

## CAMBODIA CAS COMPLETION REPORT REVIEW

*The CASCR provides a detailed and frank self-evaluation and draws the appropriate lessons and recommendations. While OED differs from the Region's view that Cambodia met the conditions for maintaining Base Case lending, OED agrees with the CASCR that future Bank assistance should focus on governance issues in all sectors, more realism in setting performance targets, greater selectivity in Bank interventions with more attention to social services and rural development, and on strengthening donor coordination. OED also recommends that any shift to programmatic lending should only be undertaken if the Government carries out fundamental reforms in governance.*

*The main objectives of the FY00-03 CAS program—supporting sustainable development and poverty reduction through a) maintenance of sound macroeconomic management plus reforms in governance, public administration and the legal/judicial system; b) improved economic opportunities and delivery of social services for the poor; and c) a better environment for private sector development (PSD)—were highly relevant and still are. However, the impact of Bank efforts, even those which were successful at the project level, was generally quite disappointing and OED judges the overall outcome Unsatisfactory. Among positive achievements were the maintenance of a satisfactory rate of GDP growth and low inflation, some progress in increasing the share of the budget allocated to health and education and limited improvements in some education and health indicators, and positive results from Bank support to community-led development through social funds and to land titling. The Bank also carried out a substantial program of relevant ESW, although many studies were delayed and insufficient attention was given to poverty monitoring and analysis. At the same time there was lack of significant progress in public administration or legal/judicial reforms, tax effort, agricultural growth and overall rural development, the environment for PSD, or in aid coordination, and deterioration in portfolio performance. The principal reasons for these outcomes were Cambodia's extremely limited human resource base and the failure of the Government to address the problems of weak governance and the high level of corruption.*

### Background and Context

1. Cambodia is one of the world's poorest economies, with a per-capita income of US\$300 and a high incidence of poverty. It has a long legacy of warfare, genocide, and physical devastation. A tentative peace was restored in 1991 under UN auspices, but the political and security situation remained unsettled throughout the 1990s. Social indicators are among the lowest for all developing countries. Close to 85 percent of the population, and 90 percent of the poor, live in rural areas, making rural development an essential prerequisite for poverty alleviation.
2. Significant recovery has occurred since the early 1990s; economic growth averaged almost 7 percent per annum in the 1990s, but growth depends heavily on garment manufacturing and tourism. Prudent fiscal and monetary management brought inflation under control. The Government implemented financial sector reforms and trade liberalization, joining the ASEAN free trade area in 1999 and the WTO in 2003. However, the country faces many obstacles to sustained development and poverty alleviation, including limited human resources, weak governance and rule of law, and a high level of corruption.

3. The Bank began IDA lending to Cambodia in FY94. OED completed a Cambodia Country Assistance Evaluation (CAE) in 1999, reviewing Bank activity through FY98. The CAE found IDA's assistance strategy appropriate for Cambodia's post-conflict situation but rated the outcome *Marginally Satisfactory*. Capacity-building efforts had limited success and key reforms in forestry policy, demobilization, the legal/judicial system, and the civil service were not achieved. Sustainability was rated *Uncertain* due to the volatile political situation, fragile macroeconomic balance, and weak governance. The CAE recommended that future IDA assistance focus on poverty alleviation, agriculture and rural development, governance reforms, improved fiscal management, and the environment for private sector development (PSD). The CAE also recommended that the Bank establish a full Resident Mission in Phnom Penh.<sup>1</sup> These recommendations were reflected in the FY00-03 CAS.

### **Assessment of CAS Completion Report**

4. OED finds the CASCR to be a comprehensive and generally frank assessment of Bank and Government accomplishments and lack of progress during the CAS period. It is also clear that the lessons drawn from the CASCR have influenced the next CAS. However, the CASCR should have been more critical of certain aspects of the Bank program, including the Bank's limited involvement in rural development, and of outcomes such as the Government's weak fiscal revenue performance.

### **CAS Objectives, Government Objectives, Overview of Implementation**

5. This Review evaluates the outcome of Bank support to Cambodia over the FY00-05 period, based on the objectives set out in the FY00-03 CAS and on the Region's CAS Completion Report (CASCR) dated March 30, 2005. The overriding CAS objective was to support sustainable development and poverty reduction by: a) promoting good governance, including sound macroeconomic management, an efficient and accountable public administration, and a credible legal and judicial framework; b) improving access for the poor to basic social services and economic opportunities, predominantly in rural areas; and c) establishing a policy environment that encourages PSD. The CAS also emphasized aid coordination—development of strategic partnerships among donors, and a Bank leadership role in sector-wide approaches (SWAs) for legal/judicial reform, rural development, infrastructure, health and education—and expansion of the field office. The CAS stated that the Government gave high priority to all of these objectives except rural development and legal/judicial reform (moderate priority). However, this assessment was inconsistent with the Government's previous track record on reforms which the CAS had rated as poor to fair.

6. The Government stated its objectives—peace, internal integration, and economic and social development—in the 1998 *Platform for the Second Term (1998-2003)*.<sup>2</sup> The platform sought poverty reduction through social stability, building human capacity, sound fiscal policy, improving infrastructure, and fostering an environment for PSD. Implementation strategy was contained in Cambodia's Social and Economic Development Plan (SEDP) prepared with ADB assistance.

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<sup>1</sup> The Bank opened a liaison office in Phnom Penh in 1997.

<sup>2</sup> While this reflects some parallels with the Bank's emphases, political issues of peace and security (maintaining control) appear to be more prominent than economic and social reforms or governance.

Other plans and policy statements during the CAS period included the National Poverty Reduction Strategy (the PRSP supported by the Bank and IMF), and the UN Millennium Development Goals Report. This multiplicity of policy and strategy documents, mostly donor driven, established too many objectives for the Government to manage effectively and diffused the focus of donor support. There should have been less emphasis on plans and strategies and more on implementation.<sup>3</sup>

7. The planned IDA lending program (Base Case) was quite broad, which placed heavy demands on the limited Bank field staff and spread Bank resources too thinly across too many sectors, as acknowledged in the CASCR. The conditions for the Base Case were a satisfactory macroeconomic framework, implementation of priority structural reforms, completion of a governance action plan and implementation of priority actions in the plan, implementation of a pilot demobilization program as part of a broader public sector reform program, and satisfactory portfolio performance; these were translated into a monitorable program of actions and expected outcomes.

8. The lending program was implemented more slowly than planned. Instead of US\$270 million the Bank committed only US\$204 million over FY00-03.<sup>4</sup> Of the fifteen projects planned only eight were approved within the original CAS period and only five in the fiscal year originally scheduled. The other planned projects either slipped beyond FY03 or were dropped; however, four new projects were added.<sup>5</sup> While total commitments fell short of the target, the Bank judged that Cambodia met the Base Case conditions.<sup>6</sup> OED finds that the conditions for the Base Case were not met. While a reduction to the Low Case (US\$60 million total over four years) may not have been called for, the Region should have aimed at an intermediate level between the Base and Low Cases.

9. Project implementation deteriorated over the CAS period. The CAS objective was no unsatisfactory project ratings and less than 25 percent problem projects or projects at risk, but the number of problem projects and projects at risk rose to 25 percent at the end of FY03<sup>7</sup> (Annex Table 4). Currently there are three problem projects in the portfolio.

10. An ambitious AAA program was planned. A number of ESW tasks were dropped or issued as informal notes, and most outputs slipped by at least one fiscal year,<sup>8</sup> but some highly relevant work of good quality was carried out, as described in the CASCR.<sup>9</sup> However, OED agrees with the CASCR that Bank support for poverty monitoring and analysis was insufficient. The Bank had completed a *Poverty Assessment* in FY00 and planned a *Participatory Poverty Assessment* in FY02, but this has been delayed. Further, the Bank's efforts to improve and update poverty data were inadequate.<sup>10</sup> While the PRSP should have been an important step toward a stronger poverty

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<sup>3</sup> It is intended that a single planning document, the NSDP, will merge the SEDP and PRSP, but this will not automatically solve the issues of too many objectives, weak prioritization, and a donor driven approach.

<sup>4</sup> When two projects in the original CAS program which slipped to FY04 are included total lending was US\$264 million.

<sup>5</sup> These included a Flood Rehabilitation project in response to devastating floods in 2000.

<sup>6</sup> CASCR, para. 40.

<sup>7</sup> This compared with EAP averages of 10 percent problem projects and 4 percent of commitments at risk.

<sup>8</sup> In particular the Legal/Judicial Assessment which slipped by three years.

<sup>9</sup> See paragraph 41. For a complete listing of planned and completed AAA see Annex Table 3 of this Review.

<sup>10</sup> Several household surveys were conducted in the 1990s showing poverty incidence to be between 36 percent and 51 percent but there were serious inconsistencies in the data. The inability to reconcile these surveys and the failure to undertake new and more reliable survey work compromised the analysis of trends in poverty.

focus, it lacked clear priorities, especially a clear agricultural strategy, was perceived to compete with the SEDP, and suffered from limited Government ownership.<sup>11</sup> The Bank's own support to PRSP preparation was limited by lack of staff in the field office.

## CAS Outcomes

11. Performance over the CAS period on the first objective of sound macroeconomic management; improved governance; and public administration, legal and judicial reforms is rated as generally poor despite economic growth of almost 6 percent per annum in 2000-2004 and low inflation. OED judges that fiscal performance was weak, contrary to the CASCR conclusion that "progress has been seen with regard to revenue mobilization." The ratio of revenue to GDP rose only from 9.4 percent in 1995-99 to 11.2 percent in 2002 and fell to 10.4 percent in 2003, a revenue effort among the lowest in the world. Total government spending is also quite low in comparison with other low income countries, and donors finance half of the total budget; yet the fiscal deficit has been rising steadily, from 3.8 percent of GDP in 1999 to 7.1 percent in 2003.

12. OED agrees with the CASCR conclusion that "Progress in tackling public sector corruption focused primarily on analysis and strategies, with little evidence of enforcement or results." OED also agrees that forestry was one of the most difficult reform areas. Largely in response to donor pressure the government has taken a number of steps described in the CASCR designed to reform management of the forestry sector, but these measures have not been effectively enforced and illegal logging and log exports continue.<sup>12</sup> The structural adjustment credit (SAC), which included conditions on forestry management, and the forestry learning and innovation loan (LIL), have experienced serious implementation problems.<sup>13</sup>

13. Progress on other governance reforms has also been limited. Corruption has been a major focus of donors who established benchmarks for Government anti-corruption efforts at the 2002 Consultative Group (CG), and corruption is reported in surveys to be the primary obstacle to PSD. The World Bank/ADB joint *Integrated Fiduciary Assessment and Public Expenditure Review* concluded that "weaknesses in public expenditure and financial management . . . create unacceptably high levels of fiduciary risk to public funds." An anti-corruption law has been under preparation for several years but has not been adopted, and the draft legislation falls well short of international best practice. Little progress has been made in legal/judicial reform and virtually no action has been taken regarding civil service reform, relative even to the modest objectives set in the CAS or to the benchmarks set by donors at the 2002 CG. Meanwhile, the number of civil servants has been rising and average pay remains well below the poverty line, which is a strong inducement to corruption. While the Bank had not intended to lend for demobilization, other donors prevailed upon the Bank to participate in a joint project. Subsequently, the IDA credit was cancelled due to mis-procurement.

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<sup>11</sup> On these points see *OED Review of the Poverty Reduction Strategy Process: Cambodia Case Study*, July 6, 2004.

<sup>12</sup> See Global Witness, "Institutionalized Corruption and Illegal Logging in Cambodia's Aural Wildlife Sanctuary: A Case Study," November 2004.

<sup>13</sup> Because of Government's failure to meet conditions in the forestry sector and in budget management, release of the second tranche of the SAC was delayed 30 months. The forestry LIL is presently rated *Unsatisfactory*. In addition, an appeal was registered in February 2005 with the Bank's Inspection Panel that the Bank has violated its own policies and procedures in the execution of the LIL.

14. As to the second objective—improving access for the poor to basic social services and to economic opportunities through rural development—there has been some progress in shifting public expenditures from defense and security to the social sectors and, to a lesser degree, to agriculture and rural development. However, delayed release of funds has reduced the impact of increased allocations to these sectors. Immunization programs have been expanded and the HIV/AIDS epidemic has been contained but there has been little progress or even deterioration in other health indicators—maternal, infant and child mortality, malnutrition, and general health and sanitary conditions. Cambodia has the poorest millennium development goal (MDG) indicators in the region. In education progress has been made in school construction and in enrollment levels but the pupil/teacher ratio is too high and the qualifications of teachers and the quality of instruction are still extremely low. The Bank had limited involvement in education during the CAS period and lack of in-country presence limited the Bank's capacity to contribute to policy formulation.

15. The Bank's efforts to address rural poverty through support for agricultural development have been limited with mixed results.<sup>14</sup> Agricultural sector growth has been well below projections; the Government has allocated few resources to the sector and lacks a coherent policy framework. Also, the Bank's efforts to shift from urban to rural infrastructure investments have experienced delays. However, positive results have been achieved in community-led development under the Bank's Social Fund projects, and in the Bank's and other donors' support to the new Ministry of Land Management. There has been significant progress in land titling, although land disputes remain a problem, and landlessness still afflicts some 20 percent of rural households.

16. In regard to the third objective, little progress has been made in improving the PSD environment, as acknowledged in the CASCR. The key constraints are the legal/judicial system, the excessive regulatory regime,<sup>15</sup> and lack of clear policy directions from the government. Domestic investment is low, only 17 percent of GDP in 2002 versus a CAS target of 22 percent, and private investment is a very small share of the total. Foreign direct investment has fallen steadily from 7-8 percent of GDP in 1998-1999 to 2 percent in 2003.

17. Finally, progress in aid coordination has been inadequate, with lack of Government involvement, many donors funding hundreds of small projects, duplication of efforts and contradictory policy advice. The Bank was hindered in its efforts to improve aid coordination and to participate in SWAp by staffing constraints in the field office.<sup>16</sup> However, Government and donors have met in recent months to develop a new framework for aid coordination that includes Government participation and which was endorsed by all donors at the December 2004 CG.

### **Overall OED Assessment**

18. While there have been some positive results at the project and sector levels, as described above, efforts to promote reforms in governance, public sector management, and PSD have had

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<sup>14</sup> The FY97 *Agricultural Productivity Project* was to close on June 30, 2002 but is still active. It has disbursed less than half of the IDA credit and has at times been rated *Unsatisfactory* on Implementation Progress.

<sup>15</sup> The time needed to meet all the regulatory requirements to start a business in Cambodia remains almost twice the average for the EAP Region. See IFC, *Doing Business*, 2005.

<sup>16</sup> These have been addressed, but with considerable delay. The Bank did not expand its liaison office to a Resident Mission until 2001 and only began to expand the staff of the Resident Mission two years ago.

little impact. Most significantly, while the CAS target was a reduction in poverty from 36 percent to 27 percent, the incidence of poverty, especially rural poverty, has apparently not declined, despite the relatively high rate of aggregate GDP growth.<sup>17</sup> Therefore, in assessing the overall CAS outcome, OED agrees with the CASCR that delivery of program outputs had very limited impact on Cambodia's development outcomes, including poverty reduction. In consequence, OED judges the overall CAS outcome as *Unsatisfactory*.

19. *Attribution:* The Government has not implemented the basic reforms essential for sustained growth and poverty alleviation, or confronted the widespread corruption that inhibits economic and social progress. Therefore the Government is primarily responsible for the poor development outcomes documented in the CASCR. However, the Bank and other donors over-estimated Government commitment to reforms and sent mixed signals by providing a high level of aid which was not justified by Government performance.

20. *Sustainability:* Although sustainability is rated likely for most Bank projects reviewed by OED during the CAS period, the sustainability of Cambodia's recent economic growth is much less certain. Given the importance of textile and garment exports, the end of the Multi-Fiber Agreement could cause a decline in GDP growth to 2 percent in 2005 and slow recovery thereafter if reforms to improve competitiveness and the investment climate are not implemented.<sup>18</sup> Also, without progress on long-delayed reforms, donor support may diminish. For these reasons we judge the sustainability of economic growth and of the Bank program which is predicated on continued economic progress to be *unlikely*.

## **Lessons and Recommendations**

21. The objectives of the FY00-03 CAS were highly relevant, and still are. But delivery of most program outputs did not lead to the broader impact anticipated in the CAS. The primary impediments to greater impact were poor governance and weak Government ownership of essential reforms. However, poor donor coordination and rising aid flows which rewarded non-performance contributed to the outcome.

22. OED agrees with the CASCR that in future the Bank should focus on governance as an issue affecting all sectors. The Bank should not over-estimate government commitment, should establish realistic results benchmarks, and shift the focus from studies to action. Any future programmatic lending (PRSCs) should focus on fundamental governance challenges with emphasis on prior actions and monitorable benchmarks. The Bank should be more selective, concentrating future assistance on poverty alleviation, including poverty monitoring and analysis, with more emphasis on agriculture and rural development and on progress toward the MDGs. The Bank should work with other donors to improve aid coordination. Finally, it is essential that the government and donors reach consensus on a single development strategy. The Bank should maintain adequate staff in the Resident Mission to support improvements in project implementation, policy dialogue and aid coordination.

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<sup>17</sup> See World Bank, *Cambodia at the Crossroads*, November 15, 2004, p. 3. As mentioned above, poverty data in Cambodia are unreliable and out of date. It is possible that results of a new household survey not yet available could show some progress in poverty reduction.

<sup>18</sup> IMF estimate in *Cambodia at the Crossroads*, op. cit, p. 2.

**Annex Table 1: Cambodia - Economic and Social Indicators, 1994-2003**

Series Name	Cambodia											AVERAGE 1994-2003				
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	Cambodia	EAP	Low Income	Bangladesh	Lao PDR	Vietnam
GDP growth (annual %)	9.0	6.9	5.0	6.8	3.7	10.8	7.0	5.7	5.5	5.2	6.6	7.3	5.1	5.0	6.2	7.4
GNI per capita, Atlas method (current US\$)	..	280.0	290.0	300.0	270.0	270.0	280.0	280.0	290.0	300.0	284.4	830.0	374.0	360.0	332.0	350.0
GNI per capita, PPP (current international \$)	1,210.0	1,280.0	1,330.0	1,410.0	1,440.0	1,580.0	1,700.0	1,800.0	1,900.0	2,000.0	1,565.0	3,350.0	1,699.0	1,503.0	1,400.0	1,844.0
GDP per capita growth (annual %)	5.6	3.6	1.8	3.9	1.2	8.4	5.0	3.7	3.6	3.3	4.0	6.1	3.1	3.2	3.7	5.9
Agriculture, value added (% of GDP)	48.5	50.4	47.3	47.0	47.1	44.9	39.6	37.6	35.6	34.5	43.2	17.3	28.2	24.9	52.9	25.2
Industry, value added (% of GDP)	14.5	15.0	15.8	17.1	17.9	19.2	23.3	25.6	28.0	29.7	20.6	46.8	26.6	25.4	22.2	34.0
Services, etc., value added (% of GDP)	37.0	34.6	37.0	35.8	35.0	35.9	37.1	36.8	36.4	35.9	36.2	35.9	45.2	49.7	24.9	40.8
Exports of goods and services (% of GDP)	26.2	31.7	25.9	34.4	32.1	38.0	50.9	54.4	59.2	62.0	41.5	34.2	18.5	12.7	27.9	47.0
Imports of goods and services (% of GDP)	39.4	48.2	44.8	46.6	45.3	51.1	63.0	64.5	67.4	71.3	54.1	31.3	21.2	18.5	37.2	53.5
Current account balance (% of GDP)	(5.7)	(5.5)	(5.4)	(6.2)	(5.7)	(5.4)	(3.8)	(2.3)	(1.4)	(3.0)	(4.4)	..	..	(0.5)	(6.8)	(1.4)
Total debt service (% of exports of goods and services)	0.3	0.7	1.1	1.0	1.1	2.1	1.6	1.0	0.9	0.9	1.1	12.5	16.3	9.2	7.6	6.8
External debt (% of GNI)	70.8	68.6	70.2	71.6	81.3	75.1	75.9	75.5	75.7	77.3	74.2	33.9	50.7	35.7	147.8	79.6
IBRD loans and IDA credits (PPG DOD, current US\$)	39.4	64.8	107.7	131.7	156.5	179.9	207.1	238.1	305.7	400.1	183.1	39,939.5	84,681.4	6,334.5	388.3	987.6
Present value of debt (current US\$)	..	..	..	..	..	..	1,964.5	2,301.5	2,452.8	2,682.5	2,350.3	..	..	10,769.6	1,398.0	11,787.7
External debt, total (DOD, current US\$)	1,908.6	2,283.5	2,353.7	2,382.8	2,464.6	2,517.4	2,627.9	2,696.5	2,900.3	3,139.2	2,527.5	495,796.8	394,865.6	16,035.7	2,429.9	19,846.4
Gross domestic savings (% of GDP)	(1.1)	(1.9)	(4.2)	2.9	(1.3)	3.9	5.2	11.2	14.0	13.0	4.2	38.4	19.1	15.7	14.9	23.0
Inflation, consumer prices (annual %)	..	1.1	10.1	3.2	14.8	4.0	(0.8)	(0.6)	3.2	1.2	4.0	..	..	5.1	34.5	3.1
Literacy rate, adult total (% of people ages 15 and above)	63.9	64.5	65.1	65.8	66.5	67.3	68.0	68.7	69.4	..	66.6	85.0	56.7	38.8	63.1	91.5
Immunization, DPT (% of children ages 12-23 months)	37.0	39.0	43.0	46.0	48.0	49.0	50.0	60.0	54.0	69.0	49.5	84.6	61.0	80.7	52.9	93.2
Improved water source (% of population with access)	..	..	..	..	..	..	..	..	34.0	..	34.0	77.6	74.9	75.0	43.0	73.0
Improved sanitation facilities (% of population with access)	..	..	..	..	..	..	..	..	16.0	..	16.0	48.7	35.5	48.0	24.0	41.0
Life expectancy at birth, total (years)	..	..	..	54.0	..	53.7	..	..	54.0	54.0	53.9	69.1	58.0	61.4	53.9	69.2
Mortality rate, infant (per 1,000 live births)	..	88.0	..	..	..	..	95.0	..	..	97.0	93.3	34.1	79.8	58.3	92.3	24.7
School enrollment, preprimary (% gross)	..	..	..	..	5.2	5.6	6.7	7.4	7.0	..	6.4	36.3	21.7	21.8	7.9	42.1
School enrollment, primary (% gross)	..	..	..	..	96.5	102.4	110.7	123.4	123.8	..	111.4	113.0	90.9	99.7	115.3	105.4
School enrollment, secondary (% gross)	..	..	..	..	16.0	16.6	18.1	21.3	25.2	..	19.4	62.9	42.7	45.6	38.2	67.2
Population, total	10.9	11.2	11.6	11.9	12.2	12.5	12.7	12.9	13.2	13.4	12.2	1,775.9	2,125.4	127.8	5.1	76.8
Population growth (annual %)	3.2	3.1	3.1	2.8	2.4	2.1	1.9	1.9	1.8	1.7	2.4	1.1	2.0	1.7	2.4	1.4
Urban population (% of total)	13.8	14.2	14.7	15.3	15.8	16.4	16.9	17.5	18.0	18.6	16.1	35.2	28.7	24.2	18.7	23.5

Source: WB SIMA Database as of April 13, 2005

1/ Present value of debt is the sum of short-term external debt plus the discounted sum of total debt service payments due on public, publicly guaranteed, and private nonguaranteed long-term external debt over the life of existing loans.

2/ Total external debt is debt owed to nonresidents repayable in foreign currency, goods, or services. Total external debt is the sum of public, publicly guaranteed, and private nonguaranteed long-term debt, use of IMF credit, and short-term debt. Short-term debt includes all debt having an original maturity of one year or less and interest in arrears on long-term debt. Data are in current U.S. dollars.

Annex Table 2: OED Project Ratings, Exit FY 1997-2004

Project ID (OED)	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	Inst Dev Impact % Subst (\$)	Inst Dev Impact % Subst (No)	Sustainability % Likely (\$)	Sustainability % Likely (No)
PHNOM PEHN POWER REH	35.1	1	100.0	100.0	100	100.0	100.0	100.0
KH-DISEASE CONTROL & HEAL	26.8	1	100.0	100.0	100	100.0	100.0	100.0
ECONOMIC REHAB. CR.	36.9	1	100.0	100.0	0	0.0	0.0	0.0
EMERGENCY REHAB	64.9	1	100.0	100.0	0	0.0	0.0	0.0
KH - Technical Assistance Project	16.0	1	0.0	0.0	0	0.0	0.0	0.0
KH-SOCIAL FUND (Project closed)	18.4	1	100.0	100.0	100	100.0	100.0	100.0
KH-URBAN WATER SUPPLY	30.1	1	100.0	100.0	100	100.0	100.0	100.0
KH - Cambodia SAC	30.4	1	100.0	100.0	0	0.0	100.0	100.0
KH-EDUCATION QUALITY IMPROVEMENT	4.9	1	100.0	100.0	100	100.0	100.0	100.0
<b>Result</b>	<b>263.4</b>	<b>9</b>	<b>93.9</b>	<b>88.9</b>	<b>44</b>	<b>55.6</b>	<b>48.4</b>	<b>57.1</b>

Project ID (OED)	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	Inst Dev Impact % Subst (\$)	Inst Dev Impact % Subst (No)	Sustainability % Likely (\$)	Sustainability % Likely (No)
Cambodia	263.4	9	93.9	88.9	44	55.6	48.4	57.1
EAP	50,589.4	439	85.6	80.4	53	47.2	81.0	69.6
<b>World Bank</b>	<b>215,893.5</b>	<b>2,859</b>	<b>77.5</b>	<b>72.1</b>	<b>44</b>	<b>41.2</b>	<b>68.9</b>	<b>59.7</b>

Source: Business Warehouse as of March 22, 2005 Table 4a.5 OED Ratings Aggregates



Annex Table 3: Cambodia - Nonlending Services and Actual Deliveries (FY2000-2005)

CAS PLANS		STATUS
FY		
FY00	Poverty Assessment and Strategy Report Diagnostic Study on Governance and Corruption Analytical Sector Notes for CAS Rural Electrification Water Sanitation Policy Land Policy and Issues Note, Land Study/Analysis Governance Analysis and Action Plan Design of Demobilization Pilot Program Public Sector Accounting and Auditing Socioeconomic Survey Private Sector Forum IFC: TA for small businesses WBI Activities (demand driven)	Actual Actual (FY01) Dropped Dropped Dropped Actual (FY01) Actual (FY01) Actual Actual Planned (FY05) Ongoing Ongoing Ongoing
FY01	Legal/Judicial Assessment Country Framework Report for PPI Healthcare Financing Study Public Institutional Review Capacity-building for Poverty Monitoring Support for PRSP preparation Transport Strategy Support Private Sector Forum IFC: TA for small businesses WBI Activities (demand driven)	Actual (draft FY04) Actual (FY03) Actual (FY02) Dropped Actual (FY04/05) Actual Actual (FY04/05) Ongoing Ongoing Ongoing
FY02	Participatory Poverty Assessment Support for PRSP preparation Rural Development Strategy Capacity-building for Poverty Monitoring Private Sector Forum IFC: TA for small businesses WBI Activities (demand driven) <i>Additional Actual Products</i>	Actual (FY04/05) Actual Actual (FY04/05) Actual (FY04/05) Ongoing Ongoing Ongoing Integrated Framework for Trade
FY03	Support for PRSP preparation Private Sector Forum IFC: TA for small businesses WBI Activities (demand driven) <i>Additional Actual Products</i>	Actual Ongoing Ongoing Ongoing Integrated Fiduciary Assessment and Public Expenditure Review (includes CFAA and CPAR)
FY04	Investment Climate Assessment Social Land Concession PSIA Country Gender Assessment Value Chain Analysis Environment Monitor Civil Society Assessment Rural Sector Strategy Note PPI Study Sources of Growth and Employment Public Expenditure Tracking Survey	Actual Actual Actual Actual Actual Ongoing Ongoing Ongoing Ongoing Ongoing
FY05	Mixed methods research into household poverty dynamics Social Protection Strategy Note Education Assessment	Ongoing Actual Ongoing

**Annex Table 4: Portfolio Status Indicators by Year, 1994-2005 (in US\$ Million)**

Country	Fiscal year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Cambodia	# Proj	1	3	5	5	6	9	11	12	14	16	14	13
	Net Comm Amt	62.7	99.7	179.7	134.4	165.4	240.7	222.4	267.4	298.6	337.1	314.7	302.5
	# Proj At Risk	0	0	0	0	1	2	2	2	3	4	3	3
	% At Risk	0.0	0.0	0.0	0.0	16.7	22.2	18.2	16.7	21.4	25.0	21.4	23.1
	Comm At Risk	0.0	0.0	0.0	0.0	40.0	47.4	52.0	47.4	78.8	80.2	22.4	32.3
	% Commit at Risk	0.0	0.0	0.0	0.0	24.2	19.7	23.4	17.7	26.4	23.8	7.1	10.7
Lao People's Democratic Republic	# Proj	12	10	12	11	10	10	10	10	12	12	12	9
	Net Comm Amt	246.5	215.8	276.5	272.0	266.0	219.8	219.8	233.8	248.6	215.7	232.3	153.4
	# Proj At Risk	5	3	1	1	3	2	4	3	0	1	0	1
	% At Risk	41.7	30.0	8.3	9.1	30.0	20.0	40.0	30.0	0.0	8.3	0.0	11.1
	Comm At Risk	89.0	59.7	8.7	40.0	67.7	82.7	83.3	101.9	0.0	34.7	0.0	9.9
	% Commit at Risk	36.1	27.7	3.1	14.7	25.5	37.6	37.9	43.6	0.0	16.1	0.0	6.5
Thailand	# Proj	9	11	13	14	14	13	12	12	8	5	3	2
	Net Comm Amt	691.5	993.5	1,125.1	1,451.5	1,261.4	1,351.2	1,520.1	1,438.3	805.4	563.8	247.3	142.0
	# Proj At Risk	0	0	1	0	5	2	0	1	1	0	0	0
	% At Risk	0.0	0.0	7.7	0.0	35.7	15.4	0.0	8.3	12.5	0.0	0.0	0.0
	Comm At Risk	0.0	0.0	32.0	0.0	504.0	136.6	0.0	143.4	15.0	0.0	0.0	0.0
	% Commit at Risk	0.0	0.0	2.8	0.0	40.0	10.1	0.0	10.0	1.9	0.0	0.0	0.0
Vietnam	# Proj	3	6	11	13	17	20	21	25	27	26	27	30
	Net Comm Amt	324.5	739.5	1,241.7	1,440.9	1,801.3	2,013.6	1,954.3	2,556.6	2,814.1	2,479.0	2,983.2	3,298.0
	# Proj At Risk	0	0	0	3	5	1	0	2	3	4	2	1
	% At Risk	0.0	0.0	0.0	23.1	29.4	5.0	0.0	8.0	11.1	15.4	7.4	3.3
	Comm At Risk	0.0	0.0	0.0	169.0	694.2	49.0	0.0	139.9	96.0	305.6	220.0	110.0
	% Commit at Risk	0.0	0.0	0.0	11.7	38.5	2.4	0.0	5.5	3.4	12.3	7.4	3.3

Source: Business Warehouse Table. 3a. 4 Projects at Risk by Year (as of March 22, 2005)

Annex Table 4a: Cambodia - Net ODA Disbursements, 1997-2003

<b>DAC</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>Total</b>
Australia	24.0	21.9	16.7	25.7	15.8	21.6	19.9	145.53
Belgium	2.9	2.2	3.3	3.1	2.8	3.1	5.3	22.77
Canada	5.3	3.4	1.2	2.6	8.0	4.9	9.0	34.35
Denmark	2.4	0.7	2.5	2.0	4.9	6.6	6.3	25.37
Finland	1.4	2.3	2.1	3.7	2.8	2.7	3.9	18.76
France	27.1	21.4	22.1	21.5	21.4	24.6	25.8	163.98
Germany	17.0	17.9	21.6	19.4	18.7	18.4	22.0	135.02
Japan	61.6	81.4	50.9	99.2	120.2	98.6	125.9	637.78
Netherlands	11.5	9.3	6.3	7.4	8.2	9.3	7.2	59.13
Norway	8.8	7.2	6.3	6.2	5.6	3.1	2.5	39.78
Sweden	23.0	14.3	7.6	16.8	16.9	14.5	18.7	111.76
Switzerland	1.5	2.9	1.5	1.8	3.0	3.2	3.2	17.05
United Kingdom	7.4	9.9	7.5	13.0	11.7	13.2	15.0	77.74
United States	30.0	32.5	14.1	21.5	22.4	44.4	51.2	216.10
<b>Total DAC</b>	<b>228.4</b>	<b>230.6</b>	<b>167.1</b>	<b>248.0</b>	<b>264.8</b>	<b>272.8</b>	<b>319.2</b>	<b>1,730.86</b>
<b>Other Bilateral</b>	<b>1.9</b>	<b>0.3</b>	<b>0.3</b>	<b>0.8</b>	<b>1.2</b>	<b>22.8</b>	<b>10.8</b>	<b>38.09</b>
<b>Total Bilateral</b>	<b>230.3</b>	<b>230.9</b>	<b>167.4</b>	<b>248.7</b>	<b>266.0</b>	<b>295.6</b>	<b>330.0</b>	<b>1,768.95</b>
<b>Multilateral</b>								
AsDF	10.7	29.3	26.2	50.8	48.4	79.1	74.1	318.59
EC	32.9	32.9	27.5	26.1	24.2	27.8	15.4	186.81
IDA	30.4	19.2	26.8	36.6	39.6	47.3	62.6	262.30
IFAD	0.1	-	0.5	2.2	4.0	3.1	4.3	14.18
UNDP	17.5	9.8	7.9	3.1	3.9	3.1	4.2	49.53
UNTA	3.0	1.3	2.2	2.6	2.1	1.7	2.6	15.39
UNICEF	3.9	3.6	3.5	3.6	3.6	3.5	3.3	25.00
UNHCR	0.4	0.1	0.1	2.6	0.8	1.1	0.5	5.55
WFP	2.2	3.6	2.3	10.2	8.4	3.2	3.1	32.93
UNFPA	3.9	6.7	3.3	3.2	3.1	3.6	3.8	27.62
<b>Total Multilateral</b>	<b>105.1</b>	<b>106.5</b>	<b>109.8</b>	<b>149.7</b>	<b>153.9</b>	<b>191.3</b>	<b>178.1</b>	<b>994.38</b>
<b>TOTAL</b>	<b>335.3</b>	<b>337.4</b>	<b>277.3</b>	<b>398.4</b>	<b>419.9</b>	<b>486.9</b>	<b>508.0</b>	<b>2,763.33</b>

Source: Geographical Distribution of Financial Flows to Aid Recipients Online Resource (as of March 21, 2005)

Annex Table 5: Net Disbursements and Charges Summary Report, FY1994-05 (US\$ million)

<b>FY</b>	<b>Gross Disbursements</b>	<b>Repayments</b>	<b>Net Disbursements</b>	<b>Interest</b>	<b>Fees</b>	<b>Net Transfer</b>
1994	28.7	0.0	28.7	0.0	0.0	28.6
1995	23.0	0.0	23.0	0.3	0.0	22.7
1996	42.1	0.0	42.1	0.4	0.0	41.7
1997	27.9	0.0	27.9	0.8	0.0	27.0
1998	29.1	0.0	29.1	0.9	0.0	28.2
1999	23.7	0.0	23.7	1.1	0.0	22.6
2000	33.1	0.0	33.1	1.3	0.0	31.8
2001	33.7	0.0	33.7	1.5	0.0	32.2
2002	40.9	0.0	40.9	1.7	0.0	39.2
2003	48.9	0.0	48.9	2.2	0.0	46.8
2004	69.4	0.7	68.7	2.8	0.4	65.6
2005*	24.6	0.7	24.0	2.1	0.6	21.3
<b>Total</b>	<b>425.1</b>	<b>1.3</b>	<b>423.7</b>	<b>15.1</b>	<b>1.0</b>	<b>407.7</b>

Source: Controller's Website. Table Net Disbursements and Charges Summary Report (as of March 21, 2005)

Note: \* Information until March 21, 2005.

Annex Table 6: Cambodia Development Goals

	1990	1995	2001	2002
<b>1 Eradicate extreme poverty and hunger</b>				
	<i>2015 target = halve 1990 \$1 a day poverty and malnutrition rates</i>			
Population below \$1 a day (%)	..	34.1	..	..
Poverty gap at \$1 a day (%)	..	9.7	..	..
Percentage share of income or consumption held by poorest 20%	..	6.9	..	..
Prevalence of child malnutrition (% of children under 5)	..	47.4	45.2	..
Population below minimum level of dietary energy consumption (%)	43	45	38	..
<b>2 Achieve universal primary education</b>				
	<i>2015 target = net enrollment to 100</i>			
Net primary enrollment ratio (% of relevant age group)	..	97.7	86.2	..
Percentage of cohort reaching grade 5 (%)	..	48.9	70.4	..
Youth literacy rate (% ages 15-24)	73.5	75.8	79.7	80.3
<b>3 Promote gender equality</b>				
	<i>2005 target = education ratio to 100</i>			
Ratio of girls to boys in primary and secondary education (%)	71.5	78.1	83.9	..
Ratio of young literate females to males (% ages 15-24)	80.6	84.4	89.3	89.8
Share of women employed in the nonagricultural sector (%)	40.6	..	51.7	..
Proportion of seats held by women in national parliament (%)	..	6	..	..
<b>4 Reduce child mortality</b>				
	<i>2015 target = reduce 1990 under 5 mortality by two-thirds</i>			
Under 5 mortality rate (per 1,000)	115	120	135	138
Infant mortality rate (per 1,000 live births)	80	88	95	96
Immunization, measles (% of children under 12 months)	34	62	59	52
<b>5 Improve maternal health</b>				
	<i>2015 target = reduce 1990 maternal mortality by three-fourths</i>			
Maternal mortality ratio (modeled estimate, per 100,000 live births)	..	..	450	..
Births attended by skilled health staff (% of total)	..	..	31.8	..
<b>6 Combat HIV/AIDS, malaria and other diseases</b>				
	<i>2015 target = halt, and begin to reverse, AIDS, etc.</i>			
Prevalence of HIV, female (% ages 15-24)	..	..	2.5	..
Contraceptive prevalence rate (% of women ages 15-49)	..	13	23.8	..
Number of children orphaned by HIV/AIDS	..	..	55,000.00	..
Incidence of tuberculosis (per 100,000 people)	..	..	585	548.8
Tuberculosis cases detected under DOTS (%)	..	42	41	51.6
<b>7 Ensure environmental sustainability</b>				
	<i>2015 target = various (see notes)</i>			
Forest area (% of total land area)	56.1	..	52.9	..
Nationally protected areas (% of total land area)	..	16.2	16.2	18.5
GDP per unit of energy use (PPP \$ per kg oil equivalent)	..	..	..	..
CO2 emissions (metric tons per capita)	0	0.1	0	..
Access to an improved water source (% of population)	..	..	30	..
Access to improved sanitation (% of population)	..	..	17	..
Access to secure tenure (% of population)	..	..	..	..
<b>8 Develop a Global Partnership for Development</b>				
	<i>2015 target = various (see notes)</i>			
Youth unemployment rate (% of total labor force ages 15-24)	..	..	..	..
Fixed line and mobile telephones (per 1,000 people)	0.4	2.2	19.1	30.1
Personal computers (per 1,000 people)	..	0.5	1.5	2
<b>General indicators</b>				
Population	9.1 million	10.7 million	12.3 million	12.5 million
Gross national income (\$)	..	3.1 billion	3.6 billion	3.8 billion
GNI per capita (\$)	..	290	300	300
Adult literacy rate (% of people ages 15 and over)	62	64.5	68.7	69.4
Total fertility rate (births per woman)	5.6	4.7	4	3.8
Life expectancy at birth (years)	50.3	53	53.8	54
Aid (% of GNI)	3.7	16.7	11.7	12.7
External debt (% of GNI)	165.5	68.6	75.6	75.8
Investment (% of GDP)	8.2	14.6	21.2	22.2
Trade (% of GDP)	18.9	79.9	118.9	126.6

Source: World Development Indicators database, April 2004

Note: In some cases the data are for earlier or later years than those stated.

Goal 1 targets: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day. Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Goal 2 target: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

Goal 3 target: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

Goal 4 target: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

Goal 5 target: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

Goal 6 targets: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS. Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.

Goal 7 targets: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources. Halve, by 2015, the proportion of people without sustainable access to safe drinking water. By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.

Goal 8 targets: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Address the Special Needs of the Least Developed Countries. Address the Special Needs of landlocked countries and small island developing states. Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth. In cooperation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries. In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.