

Engaging the Private Sector for Reaching the Targets of the Nationally Determined Contributions (NDC) of Cambodia

NDCs to Accelerate Private Sector Investment to Tackle Climate Change

Workshop – 27th October 2020



National Council for Sustainable Development
General Secretariat
Department of Climate Change



Ministry of Environment

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Agenda

Time	Subject	Facilitator/ Speaker
08:30 - 09:00	Registration	<u>Admin</u>
09:00 - 09:05	National anthem	All
09:05 - 09:10	Welcome remarks	H.E. Chea Chanthou Deputy Secretary General, GSSD Vice-Chair, CCTWG
09:10 - 09:30	Updated NDC of Cambodia and private sector engagement	Dr. Hak Mao Director, DCC
09:30 - 09:40	Instruction for group discussions	Ms. Niina Kylliainen Climate Change Policy Specialist, CCA/UNDP
09:40 - 10:00	Coffee break	
10:00 - 11:00	Group discussions: <ul style="list-style-type: none"> - Agriculture and Forestry - Energy, Transport and Infrastructure - Health and Water - Environment 	
11:00 - 11:30	Discussion, wrap up the group discussions and way forward	TBC
11:30 -	Lunch	All



Welcome remarks

H.E. Chea Chanthou
Deputy Secretary General, GSSD
Vice-Chair, CCTWG



NDC Updated NDC of Cambodia and private sector engagement

Dr. Hak Mao
Director, DCC



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Climate change: Paris Agreement

- Climate change is one of the most difficult development challenges that Cambodia is facing, in great part due to the country's high vulnerability to the impacts of climate change and to its still low adaptive capacity.
- The efforts to tackle the impacts of climate change require efforts of all Cambodians, including the private sector.
- The Paris agreement to keep the temperature rise below 2 degrees Celsius was signed in 2015 and it entered into force in November 2016 when 55 Parties, including Cambodia had ratified it.

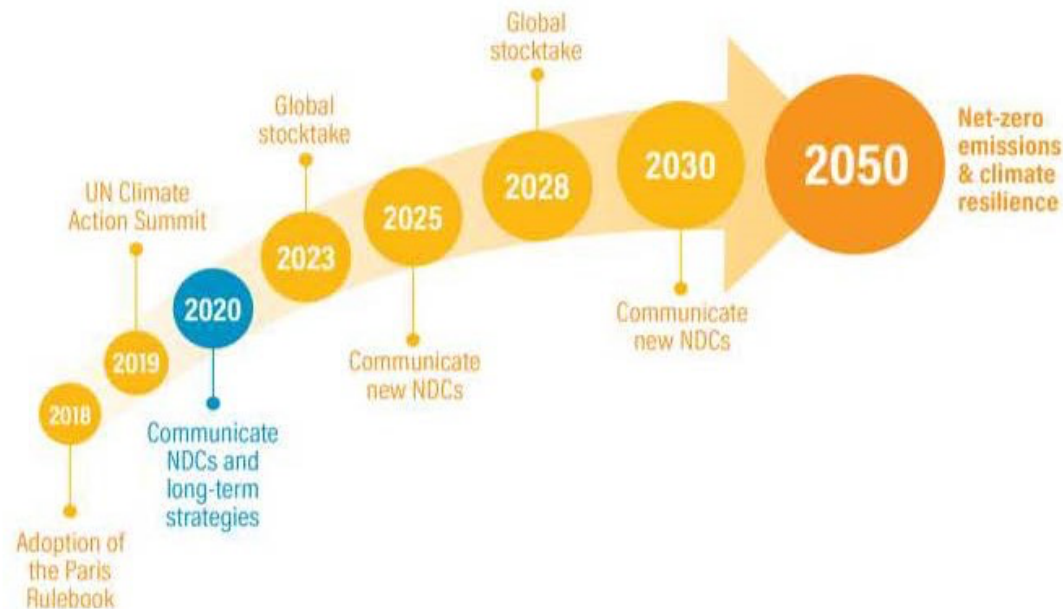


Source:
Getty Images



Nationally Determined Contributions(NDCs)

- The successful implementation of the NDCs is the country level commitment under the Paris Agreement
- NDCs are updated every 5 years



Source: WRI



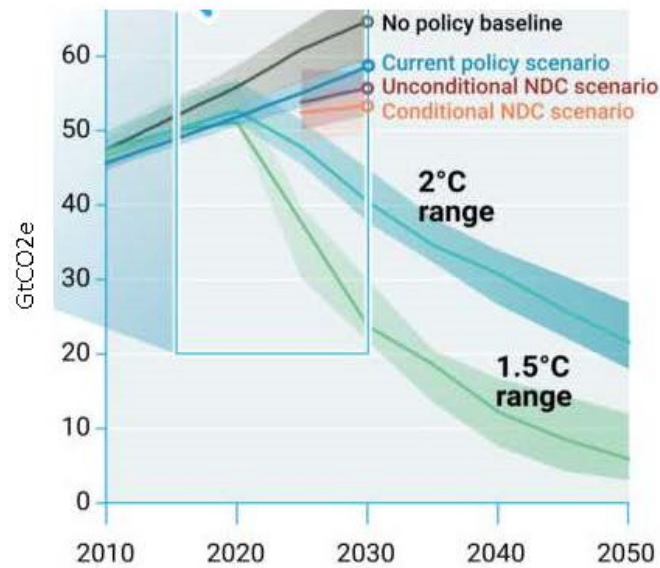
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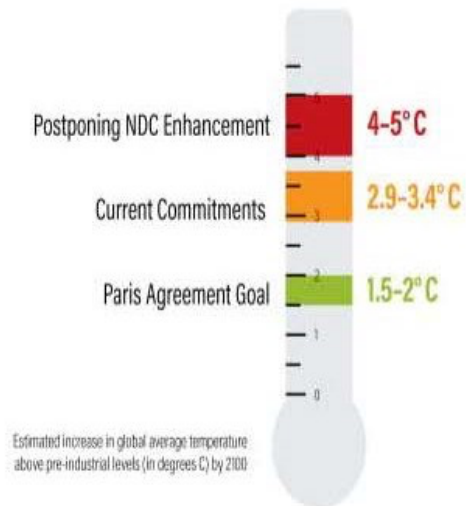
CAMBODIA CLIMATE CHANGE ALLIANCE
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Increasing ambition through the NDC process

- The latest climate science underscores the need for ambitious and immediate action to keep the Paris Agreement goals within reach.



Source: UNEP Emissions Gap Report 2018



Source: WRI



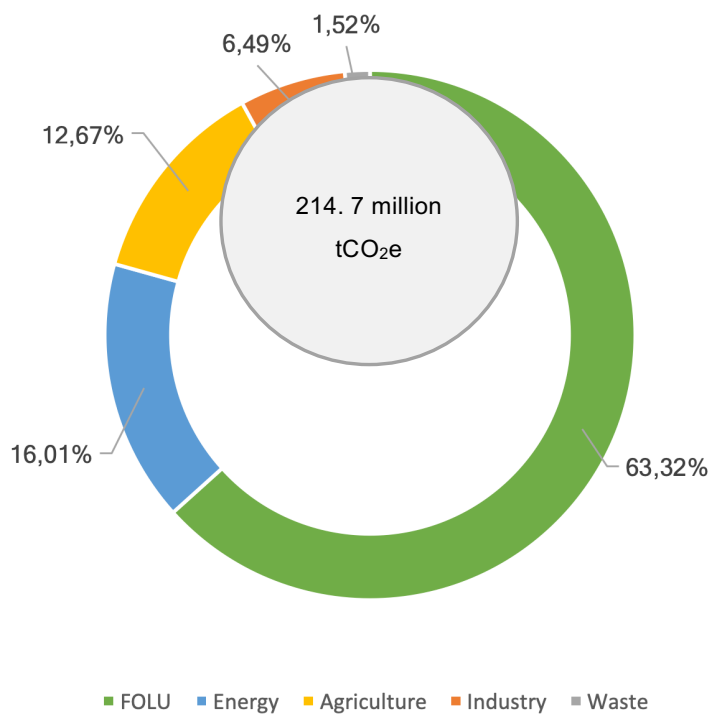
NDC update: first NDC/updated NDC

- Cambodia submitted its first NDC document in September 2015
- The first NDCs included both GHG mitigation and adaptation and based on the contributions listed the country was expected to reduce GHG emissions by 27% by 2030 from business as usual level;
- In 2020, Cambodia has updated its NDCs and instead of 13 adaptation measures listed in the first NDC of Cambodia, there is a total of 78 actions listed in the updated NDC with a main focus on the following sectors: agriculture, buildings, disaster risk management, energy, environment, human health, industry, infrastructure, land use planning, tourism and water;
- The updated NDC has 22 mitigation actions representing the main mitigation sectors: energy, waste, transport, forestry, agriculture and industry sectors; and
- In the updated NDC, Cambodia has a mitigation target of around 48 million tCO₂e/year by the year 2030.
- It is estimated that the cost of implementation of all identified NDCs of Cambodia up to 2030 is around US \$ 4 billion.



Sectoral GHG Emission sources - 2030

BAU GHG Emissions in 2030 under BAU Scenario 2



Sector	Sectoral share (%)
FOLU	63.3
Energy	16.0
Agriculture	12.7
Industry (IPPU)	6.5
Waste	1.5



Private sector engagement in the NDC implementation

- Globally, recent cost estimates associated with adapting to climate change risks are two to three times higher than available international public finance. by 2030 it is estimated that only adaptation costs will range between US\$140-300 billion per year (UNDP).
- Understanding that climate change can compromise the nation's goals for sustainable economic growth and threaten the livelihoods of many Cambodians, there have been efforts to attract climate finance to fund the implementation of climate change adaptation and mitigation measures in Cambodia, with a commitment from the government to invest in climate action (with annual public climate expenditures rounding 1% of its fast-growing GDP).
- Most NDC actions will be effective only through the engagement of the sector-appropriate private sector players, including through Public Private Partnerships (PPPs).
- Private sector players are equally involved as **input and technology providers** (such as in more resilient clean energy, agriculture, and water spaces), as **service providers** (such as in eco-tourism or technical assistance to sectors such as water) or as **financiers** to many other actions, or can themselves be involved in awareness, training, and education, such as through private media and universities.



Challenges for the private sector engagement

- An absence of reliable data sources on private sector investments, including difficulties in identifying adaptation and mitigation measures supported by the private sector and issues in covering all parts of the economy;
- The size of the informal sector which accounts for more than half of Cambodia's GDP;
- Small and medium sized enterprises (SMEs) make up the majority of businesses in Cambodia (only 0.2 % are companies with at least 100 employees; 98% of companies employ 10 people or fewer) and provide around two-thirds of the country's employment(UNICEF); and
- While the main potential to scale up private investments relate to mitigation efforts, barriers can be removed in order to stimulate private sector adaptation engagement, not least in the agriculture-, healthcare-, WASH-, education-, social policy-, forestry-, fisheries- and tourism-sectors



Identified private sector entry points: mitigation

Energy Sector:

- Renewable Energy: Off-grid street lighting, Solar, Wind, Hydro and Biomass;
- Energy Efficiency: Efficient electrical industrial motor and transformer, Electrical Equipment Labelling;
- Sustainable Energy Practice: Garment industry, Food and beverage, Bricks industry;
- Passive Cooling System: Commercial and Public Sector buildings

Transport Sector:

- Build integrated public transport system
- Build more maintenance and inspection of vehicles
- E-mobility
- Establish greenbelt along major roads
- Shift from truck to trains for long distance movement of goods

Industry:

- Energy efficiency: Energy Management in buildings/industries; Latex and rubber wood processing
- Improve process performance through waste management



Identified private sector entry points: mitigation

Waste:

- Hazardous waste management inside the factories
- New sanitary landfill with LFG extraction
- Composting of biodegradable organic waste
- Production of Refuse-Derived Fuel (RDF) from either fresh MSW or old MSW
- Centralized recycling facility for industrial waste from the garment sector
- Better management of industrial wastewater in the food & beverage sector

Agriculture:

- Sustainability of agricultural land management (conservation agriculture)
- Organic input agriculture and bio-slurry; and deep placement fertilizer technology
- Fodder production to support cattle production
- Manure management through compost making process
- Bio-digester construction
- Seedlings distribution to community

Forestry:

- Increase forest cover



Identified private sector entry points: adaptation

Agriculture

- Agricultural supply chain
 - Technical Assistance
 - Technology Transfer
 - Credit provision
 - Buying contract
 - Horticulture value chains
 - Industrial crop value chains
 - Water management practices
 - Improvement of processing facilities
 - Supply of resilient rubber seeds
 - Pre- and post-harvest technology
 - Food processing
 - Certification of market expansion
 - Capacity development
 - Investment of technological innovation
 - Improved access to quality inputs
 - Export
- Rice milling
 - Adoption/application of clone technology
 - Improve effectiveness of adaptation measures AI Technology for cattle production including technical supports and extension services
 - Replicating and piloting technology for animal breeding
 - Technical response for risk prevention and reduction
 - Mobilize financial resources
 - Develop innovative climate services and adaptation technologies
 - Fishery products and food safety
 - Input supplies
 - Trading
 - Projection of flooded forests and reforestation activities (incentives for ecosystem services certification scheme
 - Social Cooperative Responsibilities
 - Supplier of green technology and solar application

Identified private sector entry points: adaptation

Health:

- Dengue Stakeholder (clinic)
- Capacity building and awareness campaign
- Funding or material support

Industry:

- Driving adaptation actions
- Labor productivities and associated profits

Infrastructure and building:

- Application of construction guidelines
- Participation in capacity building for application of standards and tools
- Consultants to provide technical aspect on planning and full engagement of implementation
- Constructions
- Gate communities
- Architect
- Engineer



Identified private sector entry points: adaptation

Governance:

- Private Service provider for capacity building, infrastructure and construction
- Participate in developing policies for PPP in sub-national adaptation planning

Livelihoods

- Suppliers for waste collection, green technology and clean water

Information:

- Introduce new technology
- Provide funding
- Build broadcasting system
- Journalist and private broadcasting media
- Private media organization



Instruction for group discussions

Niina Kylliainen, Climate Change Policy Specialist



Coffee break



Group discussion

Facilitators



Private sector engagement in the NDC implementation

- Are the private companies currently addressing any actions listed in the updated NDCs (list of actions)/ climate change related area of work?
- What are the main opportunities for the private sector engagement in the NDC implementation?
- What are the main challenges for the private sector to be more involved in the NDCs implementation/ climate change related work?
- What is the next step in order to strengthen the private sector involvement in the NDC implementation/climate change related work?



Group discussion wrap up

Facilitators



Closing and next steps





<https://ncsd.moe.gov.kh>

Thank you

