

January 22, 2014

## **Comments from Spain and Germany—Approval by mail: Endorsement of Revised SPCR for Cambodia (PPCR) ADB**

We note with great appreciation that the proposed revision of the *Strategic Program for Climate Resilience* (SPCR) for Cambodia is “based on consultations with concerned ministries and other stakeholders”. However, on the basis of the information made available through the documents submitted for endorsement, we have concerns about and objections to the changes as presently proposed, along with some concrete suggestions. We would therefore like to request additional information on the questions raised below, and would like our comments on the *National Adaptation Plan* (NAP) process to be incorporated into the revision (see **bold** highlights below), prior to being able to approve the proposed revision of the *Strategic Program for Climate Resilience* (SPCR) for Cambodia.

We are indeed surprised that the proposed *Project 1: Climate risk management and rehabilitation of irrigation schemes for Kampong Thom, Banteay Meanchey and Siem Reap* is proposed to be dropped from the list of PPCR-financed projects. This would leave only USD 10 million (out of USD 91 million total) allocated to the SPCR’s strategically important *Component I: Climate-Resilient Water Resources*. The previous version of the SPCR, as proposed in 2011, had gone to great length explaining the cross-sectoral importance of investing in climate resilient water resources, e.g. highlighting that “with only limited land under irrigation and low level of infrastructure for water management, the agriculture sector is particularly vulnerable to changes in rainfall patterns”, and concluding that “since climate change impacts such as unusually heavy flooding can cause significant damage to infrastructure, rehabilitation and climate proofing of flood control and irrigation infrastructure is crucial”. The new version of the SPCR now submitted finds that the planned investment in “climate risk management and rehabilitation of irrigation schemes for Kampong Thom, Banteay Meanchey and Siem Reap experienced considerable delays, as some policy reforms to provide the right enabling environment are yet to happen”. **Given the stated importance of the water resources sector and of water resources infrastructure for Cambodia’s climate resilient development, we wonder whether reallocating resources from investments in such infrastructure to investments in road infrastructure is the appropriate response to a slow speed of policy reform in the water resources sector. We would like to learn more on the RGC’s and the ADB’s respective views on this matter, prior to being able to approve the proposed reallocation.**

Also, the new SPCR proposal states in paragraph 17. that “the project team has succeeded in mobilizing additional funds to address climate resilience component of the [to-be-dropped climate risk management and rehabilitation of irrigation schemes ...] project”. **We would like to learn more about the additional funds, their volume, and how they can compensate the gap being opened in water resources related investments by reallocating USD 14 million elsewhere.**

Regarding the increase of funds allocated for *Component IV: Technical Assistance*, we welcome such an increase in principle. We do however have questions regarding scope and content of the technical assistance. The SPCR does mention the support provided through this technical assistance to implementing feasibility studies for selected *National Adaptation Program of Action* (NAPA) projects. Under the UNFCCC, the discussion has however moved on considerably since the time the NAPA initiative was established in 2001. The NAPAs were intended to address countries’ urgent and immediate adaptation needs. In 2010, the

UNFCCC has decided to establish the more comprehensive, longer-term oriented process of *National Adaptation Plan* (NAP), to address medium- and long-term adaptation needs, and to support the better integration of climate change adaptation into development planning<sup>1</sup> – an objective very close to what the PPCR is aiming to achieve. Cambodia is actively pursuing the implementation of its NAP process<sup>2</sup>, and is already receiving some limited and small-scale support through the UNDP's *National Adaptation Plans Global Support Programme* (NAP-GSP)<sup>3</sup>. We are thus rather surprised that the SPCR, the objectives of which are very close to those of the NAP process, makes no single mention of that NAP process, and of potential synergies and support needs – particularly when taking into account that the *Ministry of Environment* (MoE) is spearheading the implementation of both the SPCR's *Component IV: Technical Assistance* and the implementation of the NAP process. We would even argue that having parallel NAP and PPCR processes would be highly disadvantageous, and would unnecessarily strain the country's already limited capacities to efficiently implement adaptation initiatives. **We are thus of the opinion that a technical assistance component in the context of any SPCR would definitely need to establish strong linkages to a NAP process taking place in the same country. In the case of Cambodia, given the technical assistance component's overall volume of USD 10 million, a significant proportion of these resources should be allocated to support Cambodia with the implementation of its NAP process, in order to exploit all possible synergies – rather than putting even more resources into further pursuing the decade-old NAPA initiative. We would like to see this reflected prominently in the SPCR document.**

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<sup>1</sup> See e.g. <http://unfccc.int/resource/docs/2011/cop17/eng/09a01.pdf>

<sup>2</sup> See e.g. [http://unfccc.int/files/adaptation/application/pdf/cambodia\\_nap\\_expo\\_presentation\\_2013.pdf](http://unfccc.int/files/adaptation/application/pdf/cambodia_nap_expo_presentation_2013.pdf)

<sup>3</sup> See e.g. <http://www.undp-alm.org/nap-gsp-countries>