



**Royal Government of Cambodia
Ministry of Planning**



**Guideline for formulating
National Strategic Development Plan
(NSDP) 2019-2023**

May 2018

Guidelines for formulating NSDP 2019-2023

1. Introduction

1.1 The national development plan adopted by both the National Assembly and the Senate is formulated by the Royal Government of Cambodia of each Legislature of the National Assembly in compliance with the Constitution of the Kingdom of Cambodia. Therefore, National Strategic Development Plan (NSDP) 2019-2023 will be developed for the Royal Government of Cambodia of the 6th Legislature of the National Assembly continuing from NSDP 2014-2018. Granting the approval in principle from **Samdech Akka Moha Sena Padei Techo Hun Sen, the Prime Minister of the Kingdom of Cambodia**, Ministry of Planning (MOP) has the role to facilitate and lead the process of preparation of the new plan (**NSDP 2019-2023**) with full involvement of all concerned ministries and agencies and all stakeholders.

2. Policy framework and overall development context

2.1 The policy framework and overall development contexts that will provide the directives and pre-conditions for the preparation of NSDP 2019-2023, including the strategic directives as well as priorities set in the existing policy documents, strategies, plans both at national and sectoral level such as:

1. Mid-Term Review 2016 of the implementation of NSDP 2014-2018
2. Progress Report of the implementation of NSDP 2014-2018 focusing on the socio-economic progress as well as the achievement of CMDGs 2003-2015
3. The existing national policies and strategies
4. Sectoral documents that different ministries have prepared for their long-term vision
5. The evolving internal and external environment
6. Cambodia's Nationally Determined Contribution commitments to the UN including climate change
7. The graduation of Cambodia out of its LDC Status
8. Achieving Cambodia Vision 2050 as a high income country, social well-being and integrity at international level.
9. Achieving Cambodia Sustainable Development Goals (CSDGs) 2016-2030
10. Putting the country on a path to attain sustainable and inclusive development to promote the likelihood of Cambodian people

3. Objectives

3.1 RGC is committed to ensuring a better quality of life for its people in particular women, children, youths and vulnerable groups and to building democratic, rule-based society, with equitable rights and opportunities to the population in economic, political, cultural and other spheres. It aims at maintaining an open market economy, and will formulate policies that provide an enabling and conducive environment for the country to move towards more sustainable, low carbon, resilient modes of development. Two important components proposed in the plan are **Implementation and Enforcement**, and **Green Growth**.

3.2 The key strategic objectives of NSDP will be to put emphasis on broad development priorities:

Good governance: RGC aims to consolidate peace and political stability, make measurable strides in good governance, strengthen decentralisation and de-concentration, improve economic governance, and promote private-sector development and Public-Private Partnership (PPP).

Macroeconomic balances: Maintain 3 key economic balances -- trade, budget and inflation:

- Raise revenues to at least 18% of the GDP to reduce budget/fiscal deficit by 2018.
- Raise exports to reduce trade deficits (~2-3% of the GDP). Increasing exports, especially of rice, agri-products and light engineering should be a priority.
- Keep inflation down to less than 5%.
- Put in place fiscal and monetary policies for better regulation of the economy.
- Take forward reforms of the Public Finance Management Reform (PFMR) Framework.

Growth and diversification: The economic growth has been pegged at about 7% per annum through the plan. Six priority areas shall be the key objectives in this endeavour:

- Promote modernisation and diversification of crop agriculture and raise yield rates (in both, rice and Chamcar products incl. plantation crops, esp. rubber); step-up land reforms; promote establishments of farmers' associations; and boost commercial development of livestock and marine fishery sectors (esp. in the small-scale sector).
- Encourage growth of private sector for a broad-based, diversified and resource-efficient industrialisation and modernisation including SMEs development and promoting the use of low carbon technologies.
- Strengthen the banking and financial sectors for greater penetration of finance in small towns and the hinterland.
- Enable evolution of competitive and transparent labour markets and induce 'value-added' job-creation processes.
- Invest in improving physical infrastructure (transport, electricity, irrigation, ICT, others). Climate proofing infrastructure requires special attention.
- Promote sustainable tourism.

3.3 A balanced open economy

- Graduate Cambodia out of its present LDC status to be a high-middle income country
- Strengthen the competitiveness during the integration into the regions and world.
- Maintain a full synergy between the RS 4, Vision 2030 document, CSDGs Framework and NSDP.
- Strengthen an open trading system through trade liberalisation and putting in place trade policies within the framework of regional and global integration, focusing on some critical aspects such as investment agreements, trade facilitation measures, and legal reforms.
- Strengthen partnerships between the government, private sector, development partners and NGOs/civil society organizations.

3.4 Science and technology

Cambodia must make advances in niche areas and acquire technologies to meet the challenges of integration into the regions and the world. More practically, the country should aim to develop a national R&D agenda and to improve the skills of its workers and create educational streams by which workers in the coming generations also continue to acquire and improve upon their skills.

Actions that demonstrate and replicate innovative and pragmatic solutions on green economy are encouraged, particularly the promotion and application of green or environmental technologies that create value and yield substantial environmental improvements.

3.5 Human and social development

Priorities shall be placed on poverty, equity, education and health, with special emphasis on women, children, and vulnerable groups.

a. Poverty and inequality

- Reduce poverty by at least 1% points/year and promote nutrition.
- Narrow inequality; i.e. populations in the lowest 20% expenditure bracket should to consume at least 10% of the total consumption on a sustained basis.
- Address other inequalities – by region, sex, age, education, health, opportunities, others.
- Establish social safety nets.

b. Education, health, water and sanitation

- Set realistic quantitative targets—for both boys and girls—for each level of education.
- Improve the quality and average years of education per person.
- Strengthen the human-capital base and raise technological prowess of workers and people, esp. in ICT, and modern agricultural and industrial applications.
- Invest in health and nutrition to achieve the sustainable human capital and related targets in CSDGs 2016-2030
- Invest in WATSAN so that all populations get access to clean drinking water.
- Promote a population policy, incl. migration, to ensure a healthy population and workforce.
- Meet all targets in CSDGs 2016-2030

c. Socio-cultural development

- Preserve and promote Khmer cultural heritages.
- Promote the role of religion in maintaining social harmony.

3.6 Environment and Natural Resources

Cambodia must move towards a sustainable development pathway by protecting the environment; conserving, restoring, and managing natural resource; and managing land in ways that also alleviate poverty, use energy-saving devices and life-styles, promote eco-friendly tourism, and a host of other low carbon resilient initiatives. More practically, the country should expand and restore forest-cover of the total land area to become a net carbon creditor country, restore and maintain freshwater and marine stocks, and prevent degradation of soil, water, and air quality.

3.7 Cross-cutting issues

The RGC has identified at least crosscutting issues: gender, climate change, green growth, disaster management, and the Public Finance Management (PFM) and attempts are to be made to mainstream these in all the sectors. Additionally, nutrition should find place where it can, in the crosscutting domain.

Strategic Environmental Assessment shall be considered in preparing the inputs in sectors in order to have better development options in the each sector.

Following from the national policy and the National Policy and Strategic Development Plan on Green Development 2013-2030 is important for line ministries to identify climate change risks surrounding their sectoral activities, and to come up with measures to address climate change impacts in their respective sectors. Line ministries are requested to consider the following:

- Climate change risks and opportunities (in both short term and long term)
- Climate change activities required in the sector (e.g. policy, regulations, fiscal instruments, planning tools, data collection and monitoring systems, pilot projects and research)
- Climate change related indicators in the sectors
- The information and capacity development needs, required to boost sectoral response to climate change
- Support required from other line ministries to manage climate risks (e.g. joint assessment of climate risk, joint regulation, coordinated design of response policies, etc.)
- The disaster risk issues and risk reduction measures that could be undertaken.
- Opportunities for improving resource efficiency, social inclusion and environmental quality.

3.8 De-mining

Large parts of Cambodia's lands that are mine/ERW-affected. Based on the results of the research studies on mine-contaminated sites, the size of the contaminated land is still huge, requiring more support and actions. This is an area the country is committed to clean up on priority.

3.9 Monitoring and Evaluation (M&E)

For strengthening the Monitoring and Evaluation System, a single system to monitor and evaluate the achievement of the implementation of NSDP needs to be established.

Moreover, efforts would be made to identify precise indicators for assessing outcomes, e.g. for inclusive growth, better governance (to reflect responsiveness, transparency and accountability) and the like, and to strengthen the quality of data and enrich the data sources to support the measurement of the set indicators both in NSDP and CSDGs. Sectors needs also a reliable M&E System to monitor the achievement of their sectors against the targets in NSDP and CSDGs.

4. Contents

NSDP 2019-2023 is simple, measurable, realistic and clear timeframe. This document will be actionable, containing strategies and be a roadmap to achieve the country development and enhance the likelihood of the Cambodian people. The MOP will prepare this Plan in close consultation with SNEC, CRDB/CDC and MEF in addition to consultations with line ministries and agencies and stakeholders. The Plan should:

1. Contain progress achieved so far and challenges in each sector and make an explicit mention of the progress on CMDGs.
2. Identify policies that the sector/ministry plans to undertake during 2019-2023 based on other documents mentioned in 'Policy Framework' above.
3. The base year should be 2017 and the reference document shall be the MTR of 2016, Progress Report on the Implementation of NSDP 2014-2018 and CSDGs. Start with the actual numbers for 2017, and use forecasts/estimates for 2018, 2019, 2020, 2021, 2022 and 2023.
4. Please use national statistics or administrative data in line ministries or agencies. If these sources are not adequate, other data sources can be considered.
5. Specify key challenges and risks (both internal and external) in implementing the strategies, with possible mitigation measures.
6. Specify macro, cross-cutting and sectoral policy measures as well as priorities, programs and project proposals
7. Identify implementing agencies for each identified task and sector set in NSDP 2019-2023 (incl. the private sector and/or partnerships).
8. List key indicators used for the M&E Process in the concerned ministry/agency
9. The final inputs to be sent to MOP is approved or authorised by senior political management at the level not below a Secretary of State, who is the chair of the working group established for NSDP update 2009-2013.
10. Make an estimate of the budget required for each sector.

5. Responsibilities

A. Ministry of Planning:

The Ministry of Planning (MOP) is to be responsible for leading the process of preparation of NSDP 2019-2023. It will:

- Provide line ministries and agencies with technical guidelines on the preparation of inputs and overall preparation process of NSDP 2019-2023
- Obtain inputs from all line ministries and agencies
- Draft and revise this document based on inputs, suggestions and comments obtained from all stakeholders at different stages of preparation

- Regularly consult and coordinate with other 3 central agencies (MEF, CRDB/CDC, and SNEC) at each stage of the preparation process
- Present regular progress to PM at various stages in preparation process.

B. Line ministries and central agencies:

- The same working groups constituted for NSDP Update 2009-2013, chairing by a high ranked management at least Secretary of State, are to carry out this task in consultation with MOP. The Working Groups will provide the inputs to MOP by the dates mentioned below.
- Ministries and central agencies and all development partners (thru. TWGs) shall provide timely inputs and cooperation to MOP and attend all meetings, for completing this exercise.

C. Development Partners and Civil Society Organizations

- All development partners and civil society organizations shall provide their inputs and comments on the relevant sector in which they are working with through TWGs mechanism. LMs/LAs will submit inputs to MOP.
- All development partners and civil society organizations shall not provide their inputs and comments directly to MOP.

6. Schedule

Timeframe	Activities
May 2018	<ul style="list-style-type: none"> • MOP issues Guideline based on the decision made by Samdech Akka Moha Sena Padei Techo Hun Sen, the Prime Minister of the Kingdom of Cambodia, to all ministries and central agencies. • A kick-off meeting together with orientation of the Guideline to all line ministries about input preparation for NSDP 2019-2023
May- 29 June 2018	<ul style="list-style-type: none"> • Line ministries and agencies prepare send their inputs to MOP within this deadline.
02 July-August 2018	<ul style="list-style-type: none"> • MOP will consult with LMs/LAs for additional inputs. • MOP prepare progress report of NSDP 2019-2023 preparation to the RGC. • MOP coordinates a meeting among the four Central Agencies (MOP, MEF, CRDB/CDC, and SNEC) in order to discuss and provide guideline on preparation of the 1st Draft, and • MOP starts to prepare the 1st Draft of NSDP 2019-2023.
28 September 2018	<ul style="list-style-type: none"> • MOP coordinates a meeting among the four Central Agencies (MOP, MEF, CRDB/CDC, and SNEC) in order to

	consider the 1 st Draft and provide comments.
26 October 2018	<ul style="list-style-type: none"> • MOP send the 1st Draft to LMs/LAs, stakeholders, and DPs (through TWG Mechanism) for comments.
16 November 2018	<ul style="list-style-type: none"> • All LMs/LAs, stakeholders, and DPs (through TWG Mechanism) send their comments to MOP no later than this date.
26-30 November 2018	<ul style="list-style-type: none"> • MOP sends the revised draft to all LMs/LAs, and other stakeholders prior to two inter-ministerial meetings (technical and political level) • MOP prepares progress report of NSDP 2019-2023 preparation to the RGC.
21 December 2018	<ul style="list-style-type: none"> • MOP coordinates a meeting among the four Central Agencies (MOP, MEF, CRDB/CDC, and SNEC) in order to review the 2nd Draft and provide comments, and • MOP sends the final Draft to the Council of Minister for approval.
28 December 2018-January 2019	<ul style="list-style-type: none"> • Cabinet Meeting will approve the draft and the approved document will be sent to National Assembly and Senate for endorsement and to His Majesty the King of Cambodia for the promulgation.
January-February 2019	<ul style="list-style-type: none"> • The final draft promulgated by His Majesty the King of Cambodia will be sent for Printing
February 2019	<ul style="list-style-type: none"> • Printed version will be officially launched at national level
March-April 2019	<ul style="list-style-type: none"> • Dissemination workshop on NSDP 2019-2023 at sub-national level