

Council for the Development of Cambodia  
Kingdom of Cambodia

Project on Enhancing  
the Investment-Related Services of  
Council for the Development of Cambodia

Project Completion Report

March 2013

Japan International Cooperation Agency

KRI International Corp.

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### Photographs of Project Activities

	
<p><b>Main Building of CDC</b></p>	<p><b>First Joint Coordination Committee (JCC) Meeting on March 14, 2011</b></p>
	
<p><b>First Counterpart Meeting on March 17, 2011</b></p>	<p><b>Second Joint Coordination Committee (JCC) Meeting on March 13, 2012</b></p>
	
<p><b>Second Counterpart Meeting on April 25, 2012</b></p>	<p><b>Third Counterpart Meeting on August 21, 2012</b></p>
	
<p><b>Third Joint Coordination Committee (JCC) Meeting on February 12, 2013</b></p>	<p><b>Discussion with Counterpart Members</b></p>

## ***Abbreviations and Acronyms***

ADB	Asian Development Bank
AJC	ASEAN-Japan Centre
ASEAN	Association of South East Asian Nations
BOI	Board of Investment
C/P	Counterpart
CDC	Council for Development of Cambodia
CDRI	Cambodia's Leading Independent Development Policy Research Institute
CEO	Chief Executive Officer
CEPT	Common Effective Preferential Tariff
CIB	Cambodia Investment Board
CIS	Cam Info Services
CPI	Consumer Price Index
CRDB	Cambodia Rehabilitation and Development Board
CSEZB	Cambodia Special Economic Zone Board
EU	European Union
FAQ	Frequently Asked Question
FDI	Foreign Direct Investment
FIA	Foreign Investment Agency
IPAs	Investment Promotion Agencies
HAPI	Hanoi Authority for Planning and Investment
HIZA	Hanoi Industrial & Export Processing Zones Authority
IC	Investors Club Association
JBAC	Japanese Business Association of Cambodia
JCC	Joint Coordinating Committee
JETRO	Japan External Trade Organization
JICA	Japan International Cooperation Agency
LOI	Law on Investment
MEF	Ministry of Economic and Finance
METI	Ministry of Economy, Trade and Industry
MIDA	Malaysian Industrial Development Agency
MOFA	Ministry of Foreign Affairs
NIPC	Northern Investment Promotion Center
NSDP	National Strategic Development Plan
ODA	Official Development Assistance
OJT	On the Job Training
OSOS	One Start One Stop Center
PDM	Project Design Matrix
PEID	Project Evaluation and Incentives Department
PMD	Project Monitoring Department
PMIS	Sub-Committee on Investment of the Provinces -Municipalities
QIP	Qualified Investment Project
R/D	Record of Discussions
RGC	Royal Government of Cambodia
SEZ	Special Economic Zone
UN	United Nations
WG	Working Group

Project on Enhancing Investment-Related Services of Council  
for the Development of Cambodia

**Project Completion Report**

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## **CHAPTER 1 BACKGROUND AND OUTLINE OF THE PROJECT**

### **1.1 Background of the Project**

For the Kingdom of Cambodia, private sector development is one of the significant pillars of the National Strategic Development Plan (NSDP) with the strengthening of the private sector and the promotion of foreign direct investment (FDI) being prioritized by the Royal Government of Cambodia (RGC).

It is firmly expected that FDI will contribute to the creation of job opportunities, leading to poverty reduction as well as the upgrading and diversification of the Cambodian economy, but the inflow of FDI into Cambodia has remained small due to the poor condition of infrastructure, lack of laws and regulations and officials' limited capacity of their enforcement, and complicated application procedures.

Due to this situation, the Japanese government provided a yen loan to the RGC for the Sihanoukville Port Special Economic Zone (SEZ) Plan in 2009, which is planned to be completed in 2011<sup>1</sup>. It is expected that direct investment into the SEZ will create employment and contribute to Cambodia's economic growth thereafter.

The experiences Investment Promotion Agencies (IPAs) in the neighboring countries clearly indicate that IPAs have a critical role to play in attracting foreign investors by providing investment-related services to them in a timely and user-friendly manner. It is widely recognized that various activities in investment promotion, such as the provision of necessary information to investors, are also needed in Cambodia. The Council for the Development of Cambodia (hereinafter referred to as the "CDC") is expected to play a pivotal role in investment promotion through close coordination with related ministries, however, CDC faces difficulties in carrying out efficient and effective investment-related services due to insufficient amounts of data and information.

In order to cope with this issue, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched a long-term expert (Investment Environment Improvement Advisor), implemented a study on the "Institutional Strengthening of Investment Promotion in the Kingdom of Cambodia" (2008-2010), and supported the strengthening of CDC's capacity as an inclusive pilot project. Additionally, the Sihanoukville Port SEZ is expected to be completed around the end of 2011 with a resulting expected rise in FDI.

Under these circumstances, CDC requested the Japanese Government's technical cooperation for capacity building in order to strengthen investment-related information services for investors, and the Japanese Government approved this request in April 2010. In August 2010, JICA conducted the Detailed Planning Survey for the Project on Enhancing Investment-Related Services of CDC (hereinafter referred to as the "Project") in order to confirm the detailed contents of the activities, project implementation structure, and recognized the adequacy of the project. In line with the survey results, JICA agreed with the RGC on

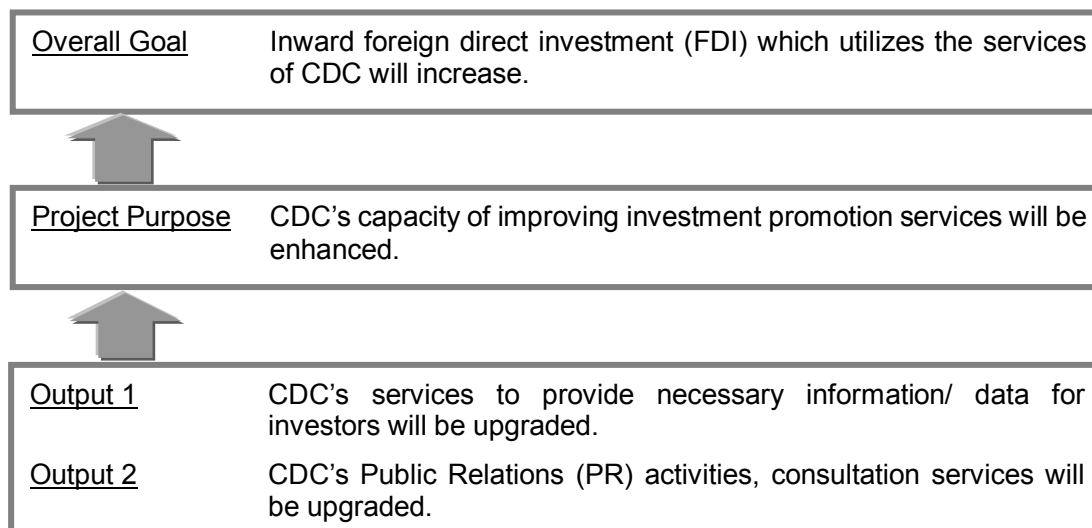
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<sup>1</sup> Sihanoukville Port SEZ was completed in May 2012.

the basic Project plan, implementation structure, and assignment of responsibilities for both. The implementation discussion for this Project was held on October 2010, and a Record of Discussions (R/D) was signed.

## 1.2 Purpose of the Project

The Objectives and expected outputs/ targets of the Project are summarized as follows:



Note: Based on the R/D signed in October 2010.

The main outline of these outputs and activities is set out in the following table:

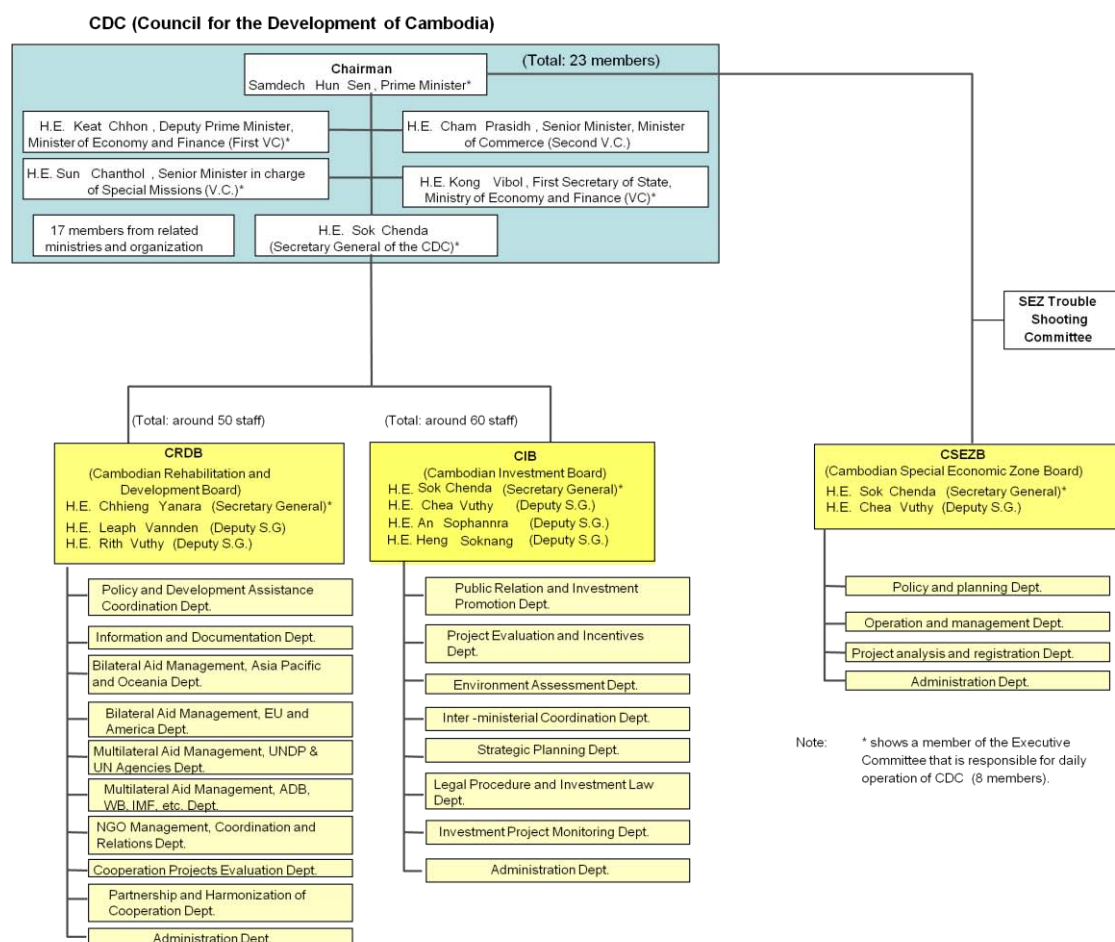
<b>Output1</b> CDC's services to provide necessary information/data for investors will be upgraded.
<p>&lt;Activities for Output 1&gt;</p> <ol style="list-style-type: none"> <li>(1) Strengthening CDC's capacity to update the website regularly and continuously.</li> <li>(2) Enhancing CDC's capacity to update Investment guidebooks.</li> <li>(3) Developing CDC's capacity to serve and manage library service.</li> </ol>
<b>Output2</b> CDC's PR activities, consultation services will be upgraded.
<p>&lt;Activities for Output 2&gt;</p> <ol style="list-style-type: none"> <li>(1) Upgrading CDC's capacity to manage investment promotion seminars.</li> <li>(2) Strengthening CDC's capacity to perform a useful reception function for investors at the CDC office.</li> <li>(3) Strengthening CDC's capacity to organize country desks.</li> </ol>

Source: JICA Project Team

## 1.3 Project Implementation Organization

The Council for the Development of Cambodia is the counterpart organization under the Project. CDC was established in 1994 with under the authority of the Law on Investment (LOI) enacted in August 1994.

With the establishment of CDC, two operational boards, namely the Cambodia Rehabilitation and Development Board (CRDB)<sup>2</sup> and Cambodia Investment Board (CIB), were set up within CDC. In addition to these, Cambodia Special Economic Zone Board (CSEZB) was established in December 2005. The CSEZB is responsible for the “One-Stop Service” for the development, management and supervision of the operations of SEZs according to the Sub-Decree No. 148 on the Establishment and Management of the Special Economic Zone. CDC’s organizational structure is shown in the following figure:



Source: JICA Project Team

**Figure 1.3-1 Organizational Structure of CDC**

Under this Project, the JICA Project Team worked with CIB and CSEZB. The main functions and departments of these two boards are set out in the following table:

**Table 1.3-1 Outline of Counterpart Organization**

	Main Functions	Organization Structure (Departments)
CIB	- Coordination and implementation of the “One Stop Service Mechanism” for Evaluating and	- Public Relation and Investment

<sup>2</sup> According to the 2008 Sub-Decree No.149 on the Organization and Function of CDC, CRDB is responsible for the rehabilitation and development of the country through public investment with the assistance of external development partners.

	<p>Approving Application for Qualified Investment Projects (QIPs)</p> <ul style="list-style-type: none"> <li>- Strategic Planning and Coordination for the Promotion of Overall Private Investment</li> <li>- Marketing and Promotion for Potential Investors</li> <li>- Policy Advocacy for the Improvement of the Legal Framework for Investment Promotion</li> <li>- Coordination and Reporting for Relevant People Both Inside and Outside the Government</li> </ul>	<p>Promotion Dept. (PRIPD)</p> <ul style="list-style-type: none"> <li>- Environment Assessment Dept.</li> <li>- Project Evaluation and Incentives Dept.</li> <li>- Inter-Ministerial Coordination Dept.</li> <li>- Strategic Planning Dept.</li> <li>- Legal Procedure and Investment Law Dept.</li> <li>- Investment Project Monitoring Dept.</li> <li>- Administration Dept.</li> </ul>
CSEZB	<ul style="list-style-type: none"> <li>- Planning of Special Economic Zones (SEZ)</li> <li>- Regulatory Decisions with regard to SEZ Administration</li> <li>- Provision of Incentive for SEZ Developers</li> <li>- Grant of QIP Approval to Investors in SEZ</li> <li>- Preparation of Guidelines for Smooth Management</li> </ul>	<ul style="list-style-type: none"> <li>- Policy and Planning Dept.</li> <li>- Operation and Management Dept.</li> <li>- Project Analysis and Registration Dept.</li> <li>- Administration Dept.</li> </ul>

Source: JICA Project Team (Based on Report of the Detailed Planning Survey Conducted in August 2010 of the Project on Enhancing Investment-Related Services of CDC)

#### 1.4 Project implementation organization

The project administration team on Cambodian side were as follows:

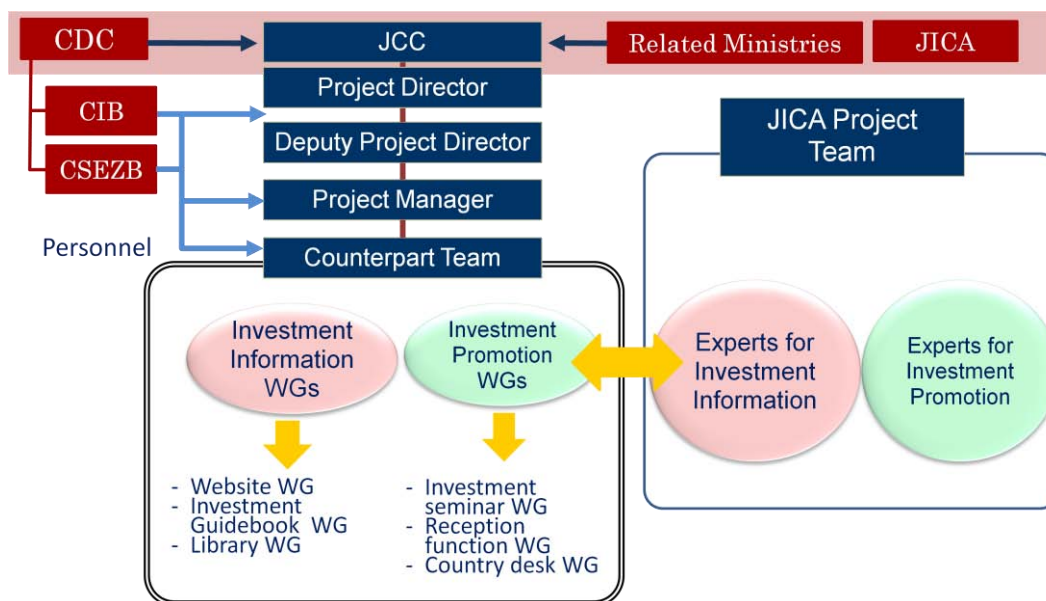
**Project Director :** H.E. Sok Chenda Sophea Minister Attached to the Prime Minister, Secretary General of Council for the Development of Cambodia (CDC), Cambodian Investment Board (CIB) and Cambodian Special Economic Zone Board (CSEZB)

**Deputy Project Director :** H.E. Chea Vuthy Deputy Secretary General of CIB and CSEZB

**Project Manager:** Mr. Suon Sophal Deputy Director of Public Relation and Investment Promotion Department of CIB

Japanese experts organized the JICA Project Team and implemented the Project in collaboration with the Project administration team and counterpart members on Cambodian side.

The project implementation organization is indicated in the following figure.



Source: JICA Project Team

**Figure 1.4-1 Project Implementation Organization**

## 1.5 JCC and C/P Meeting

The first Joint Coordinating Committee (JCC) meeting took place on March 14th, 2011, inviting the official committee members to discuss the Project Implementation Plan (see Appendix 3-1 for the minutes of the first JCC meeting).

Subsequent to the first JCC meeting, a kick-off counterpart (C/P) meeting was held on March 17th, 2011 (see Appendix 3-2 for the minutes of the first C/P meeting). H.E. Chea Vuthy, Deputy Secretary General of CIB and CSEZB chaired the meeting. During the meeting, six Working Groups (WG) for six Project activities were organized and CDC staff members were assigned to six WGs.

The second JCC meeting was held on March 13th, 2012 and chaired by H.E. Sok Chenda Sophea, the Minister Attached to Prime Minister and the Secretary General of CDC (see Appendix 3-3 for the minutes of the second JCC meeting).

At the beginning of second year of the Project, the second C/P meeting was organized, chaired by H.E. Chea Vuthy on April 25th, 2012 (see Appendix 3-4 for the minutes of the second C/P meeting).

The third C/P meeting was held on August 21st, 2012, chaired by H.E. Sok Chenda Sophea, in order to evaluate the progress of the project and to discuss further activities (see Appendix 3-5 for the minutes of the third C/P meeting).

The third JCC meeting was organized on February 12th, 2013, chaired by H.E. Sok Chenda Sophea, in order to review the achievement of project activities (see Appendix 3-6 for the minutes of the third JCC meeting).

## CHAPTER 2 PROJECT ACTIVITIES

### 2.1 Achievement of Output 1

#### 2.1.1 Regular Updating of Website

In the first year of the Project, the main activities were to identify issues of the existing CDC website and to develop a new website. In the second year, necessary technology transfers were conducted with the persons in charge of website management including the updating of the contents of the website.

##### (1) Restoration and Temporary Updating of Existing CDC Website

The existing CDC website was developed with assistance from the ASEAN-Japan Centre (AJC) in 2008 and had never been updated since then. In addition, page viewers from the outside could not access the website when the Project started due to technical problems so there was an urgent need to restore the website. The JICA expert in charge of the website, therefore, concentrated on website restoration work and the basic information on Cambodia's investment environment, such as economic statistics and investment-related laws and regulations, which were uploaded temporarily.

##### (2) New CDC Website Development

Since CDC regarded the website as the most effective and powerful information providing media, CDC proposed to develop a new website, and discussed and agreed with the JICA Project Team on the policy and concepts for developing the new website as follows:

Website	<ul style="list-style-type: none"> <li>- The new CDC website would be user friendly and easy to update so that it would meet the expectation of viewers.</li> <li>- Both English and Japanese version would be developed.</li> <li>- Accessibility would be improved for the benefit of investors.</li> <li>- A website visit analyzer would be installed for the purpose of analyzing visit data such as accessing regions, frequency, the most viewed contents.</li> </ul>
Maintenance	<ul style="list-style-type: none"> <li>- Website maintenance and information updates would be easier for CDC staff in charge.</li> <li>- The server would be placed outside of CDC (e.g. at the data center of an internet provider).</li> </ul>

Based on the result of the above discussion, the JICA Project Team concluded a subcontract with Cam Info Services Co., Ltd. (CIS) for developing the new CDC website. The development work for the new website started in the beginning of July 2011 and was implemented according to the schedule as set out in the following table:

**Table 2.1-1 Development Schedule of New CDC Website**

July 2011	Decide designs of website layout in discussion with CDC
August - September 2011	Develop prototype of new website
October 2011	Show prototype of new website to CDC and receive their approval
November 2011	Upload the web content and complete the website
December 2011	Start providing information through the website
January 2012	Upload the contents of Cambodia Investment Guidebook (4th Edition)
February 2012	Add Khmer language framework into the website

Source: JICA Project Team

In the development stage, the JICA Project Team continuously monitored the progress and provided appropriate advice to the website developing company in a timely manner while discussing them with CDC. The new website was developed by the end of November 2011 and began operating from December 2011. After the completion of Cambodia Investment Guidebook (4th Edition), the JICA Project Team arranged to upload the Investment Guidebook (4th Edition) to the new website. Based on an additional CDC request, the Khmer language framework for the website was developed and added into the website. The following figure is the top page of new CDC website in English.



Source: CDC Website

Figure 2.1-1 Top Page of New CDC Website



### (3) Establishment of Management Organization for Website

A Website WG meeting was held in January 2012 with the attendance of 8 members. After a brief explanation by the JICA Project Team on the contents and composition of the new website, all attendees discussed the management organization of website and the implementation of website training programs for CDC staff members.

### (4) Website Management Manual and Training on Website Management

For the management of updating work for the CDC's website, a JICA expert (web management) and the web development company prepared a manual on website management (See Appendix 4-2).

At the same time, the JICA Project Team conducted two types of training programs for CDC staff members, "Introduction to the New CDC Website" introducing the website contents to all CDC staff members and "Training for Website Administrators" teaching the persons in charge of website how to update the website in a timely manner. The outlines for these two training programs are shown in the table below. Each training program was conducted on two occasions in April and May 2012, respectively.

**Table 2.1-2 Training Programs for CDC staff members in Website Management**

<b>Introduction of New CDC Website</b>	
Objective	CDC staff members understand the contents and composition of new CDC website and are encouraged to utilize the website proactively.
Period	April 10, 2012 (9:00-11:00) May 2, 2012 (15:00-17:00)
Target participants	Staff members of CIB/CSEZB
Syllabus	<ul style="list-style-type: none"> <li>- Introduction to the CDC website (composition and sitemap)</li> <li>- How to register and login using the question function</li> <li>- How to subscribe to the newsletter</li> <li>- How to prepare the website contents of CDC</li> <li>- Q&amp;A</li> </ul>
<b>Training for Website Administrator</b>	
Objective	Persons in charge of website updates gain the knowledge and skills necessary for timely and appropriate updating according to the website management procedures.
Period	April 10, 2012 (15:00-17:00) May 2, 2012 (15:00-17:00)
Target participants	Persons in charge of website update of CIB/CSEZB
Syllabus	<ul style="list-style-type: none"> <li>- How to edit and delete "Top Menu", "Items Bar" and "Welcome Speech".</li> <li>- How to add, edit and delete "Major events" and "Sliding Photo Image"</li> <li>- How to add, edit, delete "Statistics" and "SEZ"</li> <li>- How to add, edit, delete "FAQ items"</li> <li>- How to manage newsletters</li> <li>- How to upload content</li> <li>- Q&amp;A</li> </ul>

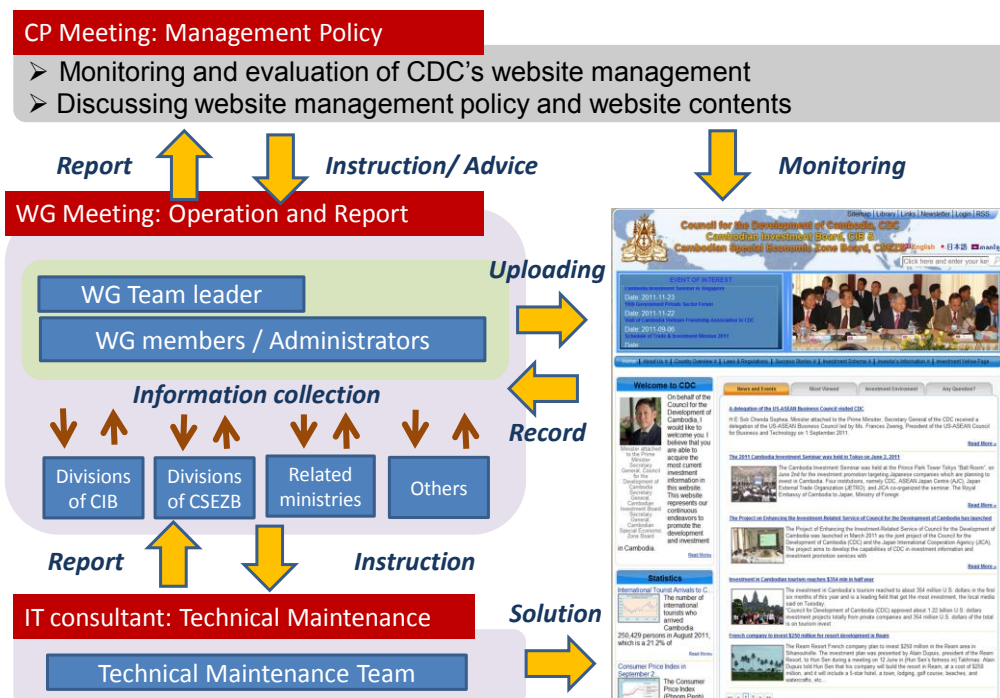
Source: JICA Project Team

### (5) Discussion on Web Management and Frequency of Information Updates

In April 2012, the Website WG meetings were conducted in series and discussed the structure of website management. The management structure for CDC’s website is shown in Figure 2.1-2. The following procedures were decided upon during the the meetings:

- For the frequent update of website contents, it was decided that Website WG members would request information from each division of CIB to be uploaded to the website.
- The collected information would be uploaded to the website by the web administrator (persons in charge in CDC) who would be trained in updating the website.
- The Website WG members would prepare a quarterly report describing the activity records such as the number of visits and visit times.
- The Project Director, Deputy Project Director and Project Manager would discuss the issues of website management and instruct the WG members to take necessary actions to solve such issues.
- As for technical problems from the website, the WG members would contact the IT consulting firm that has a technical support contract with CDC and ask them to take all necessary actions.
- Website WG would modify the planned website management organization through further discussions.

### Management Structure of CDC’s Website



Source: Website WG

Figure 2.1-2 Management Organization of CDC’s Website

The information to be updated and the frequency of update are shown in the following table:

**Table 2.1-3 Website Information and Frequency of Update**

Contents	Frequency of Updating	Information/Data Sources	Persons/Divisions in Charge
<b>English version</b>	English version will be updated and managed by CDC.		
Event of Interest	If any new event occurs	All departments	To be appointed
News and Event	If any new event occurs	All departments	To be appointed
About Us	When necessary	PRIPD	To be appointed
Country Overview	Once a year (when Investment Guidebook revised)	PRIPD	To be appointed
Laws and Regulations	When Laws and Regulations are changed, newly updated	related ministries, DFDL, etc	To be appointed
Success Stories		By making interview to investors	To be appointed
Investment Schemes	When Investment Schemes change	All departments	To be appointed
Investor's Information	Once a year (when Investment Guidebook revised)	PRIPD	To be appointed
Investment Trend	Once a year (when Investment Guidebook revised)	PRIPD	To be appointed
Statistics	Every two months	PRIPD/ SEZ	To be appointed
Special Economic Zones	When the data of each SEZ updated	SEZ	To be appointed from CSEZB
Library	When new presentation materials are updated, Investment Guidebook revised	All departments, Japan Desk	To be appointed
Links	When necessary	Other ministries, provinces, IPAs	To be appointed
Link with Social Network (Facebook, Twitter, and Youtube)	CDC will open an official account on Facebook and Twitter to communicate with viewers. Person who manages these social networks should be appointed. Regarding YouTube, a person who finds or updates movies related to investment should be appointed.		
Question and Answer	Person in charge should be appointed. Person in charge will receive all questions submitted by viewers and should reply to those questions as soon and as much as possible. The contents of question and answer would not be disclosed on the website.		
Newsletter (Subscribes)	Person in charge should be appointed. 42 subscribers have sent registration requests already. Person in charge should reply to new subscribers.		
<b>Khmer version</b>	Website WG suggested that only important information should be translated into Khmer.		
<b>Japanese version</b>	To be discussed.		

Source: Website WG

## (6) Recommendation for the Revised Updating Procedure

While the draft website management and the frequency for updating information were discussed in the Website WG, actual updating work had not been conducted until the end of June 2012 since the web administrator in charge of updating website had not been nominated. At the end of June 2012, a web administrator was officially assigned by CDC. The JICA Project Team provided the newly assigned website administrator with additional training in the beginning of August 2012. At the same time, the JICA Project Team also recommended a revised updating procedure to CDC considering the insufficient number of staff for updating the website.

**Table 2.1-4 Update of CDC Website**

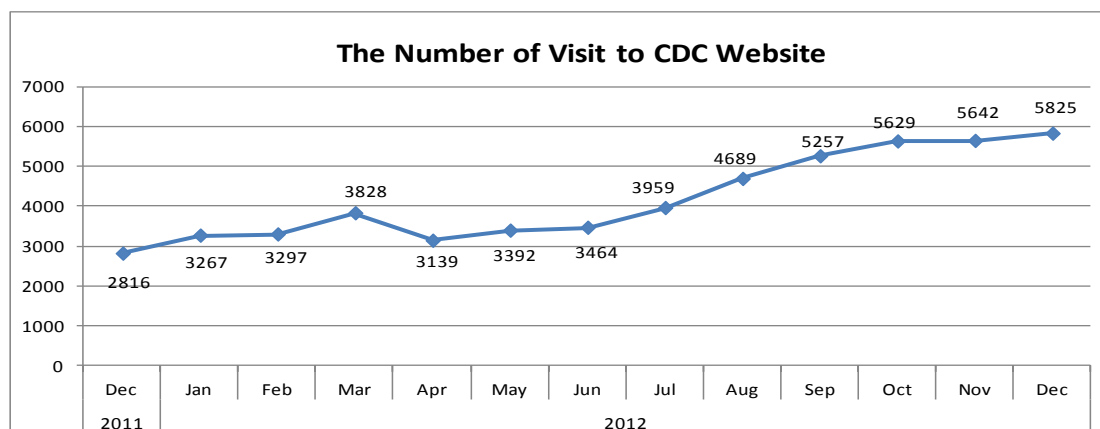
Contents	Procedure																																																																																
<b>Monthly Update</b>																																																																																	
“Event of Interest” and “News and Events”	<ul style="list-style-type: none"> <li>- Collect information from the relevant departments of the CIB and CSEZB</li> <li>- Prepare updating drafts and submit them to top management for approval</li> <li>- Upload approved articles to the CDC website</li> </ul>																																																																																
Statistics	<ul style="list-style-type: none"> <li>- Monthly updates shall be made for investment statistics.</li> <li>- Regarding investment projects approved by CIB, the data preserved in the PRIP Department shall be final.</li> <li>- Regarding investment projects approved by CSEZB, the data preserved by H.E. Chea Vuthy shall be final.</li> <li>- Investment statistics shall cover the monthly data and Y-T-D figures (aggregated figures on a year-to-date basis).</li> <li>- Sample formats are shown below:                             <p style="text-align: center;"><b>QIP Approved For the Month of June, 2012</b></p> <p style="text-align: right;">Unit: USD 1,000-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">CIB</th> <th style="text-align: center;">CSEZB</th> <th style="text-align: center;">Total</th> </tr> </thead> <tbody> <tr> <td>Total Approved</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> </tr> <tr> <td>(By Sector)</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">- AAA</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> </tr> <tr> <td style="padding-left: 20px;">- BBB</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> </tr> <tr> <td style="padding-left: 20px;">- CCC</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> </tr> <tr> <td>(By Country)</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">- DDD</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> </tr> <tr> <td style="padding-left: 20px;">- EEE</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> </tr> <tr> <td style="padding-left: 20px;">- FFF</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> <td style="text-align: center;">XXX,XXX (YYY)</td> </tr> </tbody> </table> <p>Note: The figure in bracket shows the number of the projects approved.</p> <p style="text-align: center;"><b>QIP Approved in the Period of January to June, 2012</b></p> <p style="text-align: right;">Unit: USD 1,000-</p> <table border="1" style="width: 100%; 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<b>Occasional Updates</b>																																																																																	
Legal Updates	<ul style="list-style-type: none"> <li>- CDC shall subscribe to the “Royal Gazette”.</li> <li>- Mr. Serena shall create summaries of investment-related laws and regulations and translate them into English.</li> <li>- Other business-related laws and regulations shall also be summarized and translated into English as much as possible.</li> <li>- The English summaries of laws and regulations shall be uploaded into the “News and Events” section.</li> <li>- Consult with IT company to add “Legal Update” tag onto the first page in future</li> </ul>																																																																																
Statistics	<ul style="list-style-type: none"> <li>- Other statistics besides investment statistics shall be uploaded when new ones are released from other ministries or institutions.</li> <li>- These include statistics on trade, tourism, Consumer Price Index (CPI), etc.</li> </ul>																																																																																
Laws and Regulations	<ul style="list-style-type: none"> <li>- When full English texts on laws and regulations (Sub-Decree, Prakas, Decision, Notifications, etc.) relating to the investment and/or business are published, such full texts shall be uploaded to “Laws and Regulations” section according to their classification.</li> <li>- When the full text is uploaded, a relevant announcement shall be posed in “News</li> </ul>																																																																																

	and Events” or “Legal Updates”.
<b>Responsibilities</b>	
Method of updating	- PRIPD shall be in charge of updating. - In principle, the updating work shall be done by the CDC (PRIPD, CIB) but the PRIPD may ask the server maintenance company for updating work when they are unable to take the time to do the updating work.
Person in charge of updating	- A counterpart in CDC has been appointed as “Website Administrator” by Project Manager.

Source: JICA Project Team

### (7) Monitoring of Visit Records for CDC Website

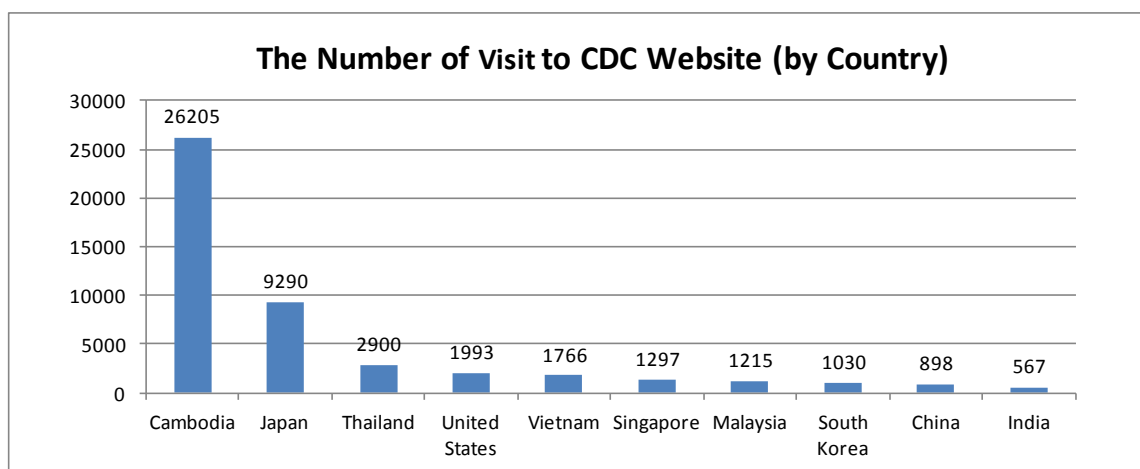
Monthly visit records of the CDC website have been kept by the website administrator from December 2011 (see Appendix 6-1). The number of visits to the website from December 2011 to December 2012 is shown below. As can be seen in the figure, the number of visits to the website has been increasing steadily over the whole period a slight drop in April 2012.



Source: CDC

Figure 2.1-3 Monthly Visits to CDC Website

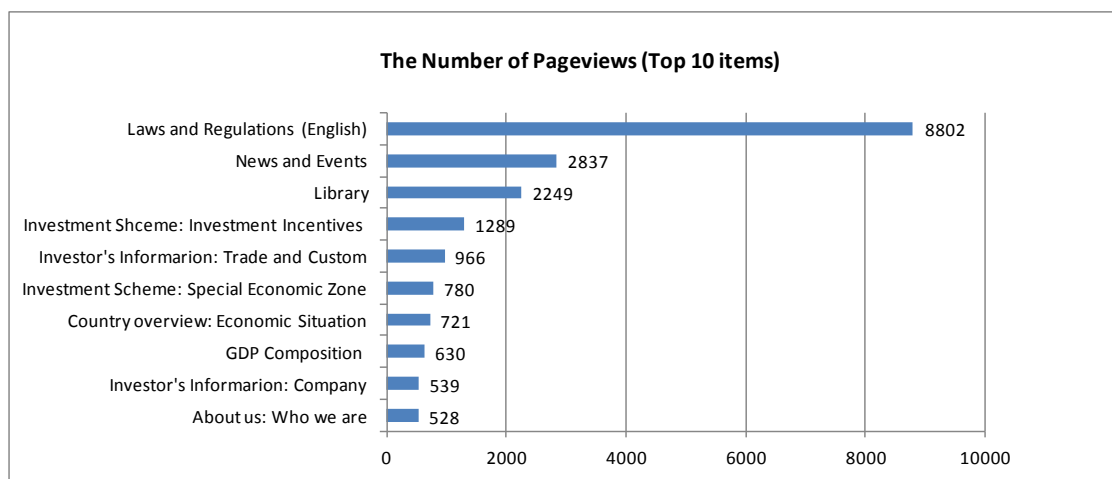
The following figure shows the number of visits to the CDC website by country from December 2011 to December 2012. Visit from Cambodia made up the largest number of visits, followed by Japan, Thailand, the US and Vietnam.



Source: CDC

Figure 2.1-4 Number of Visits to CDC Website by Country

The following figure shows the number of page views for the website's different contents. The most popular page is “Laws and Regulation (English)”, followed by “News and Events”, “Library (Investment Guidebook)” and “Investment Scheme”. It appears that the most practical information attracts the interests of visitors.



Source: CDC

**Figure 2.1-5 Number of Page Views (Top 10 items)**

## (8) Periodic Updates

The contents of website have been continuously updated by the web administrator since the end of June 2012. The major updated contents are “Events of Interest” which are advance notice of planned events, “News and Events,” and “Laws and Regulations.” The records for these updates are summarized in the following tables:

**Table 2.1-5 Updating Record of Events of Interest (June 2012 - January 2013)**

No.	Posting Date	Title	Language
1	2012/06/28	Cambodia Investment Seminar (2012) in Japan	English, Japanese
2	2012/07/05	2 <sup>nd</sup> Training Workshop for Officials of the Sub-Committee on Investment	English, Japanese
3	2012/07/25	Cambodia Investment in Seminar in Osaka city, Japan	English, Khmer
4	2012/07/27	Cambodia Investment Seminar in Tokyo, Japan	English, Khmer
5	2012/11/01	Cambodia Investment Seminar in Ho Chi Minh, Vietnam	English, Khmer
6	2012/11/14	2nd ASEAN INVESTMENT FORUM	English, Khmer
7	2012/11/28	Cambodian Investment Seminar in Kuala Lumpur, Malaysia	English, Khmer
8	2013/01/02	Joint Prakas on Public Services at CDC	English, Khmer
9	2013/01/14	Announcement of the establishment of a Complaints Desk	English, Khmer

Source: CDC

**Table 2.1-6 Updating Record of News and Events (June 2012 - January 2013)**

No.	Posting Date	Title	Language
1	2012/10/11	Visit of the Belarusian Delegation to CDC	English
2	2012/10/23	3rd Training Workshop on Investment Promotion and Facilitation	English
3	2012/10/26	3rd Seminar on Economic Development in Cambodia	English
4	2012/11/19	2nd ASEAN Investment Forum	English, Khmer
5	2012/11/22	Visit of Vietnamese Delegation to CDC	English
6	2013/01/09	Joint Prakas (No.991SHV.PRK) on Public Services of CDC	English, Khmer
7	2013/01/16	CSR Award for Korean Companies in Cambodia (16.01.2013)	English

Source: CDC

**Table 2.1-7 Updating Record of Laws and Regulations (June 2012 - January 2013)**

No.	Posting Date	Title	Category	Language
1	2012/09/17	Law on the Implementation of Civil Code	Code & Ancillary Laws	English, Khmer
2	2012/09/17	Civil Code of Cambodia (2007)	Code & Ancillary Laws	English, Khmer
3	2012/09/17	Code of Civil Procedure (2006)	Code & Ancillary Laws	English, Khmer
4	2012/09/17	Law on Expropriation	Land Law	English, Khmer
5	2012/09/17	Law on Nationality	Society	English, Khmer
6	2012/09/28	Land Law (2001)	Land Law	Khmer
7	2012/09/28	Order No.01 on Economic Land Concession Management	Investment	English
8	2012/09/28	Law on Investment (1994)		English, Khmer
9	2012/09/28	Law on the Investment (August 05, 1994) and Law on the Amendment of the “Law on Investment”	Investment	Khmer
10	2012/09/28	Law on Amendment to Law on the Commercial Regulations and Commercial Register	Business	Khmer
11	2012/10/03	Law on Concession (2007)	Investment	Khmer
12	2012/10/03	Sub-Decree on Declaration of State’s Properties	Land Law	Khmer
13	2012/10/10	Inter-Ministerial Prakas on Immovable Registration related to Code of Civil Procedure	Code & Ancillary Laws	Khmer
14	2012/10/10	PRAKAS on Limited Interest Rates	Code & Ancillary Laws	Khmer

Source: CDC

### **(9) Evaluation of Activity at the End of the Project**

The quality of information on CDC’s website has been improved. CDC’s website has been continuously updated since the assignment of a web administrator. Visit numbers to CDC’s website has shown an increasing trend. Thus, it can be concluded that the activities of the Project have achieved the output as originally planned.

Meanwhile, the following issues still remain regarding further improvements in the updating of the website:

i) Necessity for establishing a routine procedure for website updates

The website is updated on an ad-hoc basis. CDC has not yet established a routine procedure for data collection and update as the JICA Project Team recommended.

ii) Periodic review of website Composition

Periodic review of the website composition is necessary for further improvement of the website. New information necessary for website is the records of QIP approvals by CIB and CSEZB, macroeconomic statistics and provincial information. A periodic review meeting by WG members is recommended.

iii) Establishment of CDC website Maintenance

At the start of new website, CDC planned to outsource the website maintenance by utilizing a hosting service company. Although CDC contacted several website management companies, it has not selected an outsource recipient. It is necessary to select an appropriate company immediately for the stable and safe operation of website.

iv) Khmer Version of Website

The Khmer framework for the website has already been developed. But the contents in Khmer are very limited. It is necessary to enrich these Khmer contents by using available information in Khmer and translating English content into Khmer.

## 2.1.2 Updating of Investment Guidebook

For the updating of the Investment Guidebook, there were three major activities to be achieved: i) to implement a provincial study; ii) compile municipal and provincial investment information; and iii) update the Investment Guidebook.

### (1) Implementation of Provincial Study

In response to a recent growing interest in information on the investment environment of the provinces among foreign investors, CDC and the JICA Project Team conducted provincial studies on two occasions in order to collect information about all twenty four provinces of Cambodia. Study teams were dispatched to seven provinces, namely Kandal, Kampot, Preah Sihanouk, Koh Kong, Kampong Cham, Siem Reap, and Battambang, in the first year and to remaining seventeen municipalities and provinces in the second year. A total of ten persons including the Guidebook WG members were nominated as team members for the provincial study. The study team members made an implementation plan in advance for the provincial study, the outline of which is summarized in the following table:

**Table 2.1-8 Outline of Provincial Study (2011 and 2012)**

<b>Outline</b>	
<b>Background</b>	CDC is expected to play a critical role in attracting FDI by providing investment-related services in a timely and user-friendly manner. Recently, the need for information on the investment environment in the provinces has increased among potential investors. In order to provide appropriate provincial investment information to potential investors, CDC decided to conduct provincial studies.
<b>Objective</b>	The purpose of the Study is to collect appropriate information/data on the investment environment for all provinces of Cambodia.
<b>Expected Outcome</b>	The expected outcomes of the study are as follows: <ul style="list-style-type: none"> <li>- CDC staff members will improve their capacity for collecting investment-related information from related organizations/ agencies of each province.</li> <li>- An information sharing network will be established among CDC and provincial authorities.</li> <li>- All collected information/data will be compiled and published as a Provincial Data Book, which explains the investment environment of all the provinces of Cambodia.</li> </ul>
<b>Implementation of Provincial Study (2011)</b>	
<b>Period</b>	Group A: August 29 (Mon) – September 1 (Thu) 2011 Group B: September 5 (Mon) – September 8 (Thu) 2011
<b>Provinces</b>	7 target provinces Group A: Kandal, Kampot, Preah Sihanoukville, Koh Kong Group B: Kampong Cham, Siem Reap, and Battambang
<b>Study Team members</b>	<u>Group A:</u> Neang Putheara: Assistant to Chairman of Phnom Penh SEZ Administration, CSEZB Uy Rithymony: Assistant to Deputy Secretary General of CSEZB Voanra Nutun: Research Assistant of the JICA Project Team (Coordinator) Akihiko Morinaga: JICA Project Team <u>Group B</u> Mr. Sorn Dydenynn: Deputy Director, PR and Investment Promotion Dept, CIB Mr. Nget Samnang: Deputy Director, Project Monitoring Department, CIB



	Mr. Heng Bun Hong: Research Assistant of the JICA Project Team (Coordinator) Mr. Hiromichi Hara: JICA Project Team
<b>Implementation of Provincial Study (2012)</b>	
<b>Period</b>	Group A: 1 <sup>st</sup> trip (June 26 and 27, 2012), 2 <sup>nd</sup> trip: (July 10-13, 2012) Group B: 1 <sup>st</sup> trip (June 28 and 29, 2012), 2 <sup>nd</sup> trip: (July 10-13, 2012) Group C: 1 <sup>st</sup> trip (June 28 and 29, 2012), 2 <sup>nd</sup> trip: (July 10-13, 2012)
<b>Provinces</b>	17 target provinces Group A: Phnom Penh, Kampong Speu, Kratie, Stung Treng, Ratanakiri, Mondulakiri Group B: Takeo, Kep Kampong Chhnang, Pursat, Banteay MeanChey, Pailin Group C: Svay Rieng , Prey Veng, Kampong Thom, Preah Vihear, Otdo Meanchey
<b>Study Team members</b>	<u>Group A:</u> <u>1<sup>st</sup> Trip (Phnom Penh, Kampong Speu)</u> Mr. Hean Sopauline: Project Analysis and Registration, CSEZB Mr. Neang Putheara: Assistant to Chairman of PPSEZ Administration, CSEZB Mr. Nut Un Voanra: JICA Project Team Mr. Akihiko Morinaga: JICA Expert <u>2<sup>nd</sup> Trip (Kratie, Stung Treng, Ratanakiri, Mondulakiri)</u> Mr. Hean Sopauline: Project Analysis and Registration, CSEZB Mr. Neang Putheara: Assistant to Chairman of PPSEZ Administration, CSEZB Mr. Nut Un Voanra: JICA Project Team <u>Group B:</u> <u>1<sup>st</sup> Trip (Takeo, Kep)</u> Mr. Moeung Visoth: PMD, CIB Mr. Chuon Bory: Inter-Ministerial Coordination, CIB Mr. Kongvong Cheastapor: PMD, CIB Mr. Heng Bun Hong: JICA Project Team Mr. Akihiko Morinaga: JICA Expert <u>2<sup>nd</sup> trip (Kampong Chhnang, Pursat, Banteay MeanChey, Pailin )</u> Mr. Chuon Bory: Inter-Ministerial Coordination, CIB Mr. Kongvong Cheastapor: PMD, CIB Mr. Heng Bun Hong: JICA Project Team <u>Group C:</u> <u>1<sup>st</sup> trip: (Svay Rieng , Prey Veng)</u> Mr. Sorn Dydenyn: PEID, CIB Mr. Uy Rithymony: Assistant to Deputy Secretary General of CSEZB (only 1st trip) Mr. Nget Samnang: PMD, CIB Mr. Prak Phara: PEID, CIB <u>2<sup>nd</sup> trip: (Kampong Thom, Preah Vihear, Otdo Meanchey)</u> Mr. Suon Sophal, Deputy Director PRIP, CIB Mr. Prak Phara: PEID, CIB Mr. Akihiko Morinaga: JICA Expert

Source: Provincial Study Team

The provincial data sheet, which is a questionnaire sheet to collect necessary information/data, was prepared by the Guidebook WG members based on a draft questionnaire made by the JICA Project Team. The data sheet was distributed to the target provinces before the visits to those provinces. The study team members were divided into several groups as shown in the above table for the efficient implementation of study. Each group arranged their study schedule themselves. In addition, the following topics were set as a

discussion agenda for the provinces. The guidelines for the provincial study were also prepared by the study team members.

**Table 2.1-9 Agenda of Discussions with Provinces**

Presentation by the Study Team	<ul style="list-style-type: none"> <li>- Explanation of purpose of visit (5min)</li> <li>- Introduction of CDC's Website/ Investment Guidebook (10min)</li> <li>- QIP Records (CIB/CSEZB) for the province (5min)</li> </ul>
Explanation by the Provincial Authority	<ul style="list-style-type: none"> <li>- Investment potential / advantages (20min)</li> <li>- Industries to be promoted / potential industries (20min)</li> </ul>
Discussion	<ul style="list-style-type: none"> <li>- Issues to be addressed for investment promotion and facilitation (20min)</li> <li>- Explanation on how to fill in the data sheet (20min)</li> <li>- Confirming the contact persons and submission deadline (10min)</li> <li>- Q&amp; A and recommendations</li> </ul>

Source: Provincial Study Team

Before conducting the provincial study, the study teams decided on the roles of each member in the study team such as a moderator, presenter, note-taker and interpreter for the JICA experts. In the visited provinces, the study teams distributed materials such as the Investment Guidebook and QIP records in CD-ROM and other references. Most of the meetings with the provincial governments were chaired by the provincial vice governors with representatives from related departments including the Sub-Committee on Investment of the Provinces -Municipalities (PMIS) in attendance with various kinds of issues being discussed. The study teams also visited SEZs located in the target provinces and had interviews with investors about the advantages of the SEZs, difficulties they face and requests to CDC. After the visits to the provinces, each study team prepared a report and data file for each province (see Appendix 6-2).

The provincial study provided a good opportunity for understanding the current investment climate of the provinces and building communication networks with provincial authorities. CDC is expected to continue provincial studies or periodic meetings with provincial authorities in order to exchange investment information.



**Internal Discussion among the teams**



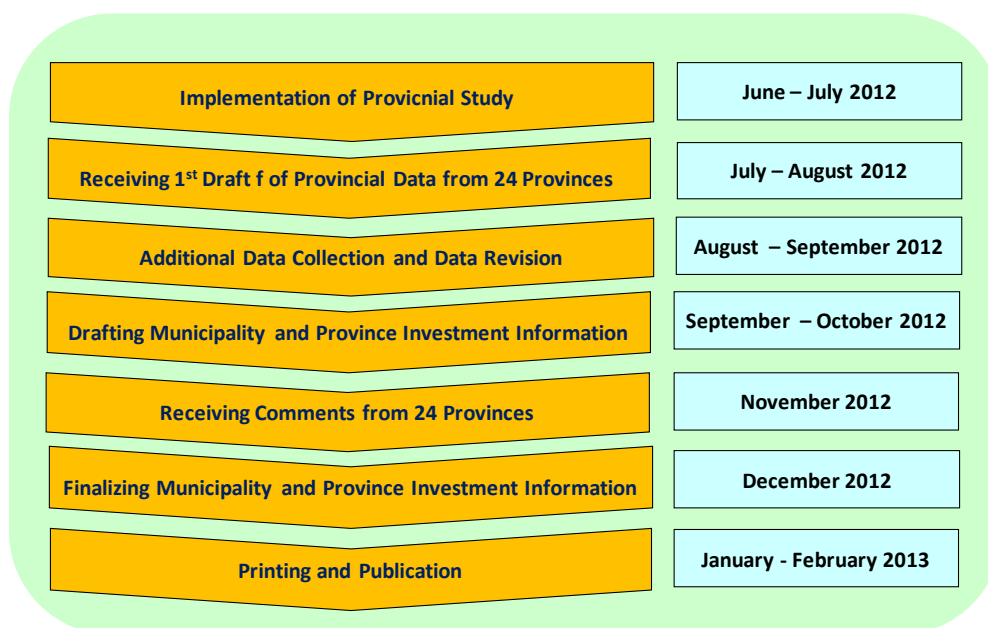
**Meeting with a Provincial Authority**

## **(2) Compiling of Provincial Investment Information**

The information/data collected through the provincial studies were compiled. In the first year, the collected information/data from seven target provinces were included in the Investment Guidebook 2012 (4<sup>th</sup> Edition) as “Chapter VIII Major Provinces.” In the second year, the questionnaire sheet was also sent to

the seven provinces studied in the first year in addition to the seventeen provinces of the second year study. As a result, the latest information/data on all twenty four municipalities and provinces were collected. CDC and the Project Team decided to publish this collected information/data as a book, “Municipality and Province Investment Information, 2013.”

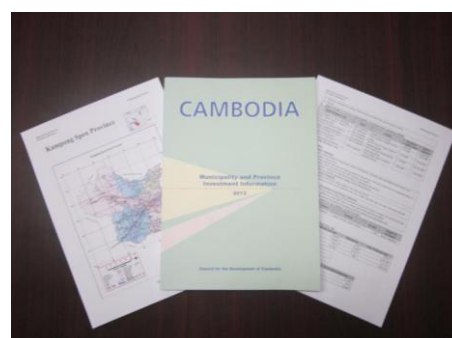
The procedures and schedule for compiling provincial investment information were as shown in the following figure:



Source: Provincial Study Team

**Figure 2.1-6 Procedures and Schedule for Publishing Municipality and Province Investment Information**

After receiving the data sheets from provinces, the study teams translated them into English. When they found an unclear answer or figure, they asked a province in question for clarification. As for items which were not filled out by the provinces, the study teams referred to other information sources such as statistics from the central government. The study teams wrote the drafts during the period from September to October 2012 under the close supervision of the JICA experts. After proofreading by a native English speaker, the draft was sent to provinces for comments. After a number of back and forth communications between the study teams and provinces, the draft “Municipality and Province Investment Information” was finalized in the middle of December 2012. This publication was uploaded to the CDC website so that all visitors are able to obtain information/data on their interested provinces in a timely manner.



**Municipality and Province Investment Information 2013**

### (3) Update of Investment Guidebook

For many years JICA supported CDC in developing and publishing the Investment Guidebooks. Before

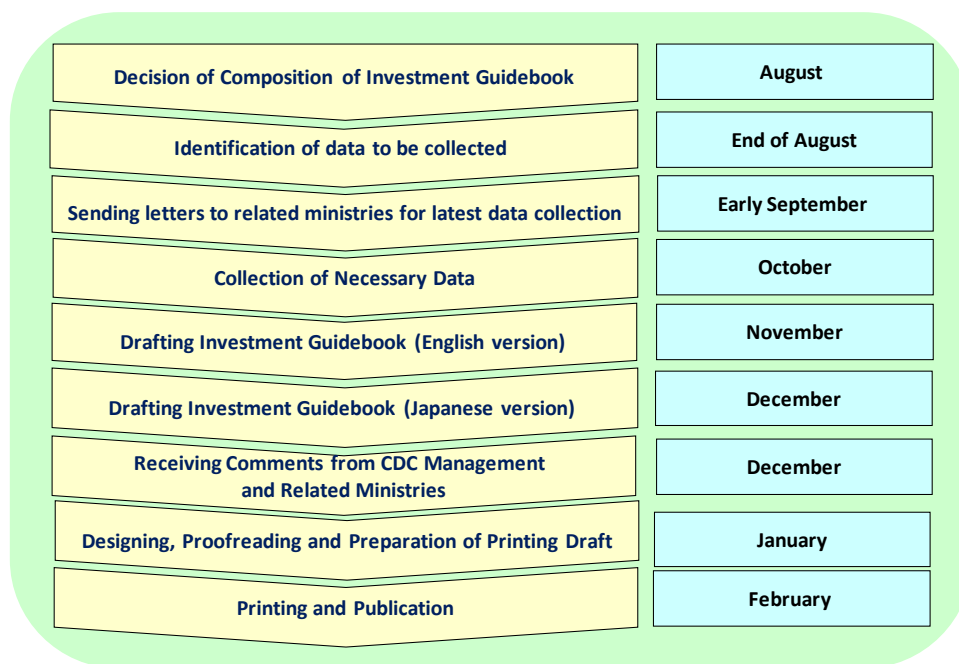
the Project, the following three Investment Guidebooks were published:

- Investment Guidebook (1st Edition) of January 2007 which was published under the JICA Development Study on Economic Policy Support in the Kingdom of Cambodia (2005-2007)
- Investment Guidebook (2nd Edition) of January 2010 which was published under the JICA Development Study on the Institutional Strengthening of Investment Promotion in the Kingdom of Cambodia (2009-2010)
- Investment Guidebook (3rd Edition) of June 2010 which was published under the JICA Development Study on Institutional Strengthening of Investment Promotion in the Kingdom of Cambodia (2009-2010)

During this Project, CDC revised and published the Investment Guidebook two times (i.e. Investment Guidebook 2012, 4<sup>th</sup> Edition in February 2012 and Investment Guidebook 2013, 5<sup>th</sup> Edition in February in 2013) in order to provide the most up-to-date information to investors. The JICA Project Team and the Guidebook WG prepared both Investment Guidebooks according to the following procedures and schedule:



**Investment Guidebooks**



Source: Guidebook WG

**Figure 2.1-7 Procedures and Schedule of Publishing Investment Guidebook**

### **Investment Guidebook 2012 (4th Edition)**

An outline of activities for updating the Investment Guidebook 2012 (4th Edition) is shown in the following table:

**Table 2.1-10 Outline of Update of Investment Guidebook 2012 (4th Edition)**

Updating Contents	The WG members, JICA Expert (advisor for investment environment improvement) and JICA Project Team examined the information/contents to be updated and decided to add the following information in the 4th edition <ul style="list-style-type: none"> <li>- Trade: update of Rule of Origin for Association of South East Asian Nations (ASEAN), current situation of progress of Common Effective Preferential Tariff (CEPT), special regulation on duties for agricultural goods</li> <li>- Corporate accounting: regulation on corporate audits</li> <li>- Information on financial institutions, insurance companies, accounting and law offices</li> <li>- Information on factory locations</li> <li>- Logistics: Freight charge by transport route, transport mean, form of cargo, location of logistics hubs</li> <li>- Provincial information (Investment-related information on the provinces)</li> <li>- Update to demographic information: 2008 Population Census</li> <li>- Labor information: employment information</li> <li>- Law: Civil Code and Law on Civil Code Procedure</li> </ul>
Data Collection	The WG members and JICA Project Team jointly collected the necessary information such as general country information, macro-economic statistics, trade statistics. Information on laws and regulations, business-related information, infrastructure and private sector were collected by the JICA Project Team.
Drafting Investment Guidebook	JICA Project Team prepared a draft Investment Guidebook (4th edition) during the period from October to December 2011. The most critical work for the 4th edition was how to edit the information on the Civil Code. The JICA Project Team selected provisions which were deemed to be necessary for business and included them in the Guidebook. The JICA Project Team also overviewed the most updated situation of the private sector since investment in Cambodia by Japanese companies has been increasing
Printing Revised Investment Guidebook	Investment Guidebook 2012 (4th Edition) was printed in Phnom Penh with 2,000 copies for English version and 3,000 copies for Japanese version being made. The printing work was started in December 2011 following the draft edition. The Investment Guidebook was officially delivered to CDC on February 2nd, 2012.

Source: Guidebook WG

As for the Investment Guidebook 2012 (4th Edition), while the WG members contributed to data collection, most of the revising work was done by the JICA Project Team. The JICA Project Team formulated a table containing the information items together with corresponding information sources as basic data to which the WG members could refer when they revise the Investment Guidebook themselves. The table and updating procedures were also compiled as a manual for updating the Investment Guidebook.

### **Investment Guidebook 2013 (5th Edition)**

The outline of activities for updating Investment Guidebook 2013 (5th Edition) is shown in the following table:

**Table 2.1-11 Activity Outline of Update of Investment Guidebook 2013 (5th Edition)**

Updating Policy	The WG members and JICA Project Team examined the information/contents to be updated and decided upon a policy for updating Investment Guidebook as follows: <ul style="list-style-type: none"> <li>- The composition of the Investment Guidebook will follow the previous version except for the provincial information, which will be compiled separately from the Investment Guidebook.</li> <li>- CDC members will take the lead in data collection from related ministries.</li> <li>- CDC members will try to draft some parts of Investment Guidebook.</li> </ul>
Data	First, data to be collected and their information sources were confirmed among the WG

Collection	members and JICA Project Team. After that, the WG members sent request letters to relevant ministries/organizations in the name of CDC in order to obtain the necessary data. The WG members continuously and patiently followed up on the data collection such as general country information, macro-economic statistics, trade statistics, infrastructure. The information collection for laws and regulations, business-related information and private sectors was still supported by the JICA Project Team.
Drafting Investment Guidebook	<p><u>English version</u></p> <p>The WG members tried to draft some parts of Chapter 1 (Basic Information), Chapter 2(Economic overview), Chapter 4 (Infrastructure) Chapter 8 (Cost of doing business) and Chapter 9 (Living environment for expatriates). JICA Project Team examined the draft prepared by each member and revised them while providing advice to the WG members. Other parts such as Chapter 3 (Business Operating Environment), Chapter 5 (Investment), Chapter 6 (The Special Economic Zones) and Chapter 7 (Private sector in Cambodia) were drafted by JICA Project Team. After drafting the English version, JICA Project Team and the WG members sent the draft to all the related stakeholders which provided appropriate data/information in order to obtain the comments and revised the draft based on the comments. Finally, JICA Project Team received the approval from CDC top management.</p> <p><u>Japanese version</u></p> <p>Based on the draft of English version, JICA Project Team drafted Japanese version of investment guidebook.</p>
Printing Revised Investment Guidebook	After the preparation of printing draft, the Investment Guidebook 2013 (5th Edition) was printed in Phnom Penh with the assistance of JICA. The number of copies was 4,000 for the English version and 2,500 for the Japanese version. The printing work was started in January 2013 following the draft editions. The Investment Guidebook was officially delivered to CDC in February 2013.

Source: Guidebook Team

As for Investment Guidebook 2013 (5th Edition), the Guidebook WG members were engaged in updating work more actively as compared to the Investment Guidebook 2012 (4th Edition) in terms of collecting data, writing drafts and communicating with all the stakeholders.

#### **(4) Evaluation of Activities at the End of the Project**

The three planned activities for the Guidebook WG were mostly completed according to the original schedule. The results of three activities were as follows:

##### Provincial Study

The team members of the provincial study have enriched their expertise in data compilation and publication. The study team members have obtained the knowledge and skills necessary for provincial study in a step-by-step manner. In the first year, the JICA Project Team led in all activities by providing the necessary work procedures. In the second year, the study team members who had participated in the study in the first year took the initiative in planning and conducting the provincial study and guided new members.

The provincial study provided a good opportunity for the study team members of CDC to understand the current situation of investment promotion and facilitation activities at the provincial level and establish communication networks with provinces.

### Compiling of Provincial Information

As a result of provincial studies, CDC has obtained information on all 24 provincial investment environments. Especially with the latest QIP approval records of PMISs, CDC can now compile and provide the consolidated QIP approval records of CIB, CSEZB and PMISs. And CDC can now collect the needs for capacity building of provincial officers. “Municipality and Province Investment Information” was published in January 2013. The contents of this publication were uploaded to the CDC website.

### Updating of Investment Guidebook

In the first year, the JICA Project Team focused on explaining how to update the Investment Guidebook. The Guidebook WG members were involved only in the discussions on which contents would be updated and the collection of the latest data. At the time, most sections of the draft were written by the JICA Project Team. Even so, through working together with JICA Project Team in the activities to some extent, the WG members were able to understand the basic procedures for updating the Investment Guidebook.

In the second year, the JICA Project Team emphasized having the WG members take on more responsibilities in updating the Investment Guidebook. Even though they wrote only a portion of the guidebook and needed the support of the JICA Project Team, the WG members proactively decided which data should be updated and collected necessary data through patient communication with relevant ministries/agencies.

Considering the achievement of the three main activities, it can be concluded that the activities have basically achieved their expected outputs.

However, there still remains some room for improvement. For the sustainable updating of the Investment Guidebook, it is recommended that the following efforts should be continued.

i) The necessity of regularly updating Investment Guidebook

The Cambodia Investment Guidebook, and Municipality and Province Investment Information, two investment promotion tools developed under this Project, will need to be regularly updated to provide up-to-date information to investors.

If budget is a constraint on annual updates, it is useful to consider that: i) revision every two years; ii) uploading of revised contents to the website; and iii) selling the Investment Guidebooks.

ii) Continuation of periodic meetings with municipalities and provinces

The need for provincial investment information may increase and provincial governments face difficulties in investment promotion. It is recommended that CDC hold periodic meetings with provincial authorities with provincial studies or training workshops in order to share and discuss investment promotion issues.

iii) Importance of daily data collection

In order to obtain necessary and appropriate data in a timely manner, it is important to collect the data/

information on a daily basis. CDC staff members are required to monitor and carefully check information sources such as newspaper articles, periodical statistics and official gazette. In addition, good communication networks should be built with related ministries/agencies to secure their support.

iv) Preparation of detailed schedules and strict adherence to them

With the updating of investment promotion tools such as guidebooks, detailed work schedules should be prepared at the beginning stage. All updating work should be conducted strictly according to such schedule. Time consciousness is key to complete such updating work in a timely manner because such updating work requires extensive and time-consuming activities such as data collection, drafting, comments from various stakeholders, design and compiling.

v) Necessity of improving the capacity to write a guidebook

CDC staff members involved in the activities of the Investment Guidebook have understood the basic procedure for updating an Investment Guidebook. It is necessary to further develop their capacity for data checking, data analysis, and delivering useful information to readers in a clear and logical manner.

vi) Utilization of outside resources

As CDC staff members also have regular assigned work, they cannot exclusively engage in the writing of an Investment Guidebook. One realistic alternative may be to ask for assistance from outside resources such as donors and international organizations.



### **2.1.3 Library Service Management**

#### **(1) Establishment of WG for Library Management System**

In March 2011, the Library WG was organized to implement the library service activities.

The activities for the Library WG were as follows:

- i) Formulate an activity plan for the library service WG;
- ii) Formulate a management plan for the CDC library;
- iii) Identify, collect and sort books and documents; and
- iv) Maintain and upgrade the library services of CDC.

#### **(2) Modification of the Library Space**

In the opinion of CDC's management, the current library space is too limited and the space must be expanded further and be made more comfortable for visitors. Nevertheless, the JICA Project Team took the budget constraint of CDC into consideration and recommended the modification of the current library space.

The JICA Project Team, jointly with the Project Manager of CDC, examined what is the optimal work flow and spacial distribution for the functions within PRIPD and prepared a draft design for the new office layout of PRIPD. In designing the draft layout, they reviewed the layout of the library space, reception space, work space, and book storeroom from the viewpoint of more effective service provision.

For the usability of the library function, it was selected and approved to set up an information corner in the library space. This corner would be installed with two PCs and bookshelves with the PCs storing various investment-related information collected in the course of the Project. The visitors would search information by using the PCs or visiting the bookshelf corner for printed materials.

The renovation work was finished in the beginning of October 2011. Two PCs, bookshelves, and a meeting table and chairs were installed at the end of December 2011.

#### **(3) Implementation Schedule for the Library WG**

Upon the completion of library space, the JICA Project Team explained to the Library WG about the activity plan for the WG. The activity plan included information collection, classification, allocation, a management system, preparation of brochures, and manuals and schedules. Library WG members discussed the activity plan and prepared an implementation schedule for 2012 as shown in the following figure:

Activities	Responsible Person	Apr		May		Jun		Jul		Aug		Sep		Oct		Nov		Dec		
		W.1	W.2	W.3	W.4	W.1	W.2	W.3	W.4	W.1	W.2	W.3	W.4	W.1	W.2	W.3	W.4	W.1	W.2	W.3
<b>1. Prepare and modify the procedures of the library management</b>																				
1.1 Prepare the procedures of library management (Library Manual)	WG & IPT				x															
1.2 Visitors log book & purpose of visit	WG		x																	
1.3 Book borrowing record	WG		x																	
1.4 Suggestion form & suggestion box	WG		x																	
1.5 Library brochure including user guide	WG & IPT				x															
1.6 Recruit a person to be in charge of the library work	WG Leader consults with Project Manager				x															
<b>2. A tour study at the ADB's library in Phnom Penh</b>	WG				x															
<b>3. Prepare the inventory and record a code on documents/books</b>	WG																			
3.1 Prepare the inventory on the existing documents / books	WG & IPT																			
3.2 Classify all documents/ books by their categories	WG & IPT																			
3.3 Discuss and put a code number on every document / book	WG & IPT																			
<b>4. Discuss and determine the duties and responsibilities of the person in charge of the library work</b>	WG																			
4.1 Work need to do during the working hours	WG																			
4.2 Define the timetable / roster of the working hours	WG																			
<b>5. Data or information collection work</b>	WG																			
5.1 Assign duties and responsibilities within the working group member	WG Leader																			
<b>6. Monthly report preparation</b>	WG																			
6.1 Draft the template of the monthly report	WG & IPT																			
6.2 Compile and finalize monthly report	WG																			
<b>7. Reflection on all implemented activities (Evaluation Meeting)</b>	WG																			

Source: Library WG

Figure 2.1-8 Implementation Schedule of Library WG

#### (4) Formulation of Library Management Plan

The Library WG discussed key factors of library management such as library operation rules, services to be provided and job descriptions for the library staff members. They compiled this into the Library Management Plan as shown in the following table and submitted it to CDC management. They also prepared a brochure on library services (Appendix 5-2).

Table 2.1-12 Draft Library Management Plan of CDC Library

Basic Policy	
Opening Hours and Days	8:30-11:30 / 14:00-17:00 (From Monday to Friday) Except for national holidays
Usage	The library is free and open to the general public.
Services to be provided	Browsing access to books/ information/ data both off-line and on-line Reference services from library Photocopy services
Staff Members	
Staff members	Persons in charge of CDC library (at least one person should stay be in the library.) Representatives for each division of CIB/CSEZB for information/data collection
Information/Data Management	
List of information/data	List of visitors: title, author, publisher, published year, label number, ISBN List of internal use: information/data source, frequency of update
Ownership mark	Stamp of CDC library (Name and obtained date)
Labeling (Classification)	Classification code should be determined. (e.g. code of three layers: type-country/sector-number)
Information/data Management	Open stack system

<b>Services to Be Provided</b>	
Browsing books	Visitors can browse freely.
Lending service	No lending service for visitors (lending service for CDC staff members can be considered, while lending rules need to be prepared)
Photocopy service	Photocopy service will be provided upon request from visitors. - Set an upper limit on the number of copied pages. - Consider approving photocopying by outside photocopy shops.
<b>Publication</b>	
Brochure	Opening hour, services, major information/data, location map
<b>Job Description for library management (Librarian)</b>	
Explanation of services	Explain the services and rules of CDC library.
Visitor's record	Keep record of visitors (name, organization, entry and exit time, purpose).
Information/data management	Keep original allocation of information/data.
Reference services	Support visitors to find appropriate information/data. Explain the contents of the information and data. Provide consultation services to visitors on investment into Cambodia.
Photocopy service	Make photocopies upon request visitors
Lending service	Keep records on lending services (name, due date, contact number).
Reference sheets	Distribute questionnaire sheets (evaluation, complain, request etc)
Management record	Prepare periodic management records (the numbers of visitors, reference records, complain records etc.)
<b>Monitoring and Evaluation</b>	
Evaluation Meeting	Periodic evaluation meeting for library services/management will be conducted. Possible agenda are as follows: (1) Review of the activities; (2) Issues to be improved for library management; (3) Preparation of activity plan for library management in next term; and (4) Budget estimation (purchasing information/data, maintenance facilities).

Source: Library WG

## **(5) Collection of Books and Documents**

The Library WG began collecting information/data from each division of CIB/CSEZB, international organizations such as Asian Development Bank (ADB) and United Nations (UN) and other related ministries. At the WG meetings in January and February 2012, the WG members classified the collected information/data (books), displayed them on the bookshelves according to the classification codes that had been previously prepared, and created information/data lists. Two desktop PCs are installed in the library space so that visitors could browse “Laws and Regulations,” presentation materials used at several investment seminars and multimedia information.

## **(6) Management of CDC Library**

CDC started the library service in April 2012. At the start of service, the name of the library service was changed to “Investment Information Desk.” Since then, Library WG members have maintained monthly records, including the number of books and number of visitors. Library WG members have been collecting books and information on a periodic basis.

## (7) Library Observation of Other Institutions

To get an idea of good library management, Library WG members visited several libraries during the Project period. Library WG members visited the ADB library on June 19th, 2012. After that visit, the Library WG discussed how to improve the CDC library by making a comparison chart as follows:

**Table 2.1-13 Comparison of ADB Library and CDC Library**

	Current Situation in ADB Learning Resource Center	Current Situation in CDC Library	Desirable situation	Possible Actions
Library Management	All visitors must fill out registration form.	All visitors must fill out registration form.	-	-
	Visitors can borrow books up to three for one week with leaving their ID card.	Library WG suggested to start lending service and are waiting for decision of CDC management.	CDC library provides lending service.	Waiting decision of CDC management
	Only ADB staff can make photocopy. It costs 200Riels per 1 copy.	Everyone can make photocopy up to 5 free.	-	-
	They hire university student as volunteer librarian.	There are no staffs to take care CDC library. Library WG members are taking care of it.	Full-time staff is taking care of library.	Recruit university student as volunteer librarian.
	They put policies for visitors on the wall.	There are no information for visitors.	-	Put information (regulation of the library) on the wall.
Document Management	ADB LRC uses DDC 20 for classification code.	CDC library uses own classification code.		
	Database system was installed on library PCs so that visitors can search documents easily.	CDC library has Excel database.		
	Documents published before 1990 were destroyed or donated to other libraries.	No rules for destruction.		
	They buy new books and magazines periodically.	There are no budget to buy books.		Allocate budget to buy book.
	ADB LRC doesn't count number of books.	WG members count number of books and check with database every three months.	-	-

Source: Library WG

On December 18th, 2012, Library WG members visited the CDRI (Cambodia's Leading Independent Development Policy Research Institute) library. Library WG members received information from CDRI about their library management system called "NewGenLib". The Outline of CDRI library is set out in the following table:

**Table 2.1-14 Outline of CDRI Library**

Outline	<p>CDRI Library was established in 1992. Currently, there are five permanent employees and two volunteers who receive small financial support from CDRI. Until now, the library maintains over 18,000 book titles properly classified through Dewey Decimal Classification (DDC). Some books have been contributed by Asian Development Bank, World Bank and other sources.</p> <p>CDRI library installed a library management system called "NewGenLib". Information on the books in CDRI library was digitalized and all the documents can be searched through the website. Now CDRI is also able to provide a NewGenLib training program to other libraries who want to install this system. The cost of installation will be \$ 500 and training course will be \$70 per day for an 8 day program.</p>
Reading and Borrowing Procedure	<ul style="list-style-type: none"> <li>- All customer need to register.</li> <li>- Pay 2 dollars to receive a library reading and borrowing cards.</li> <li>- The librarian shows the customer how to find the needed books with the computer program.</li> <li>- The librarian shows the customer how to find the needed books on the shelf</li> <li>- Photocopying is not allowed in the library.</li> <li>- Requests for soft copies can be made by email only.</li> </ul>
Book Management	<ul style="list-style-type: none"> <li>- Books can be borrowed for only 7 days.</li> <li>- Data records borrowers have been put in the computer system such as his/her address, telephone number or address of their home, work place or place they study.</li> </ul>

	<ul style="list-style-type: none"> <li>- In case of delay to return the book the library charges a fine of 500 Riel per day.</li> <li>- Should the borrower not return the book, the people in charge will directly contact him/her or the work place/studying institution.</li> </ul>
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Source: Library WG

Library WG members understood that “NewGenLib” enables fast and easy classification and searching for books. The “NewGenLib” is a good system because it has been used by many institutions in Phnom Penh.



**CDC Investment Information Desk**



**Library Visit in CDRI Library**

### (8) Monitoring of Library Management

The results of monitoring of library management are summarized in the following table:

**Table 2.1-15 Performance Indicators for Library Service**

Indicator	Status of achievement												
Number of books and, information/ data provided by library service		April	May	June	July	August	September	October	November	December	January	Total	
	1-1	Number of Law and regulation	70	+0	+14	+0	+14	+1	+1	+0	+0	+2	102
	1-2	Number of Policies & Guidelines	144	+1	+7	+5	+12	+13	+0	+0	+12	+12	204
	1-3	Number Statistics books	76	+4	+9	+4	+15	+1	+1	+3	+2	+4	116
	1-4	Number of Dictionaries	1	+0	+1	+0	+0	+0	+0	+0	+0	+0	2
	1-5	Number of magazine	6	+0	+5	+1	+2	+2	+2	+0	+1	+1	19
	1-6	Number of multimedia	0	+2	+0	+10	+0	+3	+0	+0	+0	+0	3
	1-7	Number of softcopy	526	+0	+0	+0	+0	+1	+0	+0	+0	+0	527
	1-8	Number of other information	160	+0	+6	+1	+1	+0	+0	+0	+0	+0	168
	1-7	Total number of books and information (except softcopy)	457	+7	+42	+21	+44	+21	+4	+3	+15	+19	633
Number of visitors of library service		April	May	June	July	August	September	October	November	December	January	Total	
	2-1	Number of visitors (CDC staff)	N/A	N/A	1	1	4	6	2	0	0	1	15
	2-2	Number of visitors (outsider)	N/A	N/A	4	11	14	2	3	4	2	0	40
2-3	Total number of visitors	N/A	N/A	5	12	18	8	5	4	2	1	55	
Satisfaction level of visitors	WG prepared an inquiry sheet for visitors and put it at Investment Information Desk. Since no staff were stationed at the Investment Information Desk, there have been no comments from												

for library service	visitors so far. However, most users seem satisfied with the information of Investment Information Desk because useful information related to investment such as laws and regulations and SEZ available at the Investment Information Desk.
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Source: Library WG

### **(9) Evaluation of Activity at the End of the Project**

It is deemed that the activities of the library management have achieved a sufficient level of outputs as a whole. This can be concluded from the following facts:

- i) Through the activities of Library WG, the mechanism by which CDC provides information to visitors as well as officials in CDC has been built;
- ii) Library WG has established a system for periodically collecting books and documents related to investment; and
- iii) Several indicators set in the Project Design Matrix (PDM) shown in the above (8) indicate favorable trends for the library service.

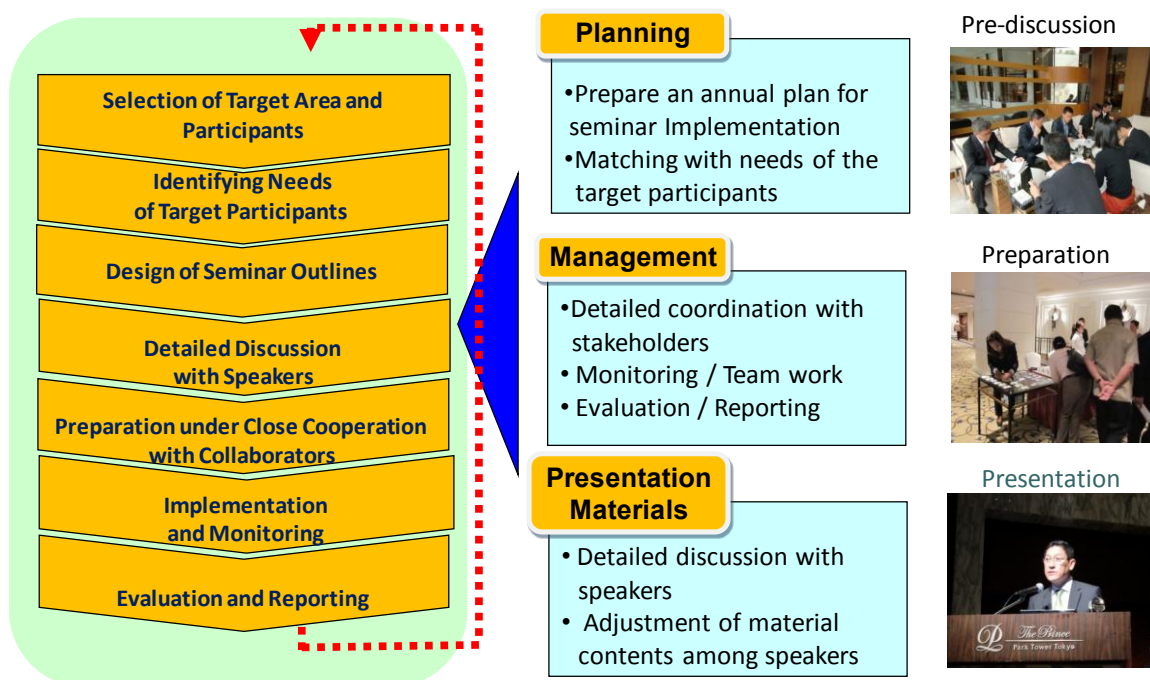
The problem of book loss has occurred due there being no assigned librarian at the Investment Information Desk. To avoid such book loss, CDC installed a cabinet with a lock and important books were moved to that cabinet. From the beginning of January 2013, the space for the Investment Information Desk has also been used for the one stop CDC services and some officials stay there. Since then, these officials have kept watch on the visitors to avoid book loss.

## 2.2 Achievement of Output 2

### 2.2.1 Planning and Implementation of Investment Seminar

Three major activities have been set during the Project or the planning and implementation of investment seminars: i) Cambodia investment promotion seminars in Japan; ii) Cambodia investment promotion seminars in neighboring countries; and iii) training workshops for provincial officers in order to strengthen the capacity of CDC staff members to plan and implement seminars as well as to promote investment into Cambodia. While Seminar WG members were assigned from various departments of CIB at the beginning of the Project, an implementation team mainly consisting of CDC staff members from PRIPD and CSEZB was formed apart from the Seminar WG for each seminar/ workshop. The JICA Project Team has transferred necessary knowledge and skills to the team members who were involved in the seminar/ workshop implementation.

In order to conduct seminars or training programs effectively, the JICA Project Team introduced working procedures for seminar implementation, as shown in the following figure, and emphasized three key factors to the team members: i) detailed planning and preparation; ii) close communication with stakeholders; iii) appropriate monitoring and evaluation; and iv) detailed discussions with speakers.



Source: JICA Project Team

**Figure 2.2-1 Working Procedures for Effective Seminar Implementation**

JICA Project Team prepared the investment seminar manual in English in the first year of the Project for providing basic standard procedures for seminar implementation. The seminar team members prepared an implementation plan including a detailed preparatory schedule for each seminar, and shared their progress among the team members through team meetings. After implementing each seminar, an evaluation

meeting was held and a seminar implementation report was prepared by the team members based on the results of the evaluation meeting.

### (1) Cambodia Investment Promotion Seminar in Japan

During this Project, three Cambodia investment promotion seminars were conducted in Japan (the seminar in Tokyo, June 2011; the seminar in Osaka, July 2012; and the seminar in Tokyo, July 2012) in order to promote investment in Cambodia by providing information to Japanese firms that have an interest in Cambodia.

Four organizations (CDC, AJC, Japan External Trade Organization (JETRO) and JICA) conducted the seminars as the main organizers in close cooperation with each other. The JICA Project Team continuously assisted CDC in seminar arrangements. At the planning stage, all the organizers agreed to set up the following policies to achieve the seminar objectives effectively and efficiently:

- To provide target Japanese firms with an opportunity not only to listen to lectures but also to have direct dialogue with top government officials from Cambodia;
- To provide practical information that is useful for potential Japanese investors in considering investing in Cambodia;
- To invite Japanese small-and-medium-scale manufacturers as target participants; and
- To appeal for various assistance and cooperation activities for investment environment improvements, which would be conducted by both Cambodian and Japanese governments.

Since many organizations were involved in the seminars, the roles of each organization were clearly defined at the preparatory stage as set out in the following table:

**Table 2.2-1 Role of Each Organizer for Implementing Cambodia Investment Seminars**

<b>CDC</b>	CDC Counterparts	<ul style="list-style-type: none"> <li>- Planning and implementing seminar</li> <li>- Providing lectures</li> </ul>
	CDC Investment Environment Improvement Advisor (JICA Expert)	<ul style="list-style-type: none"> <li>- Planning seminar</li> <li>- Arranging itinerary and accompanying CDC counterparts</li> <li>- Coordinating with lecturers from Japanese firms</li> <li>- Providing a lecture</li> </ul>
	Project on Enhancing Investment-Related Services of CDC (JICA Project Team)	<ul style="list-style-type: none"> <li>- Assisting CDC to plan and implement seminar</li> <li>- Supporting the preparation of an itinerary for CDC counterparts in Japan</li> <li>- Bearing costs (venue in Osaka, printing distribution materials, travel and accommodation costs for lectures from Japanese firms)</li> <li>- Sharing preparatory progress with all related stakeholders</li> <li>- Collecting and analyzing questionnaire and preparing a seminar implementation report</li> </ul>
<b>AJC</b>	Trade and Investment Division	<ul style="list-style-type: none"> <li>- Planning and implementing seminar</li> <li>- Arranging itinerary of CDC counterparts and accompanying them</li> <li>- Announcing seminar, collecting seminar application and compiling questions raised from the applicants in advance</li> <li>- Coordinating with co-organizers and supporters</li> <li>- Bearing costs (venue arrangements in Tokyo, travel and accommodation costs for counterparts)</li> </ul>



<b>JICA</b>	Industrial Development and Public Policy Department	- Planning and implementing seminar - Coordinating with co-organizers and supporters - Coordinating with related ministries
	JICA Cambodia Office	- Reporting and consulting with Embassy of Japan in Cambodia - Sending distribution materials related to JICA activities in Cambodia
<b>JETRO</b>	Overseas Investment Division	- Announcing seminar
	JETRO Osaka	- Announcing seminar
	JETRO Phnom Penh	- Providing a lecture (JETRO Phnom Penh Office and JBAC)

Source: Seminar Team

All the seminars were conducted according to the implementation policy and schedule under close cooperation of all the related organizations. As for the seminars of 2012, CDC and JICA Project Team took two countermeasures to improve the seminars based on the lessons learned from the seminar of 2011, i.e., i) increase in the number of lecturers from private sectors and ii) getting support from chambers of commerce and Organization for Small & Medium Enterprises and Regional Innovation, JAPAN as a co-organizer /supporter of the seminars for recruiting participants of manufacturers especially in small and medium scale. The outline of each seminar is summarized in the table below.

**Table 2.2-2 Outline of the Cambodia Investment Seminars in Japan (2011-2012)**

<b>Cambodia Investment Seminar 2011, in Tokyo</b>	
Date	June 2, 2011 (Thu), 13:30 - 16:00
Place	The Prince Park Tower Tokyo “Ball Room”
Auspices	- Royal Embassy of Cambodia to Japan - Ministry of Economy, Trade and Industry - Ministry of Foreign Affairs (MOFA) of Japan (METI) of Japan
Participants	Japanese firms (the number of participants was 323 persons)
Interpretation	Simultaneous interpretation (English and Japanese)
Speakers	- H.E. Masafumi Kuroki, Ambassador Extraordinary and Plenipotentiary of Japan to the Kingdom of Cambodia - H.E. Sok Chenda Sophea, Minister Attached to Prime Minister, Secretary General of Council for the Development of Cambodia - Mr. Y. Imamura, Investment Environment Improvement Advisor to CDC, JICA Expert - Mr. Y. Kainuma, Chief Executive Officer (CEO) & President, Minebea Co., Ltd. - Mr. K. Doho, Representative of JETRO Phnom Penh Office, Secretary of JBAC (Japanese Business Association of Cambodia)
Distribution materials	- Photocopies of Presentation Materials - Sihanuokville Port SEZ catalog - Investment Guidebook (June 2011 Edition) - Questionnaire for Seminar Participants - FAQs about Cambodia Investment
Topics	- “Investment Environment of Cambodia” - “Investment Opportunities in Cambodia” - “Three Critical Factors in Investment to Cambodia (Location, Logistics and Manpower)” - “Background and Purpose of Minebea’s Investment in Cambodia” - “Trend of Japanese Investment in Cambodia and Assistance for Investment Activities of Japanese Enterprises”
<b>Cambodia Investment Seminar 2012, in Osaka</b>	
Date	July 25, 2012 (Wed), 13:30-16:20
Place	Hotel Granvia Osaka, Ho-o Hall
Co-organizer	- Osaka Chamber of Commerce and Industry - Organization for Small & Medium Enterprises and Regional Innovation, JAPAN
Supporters	- Royal Embassy of Cambodia in Japan - Ministry of Economy, Trade and Industry - Ministry of Foreign Affairs of Japan - Japan Chamber of Commerce and Industry

Participants	Japanese firms (the number of participants was 159 persons)	
Interpretation	Simultaneous interpretation (English and Japanese)	
Speakers	<ul style="list-style-type: none"> <li>- H.E. Sok Chenda Sophea, Minister Attached to Prime Minister, Secretary General of Council for the Development of Cambodia</li> <li>- Mr. Y. Imamura, Investment Environment Improvement Advisor to CDC, JICA Expert</li> <li>- Mr. S. Washizawa, General Manager Cambodia Representative Office, AEON Co., Ltd.</li> <li>- Mr. S. Kamemoto, President of Sumi (Cambodia) Wiring Systems Co., Ltd.</li> <li>- Mr. T. Itano, President of SWANY Corporation</li> <li>- Mr. T. Ito, Chief Representative of Phnom Penh Representative Office, Yusen Logistics Co., Ltd.</li> <li>- Mr. K. Doho, Representative of JETRO Phnom Penh Office, Secretary of JBAC (Japanese Business Association of Cambodia)</li> </ul>	
Distribution materials	<ul style="list-style-type: none"> <li>- Presentation Materials of speakers</li> <li>- Investment Guidebook (January, 2012)</li> <li>- FAQ book on Investment in Cambodia</li> </ul>	<ul style="list-style-type: none"> <li>- Leaflet of Sihanoukville Port Special Economic Zone(SPSEZ)</li> <li>- Questionnaire sheet for seminar evaluation</li> </ul>
Topics	<p>“Investment Environment and Opportunities in Cambodia”</p> <p>“Three Key Factors for Investing in Cambodia (Location, Logistics and Labor)”</p> <p>“Outline of the first AEON shopping center in Cambodia (AEON Mall Phnom Penh )”</p> <p>“Sumitomo Wiring Systems expanded its business to 31 countries”</p> <p>“Experience of Business Expansion to Cambodia”</p> <p>“Distribution Logistics in Cambodia”</p> <p>“JETRO and JBAC’s support for Japanese enterprises in Cambodia”</p>	
<b>Cambodia Investment Seminar 2012, in Tokyo</b>		
Date	July 27, 2012 (Fri), 13:30-16:20	
Place	The Prince Park Tower Tokyo Convention Hall FG	
Co-organizer	Organization for Small & Medium Enterprises and Regional Innovation, JAPAN	
Supporters	<ul style="list-style-type: none"> <li>- Royal Embassy of Cambodia in Japan</li> <li>- Ministry of Foreign Affairs of Japan</li> </ul>	<ul style="list-style-type: none"> <li>- Ministry of Economy, Trade and Industry</li> <li>- Japan Chamber of Commerce and Industry Tokyo</li> </ul>
Participants	Japanese firms (the number of participants was 382 persons)	
Interpretation:	Simultaneous interpretation (English and Japanese)	
Speakers	<ul style="list-style-type: none"> <li>- H.E. Sok Chenda Sophea, Minister Attached to Prime Minister, Secretary General of Council for the Development of Cambodia</li> <li>- Mr. Y. Imamura, Investment Environment Improvement Advisor to CDC, JICA Expert</li> <li>- Mr. S. Washizawa, General Manager Cambodia Representative Office, AEON Co., Ltd.</li> <li>- Mr. S. Kamemoto, President of Sumi (Cambodia) Wiring Systems Co., Ltd.</li> <li>- Mr. T. Mitsunaka, Senior Managing Director of SWANY Corporation</li> <li>- Mr. T. Ito, Chief Representative of Phnom Penh Representative Office, Yusen Logistics Co., Ltd.</li> <li>- Mr. K. Doho, Representative of JETRO Phnom Penh Office, Secretary of JBAC (Japanese Business Association of Cambodia)</li> </ul>	
Distribution materials	<ul style="list-style-type: none"> <li>- Presentation Materials of speakers</li> <li>- Investment Guidebook (January, 2012)</li> <li>- FAQ book on Investment in Cambodia</li> </ul>	<ul style="list-style-type: none"> <li>- Leaflet of Sihanoukville Port Special Economic Zone(SPSEZ)</li> <li>- Questionnaire sheet for seminar evaluation</li> </ul>
Topics	<p>“Investment Environment and Opportunities in Cambodia”</p> <p>“Three Key Factors for Investing in Cambodia (Location, Logistics and Labor)”</p> <p>“Outline of the first AEON shopping center in Cambodia (AEON Mall Phnom Penh )”</p> <p>“Sumitomo Wiring Systems expanded its business to 31 countries”</p> <p>“Experience of Business Expansion to Cambodia”</p> <p>“Distribution Logistics in Cambodia”</p> <p>“JETRO and JBAC’s support for Japanese enterprises in Cambodia”</p>	

Source: Seminar Team

In order to understand participants’ interests in investment in Cambodia and evaluate the seminar management, a questionnaire sheet was distributed to participants and was collected at the end of each

seminar. The questionnaire sheets collected in the seminar were tallied, analyzed and incorporated into the Seminar Implementation Report (see Appendix 6-3). Following the implementation of each seminar, an evaluation meeting was held with the participation of the JICA Project Team, WG members, and JICA expert (advisor for investment environment improvement), who was dispatched to CDC with the purpose of identifying the issues and discussing solutions for seminars in the future.

According to the evaluation by the participants, all the seminars were evaluated highly by the participants since the participants could obtain comprehensive and up-to-date information on the investment environment in Cambodia as well as practical information based on actual business experiences in Cambodia.



**Investment Seminar in Osaka (July 2012)**



**Investment Seminar in Tokyo (July 2012)**

**(2) Seminars in the Neighboring Countries (Vietnam and Malaysia)**

Recently, Japanese investment in Cambodia has been increasing and is expected to be accelerated because of the ASEAN economic integration planned in 2015. To cope with this, CDC decided to hold a Cambodian Investment Seminar in Ho Chi Minh City, Vietnam and Kuala Lumpur City, Malaysia for Japanese firms currently operating in those two cities. It was expected that the following outcomes would be achieved from the seminars:

- Japanese firms operating in the two cities would understand the investment environment in Cambodia;
- Japanese firms operating in the two cities would increase their interest in Cambodia as an investment destination;
- CDC will strengthen its collaboration network with such organizations as JETRO and JICA; and
- The capacity of staff members from CDC to manage a seminar will be improved.

Three organizations (CDC, JETRO and JICA) were involved in the seminars as organizers. The JICA Project Team supported CDC in planning, preparing and implementing the seminars. The main roles of three organizations are as follows:

**Table 2.2-3 Role of Each Organizer for Implementing Cambodia Investment Seminars**

<b>CDC</b>	- Planning and coordinating the seminar implementation
<b>(JICA)</b>	- Arranging speakers

<b>Project Team)</b>	<ul style="list-style-type: none"> <li>- Preparing distribution materials including presentation materials</li> <li>- Implementing and monitoring the seminar</li> <li>- Preparing implementation report</li> </ul>
<b>JETRO</b>	<ul style="list-style-type: none"> <li>- Arranging the venue and coordinating with related organizations</li> <li>- Recruiting participants and preparing the list of participants</li> <li>- Sending a speaker</li> <li>- Setting up necessary equipment for the venue</li> <li>- Implementing and monitoring the seminar</li> </ul>
<b>JICA</b>	<ul style="list-style-type: none"> <li>- Supporting budget through the JICA Project</li> <li>- Coordinating with related organizations</li> <li>- Implementing and monitoring the seminar</li> </ul>

Source: Seminar Team

At the planning stage, the seminar outline was prepared by team members of CDC and the JICA Project Team as shown in the following:

**Table 2.2-4 Outline of Cambodia Investment Seminars**

<b>Participants</b>	40 Japanese firms operating in Ho Chi Minh, Vietnam 40 Japanese firms operating in Kuala Lumpur, Malaysia
<b>Date/Time</b>	November 2, 2012 (Friday) in Ho Chi Minh December 3, 2012 (Monday) in Kuala Lumpur
<b>Venue</b>	JETRO Ho Chi Minh Office (Seminar in Ho Chi Minh) Prince Hotel and Residence Kuala Lumpur (Seminar in Kuala Lumpur)
<b>Speakers</b>	<ul style="list-style-type: none"> <li>- A speaker from CDC</li> <li>- A speaker from JICA / CDC</li> <li>- A speaker from a Japanese firm operating in Cambodia</li> <li>- A speaker from JETRO Phnom Penh</li> </ul>
<b>Syllabus</b>	<ul style="list-style-type: none"> <li>- General investment environment in Cambodia (Lecture)</li> <li>- Detailed information on the investment environment (Lecture)</li> <li>- Business experiences of a Japanese firm operating in Cambodia (Lecture)</li> <li>- Government support for investment promotion in Cambodia (Lecture)</li> <li>- Q&amp;A session</li> </ul>
<b>Distribution Materials:</b>	<ul style="list-style-type: none"> <li>- Presentation materials of speakers (including seminar agenda)</li> <li>- Investment Guidebook (January, 2012)</li> <li>- FAQ book on Investment in Cambodia</li> <li>- Brochure of Sihanoukville Port SEZ</li> <li>- Questionnaire sheet for seminar evaluation</li> </ul>

Source: Seminar Team

In order to conduct necessary preparation effectively and efficiently, a detailed preparatory schedule was made by the team members of CDC before each seminar. According to that schedule, the team members of CDC held periodic meetings to prepare the seminar and share the progress among the team members and the co-organizers in a timely manner. A questionnaire sheet was prepared to obtain evaluations from the participants. On the day before each seminar, the team members had a meeting with the JETRO office and visited the venue to check the seminar layout, necessary equipment and presentation materials.

The two seminars were conducted on November 2nd, 2012 in Ho Chi Minh and on December 3rd, 2012 in Kuala Lumpur according to the schedule. The number of participants of the seminars was 32 people in Ho Chi Minh and 24 people in Kuala Lumpur respectively. The agenda for the seminars is shown in the following table:

**Table 2.2-5 Seminar Agenda (Ho Chi Minh and Kuala Lumpur)**

9:30-9:40	<p><u>Opening remarks in Ho Chi Minh:</u> Mr. Hiroataka Yasuzumi, Managing Director of Japan External Trade Organization, Ho Chi Minh Office</p> <p><u>Opening remarks in Kuala Lumpur</u> Mr. Joji Ikeshita, Managing Director, JETRO Kuala Lumpur Office Mr. Hitoshi Hirata, Senior Representative, JICA Cambodia Office</p>
9:40-10:10	<p>“Investment Environment and Opportunities in Cambodia” H.E. Chea Vuthy, Deputy Secretary General, CIB/CSEZB, CDC (in Ho Chi Minh) Mr. Suon Sophal, Deputy Director of Public Relation and Investment Promotion Department, CIB, CDC (in Kuala Lumpur)</p>
10:10-10:40	<p>“Three Key Factors for Investing in Cambodia (Location, Logistics and Labor)” Mr. Yuji Imamura, Investment Environment Improvement Advisor to CDC (JICA Expert)</p>
10:40-10:50	Break (10 min.)
10:50-11:20	<p>“Sumitomo Wiring Systems expanded its business to 31 countries” Mr. Shinichi Kamemoto, President of Sumi (Cambodia) Wiring Systems Co., Ltd.</p>
11:20-11:40	<p>“Japan - Cambodia Relationship to promote investment” Mr. Kiyotaka Doho, Representative of JETRO Phnom Penh Office, Secretary of JBAC(Japanese Business Association of Cambodia)</p>
11:40-12:00	Q&A Session
12:00	End of the Seminar

Source: Seminar Team

Evaluation meetings were held on November 6th, 2012 for the seminar in Ho Chi Minh, and on January 17th, 2013 for the seminar in Kuala Lumpur with the attendance of all team members of CDC and the JICA Project Team. The members reviewed and analyzed the results of questionnaires filled in by the participants. After that, the members discussed necessary actions for further improvement to seminar management. The results of the evaluation meetings were compiled into the seminar implementation reports (see Appendix 6-4).

In close cooperation with the CDC, JICA and JETRO offices, both seminars were conducted successfully with the expected outcomes. After listening to the presentations and exchanging questions and answers with the lecturers, the participants may have become more aware of the current investment environment in Cambodia and learnt about its potentials.



**Investment Seminar in Ho Chi Minh  
(November 2012)**



**Investment Seminar in Kuala Lumpur  
(December 2012)**

### (3) Training Workshop for Provincial Officials

While interest in investment into provinces of Cambodia has been increasing among foreign investors, the capacity of provincial officials to provide investment related services has much room for improvement; in particular, understanding of needs of investors, basic knowledge of investment laws and regulations and QIP application procedures. To cope with this, CDC and the JICA Project Team decided to conduct training workshops for provincial officials to increase their knowledge and skills in investment promotion and their awareness of customer-oriented services.

The three training workshops were implemented during the period of the Project as shown in Table 2.2-6 with the following objectives:

- Target provincial authority staff members will increase their understanding of investment related services;
- Communication networks, the sharing of investment information, and collaboration of investment promotion activities will be established between CDC and the provinces; and
- CDC will obtain necessary knowledge and skills for the planning and implementing of workshops through OJT.

**Table 2.2-6 Outline of Training Workshops for provincial Officials**

<b>“Investment Promotion and Facilitation” in Sihanoukville</b>	
Participants	40 provincial officials from seven target provinces (Kandal, Kampot, Takeo, Kep, Prea Sihanouk, Koh Kong, Kampong Speu)
Date/Time	February 20-22, 2012 (3days)
Venue	Golden Sea Hotel, Sihanoukville
Agenda	
20 February 2012 (1 <sup>st</sup> day)	Welcoming Remark by Governor of Sihanoukville Opening Remarks H.E Sok Chenda Sophea, Minister attached to Prime Minister, Secretary General of the CDC Lecture on “One roof service, One Stop Service” H.E Chea Vuthy, Deputy Secretary General, CIB and CSEZB Lecture on “Industrial Policy and Economic Development” Mr. Taguchi Sadanobu, Policy Advisor on Industry and Investment Promotion Lecture on “ How to help potential Japanese investors to invest in Cambodia” Mr. Yuji IMAMURA, JICA Expert Lecture on “Enhancement of service-related to investment in Kingdom of Cambodia” Mr. Akihiko Morinaga, JICA Technical Cooperation Project to CDC Group Discussion
21 February 2012 (2 <sup>nd</sup> day)	Lecture on “How METI could help to promote Japanese investors to invest in Cambodia?” Mr. Taguchi Sadanobu, Policy Advisor on Industry and Investment Promotion Lecture on “How can we effectively manage SEZ to satisfy Japanese companies?” Mr. Hiroshi Uematsu, Board Member of JBAC Lecture on “Proposed General Assistance which Cambodia Government can provide to help Japanese investment in Cambodia” AEON Co., Ltd Question and Answer Lecture on “Introduction of the Project on Enhancing Investment-related Service of CDC” Mr. Akihiko Morinaga, JICA Technical Cooperation Project to CDC Closing Ceremony and Certificate Award by H.E Sok Chenda Sophea, Minister attached to Prime Minister, Secretary General of the CDC
22 February 2012 (3 <sup>rd</sup> day)	Visit to Sihanoukville Special Economic Zone and Port Authority and Port SEZ

<b>Training Workshop on Investment Promotion and Facilitation in Siem Reap</b>	
Participants	26 provincial officials who are in charge of investment promotion and facilitation in nine target provinces (Battam Bang, Pursat, Kampong Chhnang, Kampong Thom, Oudar Meanchey, Pailin, Preah Vihear, Siem Reap, Banteay Meanchey)
Date/Time	5&6 July 2012 (2days)
Venue	Hotel Angkor Paradise, Siem Reap
Agenda	
5 July 2012 (1 <sup>st</sup> day)	Welcoming Remarks by JICA Project Team, Opening Remark by representative of CDC
	Lecture on “Expected role of government agencies on investment promotion” H.E Chea Vuthy, Deputy Secretary General, CIB and CSEZB
	Lecture on “Investment trend and needs of investors” Mr. Yuji Imamura, JICA Expert
	Question and Answer
	Group Discussion on Current situation of PMIS, and current issues on investment promotion and facilitation - Brief explanation (background, purpose, procedures) - Group discussion - Presentation by each group (inc. Q&A) 20min/each Group
6 July 2012 (2 <sup>nd</sup> day)	Lecture on “Enhancement of Investment-related Services in the Kingdom of Cambodia” Mr. Voanra, JICA Technical Cooperation Project to CDC
	Lecture on “QIP application procedures” H.E. Youn Heng, Director of Project Evaluation and Incentive Dept. CIB
	Lecture on “Law and Regulation of Investment in Cambodia” Mr. Van Sovatha, Deputy Director of Legal Department, CIB
	Question and Answer
	Group Discussion on future cooperation between CDC and provinces - Review of last group session - Group Discussion - Presentation by each group (inc. Q&A) 20min/each Group - Conclusion
	Closing remark by representative of JICA Project Team Distribution of certificate
<b>Training Workshop on Investment Promotion and Facilitation in Phnom Penh</b>	
Participants	30 provincial officials from eight provinces, i.e., Kampong Cham, Kratie, Ratnakiri, Stung Treng, Mondor Kiri, Svay Rieng, Prey Veng and Phnom Penh
Date/Time	23 October 2012 (Tue)
Venue	Phnom Penh (CDC)
Agenda	
23 October 2012	Opening Remarks by H.E. Sok Chenda Sophea, the Minister Attached to Prime Minister and the Secretary General of CDC
	Lecture on “QIP procedures including Laws and Regulations” H.E. Youn Heng, Director of Project Evaluation and Incentive Dept. CIB
	Lecture on “Investment trend and needs of investors (3L)” Mr. Yuji Imamura, JICA Expert
	Lecture on “Importance of after-care service” Mr. Un Vallero, Director of Project Monitoring Dept., CIB
	Group Discussion on current issues of PMIS and future cooperation b/w CDC and provinces - Brief explanation (background, purpose, procedures) - Group discussion
	Group Discussion 2: Group Discussion (PMIS activity)
	Lecture on “CDC’s investment promotion/facilitation service” H.E Chea Vuthy, Deputy Secretary General, CIB and CSEZB
	Lecture on “Enhancing investment-related services” Mr. Akihiko Morinaga, JICA Technical Cooperation Project to CDC
	Group Discussion (continued) - Group discussion - Presentation by each group (inc. Q&A) 20min/each Group

	Closing remarks by H.E. Sok Chenda Sophea, the Minister Attached to Prime Minister and the Secretary General of CDC and certificate distribution
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Source: Seminar Team

The 1st training workshop in Sihanoukville was implemented with financial contributions from the ASEAN-Japan Center. Investment promotion to Japanese investors was selected as the topic and Japanese speakers from both the Japanese government and the private sector were invited to the workshop.

The 2nd and 3rd training workshops were conducted in Siem Reap and Phnom Penh respectively. Practical topics on investment promotion and facilitation such as QIP application procedure including related laws and regulations, information and promotion services and aftercare services were selected. The current issues of PMIS in each province and possible collaboration between CDC and those PMISs were also discussed in the group discussion during both training workshops.

CDC team members actively participated in the planning and implementation of the training workshops while obtaining support and advice from the JICA Project Team. In order to make necessary preparation effectively and efficiently, the CDC team members prepared a detailed preparatory schedule before each training workshop. According to the schedule, the CDC team members conducted periodic meetings to prepare the workshops and shared the progress among members in a timely manner. During the workshops, all team members managed and monitored the workshop and led the group discussion.

After the workshops, the team members prepared the questionnaires summary, analyzed its result, and compiled the results into the workshop implementation report. In general, the participants highly evaluated the workshops and some participants requested CDC to implement additional workshops for the capacity building of provincial officers.



**Training Workshop for provincial Officials  
in Siem Reap (July 2012)**



**Training Workshop for provincial Officials in  
Phnom Penh (October 2012)**

#### **(4) Evaluation of Activity at the End of the Project**

As a whole, all the seminars and training workshops were successfully completed according to the original plans. Through the seminars and training workshops, team members were able to deepen their understanding of the planning, preparing and implementing seminars in an efficient and effective manner. In particular, they recognized the importance of detailed planning, close communication with stakeholders and appropriate monitoring and evaluation.



As for the seminars in Japan and the neighboring countries, the JICA Project Team considered the establishment of the collaboration networks with related stakeholders as an important objective since CDC has little budget for investment promotion seminars overseas. Through the seminars, CDC can strengthen the collaboration network for investment seminars with various stakeholders such as AJC, JETRO and business associations. At the same time, the team members improved their capacity to manage seminars.

The training workshops for provincial officials had the effect of strengthening the networks with municipality and provinces, in particular with staff members of PMIS in each province. It was a significant result that CDC could recognize the real situation of PMIS's activities and share CDC's future vision of investment promotion and facilitation services with PMIS.

Therefore, it can be concluded that the Project activities in seminar management have generally achieved the output according to the original plan.

Meanwhile several issues have been identified for further improvement in seminar management of CDC. These issues are:

#### Seminar Planning and Implementation

i) Necessity of formulating an annual seminar plan for CDC

In order to conduct seminars in cooperation with other donors and partners, it is necessary for CDC to prepare an annual plan for Cambodia Investment Seminars including target countries/ areas and sectors so that CDC can start the necessary coordination with possible partners early on.

ii) Early start on preparation for the seminars

Since Cambodia investment seminars may involve various stakeholders, CDC should do considerable coordination work in their seminar management. In addition, preparing presentation materials, including proofreading and finalization, need a certain amount of time. An early start to the preparatory work is important for smooth seminar implementation.

#### Cambodia Investment Seminars Overseas

i) Strengthening of collaboration with the investment promotion agencies (IPAs)

In a similar way as seminars in Japan, the network of collaboration with organizations in neighboring countries should be strengthened. From the trial implementation under this Project, JETRO can be a possible partner for seminars for Japanese investors in neighboring countries. JETRO has networks with the private sector including Japanese companies in each country and has its own budget for seminar activities. The activities of other IPAs are similar to JETRO.

ii) Effective collaboration with other investment promotion schemes

The impact of seminars increase when a business meeting is held at the seminar or an investment mission is organized. Investors who have interest in Cambodia participate in them. It is useful for CDC to consider a combination of seminars and other investment promotion schemes with the support of potential organizations. In the case of Japan, such organizations as AJC and JETRO are possible

partners for collaboration.

iii) Provision of more practical information based on actual business experiences

As shown by the results of seminars questionnaires, participants highly evaluated the lectures by Japanese firms on their actual experiences investing and operating in Cambodia. Participants are interested in investment decisions, current problems in operations, etc. The seminar agenda should include lectures with more practical information and actual experiences.

Training Workshops for Provincial Officials

i) Importance of continuing training workshops for provincial officials

The training workshops were good opportunities not only to provide knowledge and skills on investment promotion, and facilitation to provincial officials, but also to promote information sharing between CDC and provinces. Training workshops are expected to improve investment promotion and facilitation as a whole Cambodia.

ii) Focusing on target participants based on the objectives of the training workshops

The target participants should be specified before the implementation of workshops according to the objectives in order to increase impacts. When a workshop aims to discuss investment policy, persons of high position are appropriate participants. When a workshop aims to provide practical information, staff members are appropriate.

iii) Necessity of training workshops focusing on practical knowledge in investment-related services

The knowledge and skills of provincial officials in investment related services are still insufficient. Workshop with basic contents such as QIP application procedures, including laws and regulations, aftercare services and investment promotion activities, are needed for provincial officials.

iv) OJT for capacity building of provincial officials

The impact of training workshops on capacity building for provincial officials is still limited, since the number of participants at each training workshop is limited and a few day long training workshop is too short. Therefore, other measures for capacity building for provincial officials should be examined in additions to training workshops. Some effective measures are On-the-Job Training (OJT) at CDC for a certain period and periodic monitoring in the provinces by CDC staff.

## 2.2.2 Enhancing Reception Function

### (1) Establishment of WG for Reception Function

In March 2011, the Reception WG was organized to implement the activities for improving reception functions:

The activities of the Reception WG were as follows:

- i) Formulate an implementation plan for reception function of CDC;
- ii) Prepare a manual for the reception function of CDC; and
- iii) Manage and upgrade the reception function of CDC.

### (2) Study of Issues of Reception Function of CDC

In the first year of the Project, the JICA Project Team studied the current situation of the reception function of CDC. In CIB, the PRIPD played the function of reception for investors as the point of first contact. The Reception WG summed up the function and tasks of PRIPD as shown in the following table:

**Table 2.2-7 Function and Tasks of PRIPD**

Task	Current Situation
Guidance to Investors (Consultation and Information Services)	- PRIPD provides the consultation and information services as “the First Window to Investors”.
Guidance on QIP	- PRIPD provides investors with checklists and application forms. - Investors directly submit the application to Project Evaluation and Incentives Department (PEID).
Inter-ministerial Coordination	- When there is an unclear issue which is under the control of another ministry/agency in providing guidance to an investor, PRIPD officers contact that ministry/agency.
Management of Database	- PRIPD maintains a database of investors. PEID has its own database of investors which shows the progress of the project approval process.
Management of Website for Investment Promotion	- In 2010, the AJC transferred the data and resources of website (www.investment.combodia.go.kh) developed by AJC to CDC. The website is currently maintained by PRIPD.
Matters Regarding Multilateral Agreements under ASEAN	- PRIPD also handles and coordinates matters related to multilateral agreements such as ASEAN.

Source: PRIPD

Current issues of the reception function of PRIPD were discussed and identified as issues to be improved.

The following table describes the major issues for the reception function of PRIPD:

**Table 2.2-8 Issues of Reception Function of PRIPD**

Area	Issues
Policy & Organization	- There is no specific policy for providing good information and consultation services to investors. - The organization of PRIPD is not optimized for the reception function. - There is no management system for improving information and consultation services to investors.
Staffing	- The reception desk at PRIPD is not always stationed by any staff. - The number of staff at PRIPD is insufficient to provide full-fledged

	information and consultation services to investors.
Infrastructure	<ul style="list-style-type: none"> <li>- The reception desk at PRIPD is not well-equipped for providing information and consultation services to investors (e.g., furniture, PCs, etc.).</li> <li>- The data and information available at the reception desk are limited.</li> </ul>
Management	<ul style="list-style-type: none"> <li>- There is no workflow to provide comprehensive consultation services.</li> <li>- There is no mechanism to regularly collect data and information for reception service, especially for information and consultation services.</li> <li>- There is no operational manual prepared for providing reception services.</li> <li>- There is no feedback mechanism to reflect investors' need for action by CIB. Records of reception have not been compiled and shared among CIB.</li> </ul>

Source: JICA Project Team

### (3) Survey of Reception Function of Other IPAs

JICA Project Team decided to study what other IPAs provide as a reception function with the purpose of obtaining references for the preparation of an action plan to strengthen the reception function of CDC. The following seven IPAs were surveyed through their websites:

- Malaysian Industrial Development Agency (MIDA)
- Board of Investment (BOI), Thailand
- Philippine Board of Investments (BOI)
- Indonesia Investment Coordinating Board (BKPM)
- Board of Investment Bangladesh
- Japan External Trade Organization (JETRO)
- Invest KOREA

### (4) Identification of Actions Necessary for Enhancement of Reception Function

JICA Project Team identified necessary actions for the enhancement of reception function of CDC. These actions were: i) establishment of organization for reception services; ii) collection of Information necessary for reception services; iii) development of database for reception services; iv) preparation of manuals for reception services; v) improvement of filing systems, vi) implementation of 5S activities; vii) office layout changes; viii) promotion of reception services; ix) capacity development of persons in charge of reception function; x) monitoring and evaluation; and xi) improvement of the capacity for managing the reception function. These actions were compiled as the Activity Plan.

JICA Project Team explained and discussed with the counterpart organization regarding what were priority actions and how to implement those actions.



## **(8) Preparation of Reception Manual**

JICA Project Team examined how to prepare a manual for effective reception service in the first year.

As a first step for the manual preparation, the JICA Project Team translated “Frequently Asked Questions (FAQ) on Investment in Cambodia” into English in the first year. The “FAQ on Investment in Cambodia” was prepared by a JICA expert (Investment Environment Improvement Advisor) in June 2011 and gives answers to the questions on investment in Cambodia frequently asked by Japanese investors. The English translation provides hands-on information to potential investors from other countries.

In the second year, the Reception WG began preparing a more comprehensive manual for reception services. The draft reception manual was prepared by the Reception WG and JICA Project Team. The contents of the manual consisted of: i) current functions and tasks of PRIPD; ii) consultation flow, iii) reports; iv) evaluation indicator; v) list of contact persons; and vi) list of reference materials.

The Reception WG has revised the manual several times according to the actual work flow (Appendix 4-1).

The Reception WG held several sessions to train CDC staff in charge of consultations. A JICA expert (Investment Environment Improvement Advisor) gave lectures using the “FAQ on Investment in Cambodia.”

## **(9) Implementation of Third Country Training**

This Project implemented a third country training with the following objectives:

- i) To learn the organizational structure and management system of the target IPAs and other investment-related organizations;
- ii) To learn investment-related services such as reception, consultation, information and investment application reception of the target IPAs and other investment-related organizations in order to receive lessons for CDC’s future activities;
- iii) To learn the investment application/registration mechanisms and one-stop services;
- iv) To learn about investment promotion activities of industrial zones and SEZs, incentives that investors invest in SEZs can enjoy, and the services that they provide to those investors by visiting their management companies in the third countries.; and
- v) To visit potential investors in the third countries and promote investment in Cambodia.

### Third Country Training in the First Year

Singapore and Malaysia were selected as the target countries as a results of discussions with counterpart members. Five officials from four departments were selected as participants in November 2011.

JETRO Singapore planned to hold the Cambodia Investment Seminar in Singapore to be conducted in November 2011 and invited H.E. Chea Vuthy, Deputy Secretary General of CIB and CSEZB as a speaker.

JICA Project Team and C/P decided to call on H.E. Chea Vuthy to join the third country training in Singapore.

Under the supervision of JICA Project Team, the participants prepared a questionnaire sheet for each visiting agency. The questionnaire sheet was sent to each visiting agency in advance of the visits.

The training was implemented from November 26 until December 3, 2011. A detailed schedule of the training is provided below:

**Table 2.2-10 Time Schedule of Third Country Training in the First Year**

<b>Date/Time</b>	<b>Activities</b>
26 Nov (Sat)	Departure for Singapore
27 Nov (Sun) 9:00-10:30 11:00-12:30	Site visit to Woodlands East Industrial Estate in Woodlands Industrial Park Internal meeting
28 Nov (Mon) 10:00-11:00 14:00-15:30 15:40-17:00	Site visit to Jurong Town Corporation Visitor Center Discussion with ASCENDAS Discussion with JETRO Singapore
29 Nov (Tue) 9:30-11:30 15:00-17:30	Discussion with Economic Development Board and International Enterprise Singapore Observation of Cambodia Investment Seminar in Singapore
30 Nov (Wed) AM 15:00-17:30	Fly to Malaysia Discussion with JETRO Kuala Lumpur
1 Dec (Thu) 10:00-12:30 14:00-16:00 16:00-16:30	Discussion with Malaysian Industrial Development Authority (MIDA) Discussion and observation of MIDA Resource Center Observation of MIDA Business Information Center
2 Dec (Fri) 9:30-12:30 16:00-17:00	Discussion and observation of Port Klang Free Zone Internal Meeting
3 Dec (Sat)	Back to Phnom Penh

Source: JICA Project Team

After the visit to Singapore and Malaysia, the participants held wrap-up meetings in December 2011 in order to review the third country training and discuss how to improve the investment related services of CDC based on the lessons from the training. They prepared an implementation report for the third country training (Appendix 6-6).

### Third Country Training in the Second Year

The JICA Project Team formulated a plan for third country training in the second year. Thailand and Vietnam were selected as the target countries. The preparatory work started in the mid August 2012. The participants were assigned and the kick-off meeting was held on September 18, 2012. Under the supervision of the JICA Project Team, the participants made appointments with organizations to visit in Thailand and Vietnam and prepared a questionnaire sheet for each organization visit. The questionnaire sheet was sent in advance of the visits.

The training was implemented from September 30th to October 6th, 2012. The detailed schedule of the

training is provided in the table below:

**Table 2.2-11 Time Schedule of Third Country Training in the Second Year**

Date/Time	Activities
30 Sep (Sun)	Trip from Phnom Penh to Bangkok
01 Oct (Mon)	
9:30-10:00	Discussion with Board Of Investment (BOI)
11:00-11:00	Discussion with Investors Club Association (IC)
13:30-15:00	Discussion with One Start One Stop Center (OSOS)
15:30-17:00	Discussion with JETRO Bangkok
02 Oct (Tue)	
9:00-11:00	Visit Rojana Industrial Park, and meeting with Rojana Staff.
03 Oct (Wed)	
AM	Move to Viet Nam
15:30-17:00	Discussion with JETRO Hanoi
04 Oct (Thu)	
8:30-10:00	Discussion with Foreign Investment Agency (FIA)
10:15-11:00	Discussion with Northern Investment Promotion Center (NIPC)
05 Oct (Fri)	
8:30-11:00	Discussion with Hanoi Authority for Planning and Investment (HAPI)
13:30-15:00	Discussion with Hanoi Industrial & Export Processing Zones Authority (HIZA)
15:30-17:00	Visit Thang Long Industrial Park, and meeting with Thang Long Staff.
06 Oct (Sat)	Back to Phnom Penh

Source: JICA Project Team

After the training, participants prepared an implementation report in both Khmer and English, and submitted it to CDC management (Appendix 6-6).



**Observation at Investor Club Association  
(Third Country Training in Thailand)**



**Discussion with NIPC  
(Third Country Training in Viet Nam)**

#### **(10) Publication of New CDC Brochure**

CDC prepared brochure on the investment overall condition of Cambodia in 2010 and distributed it to the investors. Since information of this brochure became outdated, it was decided to prepare new CDC brochure so that CDC officials can explain the investment overview in Cambodia when they have consultation with new investors. The Reception WG began preparation of new CDC brochure in August 2012. The Reception WG discussed the design, contents, and necessary information of the brochure. The new brochure included the information as follows:

- Secretary General's Message
- Facts on Cambodia



- Investment Opportunities
- Expanding Labor Supply
- Investment Approval Process
- Competitive Investment Incentives
- Growing Trend of FDI (Approved Investments) 2002-2012
- Investment Amounts by Country 2002-2012
- Direct Investment in SEZ (by year) 2006-2012
- Direct Investment in SEZ (by country) 2006-2012
- Growing SEZ Appeal- SEZs in Cambodia
- One Stop Service Mechanism of SEZ Administration
- CDC One-Stop Services- Investor Window
- Contact Us

Each WG member collected necessary information or graphs for the brochure. After several revisions, the brochure was printed as a new promotion material in February 2013 (see Appendix 5-1).

#### **(11) Proposal for the establishment of an “Investors' Window”**

To enhance the reception function and streamline the QIP application process, the JICA Project Team proposed the establishment of an “Investors' Window” based on the recommendation proposed in “JICA Study on the Institutional Strengthening of Investment Promotion in the Kingdom of Cambodia (the Study)”.

##### Background of proposal to establish “Investors' Window”

In the Study, the establishment of the one-stop window for all the investors, regardless of existing or prospective investment, or QIP or non-QIP with the following objectives being proposed:

- To provide comprehensive investment promotion services;
- To realize customer-friendly QIP approval services; and
- To provide “one-stop” services for QIP approval and other investment-related approvals, registration and/or authorization in effective coordination with the line ministries

##### Assistance rendered to CDC in examination the setting-up of an Investors' Window

In order to achieve these goals, the establishment of an “Investors' Window” was proposed by the JICA Project Team as a one-stop service unit for CIB and CSEZB, located at the PRIPD office. Its functions were recommended to include the provision of investment-related information, investment consultation, receipt of QIP applications, delivery of the Final Registration Certificate for QIP, receipt of applications for other investment-related licenses and permits.

To understand the Investors' Window scheme and facilitate the establishment of an Investors' Window, CDC organized an internal meeting, targeting all staff of CIB and CSEZB, on October 27th, 2011 and invited the JICA expert of the JICA Project Team to give a presentation to explain about “Investors' Window”. The presentation was titled as “Reception Functions and Coordination Scheme” for which the

contents were as follows:

- Major functions and IPA Organizations;
- IPA's Services;
- IPA's Services in Various Steps of Investment Activities;
- Current Distribution of Functions in CIB;
- Critical Problems in the Current Distribution of Functions in CIB;
  - i) Possible differences in explanation or treatment of the investment application between PRIPD and other sections of CIB;
  - ii) Non-existence of a complete first window for investors;
  - iii) Frequent visits to PEID for inquiries;
  - iv) Visits to various governmental departments to get sector information and/or for the negotiating of investment approval;
  - v) Difficulty for the investors to know the expected time of issuance of the QIP certificates; and
  - vi) No reception desk for CSEZB open for investors;
- Establishment of "**Investors' Window**": Countermeasures to Tackle Problems;
- Outline of "**Investors' Window**"; and
- Pending Issues (other Relevant Approvals, Permits or Registration).

Regarding this presentation, CDC's top management made the following comments:

- It might be difficult for CDC to negotiate with other ministries concerning license and permit issues under their jurisdiction;
- It is ideal for CDC to provide one-stop service for licenses and permits of other ministries. CDC wishes to study how CDC can realize such a one-stop service.
- It is not realistic for the "Investors' Window" to hand over a QIP license to an investor at CDC. However, it is practical to send a QIP license to the investor by mail.

In the second year, at the request of CDC, the JICA Project Team conducted an additional presentation entitled "Investors' Window" at the second Counterpart Meeting on August 21, 2012 with the goal of deepening the understanding of CDC management on the necessity and planning of Investors' Window. The contents of the presentation consisted of the following:

- Investors' view on current practices ( CDC's services for investors);
- Proposed countermeasures: Establishment of an "Investors' Window";
- Practices in other IPAs: MIDA of Malaysia, BOI of Thailand and FIA of Vietnam;
- Aim of the Investors' Window Scheme: To provide consolidated investment-related services;
- Outline of Investors' Window: "Front Office" of CDC for all investors located in PRIPD.
- Prerequisite conditions for the establishment of an Investors' Window;
- Three assignments for PRIPD: Investment promotion, preparation of investment-related

- information and Investors' Window;
- Investors' Window Role: Investment consultation, investment-related information services, administrative procedural services; and
  - Administrative procedural services to include:
    - i) Accepting of applications for QIP registration;
    - ii) Facilitating the QIP approval process with other departments of CIB or CSEZB;
    - iii) Follow up on the progress of the registration process and noticing such progress to the investors;
    - iv) Delivering the QIP certificate (Final Registration Certificate);
    - v) Arranging the completion of the Master List application/amendment/extension procedures;
    - vi) Arranging the completion of the Certificate of Compliance application procedures;
    - vii) Obtaining the necessary registrations, licenses, and authorizations from relevant ministries on behalf of investors; and
    - viii) Receiving from investors the administration fees and allotting them to the relevant ministries;

In response to the presentation by the JICA Project Team, H.E. Sok Chenda announced that it would take some time to realize an Investors' Window and requested the JICA Project Team to wait for progress on this issue within CDC.

#### Current situation

On December 28, 2012, "Joint Prakas No. 991 MEF.Br.K on the Provision of Public Services of the Council for the Development of Cambodia" was issued. It stipulates that CDC shall be authorized to collect fees for public services and that official receipts shall be issued under the name of the Ministry of Economic and Finance (MEF) against the payment of public service fees. Annex attached to Prakas No.991 describes the types and kinds of public services provided by CIB and CSEZB in relation to the investment-related issues, and the respective fees required for the investor to pay to CDC. Prakas No.991 also requires that CDC shall identify the specific office and permanent staff that shall act as "one-stop service" providers within the designated office in order to provide those services to the investors in a timely manner. Following the issuance of this Prakas, CDC designated the "one-stop service office" as the reception desk and information corner of PRIPD to receive all applications, registrations and reports required by CIB and CSEZB from investors.

Newly established "one-stop service office", however, is somehow different from the Investors Window proposed in "The Study on the Institutional Strengthening of Investment Promotion" and promoted to introduce in the Project at the following aspects:

- Its primary purpose is limited to integrating the windows for receiving all investment-related applications and registrations, and at the same time, public service fees in a transparent manner;
- It does not provide the investment promotional activities conducted by PRIPD such as

information provision or consultation services; and

- It belongs directly to and will be supervised by the Secretary General of CDC. PRIPD will keep providing only investment promotional services, and thus, there will be two separate windows for the investors.

### Issues

At the moment, regarding the new “one-stop service office”, the following issues remain unresolved and appropriate measures should be taken:

- Although Prakas No.991 stipulates that the “one-stop service office” shall have the duty to receive complaints related to unreasonable delays in document processing , CDC has not the revised or modified internal procedures for document processing for keeping the timeframe (duration for providing services) described in the Annex to Prakas No.991. CDC is required to formulate a clear and new workflow for document processing;
- Since there are two windows for investors in the same space, the impact and image of providing integrated, investor-oriented services may be jeopardized; and
- Since the new “one-stop service office” was established at the PRIPD’s reception desk and information corner, PRIPD does not have enough space for providing the reception, information provision or consultation services.

### **(12) Evaluation of Activity at the End of the Project**

The activities of the Reception WG has prepared the infrastructure of the reception services such as the reception space, consultation record system, reception manual, and investment promotion brochure. These results have contributed to the improvement of the consultation environment and quality of the consultations.

The consultation records have been maintained and used for the identification of investors’ needs and understanding of investment trends. The Reception WG has determined what are frequently-asked questions based on these consultation records.

The Reception WG often pointed out the issue that PRIPD can’t get the exact number of visitors because some investors directly visit other departments, especially for QIP applications. But after CDC set up the One Stop Service Office in January 2013, investors who submit applications visit the One Stop Service Office located at PRIPD. In this sense, the one stop service of CDC has started.

## **2.2.3 Capacity to Organize Country Desks**

### **(1) Study of Country Desks of Other IPAs**

Counterpart members studied how other IPAs have introduced country based approaches to investment promotion with some IPAs have an investment promotion unit by region/country. At these IPAs, officers in charge of specific regions/countries deal with investors from respective regions/countries. By contrast, some IPAs have established Country Desks, such as a Japan Desk and Korea Desk, only for investment promotion to specific target countries.

### **(2) Identification of Objectives for Setting up Country Desks at CDC**

The objective of establishing Country Desks at CDC was discussed and it is “to focus on priority countries and provide comprehensive services for investment promotion targeting the priority countries”.

### **(3) Formulation of Draft Action Plan for Organizing Country Desks**

The JICA Project Team formulated the draft Action Plan for Organizing Country Desks, discussed such with the counterparts and completed the Action Plan.

The functions and activities of Country Desks will be same as the activities that CDC conducts for investment promotion. The distinction of a Country Desks is that their activities are targeted to specific priority countries.

- i) Distinctions of a country desk are considered to be as follows:
  - Establishment of a network between governmental agencies and private companies of priority countries;
  - Collaboration with governmental agencies of the priority countries in investment promotion activities;
  - Provision of investment promotion activities in the languages of the priority countries; and
  - Investment promotion activities in the priority countries.
- ii) The contents of the activities of a “country desk” are considered to be as follows:
  - Investment information services targeting the priority country;
  - Investment consultation activities targeting the priority country;
  - Investment promotion activities in the priority country;
  - Aftercare services for companies that invested in Cambodia from the priority country; and
  - Collaboration with governmental agencies and economic organizations of the priority country in investment promotion activities.
- iii) PRIPD is the most appropriate location for the Country Desks when CDC develops special investment promotion targeting the priority countries since PRIPD is the department in charge of investment promotion.

As the size of PRIPD is too small to change the organization of PRIPD to be an organization by region, it is recommended to start with one or two Country Desks at PRIPD as pilots, selecting priority countries. Staff members of PRIPD will be assigned as staff of these Country Desks and will also double as staff for the ordinary tasks of PRIPD.

#### **(4) Selection of Priority Countries for Country Desks**

Based on the following criteria, candidate countries for Country Desk were examined:

i) Cambodia's need for investment

Among the world largest investing countries, the share of Japanese investments in Cambodia is very small. Although the amount of investment is much larger than Japan, other large investing countries such as the US and EU have fallen behind China and Korea.

ii) Potential of for the expansion of investment in Cambodia

Key investing countries in Cambodia are expected to increase investments. Among others, Japan is expected to have the increasing interests in Cambodia.

iii) Availability of resource for CDC

The possibility of support from the subject country is also one of the criteria. If CDC sets up a Japan Desk, the JICA Project Team and JICA long-term experts can support the operation of Japan Desk and provide capacity development for the Japan Desk.

From the above-mentioned consideration, it is recommended that a Japan Desk be established as a pilot Country Desk.

#### **(5) Collaboration with the Japan Desk**

CDC elected to to set up a Japan Desk within PRIPD with the JICA expert (advisor for investment environment improvement) managing said desk. The role of the JICA Expert was decided to be that of technical assistance to the capacity development of CDC's persons in charge of the Japan Desk on the general skills of investment promotion and provision of information on the investment environment of Cambodia.

The JICA expert (advisor for investment environment improvement) conducts the following work as the Japan Desk:

- i) Consultation for Japanese investors;
- ii) Support in the QIP applications of Japanese investors;
- iii) Support for the establishment of companies by Japanese investors;
- iv) After-investment support (expansion investment, changes in stakeholders, customs clearance, renewal of QIP);
- v) Investment seminars targeting Japanese investors;

- vi) Support site visits by Japanese investors; and
- vii) Support the Japan-Cambodia Public-Private Forum.

The task of the JICA Project Team was set as providing technical guidance on general skills concerning web management, planning, and the implementation of investment seminars and reception services to CDC staff including persons in charge of the Japan Desk.

In the second year, the JICA Project Team collaborated with the JICA expert (advisor for investment environment improvement) in implementing the activities of Project.

The JICA Project Team supplied the Cambodia Investment Guidebook 2013 in the Japanese for the Japan Desk. When the JICA Project Team revised the guidebook, they consulted with the JICA expert on information of the needs of Japanese investors. The JICA Project Team maintained and updated the Japanese pages of the website for the use by Japanese investors.

The JICA Project Team asked the JICA expert for the capability building of CDC staff in charge of consultation services for investors.

#### **(6) Developing Tools for Promoting Investment by Japanese Companies**

The JICA Project Team developed the following investment promotion tools targeting Japanese investors to support the activities of the Japan Desk:

- i) Major investment-related information in Japanese

The JICA Project Team prepared the Cambodia Investment Guidebook 2012 in Japanese.

- ii) CDC website in Japanese

The JICA Project Team created the Japanese website when it developed the new website for CDC.

#### **(8) Evaluation of Activity at the End of the Project**

The Japan Desk successfully continues to support Japanese investors in their feasibility studies for investing in Cambodia, investment application procedures and operations in Cambodia. The Japan Desk is able to provide Japanese investors with detailed information and hands-on consultations in Japanese. It is obvious that the Japan Desk facilitates investment by Japanese companies based on responses from the investors themselves.

As a result of the successful operation of the Japan Desk, CDC may consider the establishment of other country desks by asking the support from major investing countries.

## CHAPTER 3 Evaluation of the Project

### 3.1 Outline of the Evaluation of the Project

#### 3.1.1 Objectives of the Evaluation

In January 2013, CDC and the JICA Project Team conducted the terminal evaluation in order to review the activities implemented and outputs of the "Project on Enhancing Investment-Related Services of CDC" and analyze the project achievements and implementation process based on the Record of Discussion (R/D), Project Design Matrix (PDM) and three criteria for evaluation (i.e., relevance, efficiency and effectiveness). The three evaluation criteria are described below:

**Table 3.1-1 Definition of Three Evaluation Criteria**

1. Relevance	A criterion for considering the validity and necessity of a project regarding whether the expected effects of a project (or project purpose and overall goal) meet with the needs of target beneficiaries; whether a project intervention is appropriate as a solution for problems concerned; whether the contents of a project is consistent with policies; whether project strategies and approaches are relevant; and whether a project is justified for being implemented with public funds of ODA.
2. Effectiveness	A criterion for considering whether the implementation of the project has benefited (or will benefit) the indicated beneficiaries or the target society.
3. Efficiency	A criterion for considering how economic resources/ inputs are converted into results. The main focus is on the relationship between project costs and effects.

Source: JICA Guideline for Project Evaluation

#### 3.1.2 The Project Implementation Plan

The Project implementation plan, which is described in the PDM, is set out in the following table:

**Table 3.1-2 The Project Implementation Plan**

Overall goal	Inward foreign direct investment (FDI) which utilizes the services of CDC will increase.
Project purpose	CDC's capacity of improving investment promotion services will be enhanced.
Expected Output	Activities of Project
Output 1: Services to provide necessary information/ data for investors will be upgraded.	Activity 1-1.[Website] Strengthening CDC's capacity to update the website regularly and continuously
	Activity 1-2. [Investment Guidebook] Enhancing CDC's capacity to update Investment Guidebook
	Activity 1-3.[Library Services] Developing CDC's capacity to serve and manage library service
	Activity 2-1.[Seminar Management] Upgrading CDC's capacity to manage investment promotion (PR) seminars
Output 2: PR activities and consultation services will be upgraded.	Activity 2-2. [Reception Function] Strengthening CDC's capacity to perform a useful reception function for investors at the CDC office
	Activity 2-3.[Country Desk] Strengthening CDC's capacity to organize country desk (to begin with Japan Desk)



<b>Inputs from Japanese side</b>	
[Personnel (Experts)]	
<ul style="list-style-type: none"> <li>▪ Team leader/ Investment promotion</li> <li>▪ Sub Leader/ Investment information service</li> <li>▪ Investment information service</li> </ul>	<ul style="list-style-type: none"> <li>▪ Website management</li> <li>▪ Inter-organizational coordination/Investment Promotion</li> <li>▪ Policy advisor</li> </ul>
* Other experts will be dispatched as necessary for the effective implementation of the Project.	
[Equipment]	
Equipment necessary for technical transfer (including documents/ books)	
[Training]	
Training courses in Japan and third countries	
<b>Inputs from Cambodian side</b>	
[Personnel]	
<ul style="list-style-type: none"> <li>▪ Project Director</li> <li>▪ Deputy Project Director</li> <li>▪ Project Manager</li> </ul>	<ul style="list-style-type: none"> <li>▪ Counterpart personnel (Public Relation and Investment Promotion Department and other related Departments)</li> </ul>
[Facilities]	
Project offices including library and reception spaces	
[Local cost]	
<ul style="list-style-type: none"> <li>▪ Costs of renovating and furnishing library corner and reception</li> </ul>	<ul style="list-style-type: none"> <li>▪ Costs of holding seminars in and out of Cambodia</li> <li>▪ Initial and running costs of website</li> </ul>

Source: JICA

### 3.1.3 Evaluation Procedure and Implementation Schedule

CDC agreed to the plan for the terminal evaluation prepared by the JICA Project Team. The JICA Project Team conducted the terminal evaluation according to the below procedure and schedule. All the activities for evaluation were implemented following this schedule.

The JICA Project Team collected data and information necessary for the evaluation such as Project activity records and objectively verifiable indicators. The JICA Project Team also collected primary data for the evaluation through a questionnaire survey, individual interviews, and group discussions with the key members of counterpart organization and WG members.

**Table 3.1-3 Evaluation Procedure and Schedule**

No.	Activities	Period
1	Data/ information collection of the indicators of PDM by JICA Project Team	January, 11-15, 2013
2	Explanation of purpose and procedure of the evaluation to the counterparts	January 15, 2013
3	Group Discussion with WG members	January 16, 2013
4	Implementation of a questionnaire survey of the key members of WGs	January 16 - 23, 2013
5	Implementation of individual interviews with three Deputy Secretary General of CIB and CSEZB and two directors of departments related to the Project	January 17 - 28, 2013
6	Drafting of the Project evaluation report	January 23 - 30, 2013
7	Discuss the Project evaluation report at JCC	January 31 - February 8, 2013

## 3.2 Results of the Project Evaluation

The JICA Project Team evaluated the Project based on the analysis of collected data and information between January and February 2013. A summary of the terminal evaluation is provided (see Appendix 6-7).

### 3.2.1 Project Achievements

The achievements of the project objectives and outputs are described in Chapter 2.

### 3.2.2 Implementation Process

Items	Status of Achievement								
<p><b>Project Management</b></p>	<p><b>[Decision Making]</b> Joint Coordination Committee (JCC) meetings were held as scheduled and chaired by CDC top management and Counterpart (C/P) meetings were opened as necessity required. At those meetings, the JICA Project Team and CDC shared the progress of the Project and discussed issues to be solved. The records of the meetings are as follows:</p> <table border="1" data-bbox="435 840 1385 1003"> <thead> <tr> <th data-bbox="435 840 911 875">JCC</th> <th data-bbox="911 840 1385 875">C/P Meeting</th> </tr> </thead> <tbody> <tr> <td data-bbox="435 875 911 920">The 1<sup>st</sup> JCC of March 14, 2011</td> <td data-bbox="911 875 1385 920">The 1<sup>st</sup> C/P meeting of March 17, 2011</td> </tr> <tr> <td data-bbox="435 920 911 965">The 2<sup>nd</sup> JCC of March 12, 2012</td> <td data-bbox="911 920 1385 965">The 2<sup>nd</sup> C/P meeting on April 25, 2012</td> </tr> <tr> <td data-bbox="435 965 911 1003">The 3<sup>rd</sup> JCC of February 12, 2013</td> <td data-bbox="911 965 1385 1003">The 3<sup>rd</sup> C/P meeting of August 21, 2012.</td> </tr> </tbody> </table> <p>As for daily decision making, the JICA Project Team held discussion with the Project Manager and made the decision every time. For important issues, the Project Director or Deputy Project Director provided a reply to said decision.</p> <p><b>[Ownership]</b> On the Cambodian side, CDC top management took a strong leadership role and gave proper instructions to CDC staff. This contributed to the commitment of the organization as the whole and to the smooth implementation of Project activities.</p> <p><b>[Monitoring].</b> The JICA Project Team periodically monitored the progress of activities and reported to the Project Manager. The Project Manager then reported the progress to the Project Director and Deputy Project Manager. At the JCC meetings and C/P meetings, the JICA Project Team also shared information on the progress with CDC top management, directors and staff.</p>	JCC	C/P Meeting	The 1 <sup>st</sup> JCC of March 14, 2011	The 1 <sup>st</sup> C/P meeting of March 17, 2011	The 2 <sup>nd</sup> JCC of March 12, 2012	The 2 <sup>nd</sup> C/P meeting on April 25, 2012	The 3 <sup>rd</sup> JCC of February 12, 2013	The 3 <sup>rd</sup> C/P meeting of August 21, 2012.
JCC	C/P Meeting								
The 1 <sup>st</sup> JCC of March 14, 2011	The 1 <sup>st</sup> C/P meeting of March 17, 2011								
The 2 <sup>nd</sup> JCC of March 12, 2012	The 2 <sup>nd</sup> C/P meeting on April 25, 2012								
The 3 <sup>rd</sup> JCC of February 12, 2013	The 3 <sup>rd</sup> C/P meeting of August 21, 2012.								
<p><b>Participation of Counterpart</b></p>	<p>A total of 45 WG meetings were held during the Project. WG members have their own regular work in the departments to which they belong. It was necessary to decide the dates of meetings considering their available times. Nevertheless, the JICA Project Team could hold WG meetings when needed involving most members.</p> <p>CDC top management continually repeated that the project activities were part of important activities of CDC. This kept the commitment of WG members generally high.</p>								
<p><b>Communication within the Project</b></p>	<p>The JICA Project Team regularly communicated with the Project Manager in reporting the progress of the project, consulting in decision making, and exchanging views regarding project implementation. As for each activity, the JICA Project Team frequently communicated with WG members by telephone, e-mail, and face-to-face communication outside of formal events such as WG meetings, workshops and OJT activities.</p>								

### 3.2.3 Three Evaluation Criteria

#### (1) Relevance

<p><b>Appropriateness of Overall Goal</b></p>	<p>The overall goal of Project was that “inward FDI utilizing the services of CDC will increase.” The services of CDC in this context meaning services for the promotion and facilitation of FDI.</p> <p>The attraction of investment is the priority aspect of Cambodia’s national development policy and Japan’s ODA policy for Cambodia. The Rectangular Strategy of Cambodia, a long-term framework for the socio-economic development, prioritizes private sector development and employment creation, including the attraction of investment as one of four pillars. The National Strategic Development Plan Update 2009 - 2013 of Cambodia also includes strengthening private sector and attracting investment as one of key policy priorities. The Country Assistance Plan for Cambodia prepared by JICA adopted the private sector development as one of priority areas.</p> <p>Thus, the overall goal of the Project is consistent with the policies of Cambodia and the policies of Japan’s ODA.</p> <p>It must be noted that the main element in increasing the use of CDC’s investment promotion service is an increase in foreign investors’ interest in Cambodia as a candidate country for investment. This is largely influenced by two factors: i) the attractiveness of Cambodia’s investment environment; and ii) global economy and competition. Accordingly, the number of foreign investors which use CDC’s service depend on external factors. During the Project period, foreign investor’s interest in Cambodia has shown an increasing trend, especially in the manufacturing sector because of increased costs in other Asian countries.</p>
<p><b>Appropriateness of Project Purpose</b></p>	<p>The number of foreign investors has been increasing during the Project period, however, information on Cambodia’s investment environment was not sufficiently prepared and the information was not properly delivered to foreign investors at the start of Project.</p> <p>Hence, Project purpose was adequate since it was in accordance with the needs of foreign investors.</p>
<p><b>Appropriateness of Approach</b></p>	<p>The beneficiaries, as a result of the Project purpose, are foreign investors. In order to achieve the overall goal, it is appropriate that the outcomes of the Project benefit foreign investors.</p> <p>CDC is the sole government organization that provides investment promotion services to foreign investors in Cambodia. It was appropriate to choose CDC as a counterpart organization. As the mainstream function of CDC related to activities concerning QIP, investment promotion services were limited. The quality of investment promotion needed to be improved, and thus it was an appropriate approach for the Project to focus on the capacity building of CDC.</p> <p>Japanese companies have invested in the ASEAN region over decades and they have established production bases and global supply chains in this region. Japan’s ODA has contributed to the promotion of these investments by supporting the construction of infrastructure, investment promotion and industrial development. The expertise in investment promotion accumulated in Japan can be fully utilized to achieve the project purpose.</p>

## (2) Effectiveness

<b>Prospect of Achievement of the Project Purpose</b>	<p>This Project emphasized on the capacity building of staff in charge of investment promotion services and developing of their capacity to a considerable extent. This Project has also prepared the basic environment and infrastructure for investment promotion services. For example, a new website and manuals for services were developed, and the reception desk was renovated. Accordingly, the outputs of the Project effectively improved CDC's investment promotion services.</p> <p>However, the Project purpose is concerned with the capacity for improving investment promotion services. In terms of this, top management of CDC always showed an active stance toward the improvement of CDC's services. At the staff level, as the results of project activities, some members of the WGs have come to actively present ideas to improve current services. That said an attitude of seriously attempting for continuous improvement has not yet been completely established even among WG members.</p> <p>Even though there is uncertainty, it is expected that CDC will maintain the capacity of improving their service because top management is eager to improve CDC's service and some WG members also gradually suggest their ideas.</p>
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## (3) Efficiency

<b>Achievement Level of Output 1</b>	<p><b>[Website]</b> A new CDC website was developed and has been updated in order to provide various information on the investment environment. The number of visits to the website has steadily increased from 2,800 as of December 2011 up to 5,800 as of December 2013. CDC periodically uploads new information such as "News and Events." This information is prepared by CDC staff and the web administrator of CDC uploads it by himself. CDC has acquired the capacity for updating the website. One issue that remains for the website is how to maintain webpages in Japanese since there is no staff with a good command of Japanese.</p> <p><b>[Investment Guidebook]</b> The Investment Guidebook, 2012 was published in February 2012, and Investment Guidebook, 2013 was published in February 2013. Members of the Guidebook WG have become able to collect data and information necessary for the revision of the Investment Guidebook. But it is still difficult for CDC staff to plan revisions of the guidebook, and they can write only a portions of the Investment Guidebook. The updating of the Investment Guidebook in Japanese is also an issue in the same manner as the website in Japanese.</p> <p><b>[Library]</b> "The Investment Information Desk" was set up after the renovation of the office space of PRIPD and provides library services as of April 2012. Since the end of January 2013, the total number of materials is 1,160 documents (hard copies: 633; and soft copies: 527). CDC staffs are in charge of regularly collecting books and documents, and maintaining them using a database. The management of the library is conducted according to management rules. It can be said that CDC has acquired the capacity for managing the library.</p>
<b>Appropriateness</b>	Output 1 was to improve information service for investors. In this Project three activities

<p><b>of Activities for Output 1</b></p>	<p>concerning the website, Investment Guidebook and library were implemented to achieve Output 1. The website, Investment Guidebook and library (information desk) are the most common means of information provision in investment promotion. It can be said that those are necessary and sufficient measures to achieve Output 1.</p>
<p><b>Achievement Level of Output 2</b></p>	<p><b>[Investment Seminar]</b> Cambodia investment promotion seminars were conducted in Japan (three times), Vietnam (one time) and Malaysia (one time). Training workshops for provincial officers were conducted three times during the Project. Through these activities, CDC staffs come to understand the working procedures for planning and implementing seminars. CDC has established networks with other investment promotion agencies through the seminars.</p> <p><b>[Reception Function]</b> In this Project, the space for consultation services at PRIPD was renovated and the manual for consultations was prepared. The capacity of CDC staff in charge of consultations has been developed through lectures and visits to other investment promotion agencies in the neighboring countries. The JICA Project Team made recommendations on the “Investor’s Window” as an ideal reception and consultation service of CDC. Through the Joint Prakas No. 991 on December 28, 2012, CDC has started a “One Stop Service” to receive QIP-related applications and fees through PRIPD. It can be said that “One Stop Service” of CDC was improved because the new service has increased convenience of investors and improved the transparency. But this One Stop Service is different from the recommendation of JICA Project Team because this does not provide one-stop service of consultation.</p> <p><b>[Country Desk]</b> CDC has established a Japan Desk which facilitates investment by Japanese companies, and JICA dispatched a long-term expert (Investment Environment Improvement Advisor) to the Japan Desk to provide investment facilitation services for Japanese investors. The number of visitors to the Japan Desk has been increased steadily during the course of the Project. It can be said that Japan Desk has had a significant effect on the facilitating of Japanese investment. An issue with the country desk is how to expand country desks to other priority countries following the success of the Japan Desk.</p> <p><b>[Collaboration with JICA Long-term Expert]</b> JICA dispatched a long-term expert (Investment Environment Improvement Advisor) to CDC. JICA The Project Team collaborated with JICA long-term expert on such occasions as the investment seminars and consultation training for CDC staff. Support from JICA's long-term expert contributed to a more efficient implementation of activities for attracting investment.</p>
<p><b>Appropriateness of Activities for Output 2</b></p>	<p>Output 2 is targeted towards upgrading the PR activities and consultation services of CDC. Three activities for achieving Output 2 were the upgrading of seminar management, reception functions and country desks. An investment seminar is a promotion activity conducted in investing countries. The consultation service at the reception and country desks is a promotion activity done in Cambodia, particularly at CDC. These three measures cover most of the PR activities and investment attraction activities. However, it is more effective to combine direct visits</p>

	<p>to potential investors at the time of investment seminars overseas. This Project focused on the reception of investors at PRIPD, but investment missions of receptions are also an important occasion for investment attraction.</p> <p>It is also noted that effective investment attraction such as investment seminars can be realized with good investment information supported in Output 1.</p>
<p><b>Appropriateness of Inputs: Japanese Side</b></p>	<p>The inputs of the Japanese side were appropriate to implement the planned activities.</p> <p><b><u>Assignment of Experts</u></b></p> <ul style="list-style-type: none"> <li>▪ Eight experts have been assigned for two year of the Project period, in which a total of 43.5MM have been fulfilled by the end of February 2013. Those experts are in the fields of: i) Team Leader/ Investment Promotion- 1; ii) Team Sub-leader/ Investment Information Service- 1; iii) Policy Advocacy/ Information Service- 2; iv) Investment Information Service- 3; v) Investment Promotion- 2; vi) Website Management; and vii) Inter-organizational Coordination/ Investment Promotion Assistant (2 experts).</li> </ul> <p><b><u>Provision of Equipment and Materials</u></b></p> <ul style="list-style-type: none"> <li>▪ Equipments for the Project office were purchased such as computers, a printer and a photocopy machine.</li> </ul> <p><b><u>Operational Expenditure</u></b></p> <ul style="list-style-type: none"> <li>▪ The operational expenditures for implementing activities of the Project were borne by Japanese Side.</li> </ul>
<p><b>Appropriateness of Inputs: Cambodian Side</b></p>	<p>Inputs from the Cambodian side were appropriate to implement the planned activities.</p> <p><b><u>Assignment of Counterpart Personnel</u></b></p> <ul style="list-style-type: none"> <li>▪ For the Project activities, five working groups (WGs) were formulated. Within the WGs, a total 18 counterpart personnel were allocated from CDC.</li> </ul> <p><b><u>Necessity budget for the operation of the Project</u></b></p> <ul style="list-style-type: none"> <li>▪ CDC has provided office space and other necessary facilities for the JICA Project Team in CDC. CDC also has borne the costs of utilities, administration and meeting fees that were necessary to implement the Project activities</li> </ul>

## CHAPTER 4 Lessons and Recommendations

### 4.1 Outline of Lessons and Recommendations from the Project

This chapter describes the lessons and recommendations that the JICA Project Team has learned through the implementation of the Project. The following table is a summary of the lessons and recommendations. The details of these lessons and recommendations are described in the following sections.

**Table 4.1-1 Summary of Lessons and Recommendations from the Project**

	Item	Lessons and Recommendations
<b>4.2</b>	<b>Lessons and Recommendations Regarding Project Management</b>	
<b>4.2.1</b>	<b>Process for Capacity Development in Investment-related Services</b>	For effective capacity development, activities must be implemented with attention to the process of organizational development.
<b>(1)</b>	<b>Confirmation of the Necessity of Capacity Building</b>	For the project of enhancement of public services, it is necessary to gain a full understanding by the C/P organization about the necessity of the project from the onset. Actually, it takes time to achieve full recognition of the importance of the project and it is necessary to heighten the recognition step-by-step through activities of the project.
<b>(2)</b>	<b>Commitment by the Whole Organization</b>	For the enhancement of public services, it is essential that the whole C/P organization commits to the issue. This requires the management of the organizational culture in addition to the leadership of top management.
<b>(3)</b>	<b>Capacity Development through Service Enhancement Activities (OJT and Off-the-Job training)</b>	For the capacity building of C/P members who participate in a technical project, it is effective to adopt the following steps: i) to increase understanding by members of the project objectives by involving them in the planning of activities; ii) to clarify the responsibilities of each member by allocating tasks to each member; iii) to provide relevant guidance to each member in implementing his/her tasks; iv) to let each member think of necessary remediation on the basis of review of implementation; and v) to let members make a manual including the results of the review. While a class room lecture is beneficial for the understanding of basic knowledge, practical experience in actual service provision through project activities and field visits is necessary for capacity development.
<b>(4)</b>	<b>Enhancement of Efforts of Members and Team Work through Project Activities</b>	A key to active participation by members of the C/P organization is frequent and close communication between JICA experts and C/P members and among C/P members. How JICA experts communicate with C/P members determines the commitment of C/P members.
<b>(5)</b>	<b>Evaluation Feedback by Customers</b>	To hear the voices of users (investors and provincial officers in this Project) heightens the motivation of C/P members to enhance of public services.
<b>(6)</b>	<b>Monitoring of Motivation of Members and Solutions to Problems of Members</b>	A technical project is often implemented by working groups that consist of staff from several departments. It is necessary to resolve the problems of those staff and create ideal working conditions.
<b>(7)</b>	<b>Continuous Improvement of Services through the Above-mentioned (1) to (6)</b>	Continuous improvement is necessary for the enhancement of public services. The foundation and system for continuous enhancement should be established within the organization. This requires a certain amount of time.
<b>4.2.2</b>	<b>Enhancement of Service Provision Capacity of the Whole Organization</b>	It is essential to establish a management structure for the whole organization in order to secure the organization's support of activities in enhancing public services.

(1)	<b>Organization Culture</b>	For the establishment of a customer orientation for public services, it is useful to introduce both top-down approaches and bottom-up approaches. An effective change in organizational culture can be facilitated via planned organizational reform management that gives a shock to the organization.
(2)	<b>Policy and Strategy</b>	It is necessary to strategically review incentives by giving better incentives to priority sectors.
(3)	<b>Organization Structure</b>	The involvement of all related departments is key to the effective provision of public service and development of service provision capability.
(4)	<b>Management System</b>	The development of a management system is usually inadequate in a public organization compared with the private sector. It is worth considering the introduction of a management system in the technical project.
4.2.3	<b>Benchmarking of Similar Organizations</b>	To study the best practices of similar organizations is an effective method for the enhancement of public services. The understanding of C/P members about effective approaches to service is deepened through benchmarking.
		Best practices of other countries for the benchmarking survey is effective for achieving a good understanding about methods for enhancing relevant public services. In the selection of best practice, it is necessary to consider adoptability from the viewpoint of a development stage and the capabilities of the C/P organization.
4.2.4	<b>Collaboration with Related Organizations</b>	It is essential to collaborate with related organizations for the effective and efficient achievement of outputs under the limited inputs of a technical project.
(1)	<b>Collaboration with Other JICA Projects</b>	If there is an investment advisor, collaboration between the investment promotion project and the investment advisor can facilitate respective activities on both sides.
(2)	<b>Collaboration with Japan's Investment Promotion Organization</b>	Collaboration with JETRO and AJC is useful for sustainable investment promotion services of an investment promotion agency.
4.2.5	<b>Improvement of the Investment Environment</b>	The improvement of the investment environment is primarily important for increases in FDI rather than the enhancement of investment promotion service.
		Increases in FDI in a developing country can be effectively achieved by combining support for investment environment improvement and the enhancement of investment promotion.
4.3	<b>Lessons Regarding Investment Promotion Services</b>	
4.3.1	<b>Periodic Update of Website</b>	<p>Websites are an effective tool for investment information provision.</p> <p>In order to build a website which meets the following conditions, it is effective to newly develop the website instead of modification of existing website.</p> <ul style="list-style-type: none"> <li>i Customer-friendly website design <ul style="list-style-type: none"> <li>- System design to take a two-way communication with investors</li> <li>- Change in website design to provide information meeting the interests of investors</li> </ul> </li> <li>ii Expansion of data capacity</li> <li>iii Simplification of updating work and design change work</li> </ul> <p>It is appropriate to introduce an easier updating system.</p> <p>It is efficient to use a hosting service company for the management of the website.</p> <p>Periodic updates to the website are important to improving the evaluation of investors.</p> <p>An analysis of visit on the basis of visit records is effective for the improving the website.</p> <p>An increase in the languages used in the website leads to an increase in visit.</p>
4.3.2	<b>Update of Investment Guidebook</b>	<p>Information collected for an Investment Guidebook can be used for other information services.</p> <p>It is necessary to always keep eyes open for information collection for the effective revision of Investment Guidebook.</p> <p>Practical information is required for an Investment Guidebook.</p> <p>It takes a considerably long time to train staff to be able to write an Investment Guidebook by themselves.</p> <p>It is effective to write and print Investment Guidebook using outside resources.</p>



4.3.3	<b>Library Management</b>	It is important have a wide range of books and documents for library services.
		Provision of soft copy data through PC is convenient for users.
		It is useful to gain cooperation from related ministries and organizations for collection of books and documents.
		Prevention measures for loss of books are necessary.
		Collection management with a search system becomes necessary as the size of the collection increases.
4.3.4	<b>Management of Investment Seminars</b>	Promotion of the library was necessary because the visibility of the library was low.
		Investors' needs for information provided at an investment seminar change as investments progresses in a target country. Thus, an investment seminar must provide topics in accordance with such changes.
		It is important to examine the possibility of an investment seminar in collaboration with other organizations.
		It is important to consider investment seminars in third countries.
4.3.5	<b>Reception Function</b>	Technical transfers of seminar management know-how were comparatively smooth.
		The one-stop service has reduced the burden of investors regarding application procedures.
		Staff in charge of consultations should have full knowledge of investment procedures, especially related laws and regulations.
		It is desirable for the staff in charge of consultations to have a wide range of knowledge of business practices related to investment so that they can understand the problems of investors.
4.3.6	<b>Management of Country Desks</b>	It is necessary to establish a system so that someone, at anytime, will receive a visiting investor.
		A country desk is effective in attracting investment from a target country since it can provide support targeting investors from that country.
		When establishing a country desk, it is a realistic choice to invite an advisor with the assistance of the government of that country.
		It is desirable that an advisor dispatched to a country desk have experience in the investment business
		An advisor dispatched to a country desk should have knowledge of the investment environment and investment procedures of a the country where the advisor is dispatched.

## 4.2 Lessons and Recommendations Regarding Project Management

### 4.2.1 Process of Capacity Development on Investment-related Services

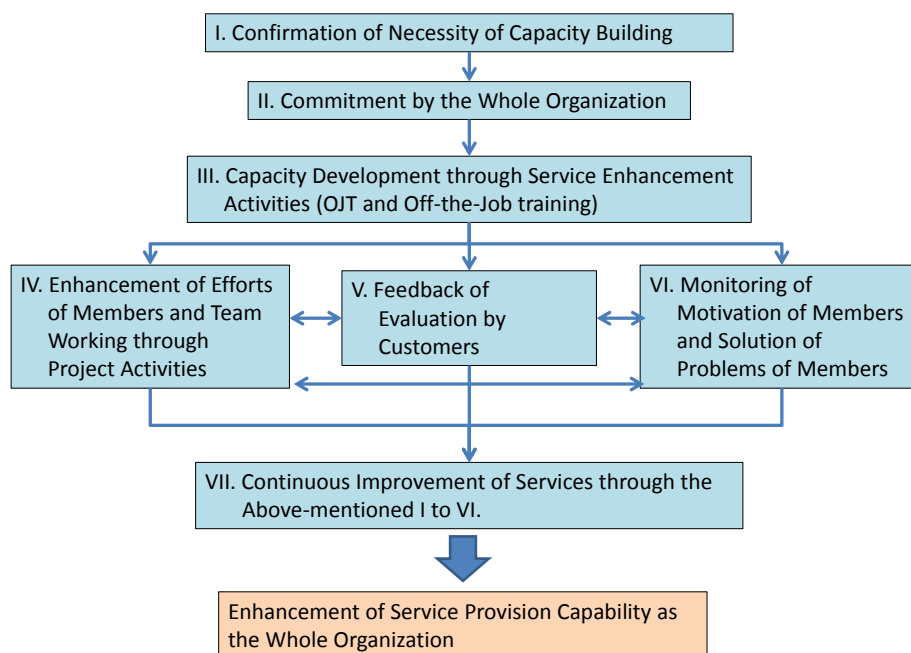
**For effective capacity development, the activities must be implemented with attention to the process of organizational development.**

In the enhancement of public services, service provision capacity of an organization is generally developed through the following process:

- I. Confirmation of Necessity of Capacity Building;
- II. Commitment by the Whole Organization;
- III. Capacity Development through Service Enhancement Activities (OJT and Off-the-Job training);
- IV. Enhancement of Efforts of Members and Team through Project Activities;
- V. Evaluation Feedback by Customers;
- VI. Monitoring of Motivation of Members and Solutions to Problems of Members; and
- VII. Continuous Improvement of Services through the Above-mentioned I to VI.

↓

**Enhancement of Service Provision Capability of the Whole Organization**



**Figure 4.2-1 Process of Organizational Development for Service Enhancement**

**(1) Confirmation of Necessity of Capacity Building**

At the first JCC meeting in March 2011, the JICA Project Team explained the objectives of Project and the contents of the activities after they clarified the importance of FDI to Cambodia’s economy, the present situation of FDI into ASEAN countries, and the current issues in investment promotion by CDC. H.E. Sok Chenda, chairman of JCC, replied that the enhancement of CDC’s investment promotion is a long-standing issue and he expressed his expectations for the Project. He instructed the members of JCC to strengthen investment promotion by taking the opportunity of the Project. At the C/P meeting held after the first JCC meeting, the JICA Project Team further emphasized the importance of enhancing investment promotion.

As mentioned above, at the time of starting the Project, H.E. Sok Chenda, Project Director of the Project, strongly recognized the necessity of enhancing the capacity for investment promotion and he shared the significance of the Project with the directors and staff of CDC in the form of top-down instruction. However, the holding the JCC meeting and the C/P meeting was not sufficiently effective to realize a high awareness among the staff. The understanding and awareness among the staff was generally low, and their attitude was just to participate in the Project at the direction of management.

**For a project enhancing public services, it is necessary to gain a full understanding in the C/P organization about the necessity of the project from the onset. In actuality, it takes time to achieve full recognition of the importance of the project and it is necessary to heighten the recognition step-by-step through project activities.**

## **(2) Commitment by the Whole Organization**

At the first JCC meeting, the JICA Project Team emphasized that, for the achievement of project objectives, CIB and CSEZB must work together for the enhancement of investment promotion in an integrated manner. The JICA Project Team also requested the participation of staff from each department in the working groups. The chairperson of JCC mentioned that both CIB and CSEZB would participate in the Project and agreed to the proposed project implementation organization, which consists of working groups participated in by staff from all the departments. At the C/P meeting, the JICA Project Team urged the directors of the departments to promote cooperation among the departments.

As mentioned above, a project implementation organization supported by all the departments of CIB and CSEZB was organized. However, the directors generally held an attitude of participation when instructed from the top and their motivation seemed relatively low. From the onset, their response was passive as to the implementation of activities by the whole organization. It took time to heighten the recognition of the importance of activities for the whole organization. It was in the latter half of the Project period when the implementation of activities with the cooperation among the departments was realized. An issue of commitment by the whole organization may require an approach from the perspective of organizational culture.

**For the enhancement of public services, it is essential that a C/P organization commits the issue to the whole organization. This requires a management organization culture in addition to leadership from top management.**

## **(3) Capacity Development through Service Enhancement Activities (OJT and Off-the-Job training)**

It is effective to combine the improvement of a service provision system and technical transfer through OJT for the enhancement of public services like this Project. It is important to record the experiences of activities implemented under the guidance of consultants in the form of manuals and such.

As methods of training, appropriate OJT is effective for developing a self-thinking attitude and capability for applicable service provision. Through OJT in this Project, WG members engaged in the preparation and implementation of various activities. As a results, they could acquire the capabilities for the management of seminars (e.g. investment seminars in third countries and workshops for provincial officers), collection of investment information from provinces, management of a library, and consultation services to investors.

In this Project, WGs formulated the manuals for seminar management, maintenance of website, and consultation services.

**For the capacity building of C/P members who participate in a technical project, it is effective to adopt the following steps:**

- i) to increase understanding by members of the project objectives by involving them in the planning of activities;**
- ii) to clarify the responsibilities of each member by allocating tasks to each member;**
- iii) to provide relevant guidance to each member in implementing his/her tasks;**
- iv) to let each member think of necessary remediation on the basis of review of**

**implementation; and  
v) to let members make a manual including the results of the review.  
While a class room lecture is beneficial for the understanding of basic knowledge,  
practical experience in actual service provision through project activities and field visits  
is necessary for capacity development.**

#### **(4) Enhancement of Efforts of Members and Team Work through Project Activities**

In the beginning of the Project, the understanding of the Project purpose and commitment among WG members was low. However, WG members gradually deepened their understanding as they held meetings. The activities which were effective in raising their motivation were:

- i) Members discussed detailed contents of activities (e.g., what they should do, how they should do it, etc.);
- ii) Members engaged in tasks that they were assigned; and
- iii) Members recognized problems through review meetings.

**A key to active participation by members of the C/P organization is frequent and close communication between JICA experts and C/P members and among C/P members. How JICA experts communicate with C/P members determines the commitment of C/P members.**

#### **(5) Evaluation Feedback by Customers**

Evaluation by investors encourages staff and complaints can be used to improve services. The Project collected feedback from investors at the provision of seminars, website, Investment Guidebook, etc. For example, a positive evaluation from participants at a workshop for provincial officers led to the continuation of similar workshops targeting provincial officials.

**To hear the voices of users (investors and provincial officers in this Project) heightens the motivation of C/P members to enhance of public services.**

#### **(6) Monitoring the Motivation of Members and Solutions for Problems of Members**

The common problems of WG members were: i) they have own regular jobs; and ii) their superiors did not necessarily understand the objectives of the Project. As a result, some members had low attendance at the beginning of the Project.

The JICA Project Team took measures such as: i) asking the leaders of the WGs to consult with WG members and their superiors; and ii) requesting understanding and cooperation from the relevant departments at JCC meetings and C/P meeting.

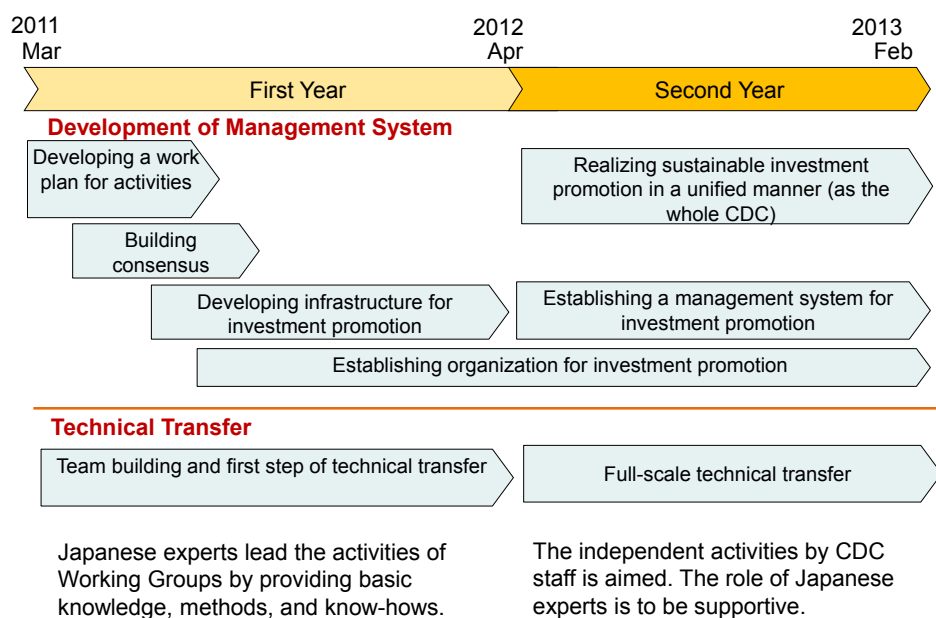
It is also important to maintain frequent communication among JICA experts, WG members and the C/P organization in order to solve the problems of WG members.

**A technical project is often implemented by working groups that consist of staff from several departments. It is necessary to resolve the problems of those staff and create ideal working conditions.**

## (7) Continuous Improvement of Services through the Above-mentioned (1) to (6)

There is no end to the improvement of investment-related services. It is important to continue activities for the improvement of services. For the establishment of an attitude for continuous improvement within C/P organization, it is necessary to let C/P members to repeat a cycle of improvement for each activity during the project period. By repeating an improvement cycle, C/P members can understand the importance of self-motivated improvement and achieve behavioral improvement.

In the first year, the focus of activities was placed on the formulation of activity plans, team-building of WGs, preparation of activities, and the trail implementation of activities. The full implementation of activities with the initiative of WG members started in the second year. In this sense, the establishment of foundation for sustainable improvement activity can be expected through the experience of several cycles of improvement (Plan – Do – Check – Action).



**Figure 4.2-2 Phases of Project Activities in the First Year and Second Year**

**Continuous improvement is necessary for the enhancement of public services. The foundation and system for the continuous enhancement should be established within the organization. This requires a certain amount of time.**

### 4.2.2 Enhancement of Service Provision Capacity for the Whole Organization

**It is essential to establish a management structure for whole organization in order to secure the organization's support for the activities in enhancing public services.**

This Project engaged in the enhancement of CDC's capability for providing investment-related services. Compared with initial state, the quality of CDC's investment-related service has been enhanced. Some examples are as follows:

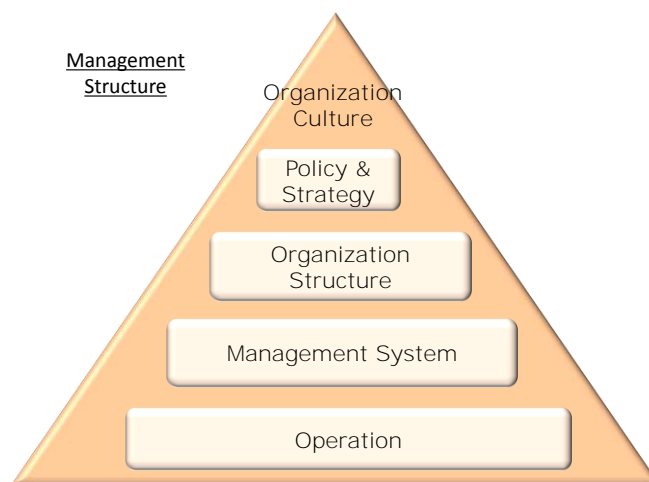
- The content on CDC's website is periodically updated;
- Communication networks with provincial governments have been established through the collection of

provincial investment-related information, and consultation and inquiries from provincial governments have increased;

- The capability for formulating investment promotion materials has been improved through the activities of planning and designing the investment promotion brochure; and
- A daily management system for the library has been established and the library periodically collects books and documents.

The crucial question is whether the enhanced investment-related services will be maintained and further improved or not. This will depend on whether the management system of the C/P organization supports the continuous enhancement of investment-related services or not.

The figure below illustrates the concept of the management structure. The operation of services (investment-related services) is affected by such components as organizational culture, policy and strategy, organization structure, and the management system.



**Figure 4.2-3 Management Structure**

### **(1) Organizational Culture**

In this Project, The JICA Project Team attached importance to “customer-oriented services”. The JICA Project Team intended to change the investment-related services of C/P organization to customer-oriented approach. This policy was based on the following reasoning:

- Prompt and appropriate provision of information quickens the decision-making process of investors; and
- CDC is the first contact point for an investor in Cambodia. Friendly and customer-oriented services by CDC promote investors’ evaluation of Cambodia as a destination country for investment.

Therefore, the organization itself must be conscious of a customer orientation. At the start of the Project, generally speaking, the staff’s customer orientation was rather low. The major reason for this was that staff are mostly public officers. The characteristics of this bureaucratic organizational culture were:

- i) The organization had a vertically-compartmentalized administrative structure and a top-down line of command;
- ii) Staff's attitude was passive. They waited for orders from top rather than thinking and acting on their own;
- iii) Staff's activities remained within the scope of their assigned job; and
- iv) The mind-set was conservative and there was resistance to new ideas and irregular affairs.

Accordingly, C/P staff could understand "customer orientation" only in word and did not comprehend what they should actually do. The JICA Project Team adopted both a top-down approach and bottom-up approach in order to bring about customer orientation in the whole organization.

Top-down approach was led by the strong leadership from top management. This approach was very effective to move people because the decision-making of the C/P organization is top-down. The reshuffle of the organization took place approximately half a year from the start of the project and the decision-making mechanisms of CIB and CSEZB were unified.

A bottom-up approach was done to promote the importance of a customer orientation among WG members through the learning process by involving them in the project activities.

At the final evaluation for the Project, WG members and management of C/P organization commented that one of the important achievements was that they could learn the importance of a customer orientation. From this point, it can be concluded that there was a certain progress in the establishment of a customer orientation.

However, there still remain the following issues for the establishment of a customer orientation:

- i) The organizational culture of C/P organization is still bureaucratic. It is different from that of the private sector, which should be really customer-oriented;
- ii) The bottom-up approach directly reached out to WG members but the impact on other staff was limited. If a WG member does not act as an agent of change in their departments, change in the whole organization will not take place.

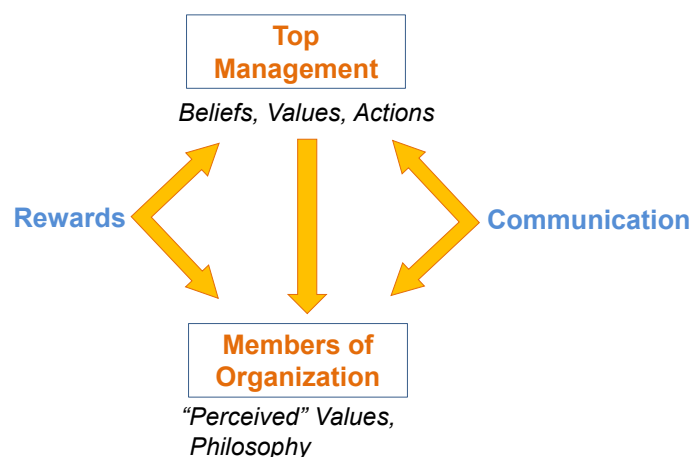
For the effective change of an organizational culture, a technical project needs to systematically include organizational reform management. But this was a difficult issue to implement within the scope of this Project.

In December 2012, the Joint Prakas regarding the services of CDC was officially issued. This Joint Prakas indicates fees for CDC's services and one-stop service team be organized to receive fees from investors. This team consists of staff members dispatched from relevant departments. This new mechanism may have impacts on the organizational culture of the C/P organization as follows:

- i) The one-stop services team is a cross-functional unit;
- ii) Fee collection from investors becomes more transparent; and
- iii) It is reported that 49% of fee revenue be allocated to staff of the C/P organization. The merit system

may be introduced to the allocation of fee revenues.

An organizational culture generally consists of many complicated elements. A simplified model of the organizational model may illustrate an organizational culture of the leadership of top management, shared values among members, communication between top management and members, and rewards. In this sense, it is expected that the new revenue mechanism, coupled with the leadership of top management, may provide momentum for a change to a more revitalized organization.



**Figure 4.2-4 Elements of Organizational Culture**

**For the establishment of a customer orientation for public services, it is useful to introduce both top-down approaches and bottom-up approaches. But an effective change in organizational culture can be facilitated through a planned organizational reform management that gives a shock to the organization.**

## (2) Policy and Strategy

CDC is the sole, one-stop service organization responsible for the development and supervision of investment activities. The responsibility of CIB is the development of the country through private investment and the responsibility of CSEZB is the acceleration of development through private investment in SEZs. The role and responsibilities of CIB stipulated in the Article 17 of the Sub-decree No. 149 can be summarized as: i) coordination and implementation of the “One-stop Service mechanism” for evaluating and approving application for QIPs; ii) strategic planning and coordination for the promotion of overall private investment; iii) marketing and promotion for potential investors; iv) policy advocacy for the improvement of the legal framework for investment promotion; and v) coordination and reporting for relevant people both inside and outside the government.

Under CIB, there is the Strategic Planning Department, which is responsible for strategy and action plans to promote and attract prospective investors. But the Strategic Planning Department does not function well for strategy and action plans in investment promotion.

For effective investment promotion, the prioritization of target countries and target sectors is necessary for the collection of investment-related information, investment seminars, and preparation of promotion materials. The prioritization is also necessary for effective use of limited budget.



However, at the start of Project, the major of activities of CIB and CSEZB were the evaluation and issuance of QIP. Their attitude was just to wait for an investor to come, and they were passive in investment promotion. Their investment promotion activities were not implemented according to a strategic plan even though they understood in their head which countries and which sectors have the most potential.

In this Project, the investment seminars (in Japan, Vietnam and Malaysia) targeted Japanese investors. Other project activities did not specify target countries, sectors or products.

A country in the development stage like Cambodia needs investment in various sectors, and it is difficult to focus on target sectors. In spite of this, it is important to regularly review investment incentives by increasing incentives to priority sectors in order to attract investment in priority sectors and promote the diversification of the economy.

**It is necessary to strategically review incentives by giving better incentives to priority sectors.**

### **(3) Organization Structure**

The C/P organization of this Project was CIB and CSEZB. The organization charts of CIB and CSEZB are illustrated in the figure below.

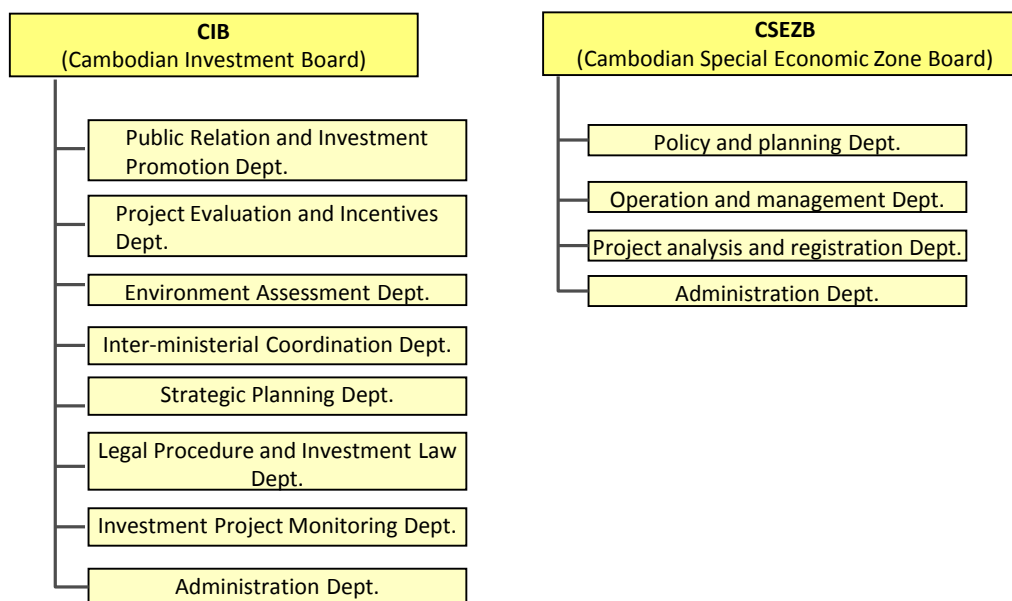
The characteristics of organization structure were as follows:

- i) The organization structures of both CIB and CSEZB were organization by function;
- ii) CSEZB does not have a department in charge of investment promotion; and
- iii) The number of CIB staff is approximately 60 people, but the number of staff is insufficient for handling the volume of services being considered.

The PRIPD under CIB is responsible for investment promotion which was the target of this Project. This project organized WGs inviting staff from other departments for the following reasons:

- i) Other departments also provide services to investors;
- ii) Other departments also possess information necessary for investment promotion;
- iii) The JICA Project Team considered that C/P organization should share the importance of involving all departments for the enhancement of services to investors; and
- iv) As the number of staff of CIB and CSEZB is limited, cooperation among departments is essential to providing full investment promotion services.

Besides PRIPD, the departments that have close relations with investment promotion services were the Project Evaluation and Incentives Department of CIB in charge of evaluation of QIP application, the Project Monitoring Department of CIB in charge of the monitoring of approve investment projects, and CSEZB in charge of QIP of the investment project in SEZ. Other members were from the Legal Procedure and Investment Law Department, Inter-Ministerial Coordination Department, and Administration Department.



**Figure 4.2-5 Organization Structure of C/P Organization**

The collaborative work by CIB and CSEZB has been infrequently conducted. As the organization of CIB is divided by function, collaboration among departments has not been recognized as being indispensable. The JICA Project Team considered the collaboration between CIB and CSEZB as important for the enhancement of investment promotion services, and implemented the Project keeping this point in mind.

**The involvement of all related departments is key to the effective provision of public service and development of service provision capabilities.**

#### **(4) Management System**

As C/P organization is a governmental organization, the management system of C/P organization follows the regulations and systems of government.

The investment promotion services of CDC were insufficient due to a limited budget and staff. The private sector usually introduces operational improvement measures such as job descriptions, management-by-objective, and performance evaluation, but CDC had not introduced such measures.

Thus, the JICA Project Team placed importance on the development of management systems such as website development, construction of a database, and formulation of manuals. These outputs that are able to be utilized in daily operations after the Project will contribute to self-sustaining service provision. The monitoring mechanism of the users' evaluation, which has been introduced in this Project, is also a useful tool for service improvement.

Since December 2012, CDC has received fees from investors, and it is said that the revenue will be partially distributed to CDC staff according to performance. This may have positive impacts on service improvements.

**The development of a management system is usually inadequate in a public organization**

**as compared with the private sector. It is worth considering the introduction of management systems in the technical project.**

#### 4.2.3 Benchmarking of Similar Organizations

**Studying the best practices of similar organizations is an effective method for the enhancement of public services. The understanding of C/P members about effective service approaches is deepened through benchmarking.**

This Project conducted third country training with the following purposes:

- i) Learn the investment promotion services provided by the neighboring ASEAN countries;
- ii) Visit the chambers of commerce and potential investors in the neighboring ASEAN countries for investment promotion under the guidance of the JICA Project Team; and
- iii) Visit the management companies of industrial zones and SEZs to learn the investment promotion conducted by them.

WG members visited the four ASEAN countries as third country training. They conducted the benchmarking survey of MIDA (Malaysia), EDB (Singapore), BOI (Thailand), FIA (Vietnam) and Hanoi City People's Committee (Vietnam). They studied the contents and level of services, management systems, and past experience of these organizations.

The benchmarking survey had the following effects on the improvement of investment promotion of the C/P organization:

- i) C/P organization was able to learn what had been the role of FDI in the economic development of the ASEAN countries that are ahead of Cambodia;
- ii) C/P organization could learn the transition of investment promotion policies according to different stages of economic development; and
- iii) C/P organization could learn the contents, methods, and organization of each investment promotion service.

This Project used the results of the benchmarking survey as a reference point when WG members developed the website, made plans for library management, and planned the one-stop-service (Investors' Window). To visit and see best practices had a more significant effect on the understanding of WG members than did the JICA experts' explanation and lectures. In addition, it was an effective choice for the investment promotion services of the neighboring ASEAN countries as a model as the economic development stage of those countries is more similar to that of Cambodia.

**Best practices of other countries for the benchmarking survey are effective for a good understanding of the method for enhancing relevant public services. In the selection of best practices, it is necessary to consider adoptability from the viewpoint of the development stage and capability of C/P organization.**

#### 4.2.4 Collaboration with Related Organizations

**It is essential to collaborate with related organizations for the effective and efficient achievement of outputs with the limited inputs of a technical project.**

## **(1) Collaboration with Other JICA Projects**

JICA dispatched a long-term advisor for investment environment improvement (hereinafter referred to as the “JICA Investment Advisor”) to CDC, providing advice to Japanese investors through the Japan Desk set up at PRIPD.

The JICA Project Team has implemented this Project in close communication with the JICA Investment Advisor. This Project received the following assistance from the JICA Investment Advisor:

- i) The JICA Investment Advisor explained the role of the Japan Desk when the JICA Project Team formulated recommendations for the country desks;
- ii) The JICA Investment Advisor gave lectures at the seminars that the JICA Project Team implemented;
- iii) The JICA Investment Advisor gave lectures on consultation services to the staff in charge of consultations as part of the reception function activities;
- iv) The JICA Investment Advisor provided the JICA Project Team with advice on the website design and the contents of Investment Guidebook from the viewpoint of investors; and
- v) the JICA Project Team and JICA Investment Advisor exchanged information on Cambodia’s investment policies and trends in investors.

From the above, it can be concluded that collaboration with the JICA Investment Advisor was very effective in the implementation of this Project.

In November 2011, JICA dispatched a long-term expert in industrial policy under the project name same as the current Project. The JICA expert provided the C/P organization with advice on industrial policy. The JICA Project Team and the JICA expert communicated as they conducted their respective work. But the collaboration was limited to informational exchanges as the scope of work for the JICA Project Team and the JICA expert were different. At JCC meetings, both sat together and explained the activity plan and the results of activities respectively.

The Shihanoukville Port SEZ was completed with the assistance of JICA in May 2012. JICA dispatched to that SEZ an expert to promote investment. The JICA Project Team supported this expert by introducing the Shihanoukville Port SEZ to the participants of the investment seminar.

## **(2) Collaboration with Japan’s Investment Promotion Organization**

JETRO opened its Phnom Penh office in March 2010. This Project received the following assistance:

- i) JETRO became one of the organizers of the Cambodia Investment Seminars in the first and second year of the Project. JETRO supported the advertisement of the seminars. The representative of the Phnom Penh office gave a lecture at these seminars;
- ii) The vice chairman of CSEZB was invited as a lecturer to the Cambodia Investment Seminar organized by the JETRO Singapore office in Singapore in the first year of the Project;
- iii) The representative of the JETRO Phnom Penh office gave a lecture at the workshop for provincial

- officers organized by CDC in the first year of the Project;
- iv) The JETRO Kuala Lumpur office and Hanoi office arranged the venues and gathered participants for the Cambodia Investment Seminars held in Malaysia and Vietnam in the second year of the Project;
  - v) When C/P members visited JETRO offices in the third country training, the JETRO offices gave a briefing on the investment environment of the respective country; and
  - vi) The JICA Project Team often exchanged information with the representative of the JETRO Phnom Penh office on Cambodia's investment environment and the investment trends of Japanese investors.

JETRO is, same as C/P organization, an organization providing investment promotion services. Thus, for the C/P organization, JETRO is the most appropriate partner for collaboration in attracting Japanese investors.

After this Project is terminated, it is desirable for the C/P organization to strengthen its collaboration with JETRO for investment promotion to Japanese investors. Specifically, the support from JETRO for information in Japanese (e.g., Investment Guidebook and website) will be important because the Japanese capability of C/P organization is limited.

At the Cambodia Investment Seminar in Japan, the Project received assistance from various organizations in addition to JETRO. This increased the effectiveness in pulling in more visitors. However, as the number of involved parties increased, necessary coordination became more complicated and time-consuming.

The ASEAN-Japan Centre (AJC) was one of organizers of Cambodia Investment Seminars in Japan. AJC holds an investment seminar for each member country every year. Thus, AJC will hold a Cambodia investment seminar on an annual basis. CDC can participate in the Cambodia investment seminar by maintaining its collaboration with AJC.

#### 4.2.5 Improvement in Investment Environment

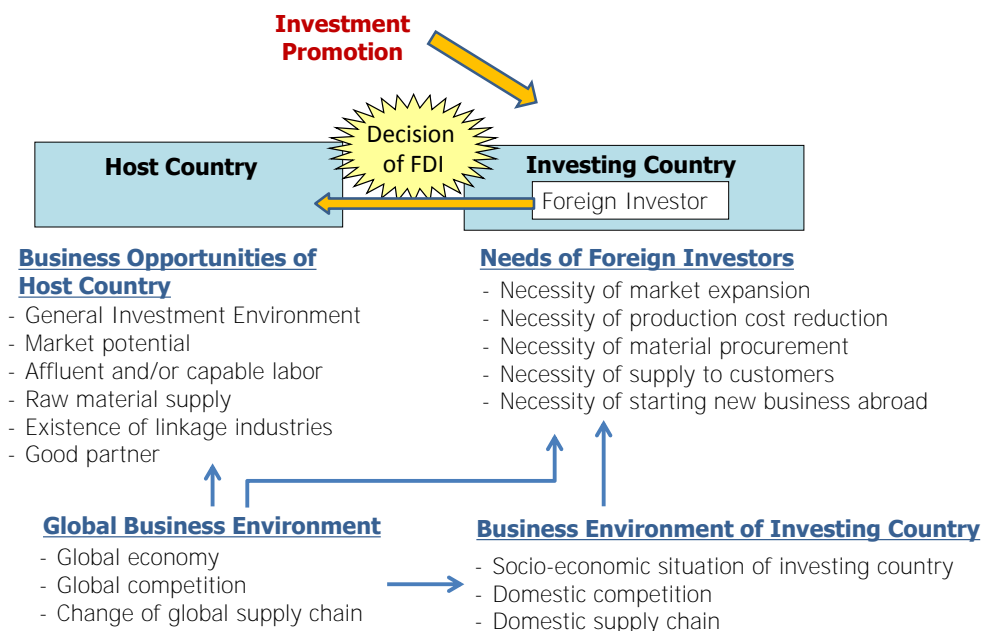
**Improvements in the investment environment are primarily important for increasing FDI rather than enhancing investment promotion services.**

The overall goal of this Project is that “Foreign direct investment (FDI) inflows to Cambodia will increase.” The project purpose is for “CDC's capacity for improving investment promotion services will be enhanced.”

The critical factors for FDI inflows in Cambodia are global economic trends, economic conditions for investing countries, competition faced by potential investors, business opportunities and the business climate of Cambodia. Accordingly, for the overall goal of increasing FDI, improvements in the investment environment are primarily important and investment promotion has a subordinate role.

Investment promotion services consist of the following functions:

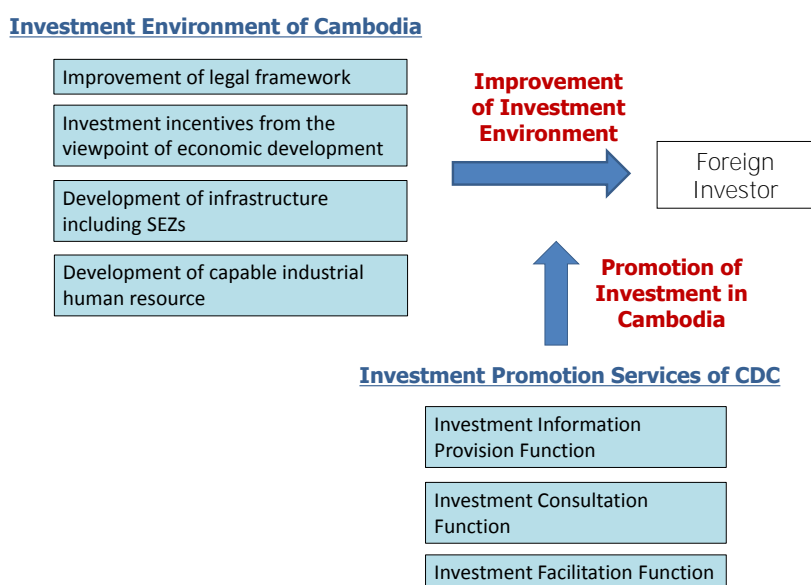
- i) Investment information provision function: to attract the attention of investors by promoting the business environment and to provide investors with information necessary for investment decisions;
- ii) Investment consultation function: to provide consultation to investors; and
- iii) Investment facilitation function: to support investors in investment procedures and business operations.



**Figure 4.2-6 Determinate Factors of FDI**

The C/P organization for this Project also administers policy issues related to the investment environment such as investment-related laws and regulations, and investment incentives. It also plays the role of monitoring the problems of investment and examines measures to improve Cambodia's investment environment.

During the project period, FDI in Cambodia showed trended upward because of a favorable external environment such as a deteriorated business environment in China. At the same time, ASEAN countries such as Thailand, Indonesia and the Philippines are attracting investors due to the progress in industrial concentration and steady economic growth with such countries as Myanmar and Bangladesh gaining increasing attractiveness because of an affluent supply of good but low-cost labor. Considering these external business environments, it is necessary to further improve Cambodia's investment environment, as well as enhance its investment promotion, for the achievement of the overall goal.



**Figure 4.2-7 Measures Necessary for Increasing FDI**

The JICA Project Team conveyed information on Cambodia’s investment bottlenecks and requests for improvements in the investment environment to the C/P organization based on its interviews with investors at the investment seminars and/or their visits to CDC. The JICA Project Team also made recommendations for improvements to the investment environment. However, investment environment improvement itself was not within the scope of the Project. Thus, in terms of investment environment improvement such as the transparency of investment costs and the revision of investment-related laws, which C/P organization is currently undertaking, the JICA Project Team’s assistance was limited to the providing of limited advice.

**Increasing FDI in a developing country can be effectively achieved by combining support for investment environment improvement and enhancement of investment promotion.**

### 4.3 Lessons Regarding Investment Promotion Services

The results of the technical transfer implemented under this Project can be summarized in the manner shown in the following table. The evaluation is subjective because objective quantitative evaluation is difficult in this situation.

**Table 4.3-1 Achievement of Technical Transfer**

Activity	Method and Know-how to Be Acquired	Achievement	
Investment Information	To understand investment-related information	★★★	
	To understand investors’ information needs	★★	
	Methods for data searches	★★	
	Development and maintenance of databases	★	
	Analysis of economic data	★	
	Methods for data presentations	★	
	Data collection and networks for data collection	★★★	
	Website	To understand investors’ needs for the website	★★★
		To understand how to maintain the website	★★
		Capacity for website design	★
Operation of the content management system		★★★	
Evaluation method for website		★★	

	Investment Guidebook	To understand investors' needs for the Investment Guidebook	★★
		Analysis methods for investment trends	★★
		To understand investment-related laws and regulations	★★
		To understand business information related to investment	★
		Planning and design capability for the Investment Guidebook	★
		To understand editing and layouts	★
	Library Service	To understand information media	★★★★
		Collection methods for books, information and data	★★
		Library classification methods	★★
		Library database management	★★
		Library search methods	★
		Know-how in library management	★★
Investment Promotion	Seminar Management	To understand investors' needs in investment seminars	★★
		Methods for planning investment seminars	★★
		Implementation methods for investment seminars	★★★★
	Reception Function	To understand investors' needs for reception services	★★★★
		To understand investment-related laws and regulations	★★
		To understand the business practices of investors	★★
		Know-how in reception services	★★
		Development and maintenance of a database of investors	★
	Management of Country Desk	To understand investors' needs for country desks	★★
		Same as the above "Information Collection"	
		Same as the above "Website"	
		Same as the above "Seminar Management"	
Same as the above "Reception Function"			

Note: ★★★★★: Achieved a level sufficient for sustainable service provision, ★★: Achieved a certain technical transfer, ★: Stays at basic level.

Lessons learned are described below by each activity.

#### 4.3.1 Periodic Updating of Website

##### i) Websites are effective tools for investment information provision

In this Project, the website was created from scratch, and the number of monthly visits to the website was around 5,000. The type of information frequently visited was laws and regulations. An investor can send an inquiry through the website. It is expected that the website will be used as a two-way communication tool with investors.

##### ii) In order to build a website which meets the following conditions, it is effective to newly develop the website instead of modification of existing website.

###### 1) Customer-friendly website design

- System design to take a two-way communication with investors
- Change in website design to provide information meeting the interests of investors



- 2) Expansion of data capacity
- 3) Simplification of updating work and design change work

The C/P organization had its own website, but it was necessary to renovate the design of the website in order to enrich the information on the website though the program was difficult for uploading information and changing the design. In this situation, it was efficient to create a new website from scratch with more recent technology.

- iii) It is appropriate to introduce an easier updating system

A content management system that is easy to use was adopted so that C/P staff can upload information on their own effort for regular updating of the website. The JICA Project Team provided training to C/P staff on how to manage the website and provided a manual.

- iv) It is efficient to use a hosting service company for the management of the website

The C/P organization placed the website data on an internal server located and maintained the website by itself at the start of the Project. The JICA Project Team proposed the use of an outside hosting service company in consideration of security management, the size of the lines, ease of access, reduction in maintenance work, and other similar reasons. The website of the C/P organization is currently placed on the server of an outside company.

- v) Periodic updating of the website is important to improving investor evaluations

Users of websites attach importance to how much new information is uploaded. The JICA Project Team guided C/P staff in uploading news and events as frequently as possible. In addition, if information is uploaded frequently, a hit by a search engine becomes ranks higher.

- vi) An analysis website visit on the basis of the visit records is effective for the improving websites

Visit records can be used for the analysis of user visit. This Project analyzed what information is visited the most and from which countries users visit the website.

- vii) An increase in the languages used in the website leads to an increase in visit rates

The CDC website currently has Khmer pages, English pages and Japanese pages. It is expected that website visits from China and Korea will increase if the website adds Chinese pages and Korean pages. A foreign language page other than English requires an expert in that language. When the C/P organization opens a foreign language page, it is a means, at least at the start, for receiving assistance from the government of country where the language is used. Under this Project, the C/P organization has introduced Japanese pages with the assistance of the JICA Project Team. There is concern as to whether the Japanese pages will continue to be sustainably maintained.

#### **4.3.2 Update of Investment Guidebook**

- i) Information collected for an Investment Guidebook can be used for other information services

For the compilation of the Investment Guidebook exhaustive information is collected. The information

collected and processed for the Investment Guidebook can be used for websites, brochure, library, and other such materials.

Most of the information uploaded to the website was from the revised Investment Guidebook.

- ii) It is necessary to always continue information collection for the effective revision of the Investment Guidebook

The timing of revisions is on a yearly basis at least. It is necessary to constantly keep watch for new information and collect discovered information as quickly as possible.

- iii) Practical information is required for an Investment Guidebook

Exhaustive and systematic compilations of practical contents lead to higher evaluations by investors. Accordingly, it is desirable that the person in charge of planning the guidebook have practical experience in investment.

- iv) It takes a considerably long time to train staff to be able to write an Investment Guidebook without assistance.

In this Project, the JICA Project Team assigned part of the writing to WG members and trained them in the writing process. WG members collected and processed information such as provincial information, macroeconomic data, infrastructural information, and business cost information. This processed data was used in the revised Investment Guidebook. As for provincial investment information, in the first year, the survey was led by the JICA Project Team, and in the second year WG members took the initiative in conducting a survey with the support of the JICA Project Team.

However, the planning of the Investment Guidebook requires a deep understanding and experience in investment procedures and investment-related laws and regulations. It will take time before any WG member acquires the capability of writing and compiling an Investment Guidebook alone. Under this Project, a revised version of the Investment Guidebook in Japanese was published. There is also the same problems for the C/P organization as for the the Japanese page introduced with the assistance of the JICA Project Team. The Japanese version of Investment Guidebook cannot be modified or added to by C/P staff because there is nobody with a good command of Japanese.

- v) It is effective to write and print the Investment Guidebook using outsources

The Investment Guidebook in Chinese and Korean were published with the assistance of translation services from those two countries. AJC reprinted CDC's Investment Guidebook under the name of AJC. The development and printing of the Investment Guidebook can be carried out with assistance from donors and international organizations.

#### **4.3.3 Library Management**

- i) It is important to have a wide collection of books and documents for the library service

At the beginning of the Project, the C/P organization recognized that the collection of legal information

is the most important element. Legal information is surely important, however, investors' needs for information are varied. This Project collected various kinds of information such as statistics, government reports, SEZ information, and other data.

ii) Provision of soft copy data through PC is convenient for users

Legal information is not only displayed in hard copy at the library space but also stored in a database on two PCs. Visitors can access the data in the PCs. Visitors who wanted to closely examine laws and regulations used the database via the PCs.

iii) It is useful to gain cooperation from related ministries and organizations in the collection of books and documents

The budget of the C/P organization was limited. WG members collected books and documents from related ministries, international organizations, and other such sources. Major sources were the central bank, statistics office, MEF, MOC, MIME, and provincial governments.

The need for industrial sector trends and company information are increasing. It is important to establish information networks with associations and major companies for information on the private sector.

iv) Prevention measures for the loss of books are necessary

Loss of books and documents became an issue in library management. An effective measure was not identified because the introductions of antitheft systems were not realistic because of the small size of the library. The only adopted measure is to keep a careful watch on visitors.

v) Collection management via search system becomes necessary as the size of the collection increases

At the library space, books and documents are given book codes and managed with a database with the number of books and documents being around 1,000. This number is not large, but the management via database is necessary. The collection of books and documents is expected to further increase in the near future. At that time, the introduction of a search system that visitors can use will be necessary.

vi) Promotion of the library was necessary because the visibility of library was low

The library space placed in PRIPD/CIB was set up for information provision to visitors of CIB. Some of the visitors to PRIPD visited the library space. But the number of users of the library is still small. Although a library brochure is distributed, further promotion activities are necessary. On the other hand, the number of CDC staff using the library is increasing.

#### **4.3.4 Management of Investment Seminars**

i) Investors' needs for information that is provided at an investment seminar change as investments progress in a target country. Thus, an investment seminar must provide topics in accordance with such changes.

As investments in Cambodia increase, investors' interests have shifted from general investment environment to specific information regarding operations in Cambodia. The JICA Project Team

reexamined the agenda of the Cambodia Investment Seminar in the second year according to investors' interests. Investors highly evaluated the lectures of actual experiences in starting and operating a business in Cambodia.

- ii) It is important to examine the possibility of an investment seminar in collaboration with other organizations

Collaboration with other organization may have advertisement merits for participants in addition to cost sharing. At the investment seminars implemented by this Project (in Japan, Malaysia and Vietnam), AJC and JETRO recruited participants.

- iii) It is important to consider investment seminars in third countries

Japanese manufacturers have widely established production bases within ASEAN countries and regional supply chains. Therefore, there exist Japanese companies located in such countries as Thailand and Vietnam which have an interest in investment in Cambodia. The investment seminars in the neighboring ASEAN countries could provide information on Cambodia's investment opportunities to Japanese companies located in those countries.

- iv) Technical transfer of seminar management know how was comparatively smooth

The JICA Project Team formulated a manual on seminar management based on the results of Cambodia Investment in Japan in the first year and carried out the training of C/P staff using the manual. In this Project, workshops for provincial officials were implemented four times. C/P staff prepared and managed these workshops and finished the workshops without incident. C/P organization regularly holds various seminars and conferences. These experiences made the management of the investment seminars run smoothly.

#### **4.3.5 Reception Function**

- i) One-stop service has reduced the burdens of investors regarding applications procedures

According to the Joint Prakas issued in December 2012, CDC provides a one-stop service at PRIPD/CIB. At the same time, the fees for services by CDC were officially announced. This Prakas has reduced the burden on investors and increased transparency in service fees.

As the newly started one-stop service is only for the services of CDC, it is different from what the JICA Project Team had proposed (a one-stop service including licenses and permits of other ministries). But it can be evaluated as the first step towards an integrated one-stop service for investors.

- ii) Staff in charge of consultations should have full knowledge of investment procedures, especially related laws and regulations

In this Project, the JICA Project Team conducted training programs in investment procedures to staff in charge of consultations. The JICA Investment Advisor, as a lecturer, provided lectures based on the Q&A manual which was compiled from the past inquiries of investors. As a result of these lectures, staff could check points they did not understand well.

- iii) It is desirable for the staff in charge of consultations to have a wide knowledge of business practices related to investment so that they can understand the problems of investors

It is possible to gain knowledge on investment business (e.g. investment decision-making and business operation) through close and longterm communication with investors.

- iv) It is necessary to establish a system that someone at all times is available to receive a visiting investor.

At the C/P organization, PRIPD/CIB is responsible for consultation services to investors. PRIPD arranges for someone to always be on stand by in order to attend to a visitor.

#### **4.3.6 Management of Country Desks**

- i) A country desk is effective in attracting investment from a target country because it can provide support targeting investors from that country

Japan Desk is established within the C/P organization and manned by the JICA Investment Advisor. As this advisor gives advice to Japanese investors in Japanese, Japanese investors can ask advice for detailed problems so that the Japan Desk provides considerable support to investments by Japanese investors. This advisor also gives suggestions to the C/P organization on investment promotion to Japanese investors.

- ii) When establishing a country desk, it is a realistic choice to invite an advisor with the assistance of the government of that country

The C/P organization usually has very few staff that has a good command of a foreign language other than English. Accordingly, when establishing a country desk for priority investing countries, it is a realistic choice to invite an advisor with the assistance of the government of that country. It is also necessary to allocate staff to work with the foreign advisor in order to develop staff who can be responsible for that country desk in the future.

- iii) It is desirable for an advisor dispatched to a country desk to have experience in investment business

Anyone dispatched from a relevant country cannot necessarily provide appropriate investment consultations. Only advisors with investment business experience can provide practical and detailed information to investors.

- iv) An advisor dispatched to a country desk should have knowledge of the investment environment and investment procedures of the country where the advisor was dispatched

When an advisor is newly dispatched to a country desk, a preparatory period for learning the investment environment and procedures is needed.

## CHAPTER 5 Reports, JICA Project Team and Assignment Schedule

### 5.1 Reports

JICA Project Team prepared and submitted the following reports during the Project period:

**Table 5.1-1 List of Reports**

Year	Title of Report	Time	Number of Copies
First Year	Project Implementation Plan	March 2011	English Edition: 15 copies (10 copies to CDC) Japanese Edition: 5 copies CD-ROM: 1 copy for English edition and Japanese edition
	Project Progress Report	September 2011	English Edition: 10 copies (5 copies to CDC) Japanese Edition: 5 copies CD-ROM: 1 copy for English edition and Japanese edition
	Project Completion Report (First Year)	March 2012	English Edition: 10 copies (5 copies to CDC) Japanese Edition: 5 copies CD-ROM: 1 copy for English edition and Japanese edition
Second Year	Project Implementation Plan	April 2012	English Edition: 15 copies (10 copies to CDC) Japanese Edition: 5 copies CD-ROM: 1 copy for English edition and Japanese edition
	Project Completion Report	March 2013	English Edition: 15 copies (10 copies to CDC) Japanese Edition: 5 copies CD-ROM: 1 copy for English edition and Japanese edition

Source: JICA Project Team

### 5.2 PR Media

In the course of public relations activities for the Project, the following materials have been prepared and distributed to the stakeholders:

**Table 5.2-1 List of Materials for Public Relations**

Title of Media	Contents	Submission
Project Newsletter Vol. 1	- Introduction to the Project - Cambodia Investment Seminar in Tokyo 2011 - Provincial Study 2011	September 2011
Project Newsletter Vol. 2	- Third Country Training in Singapore and Malaysia - Publish New Edition of "Cambodia Investment Guidebook" - Renovation of Reception Space and Library Space - Training Workshop for Provincial Authority Officials in Shihanoukville	April 2012
Project Newsletter Vol. 3	- Provincial Study 2012 - Training Workshop for Provincial Authority Officials in Siem Reap - Cambodia Investment Seminar in Osaka and Tokyo 2012 - The Second Counterpart Meeting - Improving Investment Consultation Service	November 2012

Source: JICA Project Team

### 5.3 Project Experts and Expert Assignment Schedule

During the project period, a total of 8 experts were dispatched to engage in Project. The members of the Project Team and their assignment schedule are as shown in the following table and figure. It should be noted that all Project Team members complement each other's responsibilities in addition to their own responsibilities in order to ensure continuity in technology transfer activities for actual project implementation.

**Table 5.3-1 Main Tasks of JICA Expert**

<b>Position</b>	<b>Tasks</b>
Team leader/ Investment promotion 1	<ul style="list-style-type: none"> <li>➤ General management of the project and control of progress</li> <li>➤ General supervision of the activities related to investment promotion services</li> <li>➤ Planning and implementation of investment promotion seminars</li> <li>➤ Enhancement of reception function</li> <li>➤ Enhancement of country desk management</li> </ul>
Team sub-leader/ Investment information service 1	<ul style="list-style-type: none"> <li>➤ Assist General management in the project and control of progress</li> <li>➤ Update Investment Guidebook (3<sup>rd</sup> edition, June 2011)</li> <li>➤ Update Investment Guidebook (5<sup>th</sup> edition, February 2013)</li> <li>➤ Periodic update of CDC website</li> <li>➤ Library management</li> <li>➤ Planning and implementation of investment promotion seminars</li> <li>➤ Implementation of provincial study</li> </ul>
Investment information service 3	<ul style="list-style-type: none"> <li>➤ Update Investment Guidebook (4<sup>th</sup> edition, January 2012)</li> <li>➤ Implementation of Provincial study</li> <li>➤ Periodic update of CDC website</li> <li>➤ Library management</li> <li>➤ Planning and implementation of investment promotion seminars</li> </ul>
Investment promotion 2	<ul style="list-style-type: none"> <li>➤ Preparation of seminar implementation manual</li> <li>➤ Enhancement of reception function</li> <li>➤ Enhancement of country desk management</li> </ul>
Policy advocacy/ Investment information service 2	<ul style="list-style-type: none"> <li>➤ General supervision of the activities related to investment information services</li> <li>➤ Update Investment Guidebook (3<sup>rd</sup> edition, June 2011)</li> <li>➤ Update Investment Guidebook (4<sup>th</sup> edition, January 2012)</li> <li>➤ Update Investment Guidebook (5<sup>th</sup> edition, February 2013)</li> <li>➤ Periodic update of website</li> <li>➤ Library management</li> </ul>
Website management	<ul style="list-style-type: none"> <li>➤ Website Development</li> <li>➤ Training implementation of website management</li> </ul>
Inter-organizational coordination/Investment promotion assistant	<ul style="list-style-type: none"> <li>➤ Inter-organizational coordination with stakeholders for collaboration in investment information/promotion activities</li> <li>➤ Planning and implementation of investment promotion seminars</li> <li>➤ Planning and implementation of third country training</li> <li>➤ Library management</li> <li>➤ Assist the enhancement of reception function</li> <li>➤ Assist the enhancement of country desk management</li> </ul>

Source: JICA Project Team

**Table 5.3-2 Assignment Record of JICA Project Team (First Year)**

	Position	Name	Organization	1	2	3	4	5	6	7	8	9	10	11	12	13	14	the first year			
				FY 2010		FY 2011(the first year)														Field work	Work in Japan
				2	3	4	5	6	7	8	9	10	11	12	1	2	3				
Field Work	1	Team Leader/ Investment Promotion 1	Kazuo MISHIMA	KRI		14 (0.47)			14 (0.47)		18 (0.60)		22 (0.73)		16 (0.53)		9 (0.30)	3.10			
	2	Team Sub-leader/ Investment Information Service 1	Hiromichi HARA	KRI		30 (1.00)			21 (0.70)		15 (0.50)			21 (0.70)				2.90			
	3	Investment Information Service 3	Akihiko MORINAGA	KRI							15 (0.50)			27 (0.90)			33 (1.10)	2.50			
	4	Investment Promotion 2	Kota NAGAI	KRI		30 (1.00)			9 (0.30)		12 (0.40)			12 (0.40)				2.10			
	5	Policy Advocacy/ Investment Information Service 2	Yoichi MATSUI	KRI		27 (0.90)		11 (0.37)	21 (0.70)		15 (0.50)	19 (0.63)	3 (0.10)	40 (1.33)			3 (0.67)	17	5.20		
	6	Website Management	Takeharu MIZUKOSHI	KRI FORVAL Cambodia					15 (0.50)		15 (0.50)					90 (3.00)			4.00		
	7	Inter-organizational Coordination/ Investment Promotion Assistant	Tomomi KASHIWAI	KRI		15 (0.50)													0.50		
		Shoko UEHARA									27 (0.90)			39 (1.30)		36 (1.20)		3.40			
<b>Field work total</b>																	<b>23.70</b>				
Work in Japan	1	Team Leader/ Investment Promotion 1	Kazuo MISHIMA	KRI		3 (0.10)			3 (0.10)										0.20		
	2	Team Sub-leader/ Investment Information Service 1	Hiromichi HARA	KRI		3 (0.10)			6 (0.30)					3 (0.10)					0.50		
	3	Investment Promotion 2	Kota NAGAI	KRI					3 (0.03)					2 (0.07)					0.10		
	4	Policy Advocacy/ Investment Information Service 2	Yoichi MATSUI	KRI		3 (0.10)			3 (0.10)										0.20		
	5	Website Management	Takeharu MIZUKOSHI	KRI FORVAL Cambodia															0.00		
	6	Inter-organizational Coordination/ Investment Promotion Assistant	Tomomi KASHIWAI	KRI					12 (0.40)											0.40	
		Shoko UEHARA																	0.00		
<b>Work in Japan Total</b>																		<b>1.40</b>			

Source: JICA Project Team

**Table 5.3-3 Assignment Record of JICA Project Team (Second Year)**

	Position	Name	Organization	15	16	17	18	19	20	21	22	23	24	25	the second year		
				FY 2012 (the second year)											Field Work	Work in Japan	
				4	5	6	7	8	9	10	11	12	1	2			
Field Work	1	Team Leader/ Investment Promotion 1	Kazuo MISHIMA	KRI		10 (0.33)				18 (0.60)			10 (0.33)		12 (0.50)	1.77	
	2	Team Sub-leader/ Investment Information Service 1	Akihiko MORINAGA	KRI		12 (0.40)		21 (0.70)	30 (1.00)	45 (1.50)		54 (1.80)		36 (1.20)	6.60		
	3	Policy Advocacy/ Investment Information Service 2	Yoichi MATSUI	KRI		13 (0.43)		17 (0.57)		20 (0.67)			30 (1.00)	21 (0.70)	3.37		
	4	Inter-organizational Coordination/ Investment Promotion Assistant	Shoko UEHARA	KRI		12 (0.40)		45 (1.50)		24 (0.80)	30 (1.00)		34 (1.13)	28 (0.93)	25 (0.83)	5.77	
<b>Field work total</b>															<b>17.50</b>		
Work in Japan	1	Team Leader/ Investment Promotion 1	Kazuo MISHIMA	KRI					3 (0.10)								0.10
	2	Team Sub-leader/ Investment Information Service 1	Akihiko MORINAGA	KRI			3 (0.10)		12 (0.40)								0.50
	3	Policy Advocacy/ Investment Information Service 2	Yoichi MATSUI	KRI					3 (0.10)								0.10
	4	Inter-organizational Coordination/ Investment Promotion Assistant	Shoko UEHARA	KRI					6 (0.20)								0.20
<b>Work in Japan Total</b>																<b>0.90</b>	

Source: JICA Project Team



## 5.4 Purchased Items

The following equipment was purchased and used during the Project. These items have been handed over to the C/P organization:

**Table 5.4-1 Purchased Items**

Items	Type	Unit	Remarks
Desktop PC	DELL OPTIPLEX 390	2	Handed over to CDC
	(OS) Windows7 Professional	1	Handed over to CDC
	Screen; DELL E1912H	1	Handed over to CDC
Printer and Photocopy Machine	Konica Minolta, Bizhub C253	1	Handed over to CDC
Projector	Acer X1161 DLP Projector	1	Handed over to CDC
Book Binding Machine	Comet 01100510750	1	Handed over to CDC
Office Furniture	White Board	1	Handed over to CDC

Source: JICA Project Team

# **Appendix 1**

## List of Counterpart

## List of Counterpart

<b>1. Project Director</b>	
<b>Name</b>	<b>Position</b>
H.E. Sok Chenda Sophea	Minister attached to the Prime Minister, Secretary General
<b>2. Deputy Project Director</b>	
H.E. Chea Vuthy	Deputy Secretary General of CIB and CSEZB
<b>3. Project Manager</b>	
Mr. Suon Sophal	Deputy Director of Public Relations and Investment Promotion Department, CIB
<b>4. WG Members</b>	
<b>4.1. Website</b>	
1. Mr. Suon Sophal	Deputy Director of Public Relations and Investment Promotion Department, CIB
2. Mr. Srey Puthea	Officer of Project Evaluation and Incentives Department, CIB
3. Mr. Kongvong Cheasthapor	Officer of Investment Project Monitoring Department, CIB
4. Mr. Hean Sopauline	Deputy Chief of Bureau, Operation and Management Department of CSEZB
<b>4.2. Investment Guidebook</b>	
1. Mr. Chuon Bory	Deputy Director of Inter-ministerial Coordination Department, CIB
2. Mr. Uy Rithymony	Assistant to Deputy Secretary General of CIB and CSEZB
3. Mr. Suon Sophal	Deputy Director of Public Relations and Investment Promotion Department, CIB
4. Mr. Moeung Visoth	Deputy Director of Investment Project Monitoring Department, CIB
5. Mr. Kongvong Cheasthapor	Officer of Investment Project Monitoring Department, CIB
6. Mr. Hean Sopauline	Deputy Chief of Bureau, Operation and Management Department of CSEZB
<b>4.3. Library</b>	
1. Mr. Sorn Dydenyn	Deputy Director of Project Evaluation and Incentives Department, CIB
2. Ms. Ear Sapphire	Officer of Public Relations and Investment Promotion Department, CIB
3. Mr. Srey Puthea	Officer of Project Evaluation and Incentives Department, CIB
4. Mr. Kongvong Cheasthapor	Officer of Investment Project Monitoring Department, CIB
5. Mr. Hean Sopauline	Deputy Chief of Bureau, Operation and Management Department of CSEZB
<b>4.4. Seminar</b>	
1. Ms. Reath Theany	Officer of Public Relations and Investment Promotion Department, CIB
2. Mr. Hean Sopauline	Deputy Chief of Bureau, Operation and Management Department of CSEZB
3. Mr. Suon Sophal	Deputy Director of Public Relations and Investment Promotion Department, CIB
4. Mr. Chea Keat	Deputy Director of Public Relations and Investment Promotion Department, CIB
5. Ms. Ear Sapphire	Officer of Public Relations and Investment Promotion Department, CIB
6. Mr. Moeung Visoth	Deputy Director of Investment Project Monitoring Department, CIB
7. Mr. Chuon Bory	Deputy Director of Inter-ministerial Coordination Department, CIB
8. Mr. Neang Putheara	Deputy Chief of Bureau, Operation and Management Department of CSEZB
<b>4.5. Reception</b>	
1. Mr. Chea Keat	Deputy Director of Public Relations and Investment Promotion Department, CIB
2. Ms. Reath Theany	Officer of Public Relations and Investment Promotion Department, CIB
3. Ms. Srey Puthea	Officer of Project Evaluation and Incentives Department, CIB
4. Mr. Prak Phara (until August 2012)	Officer of Project Evaluation and Incentives Department, CIB
5. Mr. Ham Kimchheng (until August 2012)	Office Director of Project Evaluation and Incentives Department, CIB
6. Mr. Lay Tharath (from August 2012)	Officer of Project Evaluation and Incentives Department, CIB
7. Ms. Sithy Chanrany (from August 2012)	Officer of Project Evaluation and Incentives Department, CIB
8. Mr. Sar Sambo	Director of Administration Department
9. Mr. Kongvong Cheasthapor	Officer of Investment Project Monitoring Department, CIB
10. Mr. Tann Bunna (until August 2012)	Deputy Director of Operation and Management Department of CSEZB

<b>5. Team Members</b>	
<b>5.1. Provincial Study 2011</b>	
1. Mr. Neang Putheara	Deputy Chief of Bureau, Operation and Management Department of CSEZB
2. Mr. Uy Rithymony	Assistant to Deputy Secretary General of CIB and CSEZB
3. Mr. Nut Un Voanra	JICA Project Team
4. Mr. Sorn Dydenyn	Deputy Director of Project Evaluation and Incentives Department, CIB
5. Mr. Nget Samnang	Deputy Director of Investment Project Monitoring Department, CIB
6. Mr. Heng Bunhong	JICA Project Team
<b>5.2. Provincial Study 2012</b>	
1. Mr. Hean Sopauline	Deputy Chief of Bureau, Operation and Management Department of CSEZB
2. Mr. Neang Putheara	Deputy Chief of Bureau, Operation and Management Department of CSEZB
3. Mr. Nut Un Voanra	JICA Project Team
4. Mr. Moeung Visoth	Deputy Director of Investment Project Monitoring Department, CIB
5. Mr. Chuon Bory	Deputy Director of Inter-ministerial Coordination Department, CIB
6. Mr. Kongvong Cheasthapor	Officer of Investment Project Monitoring Department, CIB
7. Mr. Heng Bunhong	JICA Project Team
8. Mr. Sorn Dydenyn	Deputy Director of Project Evaluation and Incentives Department, CIB
9. Mr. Uy Rithymony	Assistant to Deputy Secretary General of CIB and CSEZB
10. Mr. Nget Samnang	Deputy Director of Investment Project Monitoring Department, CIB
11. Mr. Prak Phara	Officer of Project Evaluation and Incentives Department, CIB
<b>5.3. Training Workshop for Provincial Officials</b>	
1. Mr. Suon Sophal	Deputy Director Public Relations and Investment Promotion Department, CIB
2. Mr. Chea Keat	Deputy Director of Public Relations and Investment Promotion Department, CIB
3. Ms. Reath Theany	Officer of Public Relations and Investment Promotion Department, CIB
4. Ms. Ear Sapphire	Officer of Public Relations and Investment Promotion Department, CIB
5. Mr. Moeung Visoth	Deputy Director of Investment Project Monitoring Department, CIB
6. Mr. Chuon Bory	Deputy Director of Inter-ministerial Coordination Department, CIB
7. Mr. Hean Sopauline	Deputy Chief of Bureau, Operation and Management Department of CSEZB
<b>5.4. Investment Promotion Seminar</b>	
<b>5.4.1. Seminar in Ho Chi Minh</b>	
1. Mr. Chuon Bory	Deputy Director of Inter-ministerial Coordination Department, CIB
2. Mr. Uy Rithymony	Assistant to Deputy Secretary General of CIB and CSEZB
3. Mr. Sar Senera	JICA Project Team
4. Mr. Heng Bunhong	JICA Project Team
<b>5.4.2. Seminar in Kuala Lumpur</b>	
1. Ms. Reath Theany	Officer of Public Relations and Investment Promotion Department, CIB
2. Ms. Ear Sapphire	Officer of Public Relations and Investment Promotion Department, CIB
3. Mr. Hean Sopauline	Deputy Chief of Bureau, Operation and Management Department of CSEZB
4. Mr. Nut Un Voanra	JICA Project Team

## **Appendix 2**

### **Record of Working Group Meeting**

## The Record of WG Meeting

N°	Date	Time	WG	The Number of Participants	Agendas
1	25-Apr-12	15:00	Library	7	<ol style="list-style-type: none"> <li>1. Role of Library WG</li> <li>2. Confirmation of contents of library service</li> <li>3. Tasks required for library management</li> <li>4. Persons of in charge for the library service</li> <li>5. Activity Schedule in April and May</li> </ol>
2	26-Apr-12	10:00	Website	6	<ol style="list-style-type: none"> <li>1. Brief Explanation of CDC website contents</li> <li>2. Frequency of update the website contents</li> <li>3. Required procedures to update the website</li> <li>4. Management structure of website management</li> <li>5. Persons of in charge and job-description</li> <li>6. Annual activity schedule for website management</li> <li>7. Detailed activity schedule in April and May 2012</li> </ol>
3	26-Apr-12	14:00	Seminar	8	<ol style="list-style-type: none"> <li>1. Annual activity schedule for the Seminar WG in 2012               <ol style="list-style-type: none"> <li>1) Investment Promotion Seminar in Japan</li> <li>2) Investment Promotion Seminar in neighboring countries</li> <li>3) Training Program for officers of provincial authorities</li> </ol> </li> <li>2. Workflow for Seminar Implementation</li> <li>3. Activity Schedule in April and May</li> </ol>
4	27-Apr-12	10:00	Investment Guidebook	7	<ol style="list-style-type: none"> <li>1. Introduction of Working Group Members</li> <li>2. Structure of Investment Guidebook</li> <li>3. Planned Activities for Updating Investment Guidebook in 2012</li> <li>4. Activity Schedule for 2012</li> <li>5. Issues to be decided</li> </ol>
5	27-Apr-12	15:00	Reception	8	<ol style="list-style-type: none"> <li>1. What is Reception?</li> <li>2. Objective of Reception Working Group</li> <li>3. Activities of Reception WG</li> <li>4. Activities Schedule in April and May</li> </ol>
6	30-Apr-12	15:00	WG Leader	9	<ol style="list-style-type: none"> <li>1. Discuss on the schedule of each WG activity</li> </ol>
7	8-Jun-12	15:00	Whole WG	8	<ol style="list-style-type: none"> <li>1. Review of current progress for each WG</li> <li>2. Discuss the issues to be addressed</li> <li>3. Activity schedule in June and July 2012</li> </ol>
8	11-Jun-12	09:00	Investment Guidebook	6	<ol style="list-style-type: none"> <li>1. Prepare for Provincial Study 2012</li> </ol>
9	11-Jun-12	15:00	Seminar	8	<ol style="list-style-type: none"> <li>1. Plan for Workshop for Provincial Officials in Siem Reap</li> </ol>
10	15-Jun-12	09:00	Library	7	<ol style="list-style-type: none"> <li>1. Review Monthly Report of May</li> <li>2. Confirmation of routine work</li> <li>3. Activity plan of June and July</li> </ol>
11	25-Jun-12	15:00	Investment Guidebook	12	<ol style="list-style-type: none"> <li>1. Provincial Study</li> </ol>
12	2-Jul-12	09:00	Seminar	10	<ol style="list-style-type: none"> <li>1. Prepare for Workshop for Provincial Officials in Siem Reap</li> </ol>
13	2-Jul-12	15:00	Investment Guidebook	10	<ol style="list-style-type: none"> <li>1. Provincial Study</li> </ol>
14	9-Jul-12	15:00	Investment Guidebook	10	<ol style="list-style-type: none"> <li>1. Provincial Study</li> </ol>
15	9-Jul-12	16:00	Reception	5	<ol style="list-style-type: none"> <li>1. Discuss on format of consultation record</li> <li>2. Discuss on revision of Reception Manual</li> </ol>

16	17-Jul-12	09:00	Seminar	6	Review of Workshop for Provincial Officials in Siem Reap
17	17-Jul-12	10:30	Investment Guidebook	8	1. Review of Provincial Study 2. Compile implementation report of Provincial Study
18	10-Aug-12	15:00	Whole WG	8	1. Review of WG activities from April-July
19	15-Aug-12	09:00	Library	5	1. Review of activities from April-July 2. Preparation for C/P meeting
20	16-Aug-12	09:00	Reception	4	1. Review of activities from April-July 2. Preparation for C/P meeting
21	17-Aug-12	09:00	Seminar	5	1. Review of activities from April-July 2. Preparation for C/P meeting
22	24-Aug-12	09:00	Reception	9	1. Mr. Imamura's Lecture on Consultation Service
23	27-Aug-12	09:00	Reception	6	1. Discuss on the contents of brochure 2. Schedule of making brochure
24	28-Aug-12	10:00	Investment Guidebook	5	1. Discuss on the data/ information from provinces
25	6-Sep-12	15:00	Investment Guidebook	6	1. Discuss on plan of Investment Guidebook 2013
26	7-Sep-12	09:00	Seminar	7	1. Discuss on seminar in neighboring countries
27	10-Sep-12	09:00	Reception	7	1. Discuss on the contents of brochure
28	18-Sep-12	09:00	Reception	6	1. Preparation meeting for Third Country Training at Thailand and Vietnam
29	19-Sep-12	15:00	Library	3	1. Prepare monthly report 2. Choose books to be put in the cabinet 3. Plan to distribute brochure
30	21-Sep-12	10:00	Reception	7	1. Mr. Imamura Lecture
31	26-Sep-12	09:00	Investment Guidebook	5	1. Discuss on Provincial Information
32	28-Sep-12	10:00	Reception	6	1. Check Schedule 2. Pay Allowance and Accommodation
33	3-Oct-12	09:00	Investment Guidebook	3	1. Discuss on Provincial Information compiling 2. Discuss on the progress of Investment Guidebook 2013
34	26-Oct-12	15:00	Seminar	6	1. Review the workshop for provincial authority conducted on October 23 <sup>rd</sup> , 2012 2. Plan for seminar on November and December in Ho Chi Minh and Kuala Lumpur
35	30-Oct-12	14:00	Investment Guidebook	3	1. Discuss on progress of data collection for Investment Guidebook
36	30-Oct-12	15:00	Seminar	5	1. Prepare for the seminar in HCM
37	6-Nov-12	14:00	Seminar	5	1. Reviewed the seminar in HCM 2. Discuss on the contents of implementation report
38	8-Nov-12	16:00	Seminar	4	1. Plan for Seminar at Kuala Lumpur
39	22-Nov-12	09:00	Seminar	5	1. Prepare for the seminar in Kuala Lumpur
40	22-Nov-12	15:00	Investment Guidebook	5	1. Discuss about the Investment Guidebook 2013 2. Check the draft of Investment Guidebook 2013
41	26-Nov-12	09:00	Reception	6	1. Collect data for brochure 2. Report of Training in Thailand and Vietnam 3. Schedule of December and January
42	26-Nov-12	15:00	Library	7	1. Schedule of December and January 2. Collecting new information
43	19-Dec-12	14:30	Reception	7	1. Mr. Imamura Lecture
44	16-Jan-13	15:00	Whole WG	8	1. Project Evaluation
45	17-Jan-13	14:00	Whole WG	4	1. Project Evaluation

## **Appendix 3. Minutes of Meeting**



## **Appendix 3-1**

### **Minutes of Meeting of First JCC Meeting (March 2011)**

**Minutes of Meeting**  
**for**  
**the First Joint Coordinating Committee (JCC) Meeting**  
**on**  
**the Project on Enhancing the Investment-Related Services of**  
**the Council for the Development of Cambodia**

Phnom Penh, 14 March 2011



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**Date:** 14 March 2011  
**Time:** 9:30 - 11:00  
**Place:** Meeting Hall, CDC

The Council for the Development of Cambodia (hereinafter referred to as “CDC”) and the Japan International Cooperation Agency (hereinafter referred to as “JICA”) signed the Record of Discussions (R/D) on the Japanese Technical Cooperation for the Project for Enhancing the Investment-Related Service of CDC (hereinafter referred to as “the Project”) on 14 October 2010. In accordance with the R/D, the Government of Japan dispatched, through JICA, the Project Team for the Project (hereinafter referred to as “the JICA Project Team”) headed by Mr. Kazuo MISHIMA to implement the Project, to the Kingdom of Cambodia. The JICA Project Team submitted the draft Project Implementation Plan in March 2011 to the Cambodian side.

The Joint Coordinating Committee (hereinafter referred to as “JCC”) is established to supervise the annual plan and operation plan of activities of the Project, to review the management of the Project, to review the overall progress of the Project and to evaluate the achievements of the objectives. The chairperson of JCC is H.E. Sok Chenda Sophea, Minister attached to Prime Minister and Secretary General of CDC. The members of JCC of the Cambodian side are the Secretary General of Cambodian Investment Board (hereinafter referred to as “CIB”), the Deputy Secretary General of Cambodia Special Economic Zone Board (hereinafter referred to as “CSEZB”) and representatives of related ministries. The members of the Japanese side are the JICA Project Team, representative(s) of JICA Cambodia Office, representative(s) of Embassy of Japan (observer), representative of JETRO Phnom Penh Office (observer).

The first meeting of JCC to discuss the Project Implementation Plan was held on 14 March 2011 at CDC.



## 1. OPENING

- 1.1 At the beginning of meeting, all the participants held a silent prayer for the victims of the earthquake on 11 March in Japan.
- 1.2 The Chairperson welcomed all participants to the meeting and introduced the members of JCC.
- 1.3 The Chairperson expressed his gratitude for JICA starting the Project on top of the dispatch of long-term expert, Mr. Yuji Imamura.

## 2. KEYNOTE SPEECH

- 2.1 Mr. Yasujiro Suzuki, Chief Representative of JICA Cambodia Office, thanked all the participants and gave a keynote speech with the following points.

- JICA conducted the Development Study on the Institutional Strengthening of Investment Promotion. In this Project, the priority actions recommended by the Study will be implemented.
- As the competition of attracting foreign investment emerges among countries, the enhancement of investment promotion services becomes important.
- JICA hopes that CDC starts two-year journey with JICA Project Team to enhance the investment-related services with leadership and ownership.
- CDC is an old, good and important partner since JICA began operation in Cambodia and this is our first technical cooperation project with CDC.
- At the technical cooperation project, the ownership of partner organization is critical. Active involvement and strong commitment of top management and counterpart organization is the key to success of the Project. Initiative and ownership of this Project is in the hands of CDC, not in Japanese side.
- Many Japanese manufacturers decided to invest in Cambodia in 2010. Many others are considering investment in this country. In 2011, more than 6% economic growth is projected by the government. There is no doubt that such growth cannot be possible without steady flow of new investments.

- 2.2 Lastly, Mr. Suzuki expressed his gratitude for CDC's cooperation and strong leadership of H.E. Sok Chenda Sophea.

## 3. PRESENTATION ON THE OUTLINE OF PROJECT IMPLEMENTATION PLAN

- 3.1 The Team Leader of JICA Project Team outlined the Project Implementation Plan with the following sub-headings:

- (1) Background of the Project
- (2) Purpose of the Project
- (3) Activities of the Project
- (4) Technical policies
- (5) Project implementation organization

- (6) Members of JICA Project Team
- (7) Time schedule
- (8) How to implement activities

3.2 The Team Leader ended his presentation by emphasizing the importance of collaboration between CDC and JICA Project Team to attract investments and contribute to the economic development and industrial transformation of Cambodia.

#### 4. COMMENTS FROM CAMBODIA SIDE AND ANSWERS FROM JAPANESE SIDE

##### 4.1 Comments from H.E. Suon Sittthy, Secretary General of CIB

H.E. Suon Sittthy made the following comments:

- i) He requested to clarify what difficulty CDC has in data and information by referring to the background of Project.
- ii) He agreed on the importance of updating of the website and requested the updated website should be more efficient. Then, after he commented that the existing guidebook is useful, he suggested that JICA Project Team shall include the information on investment climate of key provinces in the Investment Guidebook which will be revised.
- iii) He mentioned that the location of CDC's library is still small and it needs a convenient and comfortable place.
- iv) He commented that it is necessary to consider other country desks in the future in addition to the Japan Desk. He added that it should be considered to find other appropriate location for country desks.

JICA Project Team answered:

- i) An example is a difficulty of foreign investors in understanding investment-related laws and regulations because many of them are written in Khmer language.
- ii) JICA Project Team will add information on provincial investment climate to new edition of Investment Guidebook by utilizing the results of survey conducted by USAID. JICA Project Team added that they will make some minor modifications of latest Investment Guidebook, such as updating of minimum wage, for the distribution at the Investment Seminar in Tokyo in June this year.
- iii) JICA Project Team will cooperate to some extent in renovating the existing library space according to the cost-sharing agreed in the R/D between JICA and CDC.

#### 4.2 Comments from H.E. Chea Vuthy, Deputy Secretary General of CSEZB

H.E. Chea Vuthy made the following comments:

- i) In comparison to other agencies of the Royal Government of Cambodia (RGC), CDC operates better than them. However, investment-related services of CDC need the improvement in order to compete with the neighboring countries.
- ii) JICA Project Team needs to facilitate good cooperation not only within CDC but also with other agencies.
- iii) CDC expects strong support from JICA Project Team to make the Project function well.

#### 4.3 Comments from H.E. Sok Chenda Sophea, Chairperson of JCC

H.E. Sok Chenda Sophea made the following comments:

- i) He agrees that this is CDC's project and ownership of CDC is necessary. Then, the approach of Project should be realistic. It should be carefully analyzed and prepared for the 2-year Project. The CDC side and JICA Project Team should have a discussion before moving a stage to the next stage. This is an ownership of Cambodian side.
- ii) The website is a virtual library and it should be user-friendly. The data and information of website can be timely updated and cost efficient.
- iii) The full collaboration with other related ministries, as well as with the management and staff of CDC, is crucial. It is currently difficult to obtain full legal information from other ministries. The direction of collaboration should be highlighted.
- iv) The Project Team is expected to support CDC to attract Japanese FDI and, at the same time, to serve existing investors in Cambodia. CDC has high expectation from Japanese investment. CDC has declined the requests of establishing China Desk and Korean Desk from the governments of China and Korea.

JICA Project Team answered:

- i) JICA Project Team will implement the Project on a step-by-step basis. JICA Project Team will have a discussion with CDC at every stage of the Project and to share the information and issues.
- ii) The Team Leader thanked for CDC's expectation for Japanese investment and mentioned that the results of Project will lead to more investment including investment from Japan.

Mr. Suzuki, Chief Representative of JICA Cambodia Office, replied:

- i) The website is crucial for potential investors and should be updated through the implementation of the Project.
- ii) He emphasized again that ownership of CDC is important for Project implementation.

5. ORGANIZATION FOR PROJECT IMPLEMENTATION

JICA Project Team requested CDC to allocate an appropriate number of staff to the Project.

CDC agreed the assignment of necessary staff for the implementation of Project.

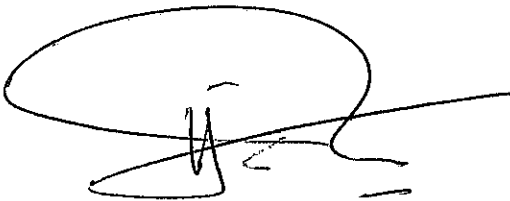
JICA Project Team requested further and flexible allocation of more staff when necessity arises in the course of Project implementation.

H.E. Chea Vuthy requested JICA Project Team to prepare the scope of work for activities of Project.

JICA Project Team replied that they will confirm the contents of each activity of Project through the discussions with CDC counterpart members and prepare the scope of work.

6. CLOSING OF MEETING

The chairperson of JCC concluded the meeting and thanked all the participants.



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H.E. Sok Chenda Sophea  
Minister Attached to Prime Minister,  
Secretary General of CDC



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Mr. Kazuo MISHIMA  
Team Leader  
JICA Project Team



**ANNEX: List of Attendants**

**Cambodian Side**

No	Name	Position	Ministry/ Institution
1	H.E. Sok Chenda Sophea	Minister Attached to the Prime Minister, Secretary General	CDC
2	H.E. Suon Sitty	Secretary General	CDC/CIB
3	H.E. Duy Thouv	Deputy Secretary General	CDC/CIB
4	H.E. An Sophanara	Deputy Secretary General	CDC/CIB
5	H.E. Chea Vuthy	Deputy Secretary General	CDC/CSEZB
6	Mr. Van Sovatha	Deputy Director	CDC/CIB
7	Mr. Lim Mony	Deputy Director	CDC/CIB
8	Mr. Tan Soviddhya	Deputy Director	CDC/CIB
9	Mr. Duong Thearo	Deputy Director	CDC/CIB
10	Mr. Hong Limhorn	Deputy Director	CDC/CIB
11	Ms. Pheng Supheap	Director	CDC/CIB
12	Mr. Som Sengly	Deputy Chief of Control Bureau	MEF
13	Mr. Sa Sambo	Director	CDC/CIB
14	Mr. Chhiv Bunthan	Deputy Director	CDC/CIB
15	Mr. Moeung Visoth	Deputy Director	CDC/CIB
16	Mr. Youn Heng	Director	CDC/CIB
17	Mr. Imamura Yuji	JICA Expert	CDC/CIB
18	Mr. Sorn Dydenyn	Deputy Director	CDC/CIB
19	Mr. Un Vallero	Director	CDC/CIB
20	Mr. Nget Samnang	Deputy Director	CDC/CIB
21	Mr. Nget Chhayleang	Chief Officer	MEF/GDT
22	Ms Mom Saoserey Chea	Official	GDT
23	Mr. Kheng Yasit	Official	MAFF
24	Ms So Sreymech	Deputy Director	Ministry of Commerce
25	Mr. Suon Sophal	Deputy Director	CDC/CIB

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**Japanese Side**

No	Name	Position	Ministry/ Institution
1	Mr. Suzuki Yasujiro	Chief Representative	JICA Cambodia Office
2	Mr. Miyashita Yojiro	Project Formulation Adviser (Private Sector Development)	JICA Cambodia Office
3	Mr. Hak Lyda	Program Officer (Economic & Private Sector Development)	JICA Cambodia Office
4	Mr. Mishima Kazuo	Team leader/ Investment Promotion 1	JICA Project Team
5	Mr. Hara Hiromichi	Team Sub-Leader/ Investment Information Service 1	JICA Project Team
6	Mr. Matsui Yoichi	Policy Advocacy/Investment Information Service 2	JICA Project Team
7	Mr. Nagai Kota	Investment Promotion 2	JICA Project Team
8	Ms. Kashiwai Tomomi	Inter-Organizational Coordination /Investment Promotion Assistant	JICA Project Team



## **Appendix 3-2**

### **Minutes of Meeting of First C/P Meeting**

**(March 2011)**

**Minutes of Meeting for the First Counterpart Meeting on the Project on  
Enhancing the Investment-Related Services of the Council for the  
Development of Cambodia**

Phnom Penh, 17 March 2011

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**Date:** 17 March 2011

**Time:** 14:30-16:00

**Place:** Meeting Hall, CDC

**Agenda:**

14:30-14:35	Opening Remarks by Mr. Kazuo Mishima, Team Leader of the Project
14:35-14:50	Explanation about the Overview of the Project by Mr. Hiromichi Hara, Team Sub-Leader of the Project
14:50-15:10	Explanation about Outline of the Activities for Investment Information (Website, Investment Guidebook and Library Service) and of Activity of Investment Promotion (Policy Advocacy) by Mr. Yoichi Matsui, Expert of Policy Advocacy and Investment Information Service
15:10-15:30	Explanation about Outline of the Activities for Investment Promotion (Investment Seminar, Reception Function and Country Desk) by Mr. Kota Nagai, Expert of Investment Promotion
15:30-16:00	Questions and Answers

## **Discussion Topics and Conclusions:**

Subsequent to the JCC meeting, the Counterpart Meeting was held on 17 March 2011 at CDC. Appropriate CDC staff members are assigned as counterpart members for six activities.

### Regarding Activities for Investment Information

#### HE Chea Vhuty:

- Investment-related information has to be obtained not only from the Departments of CIB and CSEZB as well as from other related ministries. It is therefore important to appoint CDC's contact person and set up focal point within CDC in order to get information from other related ministries. On the other hand, we are not in position to know how to set such focal points in other ministries.
- Website updating, investment guidebook and library service are inter-related with one another.
- Most important thing is how to collect info and it has to be made systematically.
- Regarding the legal information, the Gazette must cover all the law and regulations issued by the Government but, in fact, it only includes the info on promotion, etc. Such request was made 10 years ago but it still fails to cover laws and regulations info.
- The information on laws and regulations may be the source of incomes for the several ministries so that they are reluctant to disclose them freely.

#### Mr. Matsui:

- Economic indicators in the Chapter 2 of the Investment Guidebook (2<sup>nd</sup> version) will be updated with the purpose of providing the updated info in an investment seminar in June. What is important is the freshness of information.
- I have been collecting the text of Cambodian laws and regulations for many years by looking into the specific mail-magazine, newspapers and other sources. Thus the collection of laws and regulations may not always need money but it can be achieved by the consistent efforts. In this way, more than 600 laws and regulations of Cambodia have been collected by himself. Without this database, the Investment Guidebook could not be compiled in such short time.

#### HE Chea Vhuty:

- When we cannot find information on laws and regulations, we usually go directly to the ministry in charge. For example, we visit Ministry of Commerce to request information on Law on Commercial Enterprise.
- Another means of such data collection may be to cooperate with a JICA expert in a governmental agency. They are everywhere and can become a good focal point.

- Concerning website, CDC has difficulty in updating it because the ASEAN-Japan Centre did not leave its manual.

Mr. Nagai:

- When it comes to information collection, royal gazette was mentioned in JCC meeting held on 14 March.

HE Chea Vhuty:

- The problem is that the gazette is written in Khmer, although this kind of information is important for investors.

Regarding Activities for Investment Promotion

Mr. Mishima:

- What is important is to listen to investors' voice. Appropriate person should answer investor's request in providing investment seminar, information and consultation services.

HE Chea Vhuty:

- CDC is experienced in organizing seminars. The problem is, however, limited budget and human resource.
- CDC can contribute only to image building activities. It is difficult to implement the activities promoting the specific sector because it may infringe the interests of other ministries.
- Our reception only offers basic function service. What we need is to change the mentality of CDC staff. They should realize that they are doing business and are not a mere regulator.

Mr. Mishima:

- We agree that CDC should have business-oriented mind. But it is difficult to change mentality of the staff.

Mr. Sophal:

- Regarding investment promotion, information on provincial investment climate is important. In JCC meeting, HE Suon Sitthy indicated the potentiality of provinces.
- Several years ago, USAID issued a publication containing such information But they are too brief. What HE Suon Sitthy wants is more detailed information.

Mr. Mishima:

- We plan to collect that sort of information in five (5) key provinces with CDC staff:

Sihanoukville, Siem Reap, Kampong Cham, etc.

Mr. Mishima:

- In order to undertake Project activities, we need to get together by the activity.
- Who will be a contact person among counterpart members of each activity at the CDC side?

Mr. Sopha:

- JICA Project Team can go to talk to members when necessary. After consultation with members, JICA Project Team can identify the capacity of the members and assign focal point.

**Participants:**

No	Name	Designation	Ministry/Institution
1	Mr. Sorn Dydenyn	Public Relations and Investment Promotion Dept	CIB
2	Mr. Chea Keat	Public Relations and Investment Promotion Dept	CIB
3	Ms. Reath Theany	Public Relations and Investment Promotion Dept	CIB
4	Mr. Youn Hen	Project Evaluation and Incentives Dept	CIB
5	Mr. Srey Puthea	Project Evaluation and Incentives Dept	CIB
6	Mr. Prak Pheara	Project Evaluation and Incentives Dept	CIB
7	Mr. Van Sovatha	Legal Procedure and Investment Law Dept	CIB
8	Mr. UN Vallero	Project Monitoring Dept	CIB
9	Mr. Kongvong Cheastapor	Project Monitoring Dept	CIB
10	Ms. Pheng Sopheap	Inter-Ministerial Coordination Dept	CIB
11	H.E. Chea Vuthy	-	CSEZB
12	Mr. Tann Bunna	"Project Analysis and Registration Dept" or "Policy and Planning Dept"	CSEZB
13	Mr. Sok RaDeth	Deputy Director Department Evaluation	CIB
14	Mr. Sa Sambo	Director of Administration Dept	CIB
15	Mr. Yuji Imamura	JICA Expert	CDC
16	Mr. Mishima Kazuo	Team leader/Investment promotion 1	JICA Project Team
17	Mr. Hara Hiromichi	Team sub-leader/Investment information service 1	JICA Project Team
18	Mr. Matsui Yoichi	Policy Advocacy/Investment information service 2	JICA Project Team
19	Mr. Nagai Kota	Investment promotion 2	JICA Project Team
20	Ms. Kashiwai Tomomi	Inter-organizational coordination/Investment promotion assistant	JICA Project Team

## **Appendix 3-3**

### **Minutes of Meeting of Second JCC Meeting**

**(March 2012)**

**Minutes of Meeting  
for  
the Second Joint Coordinating Committee (JCC) Meeting  
on  
the Project on Enhancing the Investment-Related Services  
of  
the Council for the Development of Cambodia  
in the Kingdom of Cambodia**

Phnom Penh, 13<sup>th</sup> March 2012

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**Date:** 13 March 2012  
**Time:** 9:00 - 11:30  
**Place:** Meeting Hall, CDC

The second meeting of JCC to discuss the progress of the Project, planned activities for the second year, and modification of the Scope of Work of the Project was held on 13 March 2012 chaired by H.E. Sok Chenda Sophea, the Minister Attached to Prime Minister and the Secretary General of CDC.

1. OPENING

- 1.1 The Chairperson opened the meeting welcoming all participants to the meeting.
- 1.2 The Chairperson confirmed the purpose of the meeting.

2. KEYNOTE SPEECH

- 2.1 Mr. Hiroshi Takeuchi, Senior Representative of JICA Cambodia Office, thanked all the participants and gave a keynote speech.

3. PRESENTATION BY JICA PROJECT TEAM

Mr. Kazuo Mishima, Team Leader of JICA Project Team (JPT), made a presentation on the progress of the Project, the planned activities and the modification of the Scope of Work of the Project. Following his explanation, the CDC side made questions and comments, and the JPT answered as follows.

On Website

- 3.1 H.E Sok Chenda commented that the PR & Investment Promotion Department should be responsible for the update/modification/upload of information to the website. This department should request and collect the information necessary for update from relevant CDC's departments. Mr. Kazuo Mishima agreed to his plan.



3.2 H.E Sok Chenda mentioned that CDC needs a website in Khmer language although the website in English and Japanese had been already established by JPT. He requested the members of CDC/CIB to consider the establishment of website in Khmer language because provincial authorities can be benefitted by accessing this website.

Mr. Kazuo Mishima responded that JPT had developed the frame of website in Khmer language and JPT and the working group (WG) of CDC are discussing how to prepare the contents in Khmer to upload to this frame.

3.3 H.E. Heng Soknang requested to invite provincial official to the training program on website which is planned in March, 2012. H.E. Sok Chenda agreed this idea and requested JPT to invite provincial officials to the training.

Mr. Kazuo Mishima explained that JPT planned to explain CDC's website to provincial officials at Training Workshop for Provincial Officials which would be held in the second year.

### Update of Investment Guidebook

3.5 Referring to the provincial study, H.E. Sok Chenda requested JPT to utilize the similar studies which had been conducted by other agencies such as USAID. Mr. Mishima explained the difference between the provincial study conducted by JICA and that of USAID.

Mr. Kazuo Mishima explained that JPT and WG had referred the past studies and identified which items should be updated or added before the implementation of the provincial study.

3.6 H.E. Sok Chenda requested that the provincial study in the second year should cover the remaining provinces (17 provinces).

Mr. Hiroshi Takeuchi, senior representative of JICA Cambodia Office, clarified that the role of JPT is technical transfer to CDC in this project and, after the technical transfer, CDC itself is able to conduct the activities including the provincial study.

Mr. Kazuo Mishima responded that JPT will consider how the provincial study can be conducted efficiently to study the remaining provinces. He added that, in the first year, JPT had provided CDC's WG members with the guidance and advice on how to conduct the provincial study on an on-the-job basis. And he explained that WG members can conduct the provincial study by themselves although JPT will continue to provide the guidance and advice.

### Library

3.7 H.E. Sok Chenda emphasized the importance of collecting a wide-range of laws and regulations related to investment. He continued that the cooperation with the Ministry of Justice and the Council of Jurist is necessary to obtain the existing/new laws and regulations.

H.E. Sok Chenda mentioned that it is necessary to upload new laws and regulations into CDC's website. He instructed the Legislation Department of CDC to establish a proper mechanism to collect relevant new laws and regulations and place these materials at the CDC Library.

3.8 H.E. Heng Soknang raised the possibility that few investors visit the library referring the case of a library opened by a province. H.E. Sok Chenda and H.E. Chea Vuthy supported the

establishment of the library because the library must perform the task of providing investment-related information to investors as an information desk.

### Investment Promotion Seminar

- 3.9 Mr. Kazuo Mishima explained that Japanese potential investors especially have an interest in practical information such as presentations by Japanese companies invested and operating in Cambodia. H.E. Sok Chenda commented that the presence of the representative of the Cambodian government is necessary at the seminar. Mr. Kazuo Mishima agreed with him mentioning that one of purpose of potential investors participating in a seminar is to directly hear what the representative talks about the investment policy of Cambodia.
- 3.10 H.E. Sok Chenda suggested of holding the next Cambodia Investment Seminar in Japan in a city (or cities) other than Tokyo in order to reach out for a wider-range of potential investors. He requested JPT to consider a theme of the seminar and focus on specific target sectors in planning the next Cambodia Investment Seminar in Japan.

### Reception Function

- 3.11 H.E. Sok Chenda explained that, in order to improve the competitiveness of CIB, CDC had requested all the departments to consider their respective roles and responsibilities. He continued that, as the outcome, the role of each department may be changed in order to serve investors in a better way. H.E. Sok Chenda explained that an issue of one-stop-service should wait the progress of internal discussion within CDC.

### Investment promotion seminar

- 3.12 H.E. Sok Chenda commented that provincial officials highly with to learn more from CDC about investment promotion. He mentioned that CDC needs to examine the content of Training Workshop targeting provincial officials, planned in the second year, from the viewpoint of how to respond to their needs. Mr. Kazuo Mishima replied that they will continue to discuss details of Training Workshop considering CDC's request.

### Industrial Policy Planning

After the presentation by Mr. Sadanobu Taguchi, JICA expert for policy planning, on his activities plan, the CDC side made comments as follows.

- 3.13 H.E. Sok Chenda explained that CDC had requested JICA to dispatch an expert of investment & industrial policy because CDC staff is expected to engage in the industrial development policy of Cambodia rather than daily routine work.
- 3.14 H.E. Sok Chenda requested the JICA expert's initiative for the capacity development of CDC staff in the industrial policy. He added that CDC will consider the details of collaboration with the JICA expert including the recruit of staff to organize a team.
- 3.15 Mr. Miyashita Yojiro, project formulation advisor of JICA Cambodia office, explained that JICA plans to conduct support for the formulation of industrial policy from March 2012 with the Cambodia's side counterpart, Superior National Economic Committee. He requested that CDC will coordinate its activity of industrial policy planning with the JICA's study

3.16 Mr. Mishima explained the necessity of modifying the Scope of Work of the Project because Mr. Sadanobu Taguchi had joined the project and his task should be included in the Scope of Work. H.E. Sok Chenda agreed to modify the Scope of Work.

#### IV. CLOSING

- 4.1 Mr. Kazuo Mishima requested more proactive participation from CDC in the second year because the initiative of CDC is expected in establishing the management system of investment promotion services and in conducting the programs of the Project.
- 4.1 H.E. Sok Chenda thanked JICA and JPT for supporting CDC flexibly according to the circumstances of CDC and closed the meeting.



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H.E. Sok Chenda Sophea  
Minister Attached to Prime Minister,  
Secretary General of CDC



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Mr. Kazuo MISHIMA  
Team Leader  
JICA Project Team

**ANNEX: List of Attendants**

**Cambodian Side**

No.	Name	Designation	Organization
1	H.E. Mr. Sok Chenda Sophea	Minister Attached to the PM	CDC
2	H.E. Mr. Chea Vuthy	Deputy SG. of CSEZB	CDC/CIB & CSEZB
3	H.E. Mr. An Sophanara	Deputy SG. of CIB	CDC/CIB
4	H.E.Mr. Heng Soknang	Deputy SG. of CIB	CDC/CIB
5	Ms. Pheng Supheap	Director	CIB/IMCD
6	Mr. Nget Chhayleang	Chief Officer	MEF/ GDT
7	Mr. Chhiv Bunthan	Deputy Director	CDC/CIB
8	Mr. Sorn Dydenyn	Deputy Deirector	CDC/CIB
9	Mr. Duong Thearo	Deputy Director	CDC/CIB
10	Mr. Chea Keat	Deputy Director	CDC/CIB
11	Mr. Nget Samnang	Deputy Director	CIB/PMD
12	Mr. Hong Limhorn	Deputy Director	CDC/CIB
13	Mr. Um Sokha	Deputy Director	CDC/CIB
14	Mr.Seng Sokchinda	Director	CDC/CIB
15	Mr. Tan Soviddhya	Deputy Director	CDC/CIB
16	Ms. Chhun Chanboromey	Deputy Director	CDC/CIB
17	Mr. Sok Radeth	Deputy Director	CDC/CIB
18	Mr. Sa Sambo	Director	CDC/CIB
19	Ms. Im Puttheavy	Deputy Director	CDC/CIB
20	Mr. Lim Mony	Deputy Director	CDC/CIB
21	Mr. Nguon Chhay	Chief Office	MoC
22	Mr. Moeung Visoth	Deputy Director	CDC/CIB
23	Mr. Valero Un	Director	CDC/CIB
24	Mr. Suon Sophal	Deputy Director	CDC/CIB

**Japanese Side**

No	Name	Position	Ministry/ Institution
1	Mr. Takeuchi Hiroshi	Senior Representative	JICA Cambodia Office
2	Mr. Miyashita Yojiro	Project Formulation Adviser (Private Sector Development)	JICA Cambodia Office
3	Mr. Imamura Yuji	Investment Environment Improvement Advisor	JICA Expert, CDC
4	Mr. Mishima Kazuo	Team leader/ Investment Promotion	JICA Project Team, CDC
5	Mr. Taguchi Sadanobu	Policy Advisor for Investment and Industrial Development	JICA Project Team, CDC
6	Mr. Matsui Yoichi	Investment Information Service	JICA Project Team, CDC
7	Mr. Morinaga Akihiko	Investment Information Service	JICA Project Team, CDC

## **Appendix 3-4**

Minutes of Meeting of Second C/P Meeting

(April 2012)

**Minutes of Meeting  
for  
the Second Kick-Off Meeting  
on  
the Project on Enhancing the Investment-Related Services  
of  
the Council for the Development of Cambodia  
in the Kingdom of Cambodia  
Phnom Penh, 25<sup>th</sup> April 2012**

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**Date:** 25 April 2012  
**Time:** 8:30 - 10:10  
**Place:** Meeting Hall, CDC

The kick-off meeting for the second Project year was held on 25<sup>th</sup> April 2012 chaired by H.E. Chea Vuthy, Deputy Secretary General of Cambodian Investment Board / Cambodian Special Economic Zone Board to discuss the progress of the Project for the first year, planned activities for the second year, and the Scope of Work of the Project requested to modify by the 2<sup>nd</sup> JCC meeting held on 13 March 2012.

1. OPENING REMARKS

H.E. Chea Vuthy, the chairperson opened the meeting welcoming all participants to the meeting as well as confirmed the purpose of the meeting.

(Attached herewith is the opening remark of H.E. Chea Vuthy).

2. PRESENTATION BY JICA PROJECT TEAM

Mr. Kazuo Mishima, Team Leader of JICA Project Team (JPT), made a presentation on the Planned Project Activity for the 2<sup>nd</sup> year (April 2012- February 2013) which covers the following topics:

- Outline of the project
- Activities conducted in the First Year of the project
- Policies for Second Year: five technical policies
- Framework of activities
- Issues of the project
  - Collection of investment information
  - Update website
  - Investment guidebook
  - Library service
  - Investment seminar
  - Reception function
  - Country desks (Japan Desk)
- Next action – WG Meeting

H.E Chea Vuthy requested JICA Project Team to provide a concrete comment/action on what expertise the team will transfer to the CDC's officials. Regarding the CDC's website in Khmer language, should be translated from the English website.

### 3. ANNOUCEMENT OF THE WG ACTIVITY SCHEDULE

Mr. Akihiko Morinaga, Expert of JPT, explained the WG activity schedule which covers the following contents:

- Major events such as implementing provincial study, preparing investment promotion tools and implementing seminars/training programs in Japan, Vietnam, Thailand and provinces.
- Necessity of establishing a reporting system and conducting periodical evaluation meeting for the management of library, website and reception services
- Requests to CDC's management for the smooth project implementation, i.e., to approve the WG meeting schedule, to assign the officials to responsible for above-mentioned tasks and to allow the officials attending the WG meeting.

### 4. PRESENTATION ON INDUSTRIAL POLICY

Mr. Sadanobu Taguchi, JICA Expert of Policy Advisor for Investment and Industrial Development, made a presentation on the planned activities on industrial policy which covers the following contents:

- Implementing a survey on specific industries
- Drafting the industrial policy
- Conducting internal workshops on industrial policy for CDC's officials

H.E. Chea Vuthy requested the representatives of the relevant Ministries to closely cooperate with the CDC and JICA Project Team by providing all relevant data/information which may be needed for drafting the industrial policy.

H.E. Chea Vuthy confirmed to support the implementation of seminar/workshop to improve the knowledge of CDCs staff on industrial policy matters.

The representative of MOC at the CDC requested JPT to invite the relevant Ministry officials to attend the workshops to be organized by JICA.

### 5. REMARKS FROM JICA HQ

Mr. Toru Homma, Senior Advisor of JICA HQ provided his comments as follows:

- JICA HQ thanks CDC for the active participation in the 1<sup>st</sup> year project implementation
- Expectation for the project activity will be increased according to the inflows of Japanese FDIs into Cambodia.
- More active participation from CDC is highly encouraged in order the planned activities to transfer into actual implementation.
- Final evaluation will be conducted in November 2012, which will include the progress and achievement of the project as well as final recommendation.

### 6. CLOSING REMARKS

H.E. Chea Vuthy on behalf of H.E. Sok Chenda Sophea thanked the JPT for the Kick-Off meeting to acknowledge the project's benefit for the investment promotion in Cambodia and thanked JICA HQ for continuous support and in particularly to the CIB, and closed the meeting.

## **Appendix 3-5**

Minutes of Meeting of Third C/P Meeting

(August 2012)



**Minutes of Meeting  
on  
the Second Counterpart Meeting  
for  
the Second Year Project on Enhancing the Investment-Related Services  
Of the Council for the Development of Cambodia  
in the Kingdom of Cambodia**

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**Date:** 21 August 2012  
**Time:** 8:30 - 11:45 AM  
**Venue:** Meeting Hall, CDC

The second counterpart meeting for the second year of the Project on enhancing the investment-related services of the Council for the Development of Cambodia was held on 21 August 2012 with the purpose of discussing the achievements, the current situation and the future work plans of the Project. The meeting was chaired by H.E Sok Chenda Sophea, Minister Attached to the Prime Minister and the Secretary General of CDC.

1. OPENING REMARKS

The Chairperson commenced the meeting welcoming all participants to the meeting. After expressing his deep appreciation for the project activities Japanese experts, the Chairperson explained the purpose of meeting, i) reviewing the current status of the Project and ii) discussing the key issues and future work plan of the Project.

2. PRESENTATION BY JICA PROJECT TEAM

Mr. Kazuo Mishima: Team Leader of JICA Project Team (JPT)

Firstly, the Team Leader of JICA Project Team appreciated CDC's participation in the Cambodia Investment Seminars in Japan which were held in the end of July 2012. After reviewing the basic concept of the Project such as: (1) objective of the Project, (2) main outputs and activities of the Project, (3) time schedule and (4) project implementation and organization, he explained technical policies and framework of activities to implement the Project activities for second year. He also pointed out the issues to be addressed through the Project implementation as follows:

- Collection of legal information;
- Building network with provinces;
- Development of management system for regular update of website;
- Practical mechanism of providing investment guidebook;
- Good management of library;
- Hands-on training based on actual seminar implementation;
- Good management of reception desk; and
- Collaboration with Japan Desk.

#### Mr. Suon Sophal: Project Manager of JICA Project

Mr. Suon Sophal reported to the chairperson and the participants of the meeting on the progress of the detailed activities implemented during the first 6 months in the second year of the Project while showing concrete records and data focusing on the following activities:

- Investment guidebook activities;
- Regular update of CDC website;
- Library services;
- Management of investment seminar and
- Reception function

#### Mr. Kazuo Mishima: Team Leader of JPT

Team Leader of JPT explained the activity plan for the rest of second year according to the presentation material.

#### Mr. Yoichi Matsui: JICA Expert of Policy Advocacy/Investment Information Service

Mr. Yoichi Matsui made presentation on the Investors Window which is a desirable reception function of CDC in the future for providing one-stop service to all investors according to the following key items:

- Investors' views on current practices;
- Proposed countermeasure;
- Experiences of foreign investment agencies, such as Malaysia (MIDA), Thailand (BOI), Vietnam (FIA);
- Aims of the investors' window scheme; and
- Outline of the investors window.

#### Mr. Sadanobu Taguchi: Policy Advisor for Investment and Industrial Development

Mr. Sadanobu Taguchi made presentation on the activity plan of policy advocacy and its current progress covering the drafting of the industrial policy paper, surveys on specific industries and workshops on industrial policy. He also distributed the first draft of industrial policy paper of Cambodia to H.E. Sok Chenda Sophea as well as the other participants. The draft highlighted five main aspects as follows:

- Philosophy
- Macro-economic model
- Cambodian situation
- Common challenges for industrial promotion and
- Directions/options which Cambodia might choose for the upgrading of industrial structure.

### 3. COMMENTS BY H.E SOK CHENDA SOPHEA

#### Seminar Implementation

As for “Training Workshop for Staff Members of Provincial Authorities”, H.E. Sok Chenda Sophea pointed out the necessity of improving after-care service for existing investors currently provided by CDC and PMIS of each provincial authority, and suggested that the concept of after-care service should be included in the training contents in order that provincial authorities can recognize the necessity of better after-care service for the existing investors operating in provinces.

H.E. Sok Chenda Sophea also suggested that the upcoming seminar planned in the end of September would be divided into two, i.e., one held in Kratie would be for officials there and officials from the provinces of Rattanakiri, Mondulkiri and Steung Treng. The other held in Kampong Cham would be for the officials there and ones from the provinces of Phnom Penh, Prey Vent and Say Ring due to the accessibility from those provinces.

#### Updating Investment Guidebook

In response to the Japanese counterparts seeking for the rules and procedures for drafting and finalizing the Investment Guidebook for 2013, H.E Sok Chenda Sophea mentioned that he would need at least two weeks to review the draft of the guidebook, while he would need only 24 hours to review the format for printing thereof. He instructed all attended CDC members and other relevant officials to review the draft of the Investment Guidebook before its publication.

#### Library (Investment Information Desk)

H.E. Sok Chenda suggested that the laws and regulations related to investment in hard copies should be available at the library and those documents should be collected continuously.

#### Website of CDC

H.E Sok Chenda Sophea advised that it should be regularly updated. He agreed that the information/data on the approved QIPs could be updated regularly.

#### Capacity Building of Policy Advocacy

H.E. Sok Chenda Sophea advised that all officials presented at the meeting should pay attention to the paper and voice their opinions from their status as the owner of the Project.

#### 4. CLOSING REMARKS

At the closing, H.E Sok Chenda Sophea appreciated the Japanese cooperation and the hard work of all Japanese experts and officials of CDC, but at the same time he encouraged the all related officials of CDC to conduct the Project activities more actively with sense of ownership in close cooperation with all Japanese experts.

#### Appendices

Appendix 1: Agenda of the second counterpart meeting

Appendix 2: List of attendants

Appendix 3: Distribution materials

Appendix 4: Photos of the meeting

## **Appendix 3-6**

Minutes of Meeting of Third JCC Meeting

(February 2013)

**Minutes of Meeting  
for  
the 3<sup>rd</sup> Joint Coordinating Committee Meeting  
on  
the Project on Enhancing the Investment-Related Services  
of  
the Council for the Development of Cambodia  
in the Kingdom of Cambodia**

Phnom Penh, 12<sup>th</sup> February 2013

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The 3rd Joint Coordinating Committee meeting was held on 12 February 2013 at the meeting hall of the Council for the Development of Cambodia, to discuss the completion report of the Project on Enhancing the Investment-Related Services of CDC.

This meeting was chaired by H.E. Sok Chenda Sophea, Minister attached to the Prime Minister, Secretary General of the Council for the Development of Cambodia. It was attended by the Chief Representative of JICA Cambodia Office, Mr. Hiroshi Izaki. The meeting was also attended by JICA Project Team, Directors/Deputy Directors of CDC's departments, and representatives of relevant ministries at the CDC.

**OPENING REMARKS**

H.E. Sok Chenda Sophea, the chairperson opened the meeting welcoming all participants to the meeting as well as confirming the purpose of the meeting.

Mr. Hiroshi Izaki, Chief Representative of JICA Cambodia Office in his keynote speech thanked CDC for supporting the project for the past two years. Mr. Izaki mentioned that significant outcomes have been achieved such as successfully organized seminars in Japan (Tokyo/Osaka) in 2012. He looks forward to seeing CDC's continuous cooperation and commitment to support and take good care of investors. Although he acknowledged Cambodia comparative advantages in attracting investment, he emphasized that the challenge still remains. Finally, he wished CDC plays more coordinating role with line ministries to improve investment climate. (Attached herewith is the opening remark of Mr. Hiroshi Izaki)

**PRESENTATION BY JICA PROJECT TEAM**

Mr. Kazuo Mishima, Team Leader of JICA Project Team, made a presentation on the Project Completion Report which covers the following topics:

- Chapter I: Background
- Chapter II: Progress of Activities
- Chapter III: Project Evaluation
- Chapter IV: Lesson from Project

## MAJOR COMMENTS

Based on the presentation by Team Leader of JICA Project Team, H.E. Sok Chenda Sophea provided comments as follows.

- CDC recognized that the Project activity contributed to the increase in FDI in particular investment from Japan and agreed with the result of the Project evaluation which was presented by Team Leader of JICA Project Team. Overall, CDC expressed satisfaction over JICA's assistance under this Technical Cooperation Project.
- Meanwhile, the Project sustainability especially after the departure of the JICA project team is a concern for CDC. Two areas, i.e., the functioning of Japanese Desk and the revision and updating investment information in Japanese language will be major challenges.
- While the CDC website has seen the number of access increasing, investment related information on the website still have a room to be improved. It is also important to increase the contents of Khmer version of CDC website.
- CDC also thanks for continuous efforts by JICA Project Team on establishment of "Investors Window" in PRIPD, CIB. Starting of one stop service according to the Joint Parkas No.991 is a giant step, but still the first step toward for improving investment facilitation services of CDC. While it seems to take a certain period of time, CDC will continue to make efforts for realizing "Investors Window" step by step.
- Introduction of IT related application; for example online Duty exemption application at CDC, would significantly benefit foreign direct investors in terms of time saving and increase in transparency of application process. Thus, CDC seeks to introduce such IT related application in its website.
- According to the requests by KEIDANREN mission which visited Cambodia at the beginning of February 2012, CDC also recognized that the services of Japan Desk as well as information provision such as website and investment guidebook in Japanese language are important to attract Japanese investors to invest to Cambodia. For developing human resource who speaks foreign language, it can be considered to provide opportunities of internship at CDC to the students taking foreign languages in universities in Cambodia.
- CDC expects to receive further assistance from JICA for improving investment promotion and facilitation services such as Japan Desk, investment information provision and IT application. In the long term, it is necessary to develop IT system connected with MoC, SEZs etc, as a tool for online application for improving current facilitation procedures related to trade and investment in Cambodia. One way of doing so, CDC suggested to JICA to have a regular meeting of JICA's experts who are dispatched to related ministries in Cambodia to consider and work out some actions to realize the concept of introducing E-management.

Mr. Hiroshi IZAKI, Chief Representative of JICA Cambodia Office provided the following comments:

- JICA fully agrees with the comments of H.E. Sok Chenda Sophea that the sustainability after the completion of the Project is very important and recognizes the importance of continuation of the activities on Japan Desk and investment information provision in Japanese language according to the requests from the KEIDANREN mission as well as CDC.



- JICA acknowledges the cooperation up-to-now is still in the middle of the process of realizing ultimate goal of attracting FDI and increasing private investment to Cambodia, thus JICA extended its intention for further discussion with CDC to work on possibility of next follow up cooperation.

#### CLOSING REMARKS

H.E. Sok Chenda Sophea would like to thank the JICA Project Team for today's meeting. The CDC acknowledges the project's benefit for the investment promotion in Cambodia as he has been repeated regularly during meetings with Japanese Embassy, Japanese investors and recently with the Keidanren Mekong Mission to Cambodia. In this regards, he stressed that the presence of JICA Project Team has also given life to the Promotion Department, and some examples are the increase in the number of Japanese FDIs to Cambodia and the increase in the number of visitors to the CDC website and the revision and updating of investment guidebook, etc.

H.E. Sok Chenda Sophea urged CDC's officials to pay attention to the necessity of investment promotion activities as introduced and supported by this Project in order to attract foreign investors to invest in Cambodia.

On the suggestion by JICA Project Team of re-organizing and reforming CDC's organizational structure, H.E. Sok Chenda Sophea responded that since the new government will be formed after the general election in July 2013, he expects "Industrial Development Policy" including its action plans would be formulated and implemented and CDC eventually needs to change/adapt according to this policy if it comes to take effect after the new government as the same footsteps of the "Rice Policy" under which many action plans such as "Rice One Stop Window" have been implemented after the establishment of the policy.

H.E. Sok Chenda Sophea acknowledged the pragmatic and flexibility of the JICA Project Team for listening to the CDC's needs. Finally, the CDC would like to thank JICA for continuous support and warm cooperation, and closed the meeting and wishes to see further cooperation



H.E. Sok Chenda Sophea  
Minister Attached to Prime Minister,  
Secretary General of CDC



Mr. Kazuo MISHIMA  
Team Leader  
JICA Project Team

