# BUILDING SOCIAL PROTECTION FLOORS WITH THE ILO TOGETHER, TO CHANGE MILLIONS OF LIVES IN CAMBODIA



International Labour Organization

# STRONG POLITICAL COMMITMENT TO EXTEND SOCIAL PROTECTION

Cambodia's social protection system has had a slow start. However, after several years, a new window of opportunity has recently opened, with the Ministry of Economy and Finance (MEF) taking the lead in developing a National Social Protection Policy Framework (NSPPF). The NSPPF brings together social insurance and social assistance under one policy document for the first time and provides a vision for the phased establishment of a social protection floor (SPF), as advocated by the ILO's Social Protection Floors Recommendation, 2012 (No.202).

The MEF's leadership has created an unprecedented momentum for the development of a social protection system owned, coordinated and financed by the government.

# DESPITE THE COMMITMENT, THE ROAD AHEAD IS LONG

Social protection in Cambodia is at an initial stage and thus, there are several challenges to overcome:

- Most Khmer people have little or no effective coverage, particularly the most vulnerable.
- Civil servants enjoy a comprehensive benefit package financed through the state's budget. The introduction of contributory mechanisms is imperative for the sustainability of these provisions.
- The National Social Security Fund (NSSF) covers 1.2 million workers in the private sector, providing injury insurance, maternity benefits and most recently health insurance. However, legally and practically, coverage is limited to large enterprises.
- Workers in the informal economy, representing 90 per cent of the labour force, have no access to state provisions.



Social assistance for poor and vulnerable people is mostly provided on a small scale by donors and nongovernmental organizations. Such programmes include Health Equity Funds (HEF); Community-based Health Insurance (CBHI); school feeding and scholarships; foodfor-work and cash-for-work; and maternal, child health, and nutrition programmes.

The recent developments, coupled with ongoing reforms of decentralization, provide new perspectives for the overall reform of not only the system of benefit delivery, but also of governance.

### SOCIAL PROTECTION POLICY FRAMEWORK

This ambitious framework seeks to rationalize the currently fragmented system of social protection and address existing gaps through the introduction of new schemes. Priority is placed on ensuring the long-term sustainability of the existing public pension scheme. In the short term, the government is committed to introducing and expanding contributory pension and health insurance branches for the public and private sectors.

In terms of social assistance, three new initiatives are being discussed: a grant for pregnant women and children, disability allowances and social pensions for the elderly.



# FROM RIGHT TO REALITY WITH YOUR SUPPORT

The ILO and its partners (UN, P4H) have long experience of working in Cambodia and supporting the Government and other social protection stakeholders to build the social protection system. With your help, we can make the SPF a reality for all people in Cambodia.

You can support us to:

Support the Government to pass social security legislation.

#### US\$ 100,000 per vear

Support the National Social Security Fund to expand their coverage to the informal sector.

#### <u>US\$ 100,000 per vear</u>

Support the National Social Security Fund to design a pension branch of the Fund.

#### <u>US\$ 100,000 per year</u>

Support the National Social Security Fund to implement the health insurance branch of the Fund.

#### US\$ 100,000 per year

Support the Ministry of Social Affairs to design a unified cash transfer for vulnerable households.

## <u>US\$200,000 per vear</u>

Document Cambodia's experience through briefs and videos and contribute to a how-to guide on administration of the social protection system.

<u>US\$ 50,000</u>

# LISTENING TO YOUR AMBITIONS

As a donor, you receive regular reports on the progress made and have access to ongoing project activities and performance indicators.

To further discuss your objectives and the ways in which you can support stakeholders in Cambodia and improve millions of lives, you can contact:



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