IEE report.			
SW of EIA (if necessary), Mitigation for Impacts				
Location Map	40ha area to be selected. One potential site is the expansion of current Inland Container Depot along Route 4.			
Project Image Photo etc.				
	Container Stacking Yard			

J. Transportation



J-6

Project Name	Phnom Penh Urban Transport Project			
Backgrounds	Traffic congestion in Phnom Penh is a growing problem and JICA prepared the Urban Transport Master Plan in 2001. It is necessary to implement the proposed projects.			
Project Purposes	To mitigate the traffic congestion. To improve air quality.			
Target Year (Project Period)	2002-2005 Detailed design and financing 2003-2008 Construction			
Beneficiaries (Target Group, Target Area)	Phnom Penh residents. Transportation operators.			
Activities	- Outer Ring Road and Route 4 Bypass construction - Public transportation development - Traffic management improvement			
Executing Organization	MPWT and Phnom Penh Municipality			
Outputs (Results)	Decrease of traffic congestion in inner city.			
Inputs (Project Cost)	Government budget. Loan or grant from various financial institutions. Private Finance Initiative is also appropriate. Roughly estimated implantation cost is US\$85 million, including the detail design.			
Finance				
Implementation Schedule	Activity	2003	2004	2005
	Detailed Design	===	=====	=====
	Financing Arrangement		=====	
	Construction			=====
Evaluation (Including Results of IEE)	Effective to promote international trade. See also IEE report.			
SW of EIA (if necessary),Mitigation for Impacts	EIA is necessary for resettlement and natural conditions.			
Location Map				
Project Image Photo etc.				

J. Transportation

J-9

Project Name	Route 48 Upgrading Project			
Backgrounds	The National Route 48 is a new coastal route which connects Sihanoukville and Eastern Seaboard in Thailand. It will enhance the industrial linkage between Thailand and Cambodia. The Royal Thai Army almost completed the upgrade to laterite pavement but it is far from stable transportation for all seasons. Thai Prime Minister pledged additional support for four bridges and asphalt pavement in November 2002. However, it has been frozen since January 2003.			
Project Purposes	This project intends to construct four bridges and to pave the whole route to asphalt. In some mountainous area, road geometry is to be improved.			
Target Year (Project Period)	2006			
Beneficiaries (Target Group, Target Area)	Sihanoukville industrial companies. Kaoh Kong residents.			
Activities	Feasibility Study (Traffic Demand Forecast) Detailed Design Construction			
Executing Organization	MPWT.			
Outputs(Results)	Creation of new trading route between Thailand and Cambodia.			
Inputs (Project Cost)	(Rough estimate) US\$ 50 million for pavement of 160km. US\$ 10 million for four bridges (total length of 1,600m)			
Finance	MPWT budget and donor assistance. Construction by PFI is also possible.			
Implementation Schedule	Activity	2003	2004	2005
	Feasibility Study (Demand Forecast)	===		
	Detailed Design		=====	
	Construction (-2007)		==	===== =
Evaluation (Including Results of IEE)	This contributes to industrial promotion. IEE is necessary for all aspects.			
SW of EIA (if necessary),Mitigation for Impacts	Intensive EIA is necessary for natural environment.			
Location Map				

Project Image Photo etc.	 <p>Mountainous Section</p>	 <p>Lowland Section</p>
-------------------------------------	--	---

K. Water Resources

K-1

Project Name	Master Plan Study on National Water Resources Development and Management
Backgrounds	Though Cambodia has rich water resources for irrigation and water supply uses, the development of water resources is still in primitive condition. Irrigation area ratio to the whole rice field is only 16.6%, which is caused by low rice products particularly during the dry season. The low service ratio for water supply is also observed that only 14% of the urban people are supplied water through pipe connection, and 40% of the population depended on the ground water through deep wells. Water resources development and management is therefore important and urgently needed to improve living standard of the people, but there is no comprehensive master plan for development yet. Nationwide Master Plan Study is therefore required for the further development of water resources for irrigation, hydropower, water supply, and flood control purposes.
Project Purposes	<ol style="list-style-type: none"> 1) To prepare inventory of water users for all the river system and groundwater, 2) To identify possible development area for irrigation, drainage, hydropower, flood control and so on, 3) To estimate water demand for irrigation, domestic, industrial water, 4) To identify possible dam/reservoir sites for irrigation, water supply, hydropower and flood control purposes, 5) To formulate long-term improvement plan for water supply, 6) To formulate basin conservation / management plan 7) To propose institutional arrangement, legal set-up and capacity building measures for efficient project implementation and O&M. 8) To propose human resources development plan for water administration, 9) To formulate environmental management plan 10) To formulate master plan for integrated water resources development for the whole country.
Target Year (Project Period)	- Master Plan Study (2003- 2006: 3~4 years) - Target Year of Master Plan : 2025 or 2030 (20 years)
Beneficiaries (Target Group, Target Area)	<ol style="list-style-type: none"> 1) Target Group: all water users , 2) Target Area: All river system except along the Main Mekong River,
Activities	<ol style="list-style-type: none"> 1) Data collection and development of GIS, data base and inventory lists, etc. 2) Field inspection, water user survey, 3) Hearing survey / Public consultation meetings, 4) Various Analysis (hydrological, hydrogeological, potential, modeling), 5) Identification and evaluation of water resources development projects, 6) Water demand and supply analysis, 7) Preparation of master plan of water resources development and comprehensive management, 8) Various Seminars / Workshops, Technical Transfer,
Executing Organization	Ministry of Water Resources and Meteorology (MOWRAM), Cambodia National Mekong Committee (CNMC)
Outputs(Results)	<ol style="list-style-type: none"> 1) Long term water resources development plan, 2) National inventory or water users, 3) Manual for drinking water treatment, 4) Nation-wide GIS data base, 5) Simulation model for rainfall-runoff model for all the river system 6) Master Plan of Water Resources Development and Management
Inputs (Project Cost)	US\$1.2 Million (250 M/M)
Finance	Technical assistance

