

**Agenda 1**

***National Social Protection Strategy for the Poor and Vulnerable (NSPS):  
Ensuring Effective Implementation***

by

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**Your Excellency Chairman**

**Excellencies, Ladies and Gentlemen**

1. On behalf of HE. Dr. Yim Chhay Ly, Chair of CARD, I have the honour and privilege to present in this Meeting the roadmap for the implementation of the National Social Protection Strategy (NSPS). May I take this opportunity to express our utmost sincere thanks and gratitude to all colleagues from the Royal Government of Cambodia and development partners for their active participation, support and contributions to the mapping and analysis of the existing social safety nets in Cambodia and the preparation and development of an effective, efficient, affordable and comprehensive NSPS.
2. Following the recent global financial and economic crisis in 2008, **the paradigm for development has been shifted**, so as the obligation and commitment of developed and developing countries to respond positively. As developing country, the Royal Government of Cambodia took very concrete actions in response to the crisis as well as taking proactive steps to mitigate future uncertainties and risks. The NSDP had been updated to re-emphasize the reconsideration of growth strategies and the relationship between growth and poverty reduction. **Broadening the scope of social protection** will contribute to the reduction of chronic poverty, help the poor to cope with shocks, promote human capital, improve productivity and promote sustainable economic growth.
3. After two years of intensive consultative and participatory process, the National Social Protection Strategy (NSPS) had been approved by the Royal Government of Cambodia on 18 March 2011. This NSPS is being promoted within the context of the Cambodia Millennium Development Goals (C-MDGs), achieved through the National Strategic Development Plan (NSDP-Update 2009-2013). It is also the result of the commitment of the Royal Government of Cambodia and supported by development partners, and it is vested as long term policy to achieve inclusive economic growth and sustainable development.
4. Social protection is not merely a cost, not a relief operation, not as a rescue package for the poor and vulnerable against the impacts of economic downturn. Social protection is an investment to country's development, offering returns in poverty reduction, increased demand, translating to expanded markets and a healthier, better educated, and more productive workforce.

**IMPLEMENTING THE NSPS**

5. **Implementation of the strategy will require scaling-up of existing interventions, design of institutional arrangements and the introduction of new programmes to cover existing gaps.** Social Protection for the poor and vulnerable is a crosscutting task and demands effective coordination and collaboration of many sector ministries and government agencies, as well as an active dialogue with supportive

development partners and civil society organizations. Most of the programs in the NSPS are by nature inter-sectoral and there is a strong need to coordinate across ministries to avoid thematic and geographical overlaps, harmonize implementation procedures, and coordinate the use of available funds from national budget and development partners.

**6.** Specifically, the next stage in preparing for the implementation of the strategy is to identify and define in more detail the practical next steps in the short term, in order to maintain the momentum achieved over the last year in advancing the social protection agenda. **In the short and medium term**, NSPS prioritises the development of effective and sustainable social safety nets targeted to the poor and vulnerable, with complementary social welfare services for special vulnerable groups. **For the long term**, the NSPS sets the framework for sustainable and comprehensive social protection for all Cambodians by achieving universal coverage for risks and vulnerabilities with a basic package of transfers and services commensurate with the economic development of the country. This comprises both contributory social security mechanisms for the formal sector and improved social safety nets for the informal sector. **Toward this long-term vision, consideration will be paid on:**

- Since NSPS is developed as a coordinating strategy rather than a sector strategy, a more consolidated and comprehensive action plan together with active dialogues among line ministries and CARD has to be further developed
- In moving from a safety net and hand-feed system to a comprehensive and broad social security system, Cambodia must be careful with the social disparity resulting from specific focus to only one particular group in the society. Inclusive growth must be ensured.
- The achievement of NSPS objectives requires a mix of programmes that cover both chronic and transient poverty as well as hunger and also help promote human capital
- Addressing major (uncovered) sources of vulnerability will take priority, while simultaneously building the milestones of an effective safety net system that can be further developed
- Matching main sources of vulnerability and existing programmes requires scaling-up and harmonising existing interventions<sup>1</sup>.
- In scaling up some interventions, it will be of the utmost importance to harmonise processes and ensure regular financing, so as to guarantee medium-term sustainability. In addition, coverage of existing programmes will be reassessed and better aligned with poverty and vulnerability levels of provinces and districts.
- Existing social protection gaps for the poor and vulnerable will be addressed by new programmes that intend to help both relieve chronic poverty and promote human capital<sup>2</sup>.

## **Enabling the Environment for Coordination on NSPS**

**7.** The development of effective and efficient implementation procedures and institutional arrangements for the NSPS is still in progress and guiding principles and

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<sup>1</sup> HEFs, school feeding, scholarships and public works are already addressing major vulnerabilities faced by the poor and are proving effective. However, as we have seen, some of these programmes, such as public works, tend to be implemented by multiple development partners on an ad hoc basis without much coordination, and their medium-term sustainability is often questionable.

<sup>2</sup> The new piloting interventions include cash transfer programme focusing on improvement of child and maternal nutrition, health and education outcomes and reducing child labour, as well as second-chance programmes that promote skills development for out-of-school youth and provide support to child labourers to re-enter the school system.

prioritized options are laid out in the Strategy, and need to be further detailed during the first year of implementation to enabling the environment for the coordination of the NSPS.

8. To avoid excessive coverage of certain beneficiary categories at the expense of other groups, **coordinating efforts** across programs of similar type, as well as across various interventions, are essential. CARD is mandated by the RGC for the overall coordination of the NSPS and will undertake this task in close cooperation with SNEC, MoP and MOI. Appropriate structures and mechanisms to ensure effective coordination and monitoring of the NSPS will be defined. Implementation of the specific social protection programs will be entirely the responsibility of sector ministries. For successful implementation the active involvement of decentralized structures of Government (Provincial, District and Commune Councils) is essential<sup>3</sup>. **The Social Protection Coordination Unit (SPCU)** was created, as identified in the strategy, for the implementation of the NSPS. Fundamentally, the SPCU could lead on social protection policy oversight, costing the NSPS implementation, partnership and dialogue, communication, monitoring and evaluation, and information management.

9. **Close monitoring and evaluation** of the interventions and programs and the strategy as a whole will be a crucial requirement for an effective dialogue on social protection in Cambodia. The NSPS as a "living document" must be able to adjust to the changing environment and sources of vulnerability, and needs to take into account in a systematic manner lessons learnt during the implementation of programs and interventions. Therefore a results matrix for the NSPS has been established outlining key outcome indicators for the 5 objectives. In addition a mechanism to monitor the use of available resources will be introduced to ensure cost-efficiency and transparency. Monitoring of specific interventions and programs will be implemented by the respective implementing ministries; however CARD, as the coordinating agency of the NSPS, will be entrusted to oversee and provide technical advice for monitoring and evaluation activities on social protection. CARD will also organize an independent review of the NSPS to support a more informed dialogue on the overall coordination and further development of the strategy.

10. **Information and Knowledge Management (IKM)** on social protection is central to the support of effective coordination. Capacities for IKM will be strengthened to ensure the up-to-date collection, generation and dissemination of information among involved stakeholders.<sup>4</sup>

11. **Capacity building** on the design and implementation of specific programs as well as the coordination and monitoring of the entire strategy will be provided for national and decentralized government institutions. To ensure understanding and effective implementation a trainer pool, comprising staff from various sector ministries and government agencies will be established and in a cascade-system, focal points at provincial and district levels will be trained to support commune councils in being effectively involved in the implementation. Further capacity building and institutional arrangements are needed in order to achieve this goal in the longer term. However, with these initial

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<sup>3</sup> Therefore the RGC will establish provincial and district committees (with due attention to whether SP could be linked to existing sub-committees or whether new ones need to be created) to oversee social protection activities at their level and to coordinate implementing departments of ministries and involved civil society organizations. At the local level the commune council (including Consultative Committee on Children and Women) will oversee targeting and implementation of social protection activities.

<sup>4</sup> Campaigns (IEC) will create awareness about social protection and respective programs and information on the outcome of the strategy and its programs will be shared through national and regional fora and thematic workshops. Discussions on social protection organized at district and commune level will ensure a feed-back mechanism to the province and national policy level. CARD will develop and continuously update a web-based information and knowledge-platform on social protection.

activities it is possible to launch coordinated programs in various SP areas in the medium term (i.e. 2013-2015, the latter part of the period of the NSPS).

12. **Appropriate targeting mechanisms are crucial for the effective and cost-efficient implementation of the NSPS.** An integrated approach for the selection of beneficiaries for the interventions and programs, combining self-targeting, area targeting, and household targeting will be used to optimize beneficiaries selection. A harmonized approach for pre-identification of poor households based on a set of standardized procedures and criteria for all kinds of social transfers and fee exemptions was developed over recent years in Cambodia. The "Identification of Poor Households Program" (ID Poor) currently covers more than 7100 villages in 17 provinces and its expansion to all villages is planned for 2011. The approach developed by the MoP in discussions with stakeholders has proven to be effective, with low inclusion and exclusion rates, is largely accepted by communities, and has become increasingly adopted for targeting of safety net interventions. IDPoor will be the key instrument for household targeting and may be combined with post-identification mechanisms to cross-check and fine-tune household targeting for specific interventions. The expansion of ID Poor coverage to all rural villages, regular two-yearly updates of the poverty lists, evaluations of the system's accuracy, as well as setting up a targeting mechanism for the urban poor, will all be part of the NSPS implementation plan.

13. **Re-alignment and Harmonization:** Implementation of the specific social protection programmes will be the responsibility of line ministries and decentralised government institutions based on a set of commonly shared guiding principles. Moreover, for successful implementation, the involvement of decentralised structures of government (provincial, district, commune councils) is essential. The RGC will ensure effective coordination of social protection activities among implementing departments of ministries and civil society organisations at provincial and district level. The commune council (including the Consultative Committee for Women and Children (CCWC)) will oversee targeting and implementation of social protection activities at local level. Within this context, CARD is coordinating with development partners in order to achieve harmonization and policy cohesion between DP's and the RGC in preparing their respective country assistance programmes for the next 5 years and beyond.

14. In order to move forward the social protection agenda, it is also important for RGC to optimize DP support. Joint financing of technical experts could be a way of supporting capacity building activities, while specific technical and financial responsibilities could be more efficient for specific program design based on comparative advantage. However, collaboration and feedback among the broader DP group should take place on a regular basis in the context of a permanent working group. Financing should evolve to consolidated models like program-based or sector-wide approaches, which will prevent fragmentation and facilitate coordination of SP interventions. Your continuing support is very much appreciated. **Thank you very much for your attention.**