



# Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 24-Nov-2017 | Report No: PIDISDSA23260



**BASIC INFORMATION**

**A. Basic Project Data**

Country Cambodia	Project ID P162971	Project Name Higher Education Improvement Project	Parent Project ID (if any)
Region EAST ASIA AND PACIFIC	Estimated Appraisal Date 28-Nov-2017	Estimated Board Date 30-Mar-2018	Practice Area (Lead) Education
Financing Instrument Investment Project Financing	Borrower(s) KINGDOM OF CAMBODIA	Implementing Agency Ministry of Education, Youth, Sport	

Proposed Development Objective(s)

The PDO of HEIP is to improve the quality and relevance of higher education and research mainly in STEM and Agriculture at targeted higher education institutions, and to improve governance in the sector.

Components

- Component 1: Improving Teaching and Learning Capacity
- Component 2: Improving Research in STEM and Agriculture
- Component 3: Strengthen Sectoral Governance and Project Management
- Component 4: Contingent Emergency Response

**Financing (in USD Million)**

Financing Source	Amount
Borrowing Agency	3.00
International Development Association (IDA)	90.00
<b>Total Project Cost</b>	<b>93.00</b>

Environmental Assessment Category

B - Partial Assessment

Decision

The review did authorize the preparation to continue



Other Decision (as needed)

## **B. Introduction and Context**

### Country Context

Following more than two decades of strong economic growth, Cambodia has attained lower-middle income status as of 2015, with Gross National Income (GNI) per capita reaching US\$1,070. Cambodia grew by an average annual rate per capita of 5.3 percent during 2005–2015, ranking among the top 14 economies in the world.<sup>1</sup> The main drivers of growth have been the manufacturing sectors, in particular garment and more recently construction, and the services sectors, especially tourism and real estate. After experiencing a strong growth, rates in the agriculture sector have recently decelerated. Economic growth flattened in the aftermath of the 2009 global financial crisis but recovered quickly, averaging 7.2 percent during 2010–2015. Growth is estimated to ease slightly to 7.0 percent in 2016, in the context of a slowdown in the Chinese economy. In the medium term, growth is expected to remain strong at around 6-7 percent, underpinned by regional integration with resilient exports and strong domestic demand boosted by low oil prices.

The sustained economic performance has lifted a large proportion of the population above the national poverty line, but Cambodia is still one of the poorest countries in the Southeast Asia region. Between 2004 and 2014, the poverty incidence under the national poverty line declined from 63.3 percent to 13.5 percent of the population.<sup>2</sup> Most of the poverty reduction occurred between 2007 and 2009, when the poverty headcount rate declined by 20 percentage points, driven by a significant hike in the price of rice, the main agricultural product of Cambodia. Despite this progress, the vast majority of the families that rose above the poverty line did so by a small margin, leaving them at risk in the event of an adverse shock. Poverty reduction in Cambodia has been accompanied by shared prosperity — the real consumption growth of the bottom 40 percent of the distribution was larger than that of the top 60 percent — and a decrease in inequality, with the Gini coefficient going down from 36.5 to 27.4 between 2007 and 2014.<sup>3</sup> Further reductions in poverty are expected.

### Sectoral and Institutional Context

Cambodia's recent economic success has been built largely on the expansion of relatively low-technology, low wage/skill production in such industries as textiles, apparel, and basic electronics, and sustained by a steady flow of foreign investment. However, Cambodia's comparative advantage in these industries is being eroded as wages rise. New skills are needed to keep Cambodia's economy competitive.

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<sup>1</sup> GDP per capita (constant LCU). Source: WDI

<sup>2</sup> World Bank staff estimates from CSES (2004-2013) and the Global Monitoring Report (2016).

<sup>3</sup> World Bank staff estimates from CSES (2004-2013).



The Royal Government of Cambodia (RGC) realizes education's potential to spur growth by providing the high-skills needed to move the country up the value chain and produce more sophisticated knowledge-intensive products. The country's National Socio-Economic Development Plan (2014-2018) and Industrial Development Policy (2015-2030) specifically call for creating a competitive economy through knowledge and innovation; The Ministry of Education Youth and Sports (MoEYS) has approved a Higher Education Roadmap that intends to increase the quality and relevance of the sector; and Higher Education Institutions (HEIs) in two Special Economic Zones aim to help diversify the industrial development of the country.

In 1997, there were only eight HEIs. By 2016, the number increased to 121. Much of the growth in sub-sector came from private HEIs, which were first allowed to open in 1997. Today there are 78 private HEIs, representing 64 percent of the total number of HEIs.<sup>4</sup> Institutional expansion has subsequently increased the total enrollment rate, from fewer than 20,000 students in the 1990s to 174,000 today, including 106,000 in private HEIs.

Although the increase in HEIs has expanded student enrollment, most students have concentrated in social science, business, and law. These fields proliferated because they require low investment and faculty members with less-specialized skills. In scientific fields, by contrast, there has been low enrollment because of the high unit cost and limited availability of highly skilled faculty members, particularly for private HEIs. Only one out of five students major in STEM and Agriculture. Today, only one out of five students major in STEM and Agriculture. Of these students, only one-third are enrolled in private HEIs, highlighting the low private investment in these subjects.

Despite the growth of the sub-sector, higher education in Cambodia lags regional neighbors. Only a small percentage of Cambodians enroll in higher education. According to the latest available data, the share of adult population aged 25 years or more who have completed at least a short cycle tertiary education in Cambodia is a mere 3 percent (2014) while the corresponding figures for Vietnam and Korea are 7 percent (2009) and 35 percent (2010) respectively. The tertiary gross enrollment ratio is also low at 12 percent (2011) compared to 30 percent (2014) for Vietnam and 98 percent (2013) for Korea.

Cambodia not only has a relatively small higher education sector, but also has few students enrolled in scientific and technical degrees that require research. Only 12 percent (2011) of Cambodian tertiary graduates completed their studies in the science, technology, engineering, or mathematics (STEM) subjects. This compares unfavorably to the 24 percent (2013) recorded for Vietnam and 35 percent (2013) for Korea. Gross expenditure on research and development, meanwhile, totals less than one tenth of one percent of GDP in 2016<sup>5</sup> compared to two tenths of one percent (2011) for Vietnam and 4 percent (2014) for Korea. International experiences show it takes decades to build high-quality research capacity and a critical mass of human capital in a tertiary education system, so actions need to be taken now to reverse underinvestment and lack of effectiveness.

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<sup>4</sup> Operating under 16 different ministries/agencies.

<sup>5</sup> Estimated at 0.08 percent by the task team for economic analysis based on available data.



Cambodia's future economic competitiveness depends, inter alia, on producing quality tertiary graduates in STEM and agricultural subjects as well as increasing its research and development capacity. Improvement of higher education in STEM and Agriculture will produce highly-skilled graduates who can fill leadership roles in Cambodia's technological transformation. This will help ensure Cambodia is able to transition its economy to high-skill industries.

### C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The PDO of HEIP is to improve the quality and relevance of higher education and research mainly in STEM and Agriculture at targeted higher education institutions, and to improve governance in the sector.

Key Results

- Improved responsiveness of target HEIs to labor market needs in priority sectors identified in the national Industrial Development Policy;
- Strengthened research capacity of target HEIs that directly serves the industry and agricultural communities; and,
- Strengthened sector governance, including improved institutional management capacity at HEIs as well as improved sectoral quality assurance mechanism.

### D. Project Description

#### I. PROJECT DESCRIPTION

##### 1. Project Components

The proposed project aims to enhance Cambodia's competitiveness, by increasing the relevance and quality of higher education provision in line with industrial needs. The proposed project will target two priority areas. The *first* is to improve the teaching and learning mainly in the fields of STEM and Agriculture in HEIs. The *second* part of the funding is to improve the research in the fields of STEM and Agriculture in HEIs that are connected to industries prioritized in the IDP. The *third* part of the funding is to strengthen the higher education sector governance. The project will support activities in five targeted public HEIs, relevant departments in MoEYS, and selected private HEIs.

**Component 1: Improving Teaching and Learning Capacity (approximately US\$ 68 million equivalent)**

**This component aims to enhance quality of teaching capacity of targeted HEIs in the fields of science, technology, engineering, mathematics (STEM), and agriculture, while other**



complementary areas deemed necessary for economic development will also be supported.<sup>6</sup> The proposed sub-components are: 1.1: Improving teaching and learning, 1.2: Improving Institutional Capacity, and 1.3: Supporting private HEIs. An advisory board will be formed including members from the private sector to support the formulation and implementation of the sub-components 1.1, and 1.3 to improve the relevance of activities. Subcomponents 1.1 and 1.2 will support five targeted public HEIs and Subcomponent 1.3 will support selected private HEIs.

**Component 2: Improving Research in STEM and Agriculture (approximately US\$ 15 million equivalent)**

**This component aims to improve the quality and relevance of research mainly in STEM and Agriculture fields by supporting the targeted HEIs in the development and implementation of research projects** that result in peer reviewed publications. Research projects, implemented by teams of researchers from targeted HEIs are selected and approved by HEIP, will be designed and/or implemented in collaboration with industrial partners and/or international HEIs.

**Component 3: Strengthen Sectoral Governance and Project Management (approximately US\$ 10 million equivalent).**

**This component aims to strengthen the system of higher education sector to produce graduates equipped with transferable skills and knowledge, especially in STEM and agriculture.** The proposed sub-components are: 3.1: Strengthening sectoral governance, and 3.2: Project management and monitoring and evaluation.

**Component 4: Contingent Emergency Response (US\$0 million).**

**The objective of the contingent emergency response component, with a provisional zero allocation, is to allow for the reallocation of financing in accordance with the IDA Immediate Response Mechanism** in order to provide an immediate response to an eligible crisis or emergency, as needed.

## E. Implementation

### Institutional and Implementation Arrangements

The project will be implemented at the national and institutional levels over a period of five years from the date of effectiveness. MoEYS will assume overall responsibility for coordination and implementation of the project, including procurement, disbursement, and financial management (FM) and will be in close collaboration with targeted HEIs.

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<sup>6</sup> In order to connect STEM and agricultural fields to industry and/or policy making, complementary fields such as, but not limited to, economics, management, or sociology must be improved. Graduates from these complementary fields play a crucial role in macro planning/policy making during the transition to a knowledge-based economy.



At the highest level, the project management arrangements will require strong support from MoEYS leadership. Under the current arrangement for ongoing projects, the Minister has established a Project Management Committee (PMC) responsible for the oversight of the Education Sector Plan (ESP). The PMC is led by Minister of Education and the Secretaries of State responsible for all sectors in the ministry. The PMC will be responsible for: (i) approving the project's annual activities, operational plan, and budget allocations; and (ii) overseeing progress and compliance with agreed project guidelines.

The implementation arrangements will be based on the existing MoEYS structure with clear responsibilities. At the project management level, the Project Management Team (PMT) will be chaired by the Secretary of State (or the Under Secretary of State) responsible for the Directorate General of Higher Education. The PMT will include senior representatives from targeted HEIs, ACC, and DG HE. The main roles of PMT are to provide day-to-day implementation oversight, project reporting, auditing, M&E, and reviewing operational plans.

Project Teams (PTs) will be arranged at DG HE, ACC Secretariat, and seven targeted HEIs, and will include members of the Finance Department within each institution. Project implementation will be carried out by each PT, supported by existing MoEYS technical departments, including Construction Department, Finance Department, and Procurement Unit. The seven HEI PTs will be established to coordinate and implement the project component activities. The PTs will assume responsibility for work plans and budgets, progress reports, financial reports, monitoring, and procurement and safeguards.

#### **F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)**

Most project activities are nationwide in scope and will involve technical assistance and capacity building activities to promote STEM and agricultural education, as well as strengthening the higher education system. While the activities to improve academic physical facilities, under sub-component 1.1, will involve civil works, the locations and designs of these investments will not be known until project implementation.

#### **G. Environmental and Social Safeguards Specialists on the Team**

Martin Henry Lenihan, Social Safeguards Specialist  
Makathy Tep, Environmental Safeguards Specialist



**SAFEGUARD POLICIES THAT MIGHT APPLY**

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The project will finance construction activities, which may include the rehabilitation/construction of student classrooms/buildings, the construction of a business incubation center, student training center, an agro-industry lab, the upgrading of existing lab facilities, and new ITC campus. Some environmental adverse impacts would be anticipated including dust, noise and construction waste and management. No harmful chemical substances will be purchased or used in the labs. The impacts are deemed be minor, temporary and site specific. ESMF has been developed, translated and disclosed on November 7 2017. ESMF provided guidance on screening of sub-projects once locations are confirmed. Where relevant, site specific instruments would be developed. The ESMF has also reflected the need to address Environmental, Social and Health Safety (ESHS) guidelines for the civil works.</p> <p>Along with the civil works, the project will also have broader social impacts, particularly in relation to lowering the access threshold to higher education for women and disadvantaged group. It is therefore, social impact assessment was carried out to determine the main access barriers to higher education for women and disadvantaged groups in Cambodia. This will involve an analysis of the existing literature and secondary data relevant to the exclusion of these groups, as well as stakeholder interviews with key informants from the Universities, the Student body, as well as government and non-government agencies. The results of this assessment feeds into the development of an Equity Plan. The assessment and Equity Plan also have a pillar focused on barriers to, and promotion of, the inclusion of indigenous (ethnic) groups (see below).</p>
Natural Habitats OP/BP 4.04	No	The project will not cause any degradation of natural habitats as defined under the safeguard policy.
Forests OP/BP 4.36	No	The project will not degrade critical forest areas as defined under the safeguard policy.



Pest Management OP 4.09	No	The project will not involve any procurement of pesticides nor cause any increased use of pesticides.
Physical Cultural Resources OP/BP 4.11	No	The project will not adversely affect sites with archeological, paleontological, historical, religious, or unique natural values.
Indigenous Peoples OP/BP 4.10	Yes	<p>The World Bank’s policy on Indigenous People is triggered for this operation. This is because improving equity and access to STEM and agricultural subjects in higher education is central to the project development objective. Among the groups of potentially disadvantaged students, for whom access can be improved are members of ethnic groups in Cambodia, who are considered indigenous people, based on the four criteria laid out in the World Bank’s operational policy. Because the ethnic people are not the only marginalized group to benefit from these activities, it is recommended that the client prepare an Equity Assessment and Plan, which will also serve as an Ethnic Group Engagement Plan. The Equity Assessment involves a rapid social assessment of the challenges faced by women, students from poor households and remote areas face in participating in STEM and agriculture programs at the tertiary level. This assessment included a review of the administrative data available on participation among these groups in STEM and agriculture programs at the relevant institutions, as well as focus group discussions with representatives of students from these groups at these institutions. Based on these assessments, an equity plan was developed which describes complementary measures to maximize participation in STEM and Agriculture (e.g. accommodation, student support groups, mentoring etc.). These participatory discussions with students (including ethnic students) included the identification of specific actions to be included in the equity plan, and to validate a number of activities already included in the project. A such, these discussions served as the basis for free prior and informed consultation.</p>
Involuntary Resettlement OP/BP 4.12	No	This policy is not triggered. Land acquisition, resettlement or impacts on livelihoods are not expected to result from the civil works that will be financed from the project. All civil works will take



place on public land that is free from encroachment or squatting. A screening mechanism will be included in the environmental assessment process to ensure project activities will not result in land acquisition or resettlement impacts.

Safety of Dams OP/BP 4.37	No	The project does not involve any dams.
Projects on International Waterways OP/BP 7.50	No	The project does not involve international waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project will not be located in any known disputed areas as defined in the policy.

## KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

### A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The physical investments are of small scale. However, the proposed construction of new ITC campus, which is outside of current campus of HEIs would require closer monitoring. Bank’s team reviewed the design and provided comments for clarification on the design including land acquisition, solid waste and wastewater management. Once location is confirmed, sub-project screening would be carried out and site specific instruments would be developed.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The impacts are minor, temporary and site specific.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

No project alternatives would be required.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

Client, i.e. GDE of MoEYS and HEIs are well informed of the compliance requirements. Needed instruments (ESMF and EP) have been developed, shared with Bank for reviewed, translated for disclosure. Further activities such as sub-project screening would be carried out once locations are known. The capacity of MoEYS has been enhancing through implementation of previous Bank financed-project (example HEQCIP). Safeguards focal person is appointed from GDH for the project. All HEIs are active and committed to develop and implement safeguards management.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Women and disadvantaged groups were consulted during social assessment. Other stakeholder interviews were made with key informants from the Universities, the Student body, as well as government and non-government agencies. The results of this assessment feeds into the development of an Equity Plan. The assessment and Equity Plan also have a pillar focused on barriers to, and promotion of, the inclusion of indigenous (ethnic) groups.



**B. Disclosure Requirements**

**Environmental Assessment/Audit/Management Plan/Other**

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
13-Oct-2017	07-Nov-2017	

**"In country" Disclosure**

Cambodia  
20-Nov-2017

Comments

MoEYS webiste (<http://www.moeys.gov.kh>)

**Indigenous Peoples Development Plan/Framework**

Date of receipt by the Bank	Date of submission for disclosure
13-Oct-2017	07-Nov-2017

**"In country" Disclosure**

Cambodia  
20-Nov-2017

Comments

MoEYS webiste (<http://www.moeys.gov.kh>)

**C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)**

**OP/BP/GP 4.01 - Environment Assessment**

Does the project require a stand-alone EA (including EMP) report?  
NA

**OP/BP 4.10 - Indigenous Peoples**

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes



If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?

NA

### **The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes

### **All Safeguard Policies**

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

## **CONTACT POINT**

### **World Bank**

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### **Borrower/Client/Recipient**

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**APPROVAL**

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Country Director:	Inguna Dobraja	26-Nov-2017