

	digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	education and research	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	<p>Budget line: 14.020131</p> <p>Total estimated cost: EUR 6 000 000</p> <p>Total amount of EU budget contribution EUR 6 000 000</p> <p>The action is part of a Team Europe Initiative (TEI-2) ‘Build back better – green energy and industrial value chains’/ Cambodia, in which:</p> <ul style="list-style-type: none"> • Key member states: Germany, Sweden. • Total indicative amount: EUR 71 000 000, including ongoing and future programmes, and potential blending operation 			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	<p>Direct management through: Procurement</p> <p>Indirect management with: The entity(ies) to be selected in accordance with the criteria set out in section 4.4.2</p>			

1.2 Summary of the Action

The Garment, Footwear and Travel Goods (GFT) sector is a key driver of Cambodia’s economy, being the biggest employer of mainly women workers and currently accounting for two thirds of merchandise exports. In order to contribute to the country’s green growth and decent jobs creation, it has the potential to transform into a greener and more competitive productive sector, meeting higher sustainability standards required by key international markets such as the EU. Cambodia has taken initiatives to facilitate a green transition in the industry, as is evidenced by the recent adoption of the Garment, Footwear and Travel Goods Strategy and National Energy Efficiency Policy.

This action will support this green transition by unlocking investment in energy efficiency and renewable energy (including sustainable biomass and solar photovoltaic rooftops) for the GFT sector in an integrated approach that also improves industry skills and working environment for the workers targeting energy related aspects such as heat stress, lighting, noise pollution and inadequate ventilation. It has a strong link to skills development under the EU Education programme and to trade related assistance under the EU GATE programme, both under the Annual Action Plan 2023 together with this action. The action aims to build a successful pilot model within the GFT sector, which could be applied in other industrial sectors to support diversification of Cambodia’s economy. Key intervention areas include energy audits and factory training on sustainable energy and safe working environment practices, building national energy capacity (i.e. train relevant government officials, and support national certification programmes for energy managers and auditors), and addressing unsustainable fuelwood consumption in the GFT industry with application of digital technologies. These interventions will contribute to higher productivity and improved competitiveness of the GFT sector by reducing energy cost, reducing CO₂ emissions, and creating a safer and healthier working environment for the workers. At the same time and to ensure sustainability beyond the action’s life, the action will strengthen the national regulatory environment and support