



# Cambodia

Population <sup>i</sup>	14,562,008
Age structure	
• 0-14 years (%)	34.1
• 15-64 years (%)	62.5
• 65 years and over (%)	3.4
Infant mortality rate (per 1,000 live births) both sexes <sup>ii</sup>	69
Life expectancy at birth (years) female	62.8
Life expectancy at birth (years) male	59.2
Maternal mortality ratio (per 100,000 live births) <sup>iii</sup>	540
Public social protection expenditure (% of total public expenditure) <sup>iv</sup>	32
Informal economy (%) <sup>v</sup>	72.8
GDP per capita	
• Current USD <sup>vi</sup>	711
• PPP (current international \$) <sup>vii</sup>	1,951
• Constant local currency <sup>viii</sup>	1,968,651
Unemployment rate (%) <sup>ix</sup>	1.68
Human development index (HDI rank) <sup>x</sup>	137
HDI poverty indicators – Human poverty index rank	87

# The National Social Protection Strategy for the Poor and Vulnerable: Process of Development



Vathana Sann

## Summary

- Rationale behind the strategy: to accelerate progress towards the Cambodian Millennium Development Goals so as to reduce poverty and inequality, and to achieve socio-economic security for the population and bring coherence to policy formulation and implementation;
- The Strategy prioritizes the development of effective and sustainable social safety nets for the poor and vulnerable and establishes the framework for sustainable and comprehensive social protection for all Cambodians over the long run (including contributory and non-contributory schemes);
- The Council for Agricultural and Rural Development (CARD) is the governmental body mandated to coordinate and develop the social protection framework.

### Five objectives and key interventions (based on the vulnerability and gap analysis and consultation process in 2009 and 2010):

1. The poor and vulnerable receive support to meet their basic needs, including food, sanitation, water and shelter in times of emergency and crisis.
2. Poor and vulnerable children and mothers benefit from social safety nets to alleviate poverty and enhance the development of human capital by improving nutrition as well as maternal and child health, promoting education and eliminating child labour, especially its worst forms.
3. The working-age poor and vulnerable benefit from work opportunities to secure income, food and livelihoods while contributing to the creation of sustainable physical and social infrastructure assets.
4. The poor and vulnerable have effective access to affordable, quality health care and financial protection in case of sickness or illness.
5. Special vulnerable groups, including orphans, the elderly, single women with children, people living with disabilities, and people living with HIV and tuberculosis, receive income, in-kind and psycho-social support, and adequate social care.

### Instruments for social protection:

- Cash and in-kind transfers and fee exemptions;
- Public works programmes;
- Social welfare services.

## Information on the Author

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## INTRODUCTION

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Having emerged from three decades of instability, Cambodia has had an impressive record of sustained growth and poverty reduction. Yet Cambodians still face many serious forms of vulnerability, notably regarding weather-dependent agriculture, idiosyncratic shocks, and un- and under-employment. The coverage of existing social protection programmes for the poor and vulnerable is very limited, and the presence of important sources of vulnerability (such as malnutrition, health shocks and poor quality of education) that remain inadequately addressed lead poor households into further destitution.

To promote equitable growth in the near-to-medium term, an effective and affordable social protection system should be developed that supports the poor and vulnerable in coping with major sources of vulnerability while at the same time promoting human development. In the near future, priority should therefore be given to the development of effective and affordable social protection programmes for the poor and vulnerable that achieve these goals.

An effective social protection system also promotes equitable growth and the government's ability to reform. To the extent that it encourages prudent risk-taking and enhances opportunities for the poor, social protection can be beneficial for economic growth. Social protection can also help governments to embark on reforms that have long-term benefits in economic efficiency but high short-term social and political costs by providing

effective compensation to those negatively affected by the reform.

## CONTEXT

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In the last three decades, Cambodia has changed its political regime more frequently than any neighbouring countries. Cambodian society – especially its social infrastructure – also has experienced major changes and challenges. The Government managed to stabilize the famine situation prevailing in 1979 and made slow but steady gains in reconstructing schooling and basic health care. The population was organized into “solidarity groups”. This collectivization ensured equal access to the scarce male labour and draft animals available in 1979-1980, but as the economy recovered, it came to be seen as a hindrance to growth. Spontaneous de-collectivization, formalized through liberalization and land distribution in 1989, improved output and was welcomed by most although vulnerable groups lost important forms of social security (Frings, 1993).

Great achievement in terms of infrastructure and human rehabilitation and development is tremendously significant. Cambodia had been embarking on a transition from war to peace, especially from one ruling party to multi-party politics, and from an isolated and planned economy to a free-market economy integrated into international trade. Since the Paris Peace Agreements in 1991, free and fair elections have been conducted. Since 1993, Cambodia has been transformed from a post-conflict society into a normal developing country.

## POVERTY PROFILE OF CAMBODIA

The last decade in Cambodia has been characterized by high rates of sustained economic growth, averaging 7 per cent growth in gross domestic product (GDP) per year between 1997 and 2007. Over the same period, per capita income doubled from US\$285 to US\$593 per year (GDP in 2008 was \$711). Such growth has raised living standards and reduced poverty, which fell from an estimated 45 to 50 per cent of the population in 1994 to 35 per cent in 2004 and 30 per cent in 2007. Rising incomes and improved public services have contributed to improving human development indicators. Rapid growth and poverty reduction were accompanied by structural transformations: integration into the regional and global economy, a gradual shift of employment from agriculture to manufacturing,

and migration from rural to urban areas.

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**Table 1** | Cambodian population index and projections.

Demographic Indicator	1970	1980	1990	2000	2008*	2010	2020	2030
Midyear population (*1,000)	7,396	6,888	9,345	12,396	13,395	14,753	17,601	20,183
Growth rate (%)	-0.7	2.5	3.6	1.8		1.8	1.6	1.1
Total fertility rate (births/woman)	6.5	7.4	6	3.7		3	2.7	2.4
Crude birth rate/1,000 population	43	58	47	27		26	23	18
Life expectancy at birth (years)	38	37	52	59		63	66	69
Infant mortality rate/1,000 births	199	228	144	82		53	38	27
Under-5 mortality rate/1,000 births	274	327	185	104		67	47	33
Crude death rate/1,000 population	24	28	15	9		8	7	7

\* Data from 2008 general census.

Source: National Institute of Statistics.

**Table 2 | Profile of the poor.**

Stage	Quintile				
	Poorest	Next Poorest	Middle	Next Richest	Richest
Owned agricultural land is secured by a title (%)	15.6	21.6	24.5	25.3	28.6
Distance to nearest all-weather road (km)	5.2	3.7	3.3	3.1	1.9
Distance to permanent market (km)	10.8	9.6	8.1	7.1	4.2
Households with water pump (%)	3	8	9	12	13
Plots with access to irrigation in dry season (%)	6	10	12	13	12
Dependency burden (elderly and children per 100 economically active adults)	96.9	84.5	76.6	64.9	54.3
Literacy, adults, age 15 and older (%)	29.3	38.3	43.2	51.1	60.8
Education (average school grades completed by adults)	2.8	3.5	3.9	4.6	6.3

*Source: Cambodia Socio-Economic Survey (CSES) 2004.*

Poverty incidence largely remains a rural phenomenon. Despite impressive poverty reduction, one of three individuals continues to live below the poverty line. While poverty rates decreased in both urban and rural areas, inequality and the urban-rural divide increased between

1993-1994 and 2007. Less than 1 per cent of the population in Phnom Penh was deemed to be poor in 2007, compared to more than 20 per cent in other urban areas and almost 35 per cent in rural areas, where approximately 80 per cent of the population lives. While

**Table 3 | Poverty and inequality trends.**

	% Population	Poverty Headcount (%)			Gini Coefficient	
		1993/1994	2004	2007	2004	2007
		Phnom Penh	9.9	11.4	4.6	0.83
Other urban	10.2	-	24.7	21.8	0.44	0.47
Rural	79.8	-	39.2	34.7	0.34	0.36
Cambodia	100	47	34.7	30.1	0.40	0.43

*Source: Knowles (2008) for the 2004 and 2007 data and World Bank Cambodia Poverty Assessment (2006) for 1993/1994 data. Owing to limited coverage of the 1993/1994 survey, poverty data for Cambodia in 1993/1994 have been extrapolated.*

**Table 4** | Poverty levels of selected population groups.

Group	% Population	% Poor	Poverty Gap
Elderly (65 years old or above)	4.3	25.9	5.5
Employed	53.3	28.3	6.6
Members of female-headed households	18.2	27.9	7.2
Members of male-headed households	81.8	31.2	7.5
Members of employed-headed households	91.1	31.0	7.5
People with disabilities	1.3	28.6	7.2
Ethnic minorities	2.2	36.1	10.0
Infants (below 1 year old)	4.0	38.9	10.0
Children (ages 0-14)	33.5	37.4	9.4
<b>Cambodia</b>	<b>100</b>	<b>30.5</b>	<b>7.4</b>

*Source: Cambodia Socio-Economic Survey (CSES) 2007..*

inequality in Phnom Penh has decreased, it has increased in other urban and rural areas, leading to an overall increase in inequality from a Gini coefficient of 0.39 to 0.43 in only three years (2004-2007) (table 3). A large proportion of the population also remains nearly poor and vulnerable to shocks that can push it into poverty.

An increasing number of rural households have also become landless since land redistribution in the 1980s. A 2004 Oxfam study estimated that 20 per cent of rural households were affected by landlessness, with the number of those affected rising by 2 per cent per year. Another 25 per cent of households have less than 0.5 hectares, an insufficient amount of land to sustain them. The poor also lack or have few basic assets –

including draft animals or adequate housing – that ensure a flow of income and can act as collateral to obtain credit. Lack of assets also means that the poor have few instruments to cope with consumption or income shocks.

The non-diversification of household economies exacerbates the vulnerability of rural Cambodians. Most rural households rely heavily on subsistence agriculture for their livelihood, with rice cultivation accounting for 90 per cent of total cultivated area and 80 per cent of agricultural labour input. Cambodia's unique hydrological regime and very low levels of coverage by water-control infrastructure mean that agricultural production (and thus household food security) is heavily dependent on the weather and can fluctuate significantly from year to

**Table 5** | Summary of the coverage of main risks.

Age group	Main Vulnerabilities	Progress to Date	Gaps and Challenges
<b>Early childhood (0-4 years)</b>	<ul style="list-style-type: none"> <li>Stunted child development.</li> </ul>	<ul style="list-style-type: none"> <li>Some maternal and child nutrition programmes are in place;</li> <li>Breastfeeding practices are improving.</li> </ul>	<ul style="list-style-type: none"> <li>Supply of services remains limited and of poor quality;</li> <li>Coverage is not universal.</li> </ul>
<b>Primary school age (5-14 years)</b>	<ul style="list-style-type: none"> <li>High dropout rate;</li> <li>Poor quality of education;</li> <li>Child labour.</li> </ul>	<ul style="list-style-type: none"> <li>Some maternal and child nutrition programmes are in place;</li> <li>Breastfeeding practices are improving.</li> </ul>	<ul style="list-style-type: none"> <li>Supply of services remains limited and of poor quality;</li> <li>Coverage is not universal.</li> </ul>
<b>Youth (15-24 years)</b>	<ul style="list-style-type: none"> <li>Low productivity;</li> <li>Low human capital/skills;</li> <li>Underemployment.</li> </ul>	<ul style="list-style-type: none"> <li>Scholarships are improving attendance;</li> <li>Some programmes in place to improve quality of education and of vocational training.</li> </ul>	<ul style="list-style-type: none"> <li>Quality of education remains poor;</li> <li>Low attendance;</li> <li>Coverage is not universal;</li> <li>Almost nonexistent second-chance programmes to improve productivity of unskilled workers.</li> </ul>
<b>Adults (25-64 years)</b>	<ul style="list-style-type: none"> <li>Low productivity;</li> <li>Low human capital/skills;</li> <li>Underemployment.</li> </ul>	<ul style="list-style-type: none"> <li>Public works programmes are providing some assistance during lean season or crises.</li> </ul>	<ul style="list-style-type: none"> <li>Limited coverage;</li> <li>Funding and assistance remain volatile, defying their safety-net role.</li> </ul>
<b>Elderly and disabled</b>	<ul style="list-style-type: none"> <li>Low income;</li> <li>Underemployment.</li> </ul>	<ul style="list-style-type: none"> <li>Pensions for civil servants;</li> <li>Some donor assistance to the disabled.</li> </ul>	<ul style="list-style-type: none"> <li>No pensions for the poor except for civil servants;</li> <li>Very limited assistance to the disabled.</li> </ul>
<b>All groups</b>	<ul style="list-style-type: none"> <li>Health shocks.</li> <li>Crisis and natural disasters.</li> </ul>	<ul style="list-style-type: none"> <li>Health equity funds are financing health care for the poor.</li> <li>Public works have shown to be an effective and rapidly expandable safety-net instrument during crises and natural disasters.</li> </ul>	<ul style="list-style-type: none"> <li>Quality of health care remains poor;</li> <li>Coverage and access are not universal.</li> <li>Limited coverage of existing public works programmes;</li> <li>Coverage is not universal and depends on funding</li> </ul>

year. In the first half of this decade, unusual floods and droughts severely affected large parts of the countryside, resulting in three years with negative

rates of agricultural growth. Rice yields remain among the lowest in the region owing to limited and poor use of improved seed, fertilizer, tillage and

**Table 6** | Major sources of vulnerability along the life cycle.

Group	Main Sources of Vulnerability
Pregnant mothers	High maternal mortality rates.
Infants and children	High malnutrition rates; Poor quality of education/High dropout rates; Child labour and sexual exploitation.
Youth	Poor quality of education/High dropout rates; Low productivity.
Working-age population	Low productivity; Disability.
Elderly	Inability to work.
<b>Entire life cycle</b>	<b>Health shocks;</b> <b>Natural disasters;</b> <b>Food insecurity;</b> <b>Economic and (food) price crises.</b>

water management. Because productive off-farm opportunities are limited, rural households lack alternatives that would enable them to maintain stable incomes or cope in times of poor harvest.

## TRADITIONAL AND INFORMAL SOCIAL SAFETY NETS

The dramatic socio-economic and political changes of the past two decades have had a significant impact on the social fabric of Cambodia. The structure of Cambodian society has changed and its culture has been dislocated. None are more vulnerable to these upheavals than children and women. Families, which provide the first safety net for the survival, protection and healthy development of

children, have been fragmented and weakened by death and separation. Communities or villages, once composed of extended family networks established for generations, have been shattered and reformed by forced population movements, displacement and repatriation.

Cambodia’s traditional social safety net existed in the form of sharing, mutual assistance and, within the pagoda, extended families and neighbour networks through charity and community self-help activities. The monks and the pagoda played an important role in offering meals and temporary shelter to poor and vulnerable people in need within the community. The elderly or very poor are sometimes able to access services at the pagoda, in Muslim communities or in

Christian churches, but the availability of such services is limited to a few. Through extended family structures, most vulnerable and poorer members of relatives often received in-kind assistance. Traditional mutual help and support in the form of food and interest-free loans in times of need still exist within kinship systems, extended families and informal networks of occupational groups.

Moreover, other forms of safety nets in the modern history of Cambodia can be observed where wealthy families, high-ranking officials, business people and communities extended their own private means to assist and offer help to those who needed the most. Informal arrangements based on kinship and community practices and gifts from wealthy urban groups to poorer rural communities provide households with some protection against risk. Forms of humanitarian support in recent times include emergency assistance from the Cambodian Red Cross and political parties to households affected by disasters and gifts in cash or in kind from political parties. This assistance is needs-based, and poor and vulnerable workers who have met this assessment have received it. However, such assistance, available only as emergency support, is unreliable as a source of security and may come with political strings and/or is insufficient to ensure full recovery from crises. Moreover, such assistance is much rarer today (it was more common before the election of July 2008).

## **BACKGROUND OF SOCIAL PROTECTION IN CAMBODIA**

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### **EXISTING INSTITUTIONAL AND LEGAL FRAMEWORK FOR SOCIAL PROTECTION**

After the war, Cambodia was moving from a phase of war towards peace, from a culture of continued conflict to a culture of compromise, dialogue and reconciliation. In response to the challenges, the strategy for the National Programme for Rehabilitation and Development of Cambodia (NPRDC) was developed, adopted and implemented. The broad aims of the Government of Cambodia were set out in the NPRDC in February 1994 and elaborated in Implementing NPRDC in February 1995: "Striving to Achieve a Sustainable Growth with Equity and Justice". The extensive experience of Cambodia in providing social protection intervention to the people from the most difficult time (1979) to rehabilitation (1991) and national development (post-1993) is one of the success stories of the country.

In the document, war was declared on poverty, and the development of the rural areas is seen as critical to raising the living standards for the majority (80 per cent) of the Cambodian population. Since 1993, rural development has played, and will continue to play, an important and active role in implementing and achieving the goals and targets set forth in the Government's various policy documents, such as the National Programme for Rehabilitation and

Development of Cambodia (NPRDC), the Socio-economic Development Plan (SEDP I-II) and the National Poverty Reduction Strategy (NPRS). Work in the rural-development sector has contributed towards the reduction of poverty in rural areas through decentralized and participatory approaches to the improvement of rural accessibility and to creating opportunities for rurally based people in their own development. The vision of “Returning to the Villages” was and continues to be the theme for rural-development activities that seek to alleviate poverty through the implementation of projects and programmes that will improve accessibility to socio-economic services in rural areas and that will strengthen and empower the local grassroots organizations at the village level. The goal is to achieve sustainable development and self-reliance.

In response to the needs in rural areas, external assistance was provided through loans and grants to rural-development projects and programmes. The Asian Development Bank, the Department for International Development (DFID), the European Union, the German Agency for Technical Cooperation (GTZ), the Japan International Cooperation Agency (JICA), Kreditanstalt für Wiederaufbau, the Swedish International Development Cooperation Agency (SIDA), the World Bank and United Nations entities (i.e., the International Labour Organization (ILO), the United Nations Development Programme (UNDP), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children’s Fund (UNICEF), the World Food Programme (WFP) and the World Health Organization (WHO)) and other development partners have provided financial and technical assistance to

### **Box 1. Legal framework of social protection stated in the Constitution.**

Article 36: Every Khmer citizen shall have the right to obtain social security and other social benefits as determined by law.

Article 46: The State and society shall provide opportunities to women, especially to those living in rural areas without adequate social support, so they can get employment, medical care, and send their children to school, and to have decent living conditions.

Article 73: The State shall give full consideration to children and mothers. The State shall establish nurseries, and help support women and children who have inadequate support.

Article 74: The State shall assist the disabled and the families of combatants who sacrificed their lives for the nation.

Article 75: The State shall establish a social security system for workers and employees.

improve rural accessibility and increase opportunities for rural people. Rural development activities included but were not limited to the following: rehabilitation of the rural infrastructure such as roads, markets, water supply and

sanitation; expansion of rural credit services and income-generating activities; and strengthening of the institutional and human-resource capacity at the national, provincial and local levels.

**Box 2. Organic laws codifying some aspects of social protection in Cambodia.**

Organic laws that have codified some aspects of social protection in Cambodia are as follows:

- Labour Law (October 1998);
- Insurance Law (June 2000);
- Law on Social Security Schemes for Persons Defined by the Provisions of the Labour Law (September 2002);
- National Action Plan to Combat Violence against Women has been developed in accordance with the Law on the Prevention of Domestic Violence and the Protection of Victims (2005);
- Law on Suppression of Human Trafficking and Sexual Exploitation (2007), consistent with the United Nations Palermo Protocol; and
- Law on the Protection and the Promotion of the Rights of People with Disabilities (2009).

**Table 7 | Cambodia’s Strategic Framework for Social Protection.**

Institution	Dimension(s) of Social Protection and Social Safety Nets	Current Sectoral Policy/Strategy
<p><b>National government institutions mandated to deliver social services to the population and to protect specific vulnerable groups against risks</b></p>	<ul style="list-style-type: none"> <li>• National Social Safety Fund for private-sector employees;</li> <li>• Vocational training;</li> <li>• Child labour elimination programme.</li> </ul>	

**Table 7** | Cambodia’s Strategic Framework for Social Protection (cont’d.).

Institution	Dimension(s) of Social Protection and Social Safety Nets	Current Sectoral Policy/Strategy
Ministry of Social Affairs, Veterans and Youth Rehabilitation	<ul style="list-style-type: none"> <li>• National Social Security Fund for civil servants;</li> <li>• Services for veterans;</li> <li>• Services for the homeless and destitute, victims of trafficking, children and youths, people living with disabilities;</li> <li>• Emergency relief to those affected by natural disasters.</li> </ul>	Work Platform 2009-2013.
Ministry of Women’s Affairs		
<b>National government institutions that implement specific safety-net interventions</b>		
Ministry of Health	<ul style="list-style-type: none"> <li>• Health equity funds;</li> <li>• Community-based health insurance for the poor and vulnerable.</li> </ul>	Health Strategic Plan 2008-2015; Strategic Framework for Health Financing 2008-2015; Master Plan for Social Health Insurance 2003-2005.
Ministry of Education, Youth and Sport	<ul style="list-style-type: none"> <li>• Scholarship for the poor programme.</li> </ul>	Education Sector Strategic Plan 2006-2010.
<b>National government institutions with complementary activities</b>		
Ministry of Agriculture, Forestry and Fisheries	<ul style="list-style-type: none"> <li>• Food production, livelihoods.</li> </ul>	Strategy for Agriculture and Water 2006-2010.
Ministry of Public Works and Transport	<ul style="list-style-type: none"> <li>• Implementation of national policy concerning all public works construction.</li> </ul>	
Ministry of Rural Development	<ul style="list-style-type: none"> <li>• Rural infrastructure works.</li> </ul>	
Ministry of Water Resources and Meteorology	<ul style="list-style-type: none"> <li>• Rural infrastructure works.</li> </ul>	
Ministry of Planning	<ul style="list-style-type: none"> <li>• Identification of Poor Households Programme.</li> </ul>	Ministry of Planning Strategic Plan 2006-2010.

Safety-net interventions are scattered across several ministries (see tables 7 and 9). Individual ministries and even non-governmental organizations (NGOs) have their own mandate and policy framework regarding social protection. In developing a National Social Protection Strategy for the Poor and Vulnerable (NSPS), the challenges of separated policy frameworks existing in different stakeholders must be taken into consideration. The Ministry of Labour and Vocational Training, the Ministry of Social Affairs, Veterans and Youth Rehabilitation, and the Ministry of Women’s Affairs are all mandated to manage State social services for the wider population and help to protect specific vulnerable groups against risks. In collaboration with the World Food Programme (WFP), the Ministry of Rural Development and the Ministry of Water Resources and Meteorology are also implementing a

food-for-work programme that distributes 3,500 tons of rice per year to approximately 20,000 households.

The Ministry of Social Affairs, Veterans and Youth Rehabilitation and the Ministry of Labour and Vocational Training are the two main government providers of social protection schemes. The former provides assistance to retired civil servants, veterans and their dependents while the latter oversees social protection schemes for private-sector workers.

In 2005, the Government (through the Ministry of Social Affairs, Veterans and Youth Rehabilitation) made payments to civil servants, military, police, disabled people and deceased and/or patriot-dead military and their dependents that totalled US\$16.4 million and benefitted 120,000 persons (table 8). It is interesting to note that dependents such as the children and

**Table 8 |** Types of pension schemes and beneficiaries.

Type of Pensioner	Estimated Total Number of Beneficiaries	Amount of Benefits (in millions of US\$)
Retired civil servant*	19,489	4.024
Retired military**	5,151	1.140
Disabled military (retired)***	31,121	7.010
Disabled civil servant (retired)****	5,151	1.125
Dependent of dead patriot military*****	54,895	2.400
Dependent of dead civil servant	4,000	0.606
<b>Total</b>	<b>119,807</b>	<b>16.305</b>

\* Also provides allowance to 13,364 spouses and 13,820 children.  
 \*\* Also provides allowance to 4,417 spouses and 12,132 children.  
 \*\*\* Also provides allowance to 28,607 spouses and 91,328 children.  
 \*\*\*\* Also provides allowance to 102,007 parents and 103,788 children.  
 \*\*\*\*\* Also provides allowance to 4,000 children.

**Table 9** | Social safety nets and social protection framework in various ministries.

Risks and Shocks	Programme Type	Programme	Lead Ministry
<b>1. Situations of emergency and crisis</b>	Food distribution	Emergency Food Assistance Project (free distribution of rice)	MEF
		Disaster response and preparedness; general food distribution (Ketsana)	NCDM
		Package of emergency relief to vulnerable and victims of emergency (including victims of land mines)	MoSVY
	Budget support	Smallholder Agriculture and Social Protection Development Policy Operation	MEF
	Commune transfers for emergency assistance	Emergency assistance – cash and in-kind assistance to communes to support achievement of Cambodian Millennium Development Goals	Mol
<b>2. Human development constraints</b>			
Poor maternal and child health and nutrition	Nutrition programmes	Child survival: components on improving maternal health and newborn care, promotion of key health and nutrition practices Maternal and Child Health and Nutrition Programme Other interventions	MoH
	Social security	Maternity benefits for all workers EXCEPT domestic workers, civil servants, armed forces and police; 90 days of maternity leave; pay at half salary covered by employer (Labour Law Article 183)	MoLVT
Poor access to quality education	Scholarships in cash	Fast Track Initiative (FTI) (grades 4-6); Cambodia Education Sector Support Project (CESSP) (grades 7-9); Japan Fund for Poverty Reduction (JFPR) (grades 7-9); Basic Education and Teacher Training (BETT) Project (grades 7-9); Enhancing Education Quality Project (EEQP) (grades 10-12); Dormitory Project (grades 10-11); various projects (grades 7-9)	MoEYS
		Emergency Food Assistance Project (grades 5-6 and 8-9)	MEF
Child labour, especially its worst forms	Direct intervention and livelihood improvement	Project of Support to the National Plan of Action on the Elimination of the Worst Forms of Child Labour (NPA-WFCL) 2008-2012	MoLVT
Poor access to quality training	Second-chance education programme	Technical and Vocational Education and Training (TVET) pilot skills bridging programme TVET post-harvest processing TVET voucher skills training programme (non-formal)	MoLVT
<b>3. Seasonal unemployment and livelihood opportunities</b>	Public works programmes (PWPs)	Food for work	MRD
		Food for work (Emergency Food Assistance Project)	MEF
		Cash for work (Emergency Food Assistance Project)	MEF
	School feeding	School feeding	MoEYS
		Emergency Food Assistance Project	MEF
Take-home rations	Take-home rations	MoEYS	

**Table 9** | Social safety nets and social protection framework in various ministries (cont'd.).

Risks and Shocks	Programme Type	Programme	Lead Ministry
<b>4. Health shocks</b>	Insurance	National Social Security Fund (NSSF) health insurance (planned for 2011)	MoLVT
		NSSF employment injury coverage	
		Health insurance for retired civil servants (planned)	MoSVY
	Fee waiver	Exemptions at rural facilities for poor patients	MoH
	Health equity funds (HEFs)	HEFs in 50 operational districts (ODs)	
	Community-based health insurance (CBHI)	13 CBHI schemes	
<b>5. Special vulnerable groups</b>	Social welfare for elderly	Elderly persons' association support and services	MoSVY
	Pensions	Invalidity pensions for parents or guardians of deceased soldiers, spouses of people living with disabilities, retirees and people who have lost their ability to work	
	Social welfare for families living with disabilities	Physical rehabilitation centres/community-based rehabilitation services for people with disabilities	
	Social welfare and policy development for children and orphans	Orphans: allowance, alternative care, residential care; child victims of trafficking, sexual exploitation and abuse; children in conflict with the law and drug-addicted children	
		Child protection: helps to develop laws, policies and standards and raise awareness to protect children at particular risk	
	Social welfare for families living with HIV/AIDS	Social services and care to children and families of victims and people affected by HIV/AIDS; children in conflict with the law; drug-addicted children	
		HIV/AIDS workplace programme for garment factory workers	MoLVT
		Food Assistance to People Living with HIV and AIDS	MoH,
For tuberculosis patients	Food Assistance to Tuberculosis Patients	MoSVY	
<b>6. Other</b>	Pensions	Civil servants and veterans retirement pensions	MoSVY
		NSSF employer-based pension schemes (planned)	MoLVT
MEF	Ministry of Economics and Finance		
MoEYS	Ministry of Education, Youth and Sport		
MoH	Ministry of Health		
Mol	Ministry of Interior		
MoLVT	Ministry of Labour and Vocational Training		
MRD	Ministry of Rural Development		
MoSVY	Ministry of Social Affairs, Veterans and Youth Rehabilitation		
NCDM	National Committee for Disaster Management		
NPA-WFCL	National Plan of Action on the Elimination of the Worst Forms of Child Labour		

the spouse and/or parents of deceased civil servants and deceased military receive pensions.

The National Social Security Fund for Civil Servants (NSSF-C), established in 2008, replaces direct payments of social security benefits to civil servants through a contribution-based system that provides a number of benefits: pensions, disability, maternity, work injury, funerals and survivors' pensions. It covers 180,000 civil servants and their families. The National Social Security Fund for Private-sector Employees (NSSF), established in 2008, is set to provide, by 2012, the following to all private-sector employees of firms with more than eight employees: (a) employment injury coverage (employment injury insurance was launched in November 2008 and, in December 2009, was already covering 350,000 workers from roughly 900 enterprises), (b) health insurance and (c) pension coverage.

NGOs play a significant role in assisting households in distress. In 2007, NGOs channelled roughly 26 per cent of total official development assistance (ODA) in Cambodia (Council for the Development of Cambodia (CDC) ODA database), with US\$65 million spent on social protection alone in 2007. Within the health sector, much assistance goes towards primary health care and access to hospitals and clinics. In education, it focuses on basic education for the poor and vocational training. NGOs are also very active in providing community and social welfare services through orphanages and general assistance to vulnerable children and youth.

## **GAPS AND CHALLENGES IN THE PROVISION OF SOCIAL PROTECTION**

The Government has also identified the following institutional and implementation constraints with regard to the effective and efficient provision of social protection:

- Safety-net implementation often reflects immediate priorities (such as the need to respond to food and financial crises) rather than a shared longer-term vision for safety-net development.
- Programmes are often implemented in parallel with the national government structure, failing to build capacity of local government to gradually take over safety-net management, therefore generating a vicious cycle of low local capacity and sustained parallel implementation of programmes.
- Limited coordination among social protection interventions has resulted in uneven coverage, duplication of efforts, and lack of sustainability and overall impact.
- Geographic coverage of existing programmes, even the largest ones, is far from universal. Moreover, programmes do not necessarily prioritize poor areas.
- Targeting has not yet been mainstreamed into safety-net implementation, and many safety-net programmes still rely on ad hoc targeting procedures whose accuracy has not been investigated, adding to transaction costs and inefficiencies.

- Few programmes or institutions are actually collecting critical monitoring information beyond inputs, outputs and the mere list of beneficiaries, which makes it difficult to assess the effectiveness of ongoing programmes and improve them on an ongoing basis. Even fewer are using monitoring data to improve their procedures on a continuous basis. Moreover, there are few rigorous and thorough evaluations of existing safety-net interventions, making it difficult to assess how well they perform by international standards and where there are areas for improvement.
- Feedback and complaint resolution systems – a central pillar for guaranteeing good governance, transparency and effectiveness of safety-net interventions – tend to remain underdeveloped. Very few programmes have evaluated the effectiveness of their feedback systems.
- As an underlying challenge, the budget for safety-net implementation remains low, with the majority of funding provided by development partners and earmarked for interventions that are often implemented in parallel with the national government system.

**Table 10** | Gaps and challenges in existing interventions.

Main Risks and Shocks		Most Vulnerable Groups	Progress to Date in Response	Gaps and Challenges in Response						
<b>1. Situations of emergency and crisis</b>	Economic crises	<ul style="list-style-type: none"> <li>• All poor and near-poor.</li> </ul>	<ul style="list-style-type: none"> <li>• Public works have shown to be an effective and rapidly expandable safety-net instrument during crises and natural disasters.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited coverage and coordination of existing public works programmes.</li> </ul>						
	Climate, environmental, natural disasters	<ul style="list-style-type: none"> <li>• All poor and near-poor;</li> <li>• People living in flood- and drought-prone areas.</li> </ul>			<b>2. Human development constraints</b>	Poor maternal and child health and nutrition	<ul style="list-style-type: none"> <li>• Girls and women of reproductive age;</li> <li>• Pregnant women;</li> <li>• Early childhood (0-5 years).</li> </ul>	<ul style="list-style-type: none"> <li>• Some maternal and child nutrition programmes are in place;</li> <li>• Breastfeeding practices are improving.</li> </ul>	<ul style="list-style-type: none"> <li>• Supply of maternal and child nutrition services remains limited and of poor quality;</li> <li>• Coverage of these services is not universal;</li> <li>• Other demand-side factors (eating, feeding and care practices) are not being adequately addressed.</li> </ul>	Poor access to quality education
<b>2. Human development constraints</b>	Poor maternal and child health and nutrition	<ul style="list-style-type: none"> <li>• Girls and women of reproductive age;</li> <li>• Pregnant women;</li> <li>• Early childhood (0-5 years).</li> </ul>	<ul style="list-style-type: none"> <li>• Some maternal and child nutrition programmes are in place;</li> <li>• Breastfeeding practices are improving.</li> </ul>	<ul style="list-style-type: none"> <li>• Supply of maternal and child nutrition services remains limited and of poor quality;</li> <li>• Coverage of these services is not universal;</li> <li>• Other demand-side factors (eating, feeding and care practices) are not being adequately addressed.</li> </ul>						
	Poor access to quality education	<ul style="list-style-type: none"> <li>• School age (6-14 years).</li> </ul>			<ul style="list-style-type: none"> <li>• Scholarships and school feeding programmes are improving attendance.</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of education remains poor;</li> <li>• Coverage of education services is variable;</li> <li>• Coverage of scholarships and school feeding programmes does not reach all poor areas.</li> </ul>				

**Table 10 | Gaps and challenges in existing interventions (cont'd.).**

Main Risks and Shocks	Most Vulnerable Groups	Progress to Date in Response	Gaps and Challenges in Response
<p>Poor access to quality second-chance programmes</p>	<ul style="list-style-type: none"> <li>• Youth (15-24 years).</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of vocational training curricula;</li> <li>• Some programmes in place for second-chance education.</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of vocational training remains poor;</li> <li>• Supply of second-chance programme is minimal;</li> <li>• Poor link between training offered and employers' needs;</li> <li>• No certification/accreditation system in place for private sector.</li> </ul>
<p><b>3. Seasonal unemployment and livelihoods opportunities</b></p> <p>Under- and poor nutrition</p>	<ul style="list-style-type: none"> <li>• All poor and near-poor;</li> <li>• Pregnant women;</li> <li>• Early childhood (0-5 years);</li> <li>• Families with greater age dependency ratio;</li> <li>• Landless and land poor.</li> </ul>	<ul style="list-style-type: none"> <li>• Some targeted food distribution;</li> <li>• School feeding;</li> <li>• Public works programmes are providing some assistance during lean season or crises.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited coverage and coordination of existing public works programmes;</li> <li>• Funding and assistance remain volatile.</li> </ul>
<p><b>4. Health shocks</b></p> <p>Ill-health, injury, illness, death, pandemics</p>	<ul style="list-style-type: none"> <li>• All poor and near-poor;</li> <li>• Pregnant women;</li> <li>• Early childhood (0-5 years);</li> <li>• Elderly;</li> <li>• People living with a disability.</li> </ul>	<ul style="list-style-type: none"> <li>• Health equity funds (HEFs) are financing health care for the poor in some areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of health care remains poor;</li> <li>• Coverage/access of HEFs is not universal.</li> </ul>
<p><b>5. Special vulnerable groups</b></p> <p>Inability to work, marginalization</p>	<ul style="list-style-type: none"> <li>• Elderly;</li> <li>• People living with a disability;</li> <li>• People living with chronic illness;</li> <li>• Ethnic minorities;</li> <li>• Orphans;</li> <li>• Child labourers;</li> <li>• Victims of violence, exploitation and abuse;</li> <li>• Veterans;</li> <li>• Families of migrants.</li> </ul>	<ul style="list-style-type: none"> <li>• Pensions for civil servants, National Social Security Fund for private-sector employees;</li> <li>• Some donor assistance to the disabled;</li> <li>• Some assistance to ethnic minorities.</li> </ul>	<ul style="list-style-type: none"> <li>• No pensions for the poor;</li> <li>• Very limited assistance to people with disabilities;</li> <li>• Limited assistance to other special vulnerable groups.</li> </ul>

## PROGRESS ON SOCIAL SAFETY-NET DEVELOPMENT

### SCOPING AND MAPPING EXERCISE ON EXISTING SAFETY-NET PROGRAMMES

The Government of Cambodia agreed that the first step is to undertake a mapping exercise to determine the nature of the existing provision of safety nets and to identify policy, institutional and capacity gaps for developing a more systematic and integrated safety-net system. To start this process, responsibility for this mapping and scoping exercise is assigned to the Technical Working Group on Food Security and Nutrition (TWG-FSN) (box 3), chaired by the Council for Agricultural and Rural Development. To succeed, this analysis and subsequent safety-net devel-

opment will require the intensive engagement of social-sector ministries.

The starting point for a work programme for the Technical Working Group on Food Security and Nutrition is to prepare the concept note on the assessment of the country's overall situation of social protection. Development partners will support the development of the social safety-net strategy (SSNS) by contributing to the draft and providing technical assistance where possible. The Government, in collaboration with development partners – specifically, through the Interim Working Group on Social Safety Nets of the Technical Working Group on Food Security and Nutrition – will lead efforts towards a social safety-net strategy. WFP, co-facilitator of the Technical Working Group and the largest SSNS development part-

#### **Box 3. The initial role of the Council for Agricultural and Rural Development (CARD) in the mapping and scoping exercise of existing social safety nets.**

The Technical Working Group on Food Security and Nutrition, working with relevant government institutions and development partners, committed to carrying out the mandate given by the Government as follows:

- . mapping and scoping by end of May 2009, with World Bank support, building very much on what is already in the draft concept note and pulling together all the available information in a core paper for the July National Forum;
- . concurrent work on a draft of policy options to be presented at the July Social Safety Net National Forum, which will be supported by the World bank in collaboration with WFP and other development partners of the Interim Working Group on Social Safety Nets;
- . policy option paper to be finalized by September 2009; CARD/Technical Working Group on Food Security and Nutrition to lead, with the support from development partners; and
- . Social safety net strategy by December 2009; CARD to lead, development partners to support.

ner, will facilitate coordination with other development partners. On the Government side, the Council for Agricultural and Rural Development will coordinate among the many government agencies with social-policy programmes and an interest in the issue. The overall National Social Protection Strategy is the successful outcome of a long collaboration process between the Government and the development partners and other stakeholder involved, where the initiative comes from the willingness of the Government.

**TECHNICAL CONSULTATION ON SOCIAL PROTECTION STRATEGY AND OPTIONS**

In preparing the National Social Protection Strategy for the Poor and Vulnerable, the Council for Agricultural and Rural Development (CARD) in 2009 and 2010 convened meetings and held technical consultations with a broad set of national stakeholders, giving government representatives (national and subnational), development partners, civil society representatives and other development practitioners the opportunity to explore the options and priorities in depth (table 11).

**Table 11** | Summary of the consultation process on the National Social Protection Strategy for the Poor and Vulnerable.

Timeline	Activity/event	Outcomes
3-4 Dec. 2008	Cambodia Development Cooperation Forum	National government commitment to develop and implement an integrated national strategy for social safety nets.
Jan.-Jun. 2009	Interim Working Group on Social Safety Nets (under the Technical Working Group on Food Security and Nutrition)	Shared knowledge and consensus-building on the key concepts and broad direction for policy development and inventory of ongoing social protection interventions.
6-7 Jul. 2009	National Forum on Food Security and Nutrition under the theme of Social Safety Nets in Cambodia	During the two-day forum, 400 participants (government, development partners and civil society) held discussions, with Prime Minister Hun Sen providing the closing address.
19-22 Oct. 2009	Technical Consultation on Cash Transfers, with a focus on addressing child and maternal malnutrition	Participants from government, development partners and civil society consulted during a workshop in Phnom Penh. A group of participants also visited health and educational services and held discussions with commune councils and the provincial office in Kampong Speu. The consultation culminated in a brainstorming session by key stakeholders to produce the “Note on Cash Transfers”.

**Table 11** | Summary of the consultation process on the National Social Protection Strategy for the Poor and Vulnerable (cont'd).

Timeline	Activity/event	Outcomes
12-14 Jan. 2010	Technical Consultation on Public Works	80+ participants (government, development partners, civil society) consulted during a workshop in Phnom Penh. The core group (about 30 participants) also visited sites of cash-for-work and food-for-work projects (Asian Development Bank- and WFP-supported interventions) in Kampong Chhnang, including a consultation with representatives of a commune council and beneficiaries of the projects. The consultation culminated in a Next Steps Meeting by CARD and a core group of development partners and the production of the "Note on Public Works".
3-4 Feb. 2010	Technical Consultation on the Role of a National Social Protection Strategy in Augmenting Human Capital through Promoting Education, Reducing Child Labour and Eliminating Its Worst Forms	100+ participants (government, development partners, civil society) consulted during a two-day workshop in Phnom Penh. The consultation built consensus on integrating education and child labour issues into the National Social Protection Strategy (NSPS), particularly in instruments such as cash transfers, as well as the need to explore greater access to safety-net schemes to prevent child labour and withdraw vulnerable children from it, especially its worst forms. The "Note on Child Labour and Education" was prepared by a core group of development partners as a contribution to the NSPS.
Mar.-Apr. 2010	Consultations on draft National Social Protection Strategy (NSPS)	An executive drafting team was set up to prepare and consolidate inputs into the draft NSPS. Several consecutive drafts of the NSPS were shared and discussed in the extended format of the Interim Working Group on Social Safety Nets. Several rounds of consultations on the content of the NSPS and the proposed objectives took place to advance the shaping a coherent strategy.

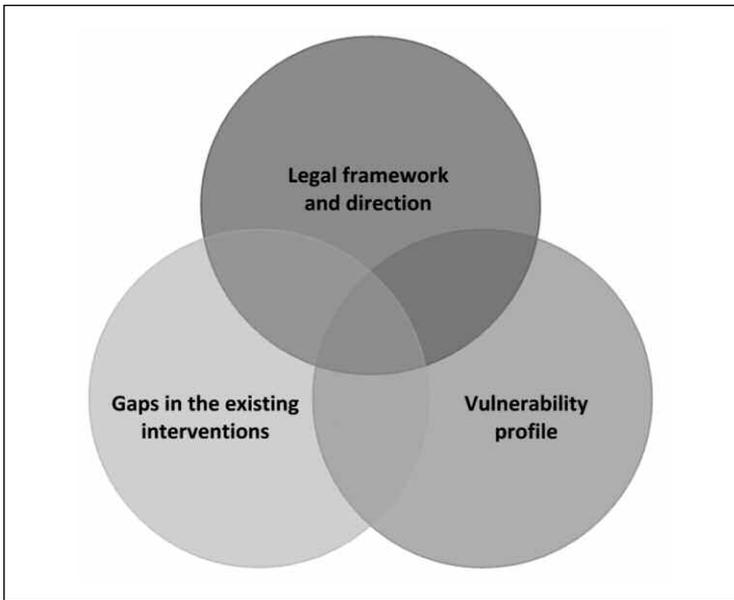
This transparent and rigorous consultation process has ensured that the analytical and policy inputs have gone through several rounds of discussion and are the result of a combined effort by all stakeholders. Coordination and the role of CARD as a focal point of dialogue among stakeholders that have different policies and agendas for achieving the strategy constitute a big success story in Cambodia.

## THE DEVELOPMENT OF SOCIAL PROTECTION FOR THE POOR AND VULNERABLE

Another success story in Cambodia is the achievement of developing a strategy for national social protection for the poor and vulnerable. The development of this strat-

egy is mainly based on the triangulation of three specific environments (fig. 1). The legal direction is the result of Cambodia’s high-level legal framework, where social protection is a priority of the national government, as expressed in the Constitution, in the Rectangular Strategy for Growth, Employment, Equity and Efficiency - Phase II, in the National Strategic Development Plan Update 2009-2013 and

in various national laws (see box 2). Also important are international conventions to which Cambodia is a signatory. Identification of the gaps in the existing social protection programmes, meanwhile, provided a strong learning experience on which to draw in developing the strategy. Numerous social protection programmes and interventions have been implemented successfully across a range of sectors.



**Figure 1** | Triangulation of environments to develop the National Social Protection Strategy for the Poor and Vulnerable.

The main rationale behind a National Social Protection Strategy for the Poor and Vulnerable (NSPS) is the need to accelerate progress towards meeting the Cambodian Millennium Development Goals. Achievement of these Goals has been further delayed by the recent food, fuel and financial crises, which have had a negative impact on the poor and widened social disparities. Social protection, a crosscutting policy area, can address the challenges involved in reduc-

ing poverty, inequality and disparities. The strategic intent of the NSPS is to achieve socio-economic security for the population – as outlined in the Rectangular Strategy - Phase II, the National Strategic Development Plan Update 2009-2013, and sectoral policies and plans – and to bring coherence across policy formulation and implementation. Another consideration is the fact that chronic poverty resulted from three decades of civil wars and the recent eco-

conomic crises, driving people into a situation of transience and being nearly poor.

## SCOPE

The national government promotes investment in social protection as both a contribution to long-term poverty-reduction goals and a short-term emergency-/shock-response measure to address the consequences of crises. The poverty and vulnerability of many Cambodians have been exacerbated since 2007 by food-price inflation and the global financial and economic crisis. The latter has affected the fastest-growing sectors of the economy (especially garments, construction and tourism) and has resulted in deterioration in employment, incomes, remittances and access to essential population services. Social protection is an investment in poverty reduction, human development and inclusive growth that contributes to the achievement of the poverty target, which the economic crisis has further widened. The National Social Protection Strategy for the Poor and Vulnerable (NSPS) is thus expected to play a critical role in reducing poverty and inequality.

Following the policy directions outlined in the Rectangular Strategy for Growth, Employment, Equity and Efficiency - Phase II, the national government is advancing social protection for the formal sector while prioritizing expanding interventions aimed especially at reducing poverty, vulnerability, and risks for the poor and vulnerable.

In the medium term, the NSPS focuses on social protection for the poor and vulnerable, who are defined as:

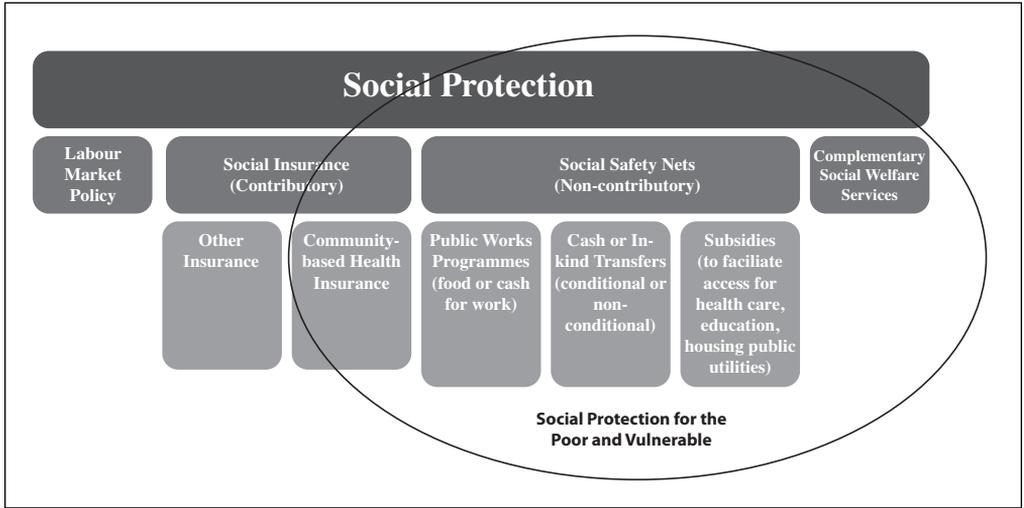
- people living below the national poverty line; and
- people who cannot cope with shocks and/or have a high level of exposure to shocks (of these, people living under or near the poverty line tend to be the most vulnerable) as well as infants and children, girls and women of reproductive age, food-insecure households, ethnic minorities, the elderly, people living with chronic illnesses, people living with HIV, and people living with a disability (vulnerable groups in the NSPS).

The NSPS prioritizes the development of effective and sustainable social safety nets targeted to the poor and vulnerable, with complementary social welfare services for special vulnerable groups, such as people living with HIV and orphans made vulnerable or affected by HIV.<sup>1</sup> The contributory intervention of community-based health insurance is also included since it is targeted at the nearly poor who are vulnerable to falling into poverty as a result of health shocks (see table 4). Figure 2 illustrates the scope of the NSPS.

At the same time, the NSPS sets the framework for sustainable and comprehensive social protection for all Cambodians over the long term. This

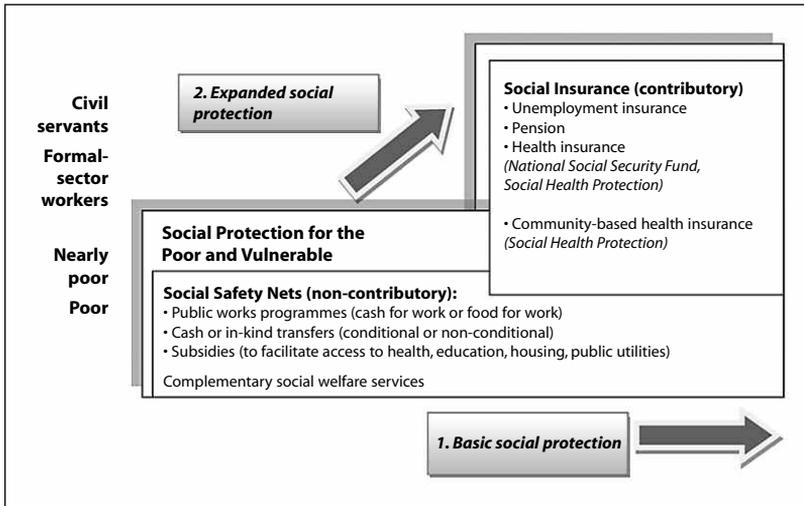
<sup>1</sup>The HIV Law (Article 26) also enshrines the right of people living with HIV to primary health-care services, free of charge, in the public-health-sector network.

**Figure 2** | Scope of the NSPS, focusing on the poor and vulnerable.



includes both contributory and non-contributory schemes. Figure 3 illustrates the relationship between coverage of basic non-contributory social protection for all and contributory social insurance for those with higher incomes, in particular formal-sector workers. The figure can be viewed as a stepwise social protection floor where basic social protection is largely based on the Social Safety Net

provision (as the focus of the National Strategic Development Plan), and the parallel contributory system (National Social Security Fund (NSSF), for instance) is expanded. Based on future economic and social development, more people will be covered over time under an insurance scheme that is based on a social protection mechanism.



**Figure 3** | Gradual progression towards comprehensive social protection as per the long-term provision of the National Social Protection Strategy for the Poor and Vulnerable (NSPS).

The development of comprehensive social protection implies ensuring that the relevant components (non-contributory and contributory) are developed in parallel with a sustainable system whereby those who can afford social protection will access it based on their formal contributions and those who cannot will rely on the State for support until they develop such capacity over time. In between, partially subsidized social protection schemes may be developed for informal-economy workers and their families, who have a limited capacity to contribute. There are linkages and complementarities between the two major components of a comprehensive system of social protection.<sup>2</sup>

## VISION, GOAL AND OBJECTIVES

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The National Social Protection Strategy for the Poor and Vulnerable (NSPS) envisions that all Cambodians, especially the poor and vulnerable, will benefit from improved social safety nets and social security as an integral part of a sustainable, affordable and effective national social protection system. The main goal of the NSPS is that poor and vulnerable Cambodians will be increasingly protected against chronic poverty and hunger, shocks, destitution and social exclusion and benefit from investments in their human capital.

From the perspective of achieving this goal, continuing social protection programming on a business-as-usual basis is inadequate. The current dominance of emergency relief and public works represents too limited a toolbox. In the drive to introduce such national social protection programmes, the broader objectives and the range of the instruments of social protection are focused as a response to vulnerability, not just to poverty. In figure 4, the vulnerable or targeted population groups are matched to a wide range of interventions/instruments in response to vulnerabilities.

Under this goal, the NSPS has the following objectives (see also table 12):

- The poor and vulnerable receive support to meet their basic needs, including food, sanitation, water and shelter, in times of emergency and crisis.
- Poor and vulnerable children and mothers benefit from social safety nets to reduce poverty and food insecurity and enhance the development of human capital by improving nutrition and maternal and child health, promoting education and eliminating child labour, especially its worst forms.
- The working-age poor and vulnerable benefit from work opportunities to secure income, food and liveli-

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<sup>2</sup>Including complementary coverage of benefits and services for population groups of different ability, and complementary financing mechanisms towards fiscal sustainability, whereby the contributory system (to a large extent) funds the development of the non-contributory system through its cross-subsidizing function and direct contribution to public revenues as well as through stronger societal support to the system, including through taxation. The ultimate aim of the dual gradual system is to ensure universal coverage to protect the population against risks, shocks and chronic situations and vulnerabilities.

**Figure 4** | Matching targeted groups to instruments/interventions to address vulnerabilities.

	Food & Nutrition	Water, Sanitation & Shelter	Access to Affordable, Quality Health Care	Education, Fight against Child Labour	Income Security (Public Works Programmes)	Social Care
Populations in situations of emergency	x	x	x			
Children, women, mothers	x		x	x	x	
Working-age poor and vulnerable			x		x	
All groups			x			
Special vulnerable groups*			x		x	x

\* Including orphans, the elderly, single women with children, people living with disabilities, people living with HIV/AIDS and tuberculosis.

hoods while contributing to the creation of sustainable assets of physical and social infrastructure.

- The poor and vulnerable have effective access to affordable, quality health care and financial protection in case of sickness or illness.
- Special vulnerable groups, including orphans, the elderly, single women with children, people living with disabilities, people living with HIV and patients with tuberculosis and other chronic illnesses, receive income, in-kind and psycho-social support and adequate social care.

The achievement of these objectives requires a mix of programmes that cover

both chronic and transient poverty as well as hunger and help to promote human capital. Addressing major sources of vulnerability will take priority while simultaneously building the foundations of an effective safety-net system that can be developed further. Given these priorities, the following are the preferred instruments for short- and medium-term implementation:

- cash and in-kind transfers and fee exemptions (as already being applied in health and education, with new cash-transfer programmes to address high malnutrition and the worst forms of child labour);
- public works programmes (improved labour-intensive

**Table 12 | Objectives of the National Social Protection Strategy for the Poor and Vulnerable (NSPS).**

<b>Priority Area and Related Cambodian Millennium Development Goal(s) (CMDG)</b>	<b>Objective</b>	<b>Medium-term Options for Programmatic Instruments</b>
Addressing the basic needs of the poor and vulnerable in situations of emergency and crisis (CMDG 1, 9)	1. The poor and vulnerable receive support, including food, sanitation, water and shelter, to meet their basic needs in times of emergency and crisis.	<ul style="list-style-type: none"> <li>• Targeted food distribution;</li> <li>• Distribution of farm inputs;</li> <li>• Other emergency support operations.</li> </ul>
Reducing the poverty and vulnerability of children and mothers and enhancing their human development (CMDG 1, 2, 3, 4, 5)	2. Poor and vulnerable children and mothers benefit from social safety nets to reduce poverty and food insecurity and enhance the development of human capital by improving nutrition, maternal and child health, promoting education and eliminating child labour, especially its worst forms.	<ul style="list-style-type: none"> <li>• Cash, vouchers, food or other in-kind transfers for children and women towards one integrated programme (e.g., cash transfers focusing on maternal and child nutrition; cash transfers promoting education and reducing child labour; transfer of fortified foods to pregnant women, lactating mothers and children);</li> <li>• School feeding, take-home rations;</li> <li>• Outreach services and second-chance programmes for out-of-school youth and supporting social welfare services.</li> </ul>
Addressing seasonal un- and under-employment and providing livelihood opportunities for the poor and vulnerable (CMDG 1)	3. The working-age poor and vulnerable benefit from work opportunities to secure income, food and livelihoods while contributing to the creation of sustainable assets of physical and social infrastructure.	<ul style="list-style-type: none"> <li>• National labour-intensive public works programmes;</li> <li>• Food-for-work and cash-for-work schemes.</li> </ul>
Promoting affordable health care for the poor and vulnerable (CMDG 4, 5, 6)	4. The poor and vulnerable have effective access to affordable, quality health care and financial protection in case of sickness or illness.	<ul style="list-style-type: none"> <li>• Expansion of health equity funds (for the poor) and community-based health insurance (for the nearly poor) as envisioned in the Master Plan on Social Health Protection (pending Council of Ministers approval).</li> </ul>
Improving social protection for special vulnerable groups (CMDG 1, 6, 9)	5. Special vulnerable groups, including orphans, the elderly, single women with children, people living with HIV, patients with tuberculosis and other chronic illnesses, receive income, in-kind and psycho-social support and adequate social care.	<ul style="list-style-type: none"> <li>• Social welfare services for special vulnerable groups;</li> <li>• Social transfer and social pensions for the elderly and people with chronic illnesses and/or disabilities.</li> </ul>

approaches along with revamped existing cash and food-for-work initiatives, integrating issues of education and child labour); and

- social welfare services for special vulnerable groups.

The National Social Protection

Strategy for the Poor and Vulnerable outlines short- and medium-term response measures to address the consequences of shocks confronting Cambodian citizens and provides a long-term framework for a comprehensive social protection system to contribute to the sustainable reduction of poverty over time.

**Table 13** | Options for the near future.

Main Risks and Shocks	Progress to Date in Response	Gaps and Challenges in Response	Options for the Near Future
<b>Situations of emergency and crisis</b>	<ul style="list-style-type: none"> <li>• Public works have shown to be an effective and rapidly expandable safety-net instrument during crises and natural disasters.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited coverage and coordination of existing public works programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• Harmonize public-works approaches and guarantee stable financing;</li> <li>• Establish unit in national government to be in charge of public works for rural development and emergency situations.</li> </ul>
<b>Seasonal unemployment and livelihood opportunities</b>	<ul style="list-style-type: none"> <li>• Some targeted food distribution;</li> <li>• School feeding;</li> <li>• Public works programmes are providing some assistance during lean season or crises.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited coverage and coordination of existing public works programmes;</li> <li>• Funding and assistance remain volatile.</li> </ul>	<ul style="list-style-type: none"> <li>• Harmonize public-works approaches and guarantee stable financing;</li> <li>• Establish unit in national government to be in charge of public works for rural development and emergency situations.</li> </ul>
<b>Health shocks</b>	<ul style="list-style-type: none"> <li>• Health equity funds are financing health care for the poor in some areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of health care remains poor;</li> <li>• Coverage of/access to health equity funds is not universal.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve and expand social health protection for the poor and vulnerable (health equity funds and community-based health insurance).</li> </ul>
<b>Human development constraints</b>	<ul style="list-style-type: none"> <li>• Some maternal and child nutrition programmes are in place;</li> <li>• Breastfeeding practices are improving.</li> </ul>	<ul style="list-style-type: none"> <li>• Supply of maternal and child nutrition services remains limited and of poor quality;</li> <li>• Coverage of these services is not universal.</li> <li>• Other demand-side factors (eating, feeding and care practices) are not being adequately addressed.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve and expand nutrition services;</li> <li>• Develop cash-transfer programme targeting poor families with children;</li> <li>• Design cash-transfer programmes in health and education so that they can eventually be harmonized/coordinated/merged.</li> </ul>

**Table 13** | Options for the near future (cont'd.).

Main Risks and Shocks	Progress to Date in Response	Gaps and Challenges in Response	Options for the Near Future
<b>Human development constraints (cont'd.)</b>	<ul style="list-style-type: none"> <li>• Scholarships and school feeding programmes are improving attendance.</li> <li>• Establishment of vocational training curricula;</li> <li>• Some programmes are in place for second-chance education.</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of education remains poor;</li> <li>• Coverage of education services is variable;</li> <li>• Coverage of scholarships and school feeding programmes does not reach all poor areas.</li> <li>• Quality of vocational training remains poor;</li> <li>• Supply of second-chance programme is minimal;</li> <li>• Poor link between training offered and employers' needs;</li> <li>• No certification/ accreditation system in place for private sector.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve quality and access to education;</li> <li>• Expand programmes addressing demand side (in particular, scholarships) both in terms of coverage and covering all years of basic education;</li> <li>• Improve coordination of education and child labour programmes.</li> <li>• Boost second-chance programmes;</li> <li>• Improve quality of vocational training programmes by linking training to employers' needs;</li> <li>• Develop certification/accreditation system to regulate quality of training provided.</li> </ul>
<b>Special vulnerable groups</b>	<ul style="list-style-type: none"> <li>• Pensions for civil servants, National Social Security Fund for private-sector employees;</li> <li>• Some donor assistance to the disabled.</li> </ul>	<ul style="list-style-type: none"> <li>• No pensions for the poor ;</li> <li>• Very limited assistance to the disabled;</li> <li>• Limited assistance to other special vulnerable groups.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify and pilot social protection programmes for the disabled and elderly poor and other special vulnerable groups;</li> <li>• Extend targeted cash-transfer programme to the elderly and disabled.</li> </ul>

For the long term, the National Social Protection Strategy for the Poor and Vulnerable (NSPS) sets the framework for sustainable and comprehensive social protection for all Cambodians. The aim is to achieve universal coverage for risks and vulnerabilities with a basic package of transfers and services commensurate with the economic development of the country in accordance with the Social Protection Floor Initiative. This compris-

es both contributory social security mechanisms for the formal sector and improved social safety nets for the informal sector.

**IMPLEMENTATION**

Implementation is the responsibility of line ministries and decentralized government institutions. The active involvement of decentralized structures of gov-

ernment (provincial, district and commune councils) is essential to successful implementation. Some of the key interventions outlined earlier are already ongoing. The National Social Protection Strategy for the Poor and Vulnerable thus complements the efforts of line ministries in achieving sector targets by using existing sector-embedded social protection measures. To increase impact, coverage of these measures needs to be expanded or their implementation streamlined and harmonized.

Other interventions, new to Cambodia, will be piloted, evaluated and expanded based on effectiveness and sustainability. These new programmes will address existing social protection gaps for the poor and vulnerable by relieving chronic poverty, promoting equity and investing in human capital.

## COORDINATION

The National Social Protection Strategy for the Poor and Vulnerable (NSPS) adds value by providing a framework to support ministries and subnational institutions in delivering interventions that are sustainable, effective and efficient. Most programmes in the NSPS are by nature inter-sectoral and require coordination across ministries and government agencies to avoid thematic and geographical overlaps, to harmonize implementation procedures and to coordinate the effective and effi-

cient use of available funds from the national budget and development partners. Coordination also entails active dialogue with supportive development partners and civil society organizations.

According to the National Strategic Development Plan Update 2009-2013, the Council for Agricultural and Rural Development (CARD)<sup>3</sup> is mandated to ensure that effective inter-ministerial coordination mechanisms are in place involving Government ministries and agencies responsible for delivering social safety-net programmes to the poor and vulnerable. At the third Cambodia Development Cooperation Forum, CARD is to establish the Provisional Social Protection Unit. The primary tasks are to evaluate the workload scope of coordinating the implementation of social protection interventions at the national and subnational levels and to develop the cost of the social protection programme. Coordination of the development, implementation and monitoring of an effective and affordable NSPS includes policy oversight, monitoring and evaluation, knowledge and information management, and capacity-building.

This will entail the following actions:

1. Establish an appropriate structure and mechanisms to coordinate the development and implementation of the National Social Protection Strategy for the Poor and

<sup>3</sup>CARD is a permanent structure of the Government for coordinating the activities of agricultural and rural development, with the specific task of developing of a social protection strategy. CARD comprises representatives of about 27 Ministers or Secretaries of State. The process is mainly mandate-based whereby CARD is establishing itself as coordinator but not as an implementer of any programme (which is different from the situation in some other countries where this kind of council tried to implement the social protection programme on its own).

Vulnerable (NSPS), ensuring policy oversight, partnership and dialogue, monitoring and evaluation, and information and knowledge management.

2. Establish a monitoring and evaluation framework for the NSPS in order to ensure effective, cost-efficient and transparent implementation and provide evidence-based feedback for the further development of programmes and interventions of the NSPS.
3. Develop an annual progress report on the NSPS through a technical consultation process.
4. Strengthen social protection information and knowledge management to ensure the up-to-date collection, generation and dissemination of information among stakeholders.
5. Develop capacity to ensure understanding and build skills for effective implementation of the NSPS at national and decentralized levels.

Close monitoring and evaluation of interventions and programmes and of the strategy as a whole, together with effective knowledge management, will be crucial for ongoing strategic development.

## FINANCING A SOCIAL PROTECTION STRATEGY

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The consolidated costing of the overall strategy is to be developed between June

and December of 2010. Two design scenarios are proposed: the costing of coordination, and the costing of piloting the short- and medium-term priorities. The costing exercise will be part of a broader social-budgeting exercise, including a social protection expenditure review and a modelling of future social expenditures and revenues that takes into account assumptions on the extension of coverage (number of persons to be covered, contingencies and levels of coverage, etc.) by existing and planned schemes. This exercise would be very useful to assess the viability and financial sustainability of the different schemes planned and should lead to a discussion on the fiscal space for social protection (and the necessary long-term commitment of the Government, development partners and other funding sources). In addition, it will help to refine the design of the planned schemes and provide evidence in the choice of the most appropriate/feasible scenario.

It is hard to determine the level of spending on social protection by the national government given the current budget structure. Government expenditure on these items totalled US\$181 million across all government agencies in 2008, showing a 55 per cent increase from 2007. Nevertheless, given the level of aggregation in the budget, it is impossible to determine how much of this goes to social protection activities and how much to other types of social intervention. Most of the explicit social protection spending currently targets public employees and workers in the formal sector.

**Table 14** | Estimated cost of a cash-transfer programme.

Item	Value
Total population, 2007	13,395,682
Share of population living in rural areas, 2007 (%)	79.80
Population living in rural areas, 2007	10,689,754
Extreme poverty rate in rural areas, 2007 (%)	20.78
Number of extremely poor people, 2007	2,221,331
Composition of household: children under 5 yrs. of age in lowest quintile (%)	11.5
Total number of extremely poor children under 5 yrs. of age	255,453
Number of extremely poor pregnant mothers	43,302
Total number of beneficiaries	298,755
Size of benefit per child/mother (\$)	15
Yearly frequency	4
Total yearly transfer per child (\$)	60
Total cost of benefits only - per year (\$)	17,925,293
Administration costs (%)	10
<b>Total cost of programme (\$)</b>	<b>19,717,823</b>
Gross domestic product, 2008 (\$)	9,573,000,000
<b>Total cost of programme as percentage of GDP</b>	<b>0.21</b>

Source: Cash-transfer programme to support the poor while addressing maternal and child malnutrition: A discussion note, March 2010.

## CHALLENGES

Social protection programmes in Cambodia may face several challenges relating to implementation, institutional and financing issues. From an implementation point of view, the challenge is the move from fragmented project-based interventions to the more integrated and systematic programme beyond 2013. While the current safety net interventions exclude some important vulnerable groups, the newly developed National

Social Protection Strategy for the Poor and Vulnerable (NSPS) is to include the broader objectives and range of instruments of social protection and is focused as a response to vulnerability.

Given the many sources of vulnerability faced by the country's poor, safety nets ought to be a key component of the development of social protection. Cambodia has implemented many major donor-supported projects and programmes to reintegrate, rehabilitate and improve food security; to effectively respond to

emergency situations; and to improve the livelihood of poor Cambodians. Still, the country has not yet made significant use of some types of safety net programmes that have proved successful in other countries – for instance, the conditional cash transfers (programmes that provide households with cash payments so long as they make use of public services). Institutionally, the experience of a social safety net is not new to Cambodia, but the term and understanding might be conceptually different. Over the last 18 months, participatory dialogue among line ministries and government institutions with development partners has been very crucial and this process must be sustained in the long term. Last but not least, owing to the budget constraint, financing of the social protection programme must be seen as an investment rather than as an expenditure.

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<sup>i</sup> World Bank, *World Development Indicators 2008*.

<sup>ii</sup> WHO, Global Health Observatory, 2008.

<sup>iii</sup> WHO, UNICEF, UNFPA and World Bank, Global Health Observatory, 2005.

<sup>iv</sup> World Bank, *World Development Indicators 2008 and Global Development Finance 2008*.

<sup>v</sup> National statistics, 2009.

<sup>vi</sup> World Bank, *World Development Indicators 2008 and Global Development Finance 2008*.

<sup>vii</sup> Ibid.

<sup>viii</sup> Ibid.

<sup>ix</sup> National Statistics, 2008.

<sup>x</sup> UNDP, *Human Development Report 2009*.