

# Building Toward Constructive Capital: Cambodia

March 2022

Prepared by :





Future Forum 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.

# Introduction:

## The Belt and Road Initiative in Cambodia

Over the past decade China has emerged as Cambodia's single most significant economic partner; despite the decades-old track record of aid, investment, and trade from Japan and the United States. During the Covid-19 pandemic the relationship between Cambodia and China only strengthened: Cambodia is now China's closest partner in Southeast Asia.

Key to the relationship is China's economic support, chiefly through improvements to Cambodia's infrastructure. As of June 2021, China had built eight bridges and 3,287 kilometers of roads via more than US \$3 billion in Chinese concessional loans.<sup>1</sup> In the first half of 2021 Chinese loans accounted for 43.76 percent (or \$4.02 billion) of Cambodia's \$9.18 billion in foreign debt.<sup>2</sup>

While the vast majority of Chinese funds has been directed toward infrastructure, China's aid and influence can be felt across a range of sectors.

China is currently the Kingdom's largest foreign investor, bilateral donor, trading partner (in terms of imports to Cambodia), and source of foreign tourists—a sector that pre-COVID contributed nearly 20 percent of Cambodia's Gross Domestic Product (GDP).<sup>3</sup>

In 2019 Cambodian Prime Minister Hun Sen defended growing reliance on investment through China's global Belt and Road Initiative (BRI): "As a sovereign state, we have the right and choice to decide what we want and the type of financing we need and implement those projects based on the strengthening of ownership and leadership of its national development."<sup>4</sup>

As Cambodia's dependence on China has grown, so criticism has grown about the relationship—including conflicts of interest and lack of transparency, sustainability, and consultation with the community. Not only Cambodians, but the Cambodian government, have sometimes complained about the quality of Chinese construction.

In 2021, however, Hun Sen doubled down on Cambodia's commitment to the BRI. "Nikkei, Cambodia's Hun Sen: 'If I don't rely on China, who will I rely on?'"<sup>5</sup>

---

<sup>1</sup> Vannarith Chheang, "BRI Projects in Cambodia and Laos roll on despite Covid-19," ISEAS, July 27, 2021 <https://www.iseas.edu.sg/articles-commentaries/iseas-perspective/2021-99-bri-projects-in-cambodia-and-laos-roll-on-despite-covid-19-by-vannarith-chheang/>; Vireak Thou, "Over 3,000 km roads funded by China loans, says minister," Phnom Penh Post, December 6, 2021, <https://www.phnompenhpost.com/business/over-3000km-roads-funded-china-loans-says-minister>

<sup>2</sup> Sorn Sarath, "Cambodia's Foreign Debt Tops \$9 Billion, with China Accounting for more than 40 Percent," Camboja News, August 19, 2021 <https://cambojanews.com/cambodias-foreign-debt-tops-9-billion-with-china-accounting-for-more-than-40-percent/>

<sup>3</sup> Sok Kha, "The Belt and Road in Cambodia: Success and Challenges," The Diplomat, April 19, 2019 <https://thediplomat.com/2019/04/the-belt-and-road-in-cambodia-successes-and-challenges/>  
OECD, "Cambodia," Structural Policy Country Notes, 2018 <https://www.oecd.org/dev/asia-pacific/saeo-2019-Cambodia.pdf?msclkid=89c21c69ac6811ecb003ea4848488061>

<sup>4</sup> Office of the Council of Ministers, "PM HUN SEN: Cambodia Benefits a lot from Belt and Road Initiative," April 26, 2019 <https://pressocm.gov.kh/en/archives/51959>

<sup>5</sup> "Nikkei, Cambodia's Hun Sen: 'If I don't rely on China, who will I rely on?'" Nikkei Asia, May 20, 2021 <https://asia.nikkei.com/Spotlight/The-Future-of-Asia/The-Future-of-Asia-2021/Cambodia-s-Hun-Sen-If-I-don-t-rely-on-China-who-will-I-rely-on>



## Case Studies in the Context of the BRI

Future Forum has conducted case studies of three China-funded projects in Cambodia focused thematically on three dimensions of Chinese overseas development assistance: State-Owned Enterprises (SOEs), Official Development Assistance (ODA), and Public Procurement.

The first case study examines the roles and unique dynamics of SOEs in Cambodia's Tatay River Hydropower Dam (TRHD) project, which was completed in 2015. The project, in the Thma Bang District of the Kingdom's western Koh Kong Province, is owned by Chinese SOEs and funded by Chinese lending institutions.

The second case study focuses on the nuances of the Vaico Irrigation Development (VID) project, a series of irrigation and drainage canals, sluices, bridges, and culverts connecting farmland in eastern Cambodia to the Mekong River. The VID initiative is identified as a Chinese ODA project by the Council for the Development of Cambodia (CDC), the Cambodian government agency responsible for coordination, review, evaluation, and facilitation of foreign aid and investment.

The third case study explores public procurement in the Ang Kroeung-Thnal Kaeng (AKTK) Section project of National Road 6 (NR 6). While Cambodia owns NR 6, a 415-kilometer highway stretching from the capital city of Phnom Penh to the kingdom's northwestern border with Thailand, the 248-kilometer AKTK was built and funded by China.

**“Because China has never provided an official list  
of its BRI projects across the world,  
establishing parameters for projects  
that would qualify as BRI initiatives is a challenge  
for researchers the world over.”**

Because China has never provided an official list of its BRI projects across the world (a 2021 white paper provides a total number of projects, but does not provide a breakdown of projects by country <sup>6</sup>), establishing parameters for projects that would qualify as BRI initiatives is a challenge for researchers the world over. Future Forum regards projects as part of the BRI if they are consistent with BRI programs and goals as set out by the Chinese government, or were declared BRI projects by Chinese officials (e.g., representatives of the Chinese Embassy in Phnom Penh) or by Cambodian officials at events where Chinese officials were present.

Some projects that began before 2013, when the BRI was officially launched, have since been “waived in” as part of the initiative. In Cambodia, for example, paperwork for the TRHD was signed before the BRI officially launched. But the dam later was categorized as a BRI project by Cambodian Commerce Minister Pan Sorasak at the 2017 Asia-Pacific Regional Conference.<sup>7</sup>

---

<sup>6</sup> Huaxia, ed., “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](http://www.xinhuanet.com/english/2021-01/10/c_139655400.htm)

<sup>7</sup> “Cambodia Sees Belt and Road Initiative as Key Development Strategy for Trade, Investment,” China Daily, November 6, 2017 [https://www.chinadaily.com.cn/business/2017-11/06/content\\_34179176.htm](https://www.chinadaily.com.cn/business/2017-11/06/content_34179176.htm)

Similarly, at the 2015 inauguration ceremony for the dam, Chinese Ambassador to Cambodia Bu Jianguo said the project was yet another example of the “friendly and productive” Sino-Cambodia relationship under the BRI.<sup>8</sup>

The VID is classified as a BRI project by Future Forum because of its timeline: phases one and two occurred at around the same time the BRI was officially launched.<sup>9</sup> Moreover, as a large-scale, freshwater-centric infrastructure project, the irrigation project follows common patterns of Chinese funding.<sup>10</sup> Finally, the project received loans from a major funder of BRI projects, the Export-Import Bank of China (EXIM).

The AKTK also can be seen as falling under BRI auspices. During the June 2018 inauguration ceremony for the project, Cambodian Prime Minister Hun Sen lauded China’s BRI initiative for bolstering infrastructure in the Kingdom and throughout the world.<sup>11</sup> The expansion of NR 6 has been characterized as a BRI project, too, by Reconnecting Asia, a project of the Center for Strategic and International Studies (CSIS) that maintains one of the most extensive databases of infrastructure projects across Eurasia.<sup>12</sup>

## Governance Gaps

### Regulatory Gaps

#### *Legal Loopholes*

Cambodia has yet to institute a slate of laws and regulations that would govern development projects with foreign SOEs in a way that wholly mitigates potential misappropriation and preserves opportunities for all stakeholders. Such projects currently fall under the purview of three laws: the 2012 Law on Public Procurement, the 2007 Law on Concessions, and the 1994 Law on Investment.

**This lack of legal cohesion creates gaps in pre-existing laws that may be taken advantage of by some actors.**

Article 37 of the Law on Concessions, for example, states that the concession periods of agreements with concessionaire shall not exceed 30 years except in instances of breach of contract (by contracting institutions or other competent institutions) or force majeure events.<sup>13</sup> The Article also states that

---

<sup>8</sup> China Gezhouba Group Co., Ltd., “Cambodian Tatay Hydropower Station Put into Operation for Power Generation,” December 31, 2015 [https://www.chinadaily.com.cn/m/gezhouba/2015-12/31/content\\_23473917.htm](https://www.chinadaily.com.cn/m/gezhouba/2015-12/31/content_23473917.htm)

<sup>9</sup> Vannarith Chheang 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](http://www.nids.mod.go.jp/english/publication/joint_research/series17/index.html)

<sup>10</sup> “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/>

<sup>11</sup> Liu, ed., “China-funded national road inaugurated in Cambodia,” Xinhua News Asia & Pacific Edition, June 11th, 2018 [http://www.xinhuanet.com/english/2018-06/11/c\\_137246369.htm](http://www.xinhuanet.com/english/2018-06/11/c_137246369.htm)

<sup>12</sup> Center for Strategic and International Studies (CSIS), “National Road 6A, Siem Reap - Kampong Cham Expressway,” Reconnecting Asia Database: Projects, accessed May 3rd, 2021 <https://reconnectingasia.csis.org/database/projects/siem-reap-kampong-cham-road-widening/23c5ef5a-9b0a-4f12-8346-96294fe53835/>

<sup>13</sup> The Council for the Development of Cambodia, “Law on Concessions (unofficial translation),” Legal Affairs Department, August 26, 2007 <http://www.cambodiainvestment.gov.kh/wp-content/uploads/2011/09/>



concession periods may be extended if concessionaires experience unforeseen costs resulting from the actions of contracting institutions.<sup>14</sup> Nowhere in Article 37, however, are potential lengths of such extensions specified.

Because of the lack of specificity under the 2007 law, the concession period for the TRHD project reached 42 years—surpassing the ostensible cap for such projects by 12 years.

The 2012 Law on Procurement, moreover, does not pertain to ODA projects. Article 3 of the law states that all procurement projects shall be governed by the law except for projects linked to national security and development partners' projects.<sup>15</sup> That is, procurement for development partner's projects may sidestep the law in favor of whatever agreement is struck between respective parties.<sup>16</sup> Based on our review of ODA projects over the past decade, China has never used Cambodia's state procurement system.<sup>17</sup>

Shortcomings are also present in the 1996 Law on Environmental Protection and Natural Resource Management. Under the law, all projects must submit an Environmental Impact Assessment (EIA) to the Ministry of Environment, a requirement buttressed by the 1999 Sub-Decree No.72 on the "Environmental Impact Assessment Process."<sup>18</sup> Still, neither the 1996 law nor the 1999 sub-decree require businesses or the government to make EIAs publicly available.

Pech Pisey, head of Transparency International Cambodia, as well as members of the NGO Forum on Cambodia (a civil society network that shares information relevant to the Kingdom's development), lamented the lack of transparency around environmental law. "We often ask to have reports shared [with us]," Pisey said. "[But] both authorities and companies use their rights [to say] it's not their obligation to share publicly. So, they don't share. They can say it's their companies' confidential document, between them and the authorities."<sup>19</sup>

Still, the Kingdom continues to take steps toward apparently filling the gaps in transparency and accountability that hinder the long-term sustainability of the Kingdom's development: In September 2021 Cambodia's National Assembly adopted a new Law on Investment, and in October 2021 the Cabinet approved the Law on Public-Private Partnerships (PPPs).<sup>20</sup>

---

Law-on-Concessions-Full-Text\_071019.pdf

<sup>14</sup> The Council for the Development of Cambodia, 2007

<sup>15</sup> World Bank, "Law on Public Procurement 2012," World Bank Public Private Partnership Legal Resource Center, accessed October 21, 2020 <https://ppp.worldbank.org/public-private-partnership/sites/ppp.worldbank.org/files/documents/Law%20on%20Public%20Procurement%20%28draft%29%202011.pdf>; Open Development Cambodia (ODC), "Law on Public Procurement 2012," ODC's legal document, accessed February 2021, [https://data.opendevlopmentcambodia.net/laws\\_record/public-procurement-law](https://data.opendevlopmentcambodia.net/laws_record/public-procurement-law)

<sup>16</sup> World Bank, 2012; Open Development Cambodia, accessed February 2021

<sup>17</sup> Future Forum, "Chinese Official Development Assistance (ODA) and Infrastructure Development in Cambodia: Vaico Irrigation Case Study," 2021 <https://www.brimonitor.org/>

<sup>18</sup> International Labor Organization, "Law on Environmental Project and Natural Resource Management," adopted December 24, 2019 [https://www.ilo.org/dyn/natlex/natlex4.detail?p\\_lang=en&p\\_isn=93402&p\\_country=KHM&p\\_count=175](https://www.ilo.org/dyn/natlex/natlex4.detail?p_lang=en&p_isn=93402&p_country=KHM&p_count=175); The Council for the Development of Cambodia, "Sub-decree on Environmental Impact Assessment Process," August 11, 1999 [http://www.cambodiainvestment.gov.kh/sub-decree-72-anrk-bk-on-environment-impact-assessment-process-pdf\\_990811.html](http://www.cambodiainvestment.gov.kh/sub-decree-72-anrk-bk-on-environment-impact-assessment-process-pdf_990811.html)

<sup>19</sup> Tran TechSeng, "NGO Forum: Government has stop sharing environmental Impact Report," VOD, November 23, 2020 <https://vodenglish.news/ngo-forum-government-has-stopped-sharing-environmental-impact-reports/>

<sup>20</sup> Vireak Thou, "Investment law sails through National Assembly, headed to Senate," Phnom Penh Post, September 09, 2021 <https://www.phnompenhpost.com/business/investment-law-sails-through-national-assembly-heading-towards-senate>

## Regulatory Application

China-funded projects in Cambodia evaluated in our case studies reveals that laws have been violated, or applied inappropriately.

The TRHD project violated Article 6 of the Law on Environmental Protection and Natural Resource Management, according to the nonprofit, International Rivers.<sup>21</sup> The law states that “an environmental impact assessment shall be done on every project and activity, private or public, and shall be reviewed and evaluated by the Ministry of Environment before being submitted to the Royal Government for decision.”<sup>22</sup> Nevertheless, in a 2013 letter to the executive board review of Cambodia’s Clean Development Mechanism (CDM), the nonprofit asserts that the government approved the Tatay dam in 2009—well before the final approval of its EIA in 2011.<sup>23</sup>

The AKTK project, too, appears to have violated Cambodian law. Under Article 40 of the Law on Public Procurement, tender documents—as well as notifications of prequalification, bidding, and amendments—must be published in newspapers, on the bulletin boards of procuring entities (responsible ministries), and on the website of the government’s General Department of Public Procurement, which is under the Ministry of Economy and Finance. Since 2013, however, the tender documents for the AKTK section have yet to be made publicly available. (The relaunched website of the Public Procurement Department only publishes records dating from late 2020. The website of the Ministry of Public Works and Transport (MPWT), moreover, only publishes records from 2017 to 2021.)

## Implementation Gaps

Because of the lack of transparency surrounding Chinese-funded projects, our review relies primarily on information collected by third parties, including national and international NGOs, research centers, and media outlets. The websites of relevant Cambodian ministries and Chinese project owners provide few details beyond vague press releases; while the CDC database is something of an exception, data is limited to basic project summaries.

Furthermore, the Chinese-funded projects Future Forum reviewed were effectively closed to community consultation. As of November 2021 no official studies of the projects—from basic design and surveys to feasibility and EIA reports—were publicly available. This dearth of publicly available information extends, too, to monitoring and evaluation reports, post-report impact studies, and compensation for displaced residents.

Such limited access of the public to centralized and official information sows confusion over timelines, budgets, and changes to project scope or cost. The community consultation stage of the TRHD project, specifically, has been criticized by environmental organizations as inadequate, and not only because it preceded the approval of the EIA.<sup>24</sup> The TRHD’s EIA, too, addresses only the direct and obvious effects

---

Pisei Hin, “Draft PPP law sails through Cabinet,” Phnom Penh Post, October 10, 2021 <https://www.phnompenhpost.com/business/draft-ppp-law-sails-through-cabinet>

<sup>21</sup> Ame Trandem, “CDM: Form for Submission of a ‘Letter to The Board,’” United Nations Framework Convention on Climate Change, Version 01.2, February 8, 2012 [https://cdm.unfccc.int/stakeholder/submissions/2013/0215\\_ir\\_req.pdf](https://cdm.unfccc.int/stakeholder/submissions/2013/0215_ir_req.pdf)

<sup>22</sup> Trandem, 2012

<sup>23</sup> Trandem, 2012

<sup>24</sup> Trandem, 2012



of the dam and downplays the secondary effects, such as the impact on downstream fishing stocks and the livelihoods of nearby residents, according to researchers Mira Käkönen and Try Thuon.<sup>25</sup>

The VID project also exposed shortcomings in the areas of community consultation and environmental mitigation. A 2018 article in *Mekong Eye* reported that VID had failed to irrigate even a single hectare of land after a year of first-phase completion.<sup>26</sup> Most of the local residents interviewed in the piece said the project actually was an impediment to irrigation of their fields during the dry season, and to drainage of their fields during the wet season.<sup>27</sup> “The apparent absence of a project study report, combined with the problems reported by *Mekong Eye*, raise concerns that China-funded projects have only cursorily engaged with, or outright ignored, local stakeholders.”

As noted in the preceding section on Regulatory Gaps, no tender documents for any the three projects could be found. Regardless, each of the Chinese-funded projects was contracted entirely to Chinese firms for construction—terms consistent with the BRI’s “tied aid” approach.<sup>28</sup>

The TRHD project is a useful case in point even though the tender was signed before adoption of Cambodia’s Law on Public Procurement. The relationships among key players reveal a clear conflict of interest between the TRHD’s owner, Cambodia Tatay Hydropower Limited (CTHL), and Chinese construction firms involved in the project.<sup>29</sup> CTHL and China Jikan Research Institute of Engineering Investigations and Design, Co., Ltd. shared the same parent company, China National Machinery Industry Corporation (Sinomach). In addition, PowerChina Northwest Engineering Corp. Ltd., another Chinese construction firm involved in the project, was originally listed as a minority shareholder in CTHL.<sup>30</sup>

The links among key players elevate conflicts of interest to the backdrop of longstanding procurement issues associated with Chinese infrastructure projects in Cambodia. As early as 2011, two years before the launch of the BRI, the Phnom Penh Post reported accusations of unfair bidding practices surrounding Chinese construction of infrastructure in the Kingdom.<sup>31</sup> Even Cambodia’s MWPT criticized the paving of the AKTK section of NR 6, urging the builder, Shanghai Construction Group (SCG), to pay for deficiencies out of its own pockets. “I would like to tell you that we have inspected road construction sites on National Road 6, which goes to Siem Reap province. Our ministry leaders have checked and

---

<sup>25</sup> Mira Käkönen and Try Thuon, “Overlapping Zones of Exclusion: Carbon Markets, Corporate Hydropower Enclaves and Timber Extraction in Cambodia,” *Journal of Peasant Studies* 46, no. 6 (July 17, 2018): 1192–1218 <https://www.tandfonline.com/doi/full/10.1080/03066150.2018.1474875>

<sup>26</sup> David J.H. Blake, “Recalling hydraulic despotism: Hun Sen’s Cambodia and the return of strict authoritarianism,” *Austrian Journal of South-East Asian Studies* 12, no. 1 (2019): 69–89 <https://aseas.univie.ac.at/index.php/aseas/article/view/2904>; David Blake, “The Cambodian People’s Party and a “Proof of Concept” Irrigation Scheme,” *Mekong Eye*, October 2, 2018 <https://www.mekongeye.com/2018/10/02/11078/>; David Blake, “Encountering Cambodia’s Biggest Irrigation Project, But Where’s the Irrigation?,” *Mekong Eye*, October 11, 2018 <https://www.mekongeye.com/2018/10/11/encountering-cambodias-biggest-irrigation-project-but-wheres-the-irrigation/>

<sup>27</sup> Blake, 2019

<sup>28</sup> Samantha Custer, et. al, “Silk Road Diplomacy: Deconstructing Beijing’s Toolkit to Influence South and Central Asia,” December 10, 2019 <https://docs.aiddata.org/reports/silk-road-diplomacy-2019.html>

<sup>29</sup> Future Forum, “Chinese State-owned enterprise and Infrastructure Development in Cambodia: The Tatay River Hydropower Dam Project,” 2021 <https://www.brimonitor.org/>

<sup>30</sup> Future Forum, 2021

<sup>31</sup> Don Wienland, “Shanghai firm lead the way,” *Phnom Penh Post*, September 20, 2011 <https://www.phnompenhpost.com/business/shanghai-firm-lead-way>

found that the road is not built to standard,” said MPWT Minister Sun Chanthol. “Now they [SCG] have pleaded with us to repave the entire road until Siem Reap province with three centimeters of asphalt, spending at least USD \$10 million of the budget.”<sup>32</sup>

The AKTK is not the first road project for SCG in Cambodia. For instance, SCG also built National Road 8, which a MPWT senior official later characterized as poor-quality.<sup>33</sup> Low-quality roads usually mean higher maintenance costs.

Given the longevity and persistence of issues surrounding the tender process, transparency, and community consultation in Cambodia, public skepticism of Chinese-built infrastructure is certainly understandable.

## Key Findings of China-Funded Projects: Controversies

### Tatay River Hydropower Dam:

- No project study report is publicly available
- Violation of the EIA Regulation
- Conflict of interest among Chinese bidders/contractors
- Deficient community consultation and Environmental Impact Assessment (EIA)

### Vaico Irrigation Development Project:

- No project study report is publicly available
- Similar patterns of failure as in previous large-scale irrigation projects
- Inconsistent budget figures
- Deficient Project Study
- Phase I is reportedly nonfunctional

### National Road 6's Ang Kroeung-Thnal Kaeng section:

- No project study report is publicly available
- No tender documents are publicly available
- Lone Chinese contractor has track record of poor work on similar projects in Cambodia

<sup>32</sup> Ven Rathavong, “Chinese road firms promises better work,” Khmer Times, January 6, 2017 <https://www.khmertimeskh.com/63692/chinese-road-firm-promises-better-work/>

<sup>33</sup> Meng Siv, “National Road built with Chinese aids under fire,” Phnom Penh Post, February 25, 2016 <https://www.phnompenhpost.com/real-estate/national-roads-built-chinese-aid-under-fire>

## Other Issues

Cambodia has yet to adopt the draft Law on Access to Information that would require ministries to respond to legitimate requests for information.<sup>34</sup>

The Future Forum team sent a letter to the MPWT requesting the tender documents for AKTK of NR 6 but received no response. The team sent a letter, too, to the Ministry of Environment requesting the final EIAs and feasibility studies for THRD and VID. Again, we received no response.

The team requested the aforementioned documents, specifically the feasibility study report, too, in an August 2021 e-mail to the Chinese Embassy in Phnom Penh, but has yet to receive a response.

## Conclusion and Recommendations

Overall, Chinese-funded infrastructure projects present significant challenges to transparency and sustainability in Cambodia. Relevant data and documents must be disclosed publicly, and all key stakeholders and impacted communities should be allowed access.

This report encourages the Cambodian government to mandate that all donors and investors release to the public crucial documents and data associated with their respective projects.

Centralized databases must be provided by the government for public scrutiny of tender documents and Environmental Impact Assessments, as well as data including: project status, loan terms, relevant stakeholders, feasibility studies, and monitoring and evaluation reports. Moreover, during the selection of potential bidders in the tender process, government online resources should provide profiles of the bidders that include their respective leadership structures.

**By making this information publicly available,  
the government would be able to better engage with  
civil society and researchers in evaluating and ensuring  
that the Kingdom receives “value for money.”**

While China’s growing influence in Cambodia might seem likely to hamper implementation of these recommendations, there are glimmers of hope: the recent improvements to websites of key government ministries, coupled with improvements to the website of the CDC, are tangible steps toward feasibility.

To build on these improvements, Cambodian laws should institute a regulatory framework whereby initiatives, such as the BRI, must disclose project information to the public.

---

<sup>34</sup> Socheath Sar, “Information access draft law in final stage and to be expedited,” Khmer Time, November 5, 2021, <https://www.khmertimeskh.com/50965262/information-access-draft-law-in-final-stage-and-to-be-expedited/>; Daphne Chen, “Access to information law finally ready for enactment,” Phnom Penh Post, January 25, 2018, <https://www.phnompenhpost.com/national/access-information-law-finally-ready-enactment>

---

Particularly, as ODA projects could be loans that require government repayment, procurement for these projects should be held to clear guidelines or standards in order to ensure the project's sustainability. The government might need to propose a new Sub-decree to close the loophole that currently allows for the extension of the concessionaire period under vague conditions.

The responsible ministries could undertake a comparative assessment of project undertaken by various donors, including Japan, China, and the Asian Development Bank (ADB). This comparison would improve the Kingdom's development by highlighting best practices of successful projects and provides room to detect consistent issues in the project implementation process.

These steps to close regulatory loopholes and increase transparency would make projects more responsive to the needs of communities, reduce criticism of Chinese investment, and empower Cambodia's government to maximize project benefits for the Kingdom's development.

**BRI** **MONITOR**  **R**

# 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 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 identify domestic and international entities involved in the project and to understand the degree of public financial exposure resulting from each project.

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.

BRI Monitor is supported by the Center for International Private Enterprise (CIPE).