

BRI MONITOR

Chinese Official Development Assistance (ODA) and Infrastructure Development in Cambodia: The Vaico Irrigation Project

Prepared by
Future Forum



CAMBODIA •



Future Forum¹ is an independent think tank based in Phnom Penh, Cambodia. Founded by Cambodian human rights leader Ou Virak in 2015, Future Forum is an evidence-based think tank that focuses on research, analysis, and public policy and represents a dynamic response to an identified “policy gap” in Cambodia. We seek to stimulate a new type of thinking to enable Cambodian society to make better decisions and to achieve better outcomes, with young people coming to the fore of such types of contributions. Future Forum’s vision is of a just, democratic, dynamic, and prosperous Cambodia shaped by the needs of its people rather than its rulers. To make that vision a reality, our mission is to nurture a community of young thinkers, develop positive policy solutions and engender critical debate, molding the future of Cambodia.

¹ Future Forum is continuing research on this portion of the project report while completing the other components. In terms of continued research, specifically: (i) seeking to gain access to initial project documents via the relevant ministries in Phnom Penh and (ii) evaluating the need and feasibility of several days of field interviews in order to determine whether the irrigation provided by the project has been effectively realized, as such remains questionable, as noted in the document.



Photo by David Blake for Mekong Eye, <https://www.mekongeye.com/2018/10/11/encountering-cambodias-biggest-irrigation-project-but-wheres-the-irrigation/>

Introduction

The Vaico Irrigation project is a three-stage project to build a sluices, canals, bridges, and culverts to bring irrigation to farmland in the eastern provinces of Svay Rieng, Kampong Cham, and Prey Veng.² Funded by a USD \$192,954,032 concessional loan provided by China's EXIM Bank³, the project is the largest irrigation system ever to be built in Cambodia⁴ and the largest Official Development Assistance (ODA) Cambodia has received from China in the last decade.⁵ The project is overseen by a private Chinese consulting firm, Guangzhou Wanan Construction Supervision Co., Ltd (GWCSC), and constructed by a private Chinese engineering firm, Guangzhou Wanan Construction Supervision Co., Ltd (GWCSC).⁶ Phase I, conducted between 2013-2017, saw the restoration of 40km of old canals and the construction of 78km of new canals, 30% in Kampong Thom province and 70% in Prey Veng province.⁷ The first phase of the project is expected to provide irrigation to 108,200 ha of rice paddies in the wet season and 207,100 ha of paddies in the dry season,⁸ although one researcher's review raises questions as to whether such irrigative potential has yet to be reached.⁹ Phase II was approved in approved in October of 2016 and consists

² "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China," Guangdong Foreign Construction Co., Ltd, accessed March 2, 2021 http://www.gdfc.cc/en/news.aspx?info_id=454&info_kind=3; "Report of Cambodian Media on Our Vaico Irrigation Development Project" Guangdong Foreign Construction Co., Ltd, accessed December 21st, 2020 http://www.gdfc.cc/en/news.aspx?info_id=500&info_kind=3

³ Council for the Development of Cambodia, "Cambodia ODA Database," accessed December 21st, 2020; March 16th, 2021 & April 12th, 2021 <http://www.odacambodia.com>

⁴ "Report of Cambodian Media on Our Vaico Irrigation Development Project" Guangdong Foreign Construction Co., Ltd, accessed December 21st, 2020 http://www.gdfc.cc/en/news.aspx?info_id=500&info_kind=3

⁵ Council for the Development of Cambodia, "Cambodia ODA Database"

⁶ "Report of Cambodian Media on Our Vaico Irrigation Development Project" Guangdong Foreign Construction Co., Ltd

⁷ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I," Updated November 2019, accessed December 21, 2020 http://www.odacambodia.com/reports/Individual_project_summary_report2008.asp?Record_Id=China%2D2012%2DDDE42&DonorName=China

⁸ Report of Cambodian Media on Our Vaico Irrigation Development Project" Guangdong Foreign Construction Co., Ltd

⁹ David Blake, "Encountering Cambodia's biggest irrigation project, but where's the irrigation?" The Mekong Eye, October 11, 2018 <https://www.mekongeye.com/2018/10/11/encountering-cambodias-biggest-irrigation-project-but-wheres-the-irrigation/>

of two parts. Part I involves construction of further canals and a water reservoir.¹⁰ Part II consists of an economic and technical cooperative initiative.¹¹ Phase II was expected to be completed in December of 2019,¹² but is now planned for completion at the end of December 2021.¹³ Together the two Phases will provide irrigation to an estimated 250,000¹⁴-300,000¹⁵ ha of farmland, hoping to provide stable irrigation source for farmers to increase their yields and improve their resiliency in the face of climate change¹⁶ and decrease the prevalence of hunger and poverty in the region.¹⁷

While some clarity on Chinese aid policies was provided by the Chinese government's January 2021 white paper, there still remains no official list of BRI projects.¹⁸ Thus, determining which projects officially fall under the BRI label remains challenging. Although Phase I of the Vaico project was approved in February of 2012,¹⁹ before BRI's conception in 2013, there is a reason to speculate that Vaico may be a BRI project. Press releases from the construction company, GDFC, indicate that Phase I construction either initiated in January²⁰ or March of 2013.²¹ Moreover, Phase II's timeline of 2016-2021 falls perfectly within the window of BRI, and is listed as a China-Cambodia bilateral agreement assumed to be a BRI project by some authors.²² Given China's interest in agriculture and water infrastructure,²³ and the sheer size of the Vaico project as the largest investment so far in Cambodia's agricultural sector,²⁴ presents some nods to possible BRI association. Moreover, all three phases of the project are funded, via loans from China's EXIM bank,²⁵ a predominant funder of BRI projects.

¹⁰ Sotharoth Hen, "Vaico project has the potential to irrigate 250,000 hectares of farmland," *Rasmei Kampuchea Daily Newspaper*, January 23, 2021 <https://www.rasmeinews.com/archives/420078>; Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II," Updated February 24, 2021, Accessed March 2, 2021 http://www.odacambodia.com/reports/Individual_project_summary_report2008.asp?Record_Id=China%2D2007%2DWE84&DonorName=China

¹¹ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)," Updated February 24, 2021, accessed March 2, 2021 http://www.odacambodia.com/reports/Individual_project_summary_report2008.asp?Record_Id=China%2D2007%2DWE81&DonorName=China

¹² Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

¹³ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

¹⁴ Hen, "Vaico project has the potential to irrigate 250,000 hectares of farmland"

¹⁵ "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China," GDFC, "Report of Cambodian Media on Our Vaico Irrigation Development Project," GDFC

¹⁶ Cambodian Ministry of Agriculture, Forestry & Fisheries, "Agricultural Sector Strategic Development Plan 2014-2018," May 2015, <http://extwprlegs1.fao.org/docs/pdf/cam155661.pdf>

¹⁷ "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China," GDFC

¹⁸ "Full text: China's International Development Cooperation in the New Era," Xinhua News Agency, January 10, 2021 http://www.xinhuanet.com/english/2021-01/10/c_139655400.htm

¹⁹ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I"

²⁰ "Report of Cambodian Media on Our Vaico Irrigation Development Project," GDFC

²¹ "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China," GDFC

²² Chheng Vannarith and Pheakdey Heng, "Chapter 1: Cambodian Perspective on the Belt and Road Initiative," National Institute for Defense Studies ASEAN Workshop 2019 "China's BRI and ASEAN," NIDS Joint Research Series No.17, 2019 http://www.nids.mod.go.jp/english/publication/joint_research/series17/index.html

²³ "Insights e-Newsletter: The Belt and Road Initiative," Lehman Brown International Accountants, accessed June 15, 2021 <https://www.lehmanbrown.com/insights-newsletter/belt-road-initiative/>

²⁴ "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China," GDFC

²⁵ "China finances 200m USD Vaico Irrigation Project (linked to #48911)," China Aid Data, Accessed March 5, 2021 <https://china.aiddata.org/projects/39178>

Contextualizing the Project within the Global Landscape of Belt Road Initiative (BRI) Projects

China has steadily grown to be Cambodia's largest development partner, with disbursements growing more than fourfold in the last decade, from USD \$114.7 million in 2009 to USD \$496.2 million in 2019.²⁶ While funding has also increased from Cambodia's next two largest development partners, the Asian Development Bank (ADB) and Japan, from USD \$89.4 and USD \$134 million, respectively, in 2009 to USD \$246 and USD \$192.7 million in 2019, such amounts are still heavily overshadowed by China's lending.²⁷ This case study attempts to provide analysis of a critical case in the China–Cambodia ODA framework by analyzing one of the largest Chinese ODA projects to date in Cambodia: the Vaico Irrigation Development Project. As the case study sets out, it is presently unclear whether this investment of almost USD \$200 million, in the form of a concessional, fully-tied loan (a loan on terms which require the recipient to award all contracts to firms from the donor country²⁸) from China's Export-Import (EXIM) Bank, was at all successful. Perhaps due to the recent tightening of press freedoms in the country, there has been little coverage or post-evaluation of the project impacts or effectiveness since the completion of its first phase. The sole two articles from the Thailand-based Mekong Eye that surveyed the project in 2016 and 2018 described it as completely “non-functional.”²⁹

Given the sheer size of the project, there is reason to believe this assessment is correct, as research has continuously shown that large-scale irrigation projects in Cambodia often refurbish old Khmer Rouge canals that fail to accommodate local hydrological nuances and ultimately become completely dysfunctional.³⁰ Moreover, the current water resource management system, which delegates responsibility to locally-formed Farmer Water User Communities (FWUCs)—while noble in its attempt to engage local stakeholders and community members—has proven time and time again to be ineffective, allowing the infrastructure to fall rapidly into disrepair.³¹ This may mean that large-scale irrigation projects are simply unlikely to achieve their intended goals in the Cambodian context and thus either need to be completely rethought or abandoned for more locally informed, bottom-up strategies.³²

²⁶ Cambodian Rehabilitation and Development Board and Council for the Development of Cambodia, *The Cambodia Development Effectiveness Report 2011*, November 1, 2011 [http://cdc-crdb.gov.kh/en/officials-docs/documents/DER%202011%20FINAL%20\(31%20Oct%202011\).pdf](http://cdc-crdb.gov.kh/en/officials-docs/documents/DER%202011%20FINAL%20(31%20Oct%202011).pdf); Cambodian Rehabilitation and Development Board and Council for the Development of Cambodia, *Development Cooperation and Partnerships Report*, March 9, 2020, <http://cdc-crdb.gov.kh/en/officials-docs/documents/DCPR-2018-English.pdf>

²⁷ *Ibid.*

²⁸ OECD. 2021. “Tied Aid.” DAC Glossary of Key Terms and Concepts. Accessed June 18th, 2021. https://www.oecd.org/dac/dac-glossary.htm#Tied_Aid; Farlex. 2021

²⁹ David Blake, “Encountering Cambodia's biggest irrigation project, but where's the irrigation?”; Anh Nhat, “The Water Conflict on the Mekong,” Mekong Eye, June 8, 2016 <https://www.mekongeye.com/2016/06/08/the-water-conflict-on-the-mekong/>

³⁰ David Blake, “Encountering Cambodia's biggest irrigation project, but where's the irrigation?”; Thomas Fuller, “Cambodia revives Pol Pot's deadly canals,” *The New York Times*, December 4, 2008 <https://www.nytimes.com/2008/12/04/world/asia/04iht-canal.4.18410736.html>; Jens Treffner “Irrigation Governance in Cambodia: Analyzing the Role of Aid, Intervention Models and Institutional Traditions,” *Irrigation and Water Engineering Group, Institut des Régions Chaudes, M.Sc. Thesis*, <https://edepot.wur.nl/159867>; CGIAR Research Program on Aquatic Agricultural Systems, *Agriculture, irrigation and poverty reduction in Cambodia: Policy narratives and ground realities compared*, Working Paper: AAS-2014-13, Sanjiv de Silva, Robyn Johnston, and Sonali Senaratna Sellamuttu, http://pubs.iclarm.net/resource_centre/AAS-2014-13.pdf

³¹ International Water Management Institute, *Agricultural Water Management Planning in Cambodia*, Issue brief #1, Investing in Water Management to Improve Productivity of Rice-Based Farming Systems in Cambodia Project, June 2013 http://www.iwmi.cgiar.org/Publications/issue_briefs/cambodia/issue_brief_01-awm_planning_in_cambodia.pdf; CDRI, “Decentralized Governance of Irrigation Water in Cambodia: Matching Principles to Local Realities,” Working Paper Series No. 62, Chou Chea, Phirun Nung, Isabelle Whitehead, Phillip Hirsch, and Anna Thompson, October 2011 <https://cdri.org.kh/wp-content/uploads/wp62e.pdf>; Sithirith Mak, “Water Governance in Cambodia: From Centralized Water Governance to Farmer Water User Community.” *Resources*, Vol. 44, Issue 6 (August 2017), https://www.researchgate.net/publication/319439128_Water_Governance_in_Cambodia_From_Centralized_Water_Governance_to_Farmer_Water_User_Community

Inevitably, this begs the question: why would China choose to sponsor a project that appeared so unlikely to succeed in Cambodia? The Vaico project is perhaps yet another patch in the quilted story of the questionable utility of loans made under China's overseas investment strategies and the narrative of "White Elephant Projects" has become common in the contemporary literature on Chinese aid programming in general and the Belt and Road Initiative (BRI) in particular.

While the Asian Development Bank (ADB), Japan, and Korea have financed some Cambodian irrigation projects, China overwhelmingly dominates aid contribution to irrigation infrastructure in Cambodia, lending more than USD \$601 million for seven projects between 2010 and 2015.³³ Meanwhile, while a few dam projects financed by other foreign partners are currently under MoU study, all operational hydropower projects in Cambodia so far have been financed by China.³³ Some scholars argue that given China's dominance in financing Cambodia's hydrological infrastructure, Cambodia has become a satellite hydrologic state of China.³⁴

More generally, China's extensive involvement in funding and constructing hydrological infrastructure abroad has sparked larger critiques of China's domination of Asia's freshwater resources, upon which almost 4 billion people depend.³⁶ A significant portion of Chinese water infrastructure projects, including dams and canals, have been built along the region's most important and large river, the Mekong, and its tributaries.³⁷ As a project situated along the banks of the Mekong, critics see the Vaico Irrigation Development Project as a further example of China's control over critical resources in Asia, thus creating dependent industries and societies.³⁸ Such control will continue to be more and more influential as climate change alters hydrological patterns. However, some scholars argue that, so far, such critics' fears have not materialized and that these concerns are overstated. For now, even though China's control over such resources continues to increase, Beijing has cooperated with constituent countries, such as its decision to release water from its upstream Jinghong dam³⁹ to alleviate Vietnam's 2016 drought, the country's worst drought in more than a hundred years.⁴⁰ However, it should be noted that this is often done on "China's terms," both via its relative power compared to other states in bilateral relations as well as through China's newly established Lancang-Mekong Cooperation Mechanism, perceived by many as an explicit alternative to the Mekong River Commission (MRC), a cooperative of Mekong countries originally set up by the UN in 1957.

³² Asian Development Bank, "Agriculture and Rural Development Sector in Cambodia," August 2010 <https://www.adb.org/sites/default/files/evaluation-document/35757/files/lc-sape-agriculture-cam.pdf>; Asian Development Bank, Detailed Surface Water Resources Assessment for the Tonle Sap and Mekong Delta River Basins, Cambodia, December 2019 https://www.futurewater.nl/wp-content/uploads/2020/07/SWRA_FinalReport.pdf; "In Cambodia, Irrigation Helps Weather Climate Change," Agence Française de Développement, December 14, 2017 <https://www.afd.fr/en/actualites/grand-angle/cambodia-irrigation-helps-farmers-weather-climate-change>

³³ Thomas Fuller, "Cambodia revives Pol Pot's deadly canals"; David J.H. Blake, "Recalling hydraulic despotism: Hun Sen's Cambodia and the return of strict authoritarianism," *Austrian Journal of South-East Asian Studies*, Vol. 12, No. 1 (2019) 69-89 <https://aseas.univie.ac.at/index.php/aseas/article/view/2904>

³⁴ Chea Piseth and Chea Sophearin, "Assessment of Power Trade Benefits from Hydropower Projects in Lower Mekong River Basin" *Energy Market Integration in East Asia: Energy Trade, Cross Border Electricity, and Price Mechanism*, ERIA Research Project Report FY2013, No.29, ed. P. Han and F. Kimura, (Jakarta, Indonesia: ERIA, 2014) 193-239 https://www.eria.org/RPR_FY2013_No.29_Chapter_8.pdf 214

³⁵ David J.H. Blake, "Recalling hydraulic despotism"

³⁶ Brahma Chellaney, "Asia's Fight over Fresh Water," *The Japan Times*, December 18, 2016, <https://www.japantimes.co.jp/opinion/2016/12/18/commentary/world-commentary/asia-fight-fresh-water/>; Sherri W. Goodman and Zoe Dutton "China Is Winning the Race for Water Security in Asia," *The National Interest*, September 24, 2018 <https://nationalinterest.org/feature/china-winning-race-water-security-asia-31912>

³⁷ Goodman and Dutton "China Is Winning the Race for Water Security in Asia"

³⁸ David J.H. Blake, "Recalling hydraulic despotism"

³⁹ Shannon Tiezzi, "Facing Mekong Drought, China to Release Water From Yunnan Dam," *The Diplomat*, March 16, 2016 <https://thediplomat.com/2016/03/facing-mekong-drought-china-to-release-water-from-yunnan-dam/>

⁴⁰ Goodman and Dutton "China Is Winning the Race for Water Security in Asia"

Project Setting: Development in Cambodia's Agricultural Sector

In the eight years between 2004 and 2012, the agricultural sector in Cambodia grew significantly.⁴¹ This growth was catalyzed by crop diversification, improved technology utilization, and the expansion of cultivated areas—all of which was incentivized by an increase in international commodity prices.⁴² The rice sector led this growth, expanding exports tenfold from 40,000 tons in 2010 to 400,000 tons in 2013.⁴³ The World Bank estimates that this growth significantly contributed to the steep drop in the nation's poverty prevalence, which fell from 47.8 percent of the population in 2007 to 13.5 percent in 2014.⁴⁴ In an effort to continue growth, the Ministry of Agriculture, Forestry & Fisheries (MAFF) created a strategic development plan for the agriculture sector between 2014 and 2018, focused on sustainable intensification, crop diversification, and value addition.⁴⁵

Between 2007 and 2016, MAFF's budget tripled in nominal terms and doubled in real terms—ultimately accounting for 1.28 percent of the national budget.⁴⁶ However, development partner investment in agriculture remains higher than domestic investment, as it increased during the same period from USD \$22 million in 2007 to USD \$45 million in 2015.⁴⁷ The World Bank reports that despite recent investments in the agricultural sector, resiliency and profitability remain unstable, leading to queries about whether such investments have been effective.⁴⁸ Because such investments have been focused on primary and secondary canals (the main irrigation trunk and its branches), tertiary canals (the final, smaller canals that deliver water to farmers), as well as operations and maintenance of all these canals, have fallen to the wayside. Many irrigation projects that strive to provide year-round irrigation, have failed to ensure year-round water supply or proper maintenance and operating systems. Meanwhile, cooperation between MAFF and MOWRAM (Ministry of Water Resources and Meteorology) remains limited, which is expected to hinder investment returns. Finally, almost all irrigation investments have concerned rice cultivation, without considering perhaps higher value crops or changing market dynamics and demands. Analysts at the World Bank have commented that, together, these shortcomings may inhibit the effectiveness of recent irrigation infrastructure projects.⁴⁹

The Vaico Irrigation Development Project is the largest investment in Cambodia's agricultural sector to date. Its scale was the basis for its selection as a critical case, consistent with the methodological approach set out in the broader context of this project. Conducted in two phases, one complete and one nearly complete, the project's budget amounts to USD \$192,954,032 in total and stands as the largest irrigation project ever undertaken in Cambodia.⁵⁰ It aims to irrigate hundreds of hectares of rice paddies in eastern

⁴¹ World Bank, *Improving the Effectiveness of Public Finance: Cambodia Public Expenditure Review, 2019* <https://openknowledge.worldbank.org/bitstream/handle/10986/32034/Improving-the-Effectiveness-of-Public-Finance-Cambodia-Public-Expenditure-Review.pdf?sequence=5&isAllowed=y>

⁴² World Bank, *Cambodia Public Expenditure Review*

⁴³ International Finance Corporation, *Cambodia Rice: Export Potential and Strategies*, Cambodia Agribusiness Series No. 4, January 2015 <https://www.ifc.org/wps/wcm/connect/18794ec9-1f45-4872-9e3e-d23d84c20a7f/Cambodia+Market+Survey-Final-2015.pdf>

⁴⁴ World Bank, *Cambodia Public Expenditure Review*

⁴⁵ World Bank, *Cambodia Public Expenditure Review*; Cambodian Ministry of Agriculture, Forestry & Fisheries, "Agricultural Sector Strategic Development Plan 2014-2018," May 2015 <http://extwprlegs1.fao.org/docs/pdf/cam155661.pdf>

⁴⁶ World Bank, *Cambodia Public Expenditure Review*

⁴⁷ *Ibid.*

⁴⁸ *Ibid.*

⁴⁹ *Ibid.*

⁵⁰ Council for the Development of Cambodia, "Cambodia ODA Database"; "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China," GDFC; "Report of Cambodian Media on Our Vaico Irrigation Development Project," GDFC

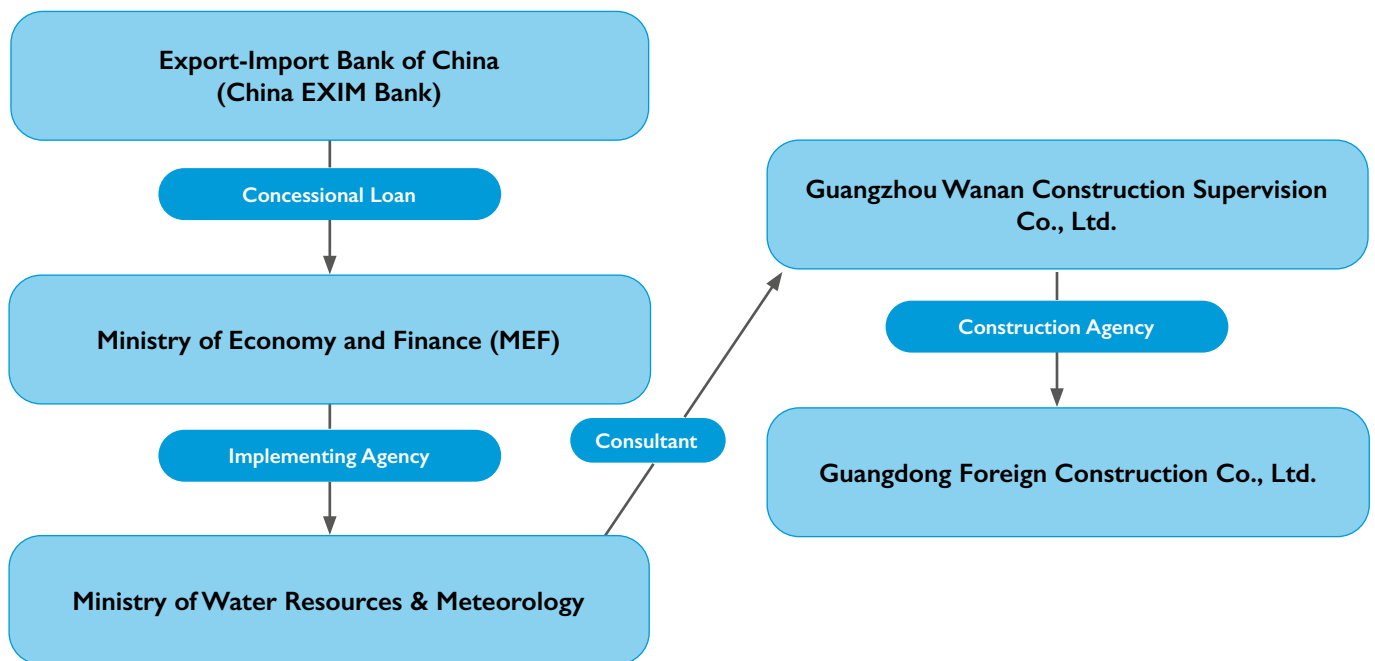
Cambodia, increasing stability in a sector that confronts variable weather patterns in the face of climate change and other risks while striving to alleviate poverty and hunger.⁵¹

Project Description

The Vaico Irrigation Development Project is the largest Official Development Assistance (ODA) project in Cambodia funded by China in the last decade.⁵² It consists of a series of irrigation and drainage canals, sluices, bridges, and culverts connecting farmland in the eastern Cambodian provinces of Kampong Cham, Prey Veng, and Svay Rieng to the Mekong River,⁵³ funded via an almost USD \$200 million concessional loan from China’s EXIM Bank,⁵⁴ the primary funder of BRI projects. The project is being constructed by Guangdong Foreign Construction Co., Ltd. (GDFC), a Chinese engineering firm, and overseen by the Chinese consulting firm Guangzhou Wanan Construction Supervision Co., Ltd. (GWCSG).⁵⁵

It is not surprising that the project was contracted to a Chinese company, given that it was funded with a concessional loan from China, the terms of which require that, at the very least, 50 percent of the project be contracted to Chinese suppliers.⁵⁶

Figure 1: Stakeholder Map



⁵¹ Cambodian MoAFF, “Agricultural Sector Strategic Development Plan 2014-2018,” 60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China,” GDFC; “Report of Cambodian Media on Our Vaico Irrigation Development Project,” GDFC

⁵² Council for the Development of Cambodia, “Cambodia ODA Database”

⁵³ “Report of Cambodian Media on Our Vaico Irrigation Development Project,” GDFC; David Blake, “Encountering Cambodia’s biggest irrigation project, but where’s the irrigation?”

⁵⁴ “China finances 200m USD Vaico Irrigation Project (linked to #48911),” China Aid Data

⁵⁵ “China finances 200m USD Vaico Irrigation Project (linked to #48911),” China Aid Data; “Guangdong Foreign Construction Co Ltd.” Bloomberg, Accessed December 21st <https://www.bloomberg.com/profile/company/0474896D:CH>; “Report of Cambodian Media on Our Vaico Irrigation Development Project,” GDFC; “About Us: Brief introduce of the company,” Guangzhou Wanan Construction Supervision Co., Ltd, accessed March 2, 2021 http://www.wjil.net/en/about.asp?n_id=183&cur=Brief+introduce+of+the+company

⁵⁶ Mark Grimsditch, The Role and Characteristics of Chinese State-owned and Private Enterprises in Overseas Investments, Friends of the Earth US, June 2015 <https://1bps6437gg8c169i0y1drtgz-wpengine.netdna-ssl.com/wp-content/uploads/2018/01/Role-and-Characteristics-of-SOEs-Overseas-1.pdf>

Key Stakeholders

Guangzhou Wanan Construction Supervision Co., Ltd. (GWCS) is a private Chinese company⁵⁷ established in 1995 under the supervision of the China Association of Engineering Consultants (CAEC).⁵⁸ GWCS began to extend into the international market beginning in 2002 and since has supervised more than 50 projects in more than 30 countries, many of which are Chinese government foreign aid projects.⁵⁹ On February 10, 2015, GWCS also became a foreign registered branch with Cambodia's Ministry of Commerce Business Registration Department under director Xiao Xinming.⁶⁰ Along with GWCS's website description that the company participates in projects funded by Chinese aid across 30 countries worldwide,⁶¹ GWCS certainly stands as a prominent actor in the Kingdom's development, participating in several infrastructure projects across Cambodia. GWCS previously received a USD \$57.8 million supervision contract for the construction of road No. 210 and the extension of road No. 62. At road No. 62's opening ceremony in 2011, Prime Minister Hun Sen presented the "High-level Medal of Honor of National Cooperation" to Xiao Xinming and Zhang Chaoying, General Manager and Chief Supervisor of GWCS.⁶² GWCS also oversaw the Achang irrigation project in Kampong Chhnang funded by a USD \$45 million concessional loan from China's EXIM Bank, constructed between 2014 and 2017.⁶³ GWCS also has a supervision contract for the USD \$237 million third-ring road currently under construction in Phnom Penh.⁶⁴

GWCS contracted Guangdong Foreign Construction Co., Ltd. (GDFC) to carry out the irrigation project's construction. Incorporated in 2005, GDFC is a private sector construction and engineering company given rights to conduct construction projects both nationally and abroad. China's Ministry of Commerce has awarded GDFC with Class I Qualification for Package Service Provision and Class A for Enterprise Implementation for projects funded by Chinese aid.⁶⁵ GDFC registered as a foreign company branch with Cambodia's Ministry of Commerce Business Registration Department on July 14, 2017 and has worked on irrigation projects across the country including in Battambang, Kampong Trabek, Kampot, Pursat, and Siem Reap provinces.⁶⁶

⁵⁷ "Guangzhou Enterprise Inquiry: Guangzhou Fuan Information Technology Co., Ltd," QCC.com, accessed June 10, 2021 <https://www.qcc.com/firm/7a2422244144077862adeb48a6f84f88.html> ; "Guangzhou Enterprise Inquiry: Guangzhou Wanan Construction Supervision Co., Ltd," QCC.com, accessed June 10, 2021 <https://www.qcc.com/firm/c3ee9b2daf102f3fb3d39135cbfe1e7a.html>

⁵⁸ "China provided a USD \$302M loan to Cambodia for roads and irrigation projects (Linked to Project ID#32155)," China Aid Data, Accessed March 2, 2021, <https://china.aiddata.org/projects/32160:GWCS> "Enterprise News: Ceremony of No. 62 road being opened to traffic"

⁵⁹ "About Us: Honer of the Enterprise," Guangzhou Wanan Construction Supervision Co., Ltd, accessed March 2, 2021 http://www.wajl.net/en/about.asp?n_id=187&cur=HONER+OF+ENTERPRISE

⁶⁰ "Guangzhou Wanan Construction Supervision Co., Ltd.: Branch," Open Corporates Database, accessed March 5, 2021 <https://opencorporates.com/companies/kh/00011658>

⁶¹ "About Us: Brief introduce of the company," GWCS

⁶² "Enterprise News: Ceremony of No. 62 road being opened to traffic," Guangzhou Wanan Construction Supervision Co., Ltd, December 16, 2011 accessed March 13, 2021 http://www.wajl.net/en/news.asp?n_id=297&n_type=1&cur=Enterprise+news

⁶³ "China provides 283.5 million RMB to Cambodia for the Achang Irrigation Development Project (linked to Project ID#35573)," China Aid Data, Accessed March 13, 2021 <https://china.aiddata.org/projects/35569> ; "Overseas Projects: Achang Irrigation Development Project," Guangdong Hydropower Planning & Design Institute, accessed March 13, 2021 <http://www.gpdie.com/en/webview/?artid=40753> ; NGO Forum Cambodia, "Visiting Achang Irrigation," September/October 2017, http://www.ngoforum.org/kh/wp-content/uploads/2018/01/Sep-Oct-2017-e-Newsletter_Final.pdf

⁶⁴ Michael Marray, "SGC digs ring road in Phnom Penh," The Asset, January 22, 2019 <https://www.theasset.com/belt-road-online/356911/sgc-digs-ring-road-in-phnom-penh>

⁶⁵ "China finances 200m USD Vaico Irrigation Project (linked to #48911)," China Aid Data; About Us: Company Introduction," GDFC

⁶⁶ "About Us: Company Introduction." Guangdong Foreign Construction Co., Ltd, accessed March 5, 2021 <http://www.gdfc.cc/en/aboutus.aspx?ContentID=165>

Project Timeline

Phase I, which consisted of USD \$99,303,000 of investment, took place over the course of five years and was completed in 2017.⁶⁷ This initial phase restored 13 km of old irrigation canals between Koh Sotin district in Kampong Cham and Sithor Kandal district in Prey Veng and 27 km of canals between the Prey Veng districts of Sithor Kandal and Kamchay Mea.⁶⁸ Another 78 km of canals were constructed to connect Ta Douk commune to Mesang district and Svay Chikray commune to Sithor Kandal district within Prey Veng.⁶⁹ In total, 30 percent of the canals run through Kampong Cham, while the remaining 70 percent through Prey Veng⁷⁰ – one of Cambodia’s poorest provinces that has increasingly been a major source of out-migration for overseas employment (until the COVID-19 pandemic precluded this option). The canals are 44 to 55 m wide and 18 to 22 m deep and together are projected to irrigate 108,300 hectares of rice during the wet season and 27,100 hectares of rice during the dry season.⁷¹

Phase II includes two components. Part I includes the construction of canals through Svay Rieng and Prey Veng, notably 2 main canals, a 23.5km long canal, and a reservoir, and is expected to irrigate over 10,000 ha of rice paddies.⁷² However, this estimation may be off, as Phase I is expected to irrigate up to 207,100 ha⁷³, and the project as a whole is expected to irrigate a sum of 250,000⁷⁴-300,000⁷⁵ ha—meaning Phase II Part I is should irrigate at least 40,000 ha to reach such total estimates. Meanwhile, Part II will initiate an economic and technical cooperation initiative initially expected to extend to all three provinces included in the project: Kampong Cham, Prey Veng, and Svay Rieng.⁷⁶ However, a February 2021 update noted that the scope of Part II, the economic and technical cooperation initiative, had narrowed to just Prey Veng and Svay Rieng.⁷⁷ It remains unclear what “an economic and technical cooperation initiative” actually entails in practice, however an article published in *Bayong Times* suggests that such may include a study of the technical irrigation system, as well as preparation and management plans for the local Farmer Water User Community (FWUC).⁷⁸ Parts I and II of Phase II were planned for completion by the end of 2019, per a November 2019 update accessed December 2020, but as of a February 24, 2021 update to the Council for the Development of Cambodia (CDC) database, they are now predicted to wrap up by the end of December 2021.⁷⁹

⁶⁷ Council for the Development of Cambodia, “Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I”

⁶⁸ “China finances 200m USD Vaico Irrigation Project (linked to #48911),” *China Aid Data*

⁶⁹ *Ibid.*

⁷⁰ Council for the Development of Cambodia, “Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I”

⁷¹ “China finances 200m USD Vaico Irrigation Project (linked to #48911),” *China Aid Data*

⁷² Svay Rieng Provincial Administration Shows the Progress and Progress of the Province through a Press Conference Organized by the Government Spokesperson’s Unit,” *Fresh News Asia*, July 7th, 2020 <http://freshnewsasia.com/index.php/en/localnews/164552-2020-07-07-15-30.html>

⁷³ “About Us: Company Introduction,” GDFC

⁷⁴ Hen, “Vaico project has the potential to irrigate 250,000 hectares of farmland”

⁷⁵ GDFC, “60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China”; “Report of Cambodian Media on Our Vaico Irrigation Development Project”

⁷⁶ Council for the Development of Cambodia, “Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II,”; “Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II”

⁷⁷ Council for the Development of Cambodia, “Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II,”

⁷⁸ Thlok Kork, “Study on the situation, technical characteristics and hydrological system to prepare for the implementation of the work of establishing the FWUC and Vaico 2 Irrigation Management Committee,” *Bayong Times*, February 19, 2020, <http://www.bayongtimes.com/191976/>

The Council for the Development of Cambodia's (CDC) Official Development Assistance (ODA) database's report states that Phase I of the project was approved and initiated on February 2, 2012; Guangdong Foreign Construction Co., Ltd. (GDFC) dated the initiation of project construction as March 1, 2013 in one press release and January 28, 2013 in another press release.⁸⁰ The database also reports that Phase II of the project was approved on October 13th, 2016 and initiated on November 1st, 2016.⁸¹ The CDC database's official reports sets out that the project contracts for Phase I and Phase II (both Parts I and II) were signed by the Ministry of Economy and Finance and implemented by the MoWRaM via its Infrastructure Regional Integration Technical Working Group.⁸²

Furthermore, a concessional loan from China's EXIM Bank was also signed on February 2, 2012 for an extension of National Road 76, with the value of the contract variously reported as USD \$89,273,400 by the CDC and USD \$91,680,000 by the Ministry of Public Works and Transport (MPWT). The 121 km road extension had the same estimated completion date as Vaico Phase I - February 2, 2017 - and construction was to be overseen by the same consulting company, Guangzhou Wanan Construction Supervision Co., Ltd. The University of William and Mary database ChinaAidData hypothesizes that such loans were signed in the same agreement, given that both are concessional loans from EXIM Bank extended at the same interest rate and signed on the same day. ChinaAidData reports that EXIM Bank chairman, Li Ruogu, had promised this loan package during a visit to Cambodia one week earlier.⁸³ Furthermore, the concessional loan agreement for Part I and II of Phase II were signed along with 29 other documents during President Xi Jinping's October 13-14th, 2016 visit to Cambodia.⁸⁴

By May 30, 2014, Phase I of the project was estimated to be 60 percent completed, per a press release on GDFC's website.⁸⁵ The Cambodian Minister of Water Resources and Meteorology visited the project on April 24, 2015, at which point Phase I was estimated to be 90 percent finished. A subsequent press release on GDFC website lauded the project for promoting the development and stability of local agriculture, "significantly contributing to the poverty reduction and increasing the living standard of the people in Cambodia."⁸⁶ The CDC's official report explains that Phase I of the project was completed on February 2, 2017, exactly five years after the agreement was signed.⁸⁷

⁷⁹ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II,"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)," ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)," ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II"

⁸⁰ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I"; "Report of Cambodian Media on Our Vaico Irrigation Development Project" GDFC; "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China"

⁸¹ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II," ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

⁸² Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II,"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)," ; "Project Summary Reports: Project/Program Info "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)" ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

⁸³ "China provided a USD \$302M loan to Cambodia for roads and irrigation projects (Linked to Project ID#32155)," China Aid Data, Accessed March 2, 2021, <https://china.aiddata.org/projects/32160>

⁸⁴ "Xi's Visit Inks 17 Construction Industry Agreements," Construction and Property, December 6, 2016, <https://construction-property.com/xis-visit-inks-17-construction-industry-agreements/> ; Sok Lak "31 documents to be signed between Cambodia and China (Oct 2016)," Sok Lak Blog, October 14, 2016, <https://soklak.wordpress.com/2016/10/14/>

⁸⁵ "60% of VAICO Irrigation Project in Cambodia has been completed with Concessional Loan by China" GDFC

On January 23, 2021, *Rasmei Kampuchea* Daily Newspaper reported that Phase II of the project was nearly complete, with all canals completed in Prey Veng and on-going construction continuing in Svay Rieng. In the article, the Svay Rieng Provincial Department of Water Resources and Meteorology noted that the purchase of water for crops or the use of well water was now almost nonexistent in their province (although the article did not specify whether that was due to the Vaico project or other factors), and the completion of the Vaico project presented the potential for water to reach everywhere. Meanwhile, the Ministry of Foreign affairs commented that while most of Phase II has been completed, in many places water has yet to reach farmers. The Ministry of Water Resources and Meteorology (MoWRaM) commented that once the construction company has completed work on the project, it will be handed over to MoWRaM for management.⁸⁸ While the *Rasmei* article detailed that Phase II was still in progress⁸⁹ alternate reporting by *RSC News* in October 2020 described that Phase I and Phase II of the Vaico project were 100% completed.⁹⁰ Official documents in the CDC ODA database describe that completion of Phase II, Parts I and II, is expected on December 31st, 2021.⁹¹

Project Budget and Loan Terms

A February 24, 2021 project update posted on the CDC's ODA database listed the budget for Part I of Phase II at USD \$91,746,813 and the budget for Part II at USD \$35,119,143.⁹² However, as of an update made to the database April 4, 2021, the budget for Part I of Phase II had decreased to USD \$58,531,889.⁹³ The budget for Part II remains unchanged, meaning that in sum, Phase II has a total budget of USD \$93,651,032.⁹⁴

Phase I and Part I of Phase II are both financed via concessional loans with a fixed interest rate of 2 percent, an amortization period of 13 years, and a grace period of 7 years.⁹⁵ As of November 2019, Part II of Phase II was listed as a concessional loan, with a slightly longer grace period of 10 years.⁹⁶ An update to the CDC database in February 2021 noted that Part II is now listed as a non-concessional loan, which is confirmed by an April 2021 update⁹⁷ – raising questions about the cause of this shift and its implications.

Procurement Process & Comparison to Other Development Partners

⁸⁶ "Report of Cambodian Media on Our Vaico Irrigation Development Project" GDFC

⁸⁷ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II"

⁸⁸ Hen, "Vaico project has the potential to irrigate 250,000 hectares of farmland"

⁸⁹ Ibid.

⁹⁰ Vaico Irrigation System Pumps Water From Mekong River 100% Completed," *RSC News*, October 19th, 2020, <https://rsc-news.com/?p=27506>

⁹¹ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II" ; Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

⁹² Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II" ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

⁹³ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II"

⁹⁴ Council for the Development of Cambodia, Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

⁹⁵ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I," ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II"

⁹⁶ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation),"

The official reports in the CDC ODA database confirm that the project did not use the government's procurement system.⁹⁸ However, as Cambodia has no specific laws for development assistance or aid projects, such does not violate any laws. Moreover, abstaining from using the government's procurement systems is not at all abnormal. The Future Forum team conducted a review of projects begun within the last decade (during or after March 2011) of nine of Cambodia's most prominent ODA partners, including China. Using the ODA database, we assessed how these partners interacted with the in-country financial management and procurement system, as well as their aid designation, summarized in the table below. Neither the Vaico Project individually, nor China's trends in ODA disbursements are particularly distinct in their lack of use of Cambodia's in-country procurement system. As seen in the table below, the only ODA partners that make substantial use of the government's procurement system are the Asian Development Bank and the World Bank. Even then, the World Bank only uses it half the time.⁹⁹ Nevertheless, it is worth noting that more established donors and multilateral financial institutions maintain significantly more established internal procurement processes.

The CDC's official report on the Vaico Irrigation Development Project also explains that while the project did not use the government's procurement system, an annual budget plan, as well as a three-year indicative plan, were submitted to the relevant government parties so that project information could be included in budgetary and strategic planning.¹⁰⁰

China is second, only after the Asian Development Bank, in its use of Cambodia's financial management system (budget execution system, auditing system, and financial reporting system) for projects.¹⁰¹ In fact, all three aspects of the Vaico Irrigation Project (Phase I and both parts of Phase II) report using the three pillars of the government's financial management system.¹⁰² Meanwhile, other partners, including Japan and Korea, rarely or never use the system.¹⁰³ This division requires further research in order to clarify the causality (*discussions with donors and Future Forum on this topic will be conducted provided COVID-19 conditions change*).

Aid status is the only metric within which China stands alone, in that 100 percent of its projects started in the last decade are under fully tied aid. However, the Republic of Korea, which is respected as an international aid partner via its bilateral agency (KOICA), conducted fully tied aid in two-thirds of its projects with Cambodia over the last decade. In Cambodia loan conditions are not publicly disclosed, although Cambodia's ODA database does distinguish loans to be fully or partially tied. Therefore it is just a distinction of the more commonly used "tied" terms. A "tied" loan means that the borrower is required to contract companies from the loaner's country.¹⁰⁴ Therefore, while such is not explicitly clarified, we assume that "fully-tied" entails that all contracts must go to companies from the lender's country, while "partially tied" perhaps only requires a portion of contracts to such companies. The portion of contracts, however, is not usually disclosed.

⁹⁷ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

⁹⁸ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II," ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

⁹⁹ Council for the Development of Cambodia, "Cambodia ODA Database"

¹⁰⁰ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II," ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)"

¹⁰¹ Council for the Development of Cambodia, "Cambodia ODA Database"

Table I.0: Reporting, Financial Management, Procurement, and Aid Status of ODA projects in Cambodia (March 2011-March 2021)

Country	Reporting of Financial Indicators			% Projects Managed Using Government Financial Management System			% Projects that Used State Procurement System	Aid Status		
	# ODA Projects	# Fully Reported	% Fully Reported	Budget Execution System	Auditing System	Financial Reporting System		% Fully Tied	% Partially Tied	% Untied
China	46	46	100%	80%	80%	80%	0%	100%	0%	0%
Japan	340	336	99%	0.3%	0.3%	0.3%	0.3%	1.5%	0%	98.5%
South Korea	227	138	61%	0%	0%	0%	0%	67%	13%	20%
USA	147	146	99%	0%	0%	0%	0%	0%	89%	11%
EU	116	111	96%	2%	2%	2%	3%	0%	0%	100%
France	29	29	100%	21%	24%	21%	17%	0%	0%	100%
ADB	43	43	100%	95%	95%	95%	95%	0%	14%	86%
UNDP	38	38	100%	8%	5%	8%	3%	0%	0%	100%
World Bank	10	10	100%	40%	0%	0%	50%	0%	0%	100%

Source: Council for the Development of Cambodia, "Cambodia ODA Database," accessed December 21st, 2020; March 16th, 2021 & April 12th, 2021 <http://www.odacambodia.com>

As illustrated in the table above, it is rare for development partners, except the World Bank and ADB, to use Cambodia's in-country procurement system. Statistics published by the CDC explain that in 2013, 32 percent of development partners used Cambodia's procurement system; in 2015, 49 percent did, and by 2017, 61 percent of partners used in-country systems.¹⁰⁵ Although aid partners' use of in-country procurement systems in Cambodia is increasing, they are still only used two-thirds of the time. Especially given that the Vaico project was initiated in February 2012, when in-country procurement systems were only used one-third of the time, it is not surprising that the government's procurement system was not used.

However, it is difficult to determine what "not following the government's procurement system" means, as the formal rules of the procurement system for ODA projects in Cambodia remain unclear. Similarly, it is also not clear what the government's financial management system (budget execution system, auditing system, and financial reporting system) looks like, let alone whether it is effective. Nor are the specific logistics or duties under fully or partially tied aid disclosed. Currently, as mentioned previously, Cambodia has no specific laws for development assistance or aid projects. Rather, development is managed by the Committee for Rehabilitation and Development of Cambodia under the CDC.¹⁰⁶ A national development framework, or the Development Cooperation and Partnerships Strategy, is released every four years, and is largely guided by Cambodia's Millennium and Sustainable Development Goals (MDGs and SDGs)

¹⁰² Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II"; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II," ; "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation),"

¹⁰³ Council for the Development of Cambodia, "Cambodia ODA Database"

¹⁰⁴ OECD.2021. "Tied Aid." DAC Glossary of Key Terms and Concepts Accessed June 18th, 2021. https://www.oecd.org/dac/dac-glossary.htm#Tied_Aid
Farlex. 2021. "Tied Loan." The Free Financial Dictionary. Accessed June 18th, 2021. <https://financial-dictionary.thefreedictionary.com/Tied+Loan>.

¹⁰⁵ Cambodian Rehabilitation and Development Board and Council for the Development of Cambodia, Development Cooperation and Partnerships Strategy (2019-23), January 16, 2019 http://cdc-crdb.gov.kh/en/strategy/documents/dcps_2019_2023.pdf

¹⁰⁶ "Topic: Aid and Development," Open Development Cambodia, updated December 28, 2020 <https://opendevdevelopmentcambodia.net/km/topics/aid-and-development/>

and the Kingdom's national overarching framework for social, economic, and political development, the Rectangular Strategy.¹⁰⁷ The Rectangular Strategy, which recently wrapped up Phase III (2013-2018) and is now in Phase IV (2018-2023), has five main objectives for aid partnerships: (i) strengthen development partnerships and ensure Royal Government of Cambodia (RGC) ownership; (ii) implement the quadrennial Development Cooperation and Partnerships Strategy (DCPS) and progress towards Cambodia's SDGs; (iii) include all development actors in policy dialogues; (iv) plan and progress towards Least Developed Country (LDC) graduation; (v) utilize global and regional mechanisms for development effectiveness and partnerships.¹⁰⁸ Given that the prevalence of development partners using Cambodia's procurement system almost doubled between 2013 and 2017, there is some hope that progress towards such objectives, such as RGC "ownership," is occurring.¹⁰⁹ However, given the lack of transparency around the government's procurement system and how it works in practice, in general, we have no idea how effective or non-effective it is in advancing such goals.

Project Issues: Effectiveness, Management & Impact

Perhaps the most significant issue with the project is its feasibility. Given its current apparent nonfunctioning state, large scale, and apparent ill fit with local conditions, the Vaico project may be an example of what one scholar describes as "ideologically motivated irrigation development."¹¹⁰ It remains unclear if a feasibility study was ever conducted prior to project initiation, but if one was, it is currently not publicly accessible.

Questionable Effectiveness

Critics, such as journalists at the Bangkok paper *The Mekong Eye*, have – as highlighted previously – doubted the project's effectiveness, noting that in late 2018, more than a year after Phase I construction was completed, a single hectare had yet to be irrigated via the project.¹¹¹ There is also cause for concern over Cambodia's ability to pay back the concessional loan for the project, given that the canals bring in little to no revenue.¹¹² The effectiveness of the construction itself has also been called into question, given reporting in 2016 that the main canals of the project were bone dry; at the time, a village resident explained that the project only supplied water during the wet season and thus the double season cropping objective of the project was impossible.¹¹³ Another journalist's review revealed large bank erosion only a few years into the project and the consistent vandalization or malfunction of the motors used to lift and lower sluice gates.¹¹⁴ Additionally, in July 2018 – the peak of the wet season – the water level of the main canals was described as too low to be

¹⁰⁷ Council for the Development of Cambodia, "Development Cooperation and Partnerships Strategy (2014-18)"

¹⁰⁸ Cambodian Rehabilitation and Development Board and Council for the Development of Cambodia, *Development Cooperation and Partnerships Strategy (2014-18)*, June 10 2014 https://web.archive.org/web/20191029070427/http://www.cdc-crdp.gov.kh/cdc/documents/Sector_Strategy/14_Partnership_Harmonization/Final_DCPS_2014_2018_EN.pdf; Sixth Legislature of the Cambodian National Assembly, *Rectangular Strategy for Growth, Employment, Equity and Efficiency, Building the Foundation Toward Realizing the Cambodia Vision 2050, Phase IV*, September, 2018 <http://cnv.org.kh/wp-content/uploads/2012/10/Rectangular-Strategy-Phase-IV-of-the-Royal-Government-of-Cambodia-of-the-Sixth-Legislature-of-the-National-Assembly-2018-2023.pdf>; Cambodian Rehabilitation and Development Board and Council for the Development of Cambodia, *Development Cooperation and Partnerships Strategy (2019-23)*, January 16, 2019 http://cdc-crdp.gov.kh/en/strategy/documents/dcps_2019_2023.pdf

¹⁰⁹ Cambodian Rehabilitation and Development Board and Council for the Development of Cambodia, *Development Cooperation and Partnerships Strategy (2019-23)*

¹¹⁰ David Blake, "Encountering Cambodia's biggest irrigation project, but where's the irrigation?"; Anh Nhat, "The Water Conflict on the Mekong"

¹¹¹ David J.H. Blake, "Recalling hydraulic despotism"

¹¹² Ibid.

¹¹³ Anh Nhat, "The Water Conflict on the Mekong," *Mekong Eye*, June 8, 2016 <https://www.mekongeye.com/2016/06/08/the-water-conflict-on-the-mekong/>

¹¹⁴ David J.H. Blake, "Recalling hydraulic despotism"

effective.¹¹⁵ Rather than supplying irrigation, the canals were largely serving as drainage from adjacent fields.¹¹⁶ Other than a few farmers using tractor pumps to pump water from the canal to their fields via plastic piping, the fields surrounding the canals remained effectively solely rainfed.¹¹⁷ In fact, most farmers the journalist interviewed described the project as a hydrological barrier to water coming to their fields during the dry season and draining from them during the wet season, rather than the hydrological assistance it was projected to provide.¹¹⁸ It is possible that the engineers constructing the project did not fully comprehend or properly accommodate the complex hydrodynamics of the Vaico watershed and there are concerns that the project will only interfere with the Mekong's flooding cycles, which deliver crucial nutrients to the paddies, along with quenching their thirst.¹¹⁹

Management and Maintenance Issues

From the Mekong Eye journalist's point of view, both the construction engineers and overseeing officials, such as those from the Cambodian Ministry of Water Resources and Meteorology (MoWRaM), largely disappeared once the project was completed, leaving farmers on their own to figure out how to utilize, or in most cases work around, the project.¹²⁰ Although there is hope that Part II of Phase II will come with significantly strengthened monitoring and evaluation of the project's success and/or assistance for proper utilization, as of now the completed project has been abandoned by both its financiers and managers and the farmers who were "expected" to benefit from it.¹²¹ A Farmer Water User Community (FWUC) was established upstream of the Vaico project in Kamchay Mea District, in Doun Koeng Commune, to manage a different irrigation development in 2010. However, it folded a few months after its initiation, due to a lack of interests to pay water access fees for mostly dysfunctional canals.¹²² There is some concern that similar issues may plague the FWUC expected to be set up for the Vaico project's management.

However, reporting by the *Bayong Times* in February of 2020 does present hope. Their article described that a study on the technical and hydrological aspects of the project was carried out by MoWRaM's Department of FWUC and Prey Vieng and Svay Rieng's provincial MoWRaM departments to prepare for FWUC management of the project and the establishment of a Vaico Irrigation Management Committee. The study included inspection of the four main canals of the project, the intake structure in Kampong Trabek Commune, and the two pumping stations in Ansong commune and Pratheath Commune (the article failed to disclose the results of this inspection, so the functionality remains unclear). The study team also met with Prey Veng's Provincial MoWRaM department to clarify the need to establish effective management and monitoring systems.¹²³ A March 2021 press release from MoWRaM showed that perhaps such coordination was effective. It described that the Prey Veng provincial MoWRaM department coordinated with the Chinese construction team to pump water from Vaico's second pumping station to the first main canal to save dry season rice in five communes in Svay Antor district.¹²⁴

¹¹⁵ *Ibid.*

¹¹⁶ *Ibid.*

¹¹⁷ *Ibid.*

¹¹⁸ *Ibid.*

¹¹⁹ *Ibid.*

¹²⁰ *Ibid.*

¹²¹ *Ibid.*

¹²² *Ibid.*

¹²³ Kork, "Study on the situation, technical characteristics and hydrological system to prepare for the implementation of the work of establishing the FWUC and Vaico 2 Irrigation Management Committee".

¹²⁴ Cambodian Ministry of Water Resources and Meteorology, "HE Muy Ly Huot, Chief of Arrow, Prey Veng Province, coordinated with the Chinese side to pump water from the second pumping station of Vai Ko 1 irrigation system to the first main canal, 28 km long," March 20, 2021 <http://www.mowram.gov.kh/2021/01/13/ឯកឧត្តម-ម៉ុ-ស៊ីហ្គត-ប្រធាន/>.

Environmental and Social Impacts

The main canal of the Vaico project is fed by Boeung Krapik (Krapik Lake). Research by the Asian Development Bank (ADB) displays that lake levels are now completely controlled by the Vaico inlet pump station.¹²⁵ Researcher David Blake, writing for the *Mekong Eye*, raised concerns over whether, with the added drain of the Vaico irrigation system, the lake would be able to fulfill its usual ecosystem services such as wildlife habitat, fish provision, and irrigating adjacent agriculture.¹²⁶ Normally, Boeung Krapik creates a wide seasonal marsh by overflowing across the floodplain in Sithor Kandal District, distributing suspended sediments to fertilize adjacent farmland.¹²⁷ Blake worried that in feeding Vaico's canals, the lake level might drop, eliminating this natural phenomenon so critical to local livelihoods.¹²⁸ We are not able to find further monitoring or research that illuminate whether such concerns have materialized or not. Furthermore, Blake noted that the construction company working on the Vaico project had bought 30 nearby houses at \$10,000-25,000 per property, and speculated this was to build a dam as part of Phase II Part I.¹²⁹ Presumably an EIA was drafted for the Vaico project, as the Sub-Decree on the Environmental Impact Assessment explains that "every private and public project or activity" must submit an Environmental Impact Assessment (EIA) for review by the Ministry of Environment (MoE).¹³⁰ However, at this time we are not able to find a publicly accessible EIA for the Vaico project and thus are unable to assess whether Blake's concerns are warranted.

Failing Irrigation Projects: A Continued Pattern

Such lack of maintenance or local farmer investment is not necessarily limited to the Vaico project. While Vaico has garnered little attention for its failed provision of irrigation, other failed and non-functional projects in the region have attracted significant controversy and public attention, such as the Strung Chinit Irrigation Project in Kampong Thom or the Kamping Pouy and Boeng Sne irrigation schemes in Battambang and Prey Veng provinces, respectively.¹³¹ It appears that most irrigation projects in Cambodia are rehabilitations or expansions of irrigation canals built in the Khmer Rouge era (as is the Vaico Project), and almost all do not properly accommodate Cambodia's unique hydrological and geographical nuances, and therefore function poorly.¹³² Coupled with insufficient management, monitoring, and utilization, these projects quickly deteriorate until they are all but abandoned.¹³³

A 2013 report by the International Water Management Institute (IWMI) noted that such large-scale irrigation infrastructure in Cambodia has often underperformed, failed to reach irrigation targets in the dry season, and seen a lack of management or participation in Farmer Water User Communities (FWUC).¹³⁴ A 2010 independent evaluation of ADB projects undertaken between 1998 and 2008 concluded that large-scale irrigation projects often failed largely due to a lack of tailoring projects to Cambodia's unique hydrological systems. The evaluation urged a switch towards smaller-scale projects that are easier to

¹²⁵ Asian Development Bank, *Detailed Surface Water Resources Assessment for the Tonle Sap and Mekong Delta River Basins, Cambodia*

¹²⁶ David J.H. Blake, "Recalling hydraulic despotism"

¹²⁷ *Ibid.*

¹²⁸ *Ibid.*

¹²⁹ *Ibid.*

¹³⁰ Royal Government of Cambodia, *Sub-decree on Environmental Impact Assessment Process, No. 72 ANRK.BK, August 11, 1999*

[https://sithi.org/admin/upload/law/72%20on%20the%20Environmental%20Impact%20Assessment%20Process%20\(1999\).ENG.pdf](https://sithi.org/admin/upload/law/72%20on%20the%20Environmental%20Impact%20Assessment%20Process%20(1999).ENG.pdf)

¹³¹ Treffner "Irrigation Governance in Cambodia"; CGIAR, *Agriculture, irrigation and poverty reduction in Cambodia: Policy narratives and ground realities compared*

¹³² Fuller, "Cambodia revives Pol Pot's deadly canals"; Treffner, "Irrigation Governance in Cambodia"

¹³³ Treffner "Irrigation Governance in Cambodia"; David J.H. Blake, "Recalling hydraulic despotism"; CGIAR, *Agriculture, irrigation and poverty reduction in Cambodia: Policy narratives and ground realities compared*

¹³⁴ IWMI *Agricultural Water Management Planning in Cambodia*

implement and maintain given current institutional capacity.¹³⁵ This report provides further support that the Vaico project could potentially be characterized as a “White Elephant” lending initiative.

A 2017 Cambodia Development Research Institute (CDRI) paper concluded that large-scale irrigation projects face poor management and maintenance, due to having many stakeholders without clearly defined roles. While Cambodia’s MoWRaM facilitates the construction of large-scale irrigation projects, responsibility for maintenance is left to the local level where capacity is significantly weaker. Provincial governments and FWUC usually neither have the capacity, the knowledge, or the finances to operate or maintain such complex and large projects, leading to most falling quickly into disrepair.¹³⁶ The activities of FWUC often fall short of their ideal and mandated function under the 1999 Participatory Irrigation Management and Development (PIMD) framework which the Cambodian government adopted based on ADB’s best practice suggestions.¹³⁷

CDRI found that of Cambodia’s total 2525 irrigation schemes as of 2017, 1547 did not function at all, 807 partly functioned, while only 149, or 6 percent, functioned well. Moreover, most of the irrigation schemes build off or refurbish pre-existing schemes from the Angkorian or Pol Pot period, which are not designed with increasing water scarcity in mind and are not equipped to deal with new practices of double cropping and dry season farming. These projects are often not built to accommodate local hydrological and geological nuances, leading to low success of the projects, and often a failure to deliver water during the dry season, when it is most needed. While Article 19 of the Kingdom’s 2005 Water Law established that FUWCs would have jurisdiction to control and manage irrigation schemes in their areas, only 230 of the 2525 irrigation schemes have established FUWCs, and of those, only 4, or 2 percent, are considered to function well.¹³⁸

Other development partners, such as the ADB and Agence Française de Développement (AFD), that have also funded large-scale irrigation projects in Cambodia have recognized the emerging pattern of consistent issues in the functionality and longevity of such projects and are hoping that a change in modalities could be adopted.¹³⁹ In 2019, the ADB announced a recognized consensus between Cambodia’s MoWRaM, its Ministry of Economy and Finance, and development partners including the ADB, to shift the focus of irrigation projects from purely infrastructure to a more holistic approach, insuring full functionality, usability, and profitability as well as fully-functioning FWUCs.¹⁴⁰ In the last 20 years, the ADB has provided Cambodia more than USD \$300 million in loans for irrigation projects, and is planning to expand aid further under this new framework by providing USD \$117 million over five years to improve irrigation systems in four provinces across Cambodia.¹⁴¹

¹³⁵ Asian Development Bank, “Agriculture and Rural Development Sector in Cambodia”

¹³⁶ Mak, “Water Governance in Cambodia: From Centralized Water Governance to Farmer Water User Community”

¹³⁷ Chea et al, 2011.

¹³⁸ Mak, “Water Governance in Cambodia: From Centralized Water Governance to Farmer Water User Community”

¹³⁹ “In Cambodia, Irrigation Helps Weather Climate Change,” AFD

¹⁴⁰ Asian Development Bank, Detailed Surface Water Resources Assessment for the Tonle Sap and Mekong Delta River Basins, Cambodia

¹⁴¹ Ibid.

Conclusion

The appendix below set out in further detail the transparency of the project and the details that are available to researchers. Overall, the transparency of the project is quite weak and appears to be representative of some of the more typical, negative aspects of Chinese aid provision, e.g., lack of monitoring and evaluation, tied aid, lack of local consultation, and lack of community consultation. A study by researchers from East China Normal University, China Agriculture University, and the Shanghai Institute for International Relations acknowledged that despite China being Cambodia's largest source of international aid, by an increasing margin, Chinese aid includes little engagement with Chinese or Cambodian civil society.¹⁴²

However, the fact that this project was funded despite the abundance of data available at the time as to the issues with such large-scale irrigation projects provides support for the “White Elephant” argument. Conversely, on the question of procurement, China's record appears, on the surface, to be positive relative to other actors within the aid community in Cambodia in terms of its use of the government procurement system. However, that system remains opaque. Further research is required alongside consultation with local bilateral and multilateral agency representatives to clarify the procurement picture and gain a more complete understanding of the realities on the ground.

¹⁴² Shanghai Institutes for International Studies, College of Humanities and Development Studies, China Agriculture University, and East China Normal University, *A Civil Perspective on China's Aid to Cambodia*, June 2015 <http://www.siiis.org.cn/shgjwt2015121074171uploadfile/2015/0928/20150928111253895.pdf>

Appendix: Assessment Against Best Practices

i. Ownership of Development Priorities by Partner Countries Receiving Support	
<p>Is the ODA aligned with the national development strategy?</p>	<p>Yes, at least in general terms. Cambodia's Rectangular Strategy for Development has four pillars, two of which are "enhancement of the agricultural sector" and "continued rehabilitation and construction of the physical infrastructure."¹⁴³ The irrigation infrastructure provided by the Vaico Project appears to align with these two goals.</p>
ii. Focus on Results	
<p>Does the development activity facilitated by this ODA support and use country-level results frameworks, national statistical systems, or generate disaggregated data to report on the progress?</p>	<p>Yes, the Council for the Development of Cambodia (CDC) maintains an Official Development Assistance (ODA) Database where all ODA projects are listed and can be sorted by implementation date, budget, and/or donor country.¹⁴⁴ While it is reported that development partners must submit biannual reports to the publicly available ODA database, it is unclear whether this is correctly carried out or enforced (Royal Government of Cambodia, 2019a). In the context of the Vaico project, we located reports submitted in November 2019, February 2021, and April 2021, which certainly diverges from a biannual trend. However, we only noticed this as we have been tracking the project for some time and came across these reports as they were updated. Without our continual visits to the database, we would never would have been aware of the update timeline, as none of the reports are archived.</p> <p>All reports ask if the project's results framework is linked to a government sector framework and whether the project is considered as support for the public sector. Additionally, for projects approved after 2017 (a category which the Vaico Irrigation projects do not fall into, given that Phase I was approved in 2012 and Phase II 2016), the database report asks how many result indicators were included in the project framework and whether they correlate with government-led results frameworks/strategies; whether the results indicators are monitored with government data sources (although there remains lack of clarity as to the practicalities and operationalization of this); and whether the project plans include a final evaluation. The report also asks whether the project used the government's financial management system (budget execution system, financial reporting system & auditing system) or the government's procurement system. It also asks for the disclosure of if the project discloses their budget with the Cambodian government, whether a 3-year plan has been shared with relevant stakeholders, and asks to categorize the project as fully, partially, or untied.¹⁴⁵</p>

¹⁴³ Sotharith Chap and Sotheara, Chhorn, "Chapter 7: Cambodia's Development Strategy: Connecting Neighbors," *EEC Development and Transport Facilitation Measures in Thailand, and the Development Strategies by the Neighboring Countries*, ed. Daisuke Hiratsukam, (Bangkok, Thailand: Bangkok Research Center, 2019) 137-159

¹⁴⁴ Council for the Development of Cambodia, "Cambodia ODA Database"

¹⁴⁵ Council for the Development of Cambodia, "Cambodia ODA Database"

iii. Inclusive Partnerships

<p>Does the ODA's development activity strengthen and support the inclusion of the local business sector and civil society in procurement processes?</p>	<p>According to the official report published in CDC's Official Development Assistance (ODA) Database, the Vaico Irrigation Project did not follow the government's procurement plan, so we are unable to make a determination as to whether the default (government) procurement process encourages local and civil participation.¹⁴⁶ The 2019-2023 Development Cooperation and Partnerships Strategy sets out that a "Provincial Partnership Dialogue mechanism" will be formulated to coordinate participation from local actors, creating a bi-annual participatory platform to review progress and challenges and identify future strategies. However, the execution of the Provincial Partnership Dialogue (PPD) is left to sub-national administrations, and as PPD is a new mechanism as of 2019, we have yet to observe how effective PPD is in practice.¹⁴⁷ Initially, field work was planned to examine this through local interviewing; however, the current Covid situation in Cambodia (lockdown of Phnom Penh) has, at present, made that option impossible for the time being.</p> <p>That being said, upon our review of ODA projects in the last decade, China was not alone in its disuse of the government's procurement system. In fact, of the development partners we reviewed, only the World Bank and ADB used Cambodia's procurement system over 50% of the time.¹⁴⁸ Although use of the government's procurement system is increasing, as of 2019 only 61% of development partners use the system.¹⁴⁹</p> <p>Moreover, it is unclear what the Royal Government of Cambodia's procurement system entails, so even when it is used, it remains unknown whether it is effective.</p>
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¹⁴⁶ Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project - Phase I," ; Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II." Updated April 4, 2021, Accessed April 14, 2021 http://www.odacambodia.com/reports/Individual_project_summary_report2008.asp?Record_Id=China%2D2007%2DWE84&DonorName=China ; Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II (Economic and Technical Cooperation)," Updated April 4, 2021, accessed April 14, 2021 http://www.odacambodia.com/reports/Individual_project_summary_report2008.asp?Record_Id=China%2D2007%2DWE81&DonorName=China ¹⁴⁷ Council for the Development of Cambodia, "Cambodia ODA Database"

¹⁴⁷ Royal Government of Cambodia, Development Cooperation and Partnerships Strategy (2019-23)

¹⁴⁸ Council for the Development of Cambodia, "Cambodia ODA Database"

¹⁴⁹ Royal Government of Cambodia, Development Cooperation and Partnerships Strategy (2019-23)

iv. Transparency and Accountability

Has there been a collection by state institutions of any financial and non-financial data on the use of public and private funds related to developmental co-operation related to ODAs?

Yes, the Council for the Development of Cambodia has an Official Development Assistance (ODA) Database, where profiles of Vaico Project Phase I and Phase II, Parts I & II, are listed.¹⁵⁰ The project profile lists approval dates, start dates, and confirmed or estimated completion dates; associated agencies; project budget and source; yearly budget expenditure/disbursements; sector classification and contribution to SDGs; geographic location(s); and development effectiveness indicators.

Yes, the database is publicly accessible to any stakeholder and has an easy-to-operate format where it is possible to search projects by aid provider and/or year of implementation. Visitors to the database can create reports by selecting certain categories and reported indicators. The reports can even be exported to Excel for further analysis.¹⁵¹ However, the data listed under each project is submitted by the project owners themselves. Furthermore, it is noted that while the owners are recommended to complete the whole questionnaire, the only required entry is the project name; thus, development partners have the option to opt-out of the disclosure of certain metrics to any extent that they desire.

Moreover, as mentioned above, while there is a requirement to update the project reports in the ODA database twice a year, we did not observe such in the Vaico project at least, with report updates in November 2019, February 2021, and April 2021. Without our continual review of the database, we never would have noticed this reporting timeline, as none of the reports are archived in the database. Therefore, when changes are made to scopes or project specifics, they are not disclosed, as comparing current reports to prior materials is not feasible. For example, given that we frequently visited the Vaico report in the ODA database, we were able to note changes made in the report updates. For instance, Part I of Phase II was listed at \$91,746,813 USD in the November 2019 and February 2021, by the April 2021 report update Part I's budget has decreased to \$58,531,889 USD.¹⁵² Without downloading previous reports, this change would have never been noticed. No reasons for such change were disclosed.

Additionally, the annual Development Cooperation and Partnerships Report (DCPR) is publicly accessible online and exhibits data on the funds provided by each ODA partner and their distribution across various development sectors. The DCPR also tracks development partners' utilization of the following measures: results frameworks, Public Financial Management (PFM) systems, procurement systems, 1-year plans, and 3-year plans, as well as the percent of their aid on budget and their aid predictability.¹⁵³ However, this data is highly general, and while readers can perhaps identify general patterns among development partners, it is hard to identify any specific issues.

For example, while the 2019 DCPR (published in 2020) recognizes that development partners' use of the government's procurement system and results frameworks remains quite limited, at 50% and 61% respectively in 2019, it does not detail which projects or partners lead this participation gap. Moreover, no productive solutions are listed to solve such participation gaps.¹⁵⁴ Additionally, the DCPR is only available on CRDB's website for the years 2004, 2008, 2010, 2018, 2020.¹⁵⁵

¹⁵⁰ Council for the Development of Cambodia, "Cambodia ODA Database"

¹⁵¹ Ibid.

¹⁵² Council for the Development of Cambodia, "Project Summary Reports: Project/Program Information and Implementation Arrangements: Vaico Irrigation Development Project Phase II"

¹⁵³ Open Development Mekong, Development Cooperation and Partnerships Report, Cambodian Rehabilitation and Development Board Council for the Development of Cambodia, March 2020 https://data.opendevopmentmekong.net/dataset/f62d91113-71dc-4696-b5be-ea489d0f092e/resource/d0ce20e7-d40c-47b3-a1ee-0a9f370195ee/download/english_2.pdf

¹⁵⁴ Cambodian Rehabilitation and Development Board & the Council for the Development of Cambodia, Development Cooperation and Partnerships Report, March 2020, <http://cdc-crdb.gov.kh/en/publicationview.php?id=7>

¹⁵⁵ Cambodian Rehabilitation and Development Board, "Publication," Accessed April 5th, 2021 <http://cdc-crdb.gov.kh/en/publication.php> .

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What is BRI Monitor?

BRI Monitor is a collaborative effort by five civil society organizations in Southeast Asia and the Pacific: the Institute for Democracy and Economic Affairs (IDEAS) of Malaysia, Stratbase Albert Del Rosario Institute (ADRI) of the Philippines, Sandhi Governance Institute (SGI) of Myanmar, the Institute of National Affairs (INA) of Papua New Guinea and the Future Forum of Cambodia to promote transparency and accountability in major infrastructure projects funded through the Belt and Road Initiative (BRI) in the region.

These organizations have studied the regulatory environments governing these large infrastructure projects in respective countries, including public procurement, official development assistance, public private partnership (PPP), and more, to identify regulatory gaps. They have each researched a set of case studies to identify implementation gaps and governance gaps. Each case study assesses the level of transparency based on almost 40 data points, from basic project information to the tendering process to project completion. Last but not least, each organization maps out the structure of the projects in question in order to understand the degree of public financial exposure resulting from each project. (please check our research methodology here).

This website is intended to be a platform for the publication of our research outputs and as a knowledge repository. We also hope that the website can be used as a platform for knowledge sharing and a tool to advocate better governance of major infrastructure projects in the region.

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