Royal Government of Cambodia

Council for Agricultural and Rural Development (CARD)

TOWARD THE SOCIAL PROTECTION STRATEGY FOR THE POOR AND VULNERABLE IN CAMBODIA

Background Paper
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SUMMARY

Social protection is a key priority of the RGC anchored in the constitution, the Rectangular Strategy, and the National Strategic Development Plan (NSDP). Numerous social protection programs and interventions have been successfully implemented across a range of sectors. The rationale for elaborating an integrated and coordinated National Social Protection Strategy for the Poor and Vulnerable (NSPS) was dictated by the need to help accelerate the achievement of the CMDG. Increased food prices and the economic crisis have had a negative impact on the poor and further widened social disparities, which may result in significant social and economic development losses.

At the Cambodia Development Cooperation Forum (CDCF) **In December 2008 the RGC mandated the Council for Agricultural and Rural Development (CARD)** to undertake scoping and mapping exercise to determine the nature of existing social safety nets in Cambodia, and to identify policy, institutional and capacity gaps for developing a more systematic and integrated social safety net system. In February 2009 CARD has set up an intersectoral working group to prepare a social safety net concept paper and inventory. In July 2009 CARD organized in collaboration with respective line ministries, a National Forum on Social Safety Nets. CARD was entrusted to coordinate the development of an integrated Social Protection Strategy for the Poor and Vulnerable (NSPS) and initiated a number of technical consultations with a broad set of stakeholders, giving Government representatives at national and sub-national level, development partners, civil society representatives and other development practitioners the opportunity to explore in-depth the priorities and options for this strategy.

The NSPS sets the framework for a sustainable and comprehensive social protection system for all citizens over the long term, comprising social security mechanisms for the formal sector together with the provision of improved social safety nets for the informal sector. For the near and medium future the Strategy gives priority to the development of effective and affordable social safety nets targeted to the poor and vulnerable with complementary social welfare services for special vulnerable groups.

The main goal of the strategy is to protect the poor and vulnerable against chronic poverty and hunger, destitution and social exclusion, and to enable them to invest in their human capital. **The strategy lays out a set of objectives**, related programs, and instruments addressing specifically:

1. Basic needs of the population in situations of emergency and crisis,
2. Poverty and vulnerability of children and mothers,
3. Seasonal un- and underemployment and livelihood opportunities,
4. Affordable health care for the poor,
5. Social protection for special vulnerable groups.

A list of costed programs and interventions is being developed to prioritize the expansion of existing and the introduction of new social protection provisions to the poor and vulnerable for the near future, including investments into capacity building at both national and sub-national levels with regard to social protection issues.

The NSPS will complement the efforts of line Ministries in achieving sector targets through facilitating the process of operationalising existing sector-embedded social protection measures and introducing new ones, in order to help accelerate the achievement of poverty and equity targets of the respective Ministry plans.

Arrangements for the implementation of the NSPS are outlined in the strategy but must be further detailed and formalized during the first years of implementation. 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. Sector ministries will be responsible for implementation and monitoring of respective programs and activities of the strategy. However, CARD will ensure overall coordination, and monitoring and evaluation of the NSPS in close cooperation with SNEC and MoP and relevant sector ministries. The active involvement of decentralized structures of Government (Provincial, District and Commune Councils) is essential for the successful implementation of the NSPS.

Close monitoring and evaluation of the interventions, programs, and the strategy as a whole together with effective information and knowledge management will be crucial requirements for an effective dialogue on social protection in Cambodia, and the ongoing development of the NSPS. Measures to develop capacities for the design, monitoring, and implementation of social protection programs at various levels of Government are outlined in the strategy.

Appropriate targeting mechanisms are crucial for the effective and cost-efficient implementation of the NSPS. An integrated approach for the selection of beneficiaries for interventions and programs combining self-targeting, area targeting, and household targeting will be used to optimize targeting. Household targeting will be primarily based on the Identification of Poor Households Program developed by the Ministry of Planning which will be expanded to include all rural Cambodian villages during the next years.

General conclusion with regard to the NSPS process: The transparent and participatory process during the preparation phase of the strategy has shown to be very effective, giving Government representatives at national and sub-national level, development partners, and civil society representatives, the opportunity to explore in depth the priorities and options for the strategy. However, even a more challenging task will be to ensure effective coordination and monitoring/evaluation during the implementation, and to streamline and harmonize programs and activities of the NSPS.

1. BACKGROUND AND PROCESS

Social protection is a priority of the Royal Government of Cambodia as expressed in the Constitution, the Rectangular Strategy, the National Strategic Development Plan, national legislation, as well as in international conventions to which Cambodia is signatory and the formulation of the NSPS draws on these commitments.

At the Cambodia Development Cooperation Forum in December 2008 the Royal Government of Cambodia's commitment to social protection was specifically reaffirmed. The Deputy Prime Minister H.E. Keat Chhon noted that while significant progress has been made in reducing overall poverty levels, parts of the population remain vulnerable to various economic and social shocks, pushing them into poverty and denying equal opportunities for participating in economic growth. Improving social protection was selected as a priority intervention for the RGC and development partners in response to the crisis, and as a long-term goal of enhancing capacities to better withstand the effects of future crisis. CARD, chairing the Government/donor working group on Food Security and Nutrition was therefore entrusted to undertake, in close cooperation with respective ministries, a scoping and mapping exercise to determine the nature of existing social safety nets in Cambodia, and to identify policy, institutional and capacity gaps for developing a more systematic and integrated social safety net system.

CARD established an interim working group on social safety nets, comprising relevant line ministries and development partners to undertake this work and a **social safety net concept note and an inventory** of existing social safety nets was developed in June 2009. These were presented and discussed at the **National Forum on Food Security and Nutrition under the Theme of Social Safety Nets** in July 2009, involving more than 400 participants from Government, development partners and civil society from both national and decentralized levels. Cambodia's **Prime Minister Samdech Akka Moha Sena Padei Techo Hun Sen** provided the closing address at this important event and mandated CARD to coordinate the development of an integrated National Strategy on Social Protection.

To review policy options against existing vulnerabilities a series of **technical consultation workshops** and field visits was organized involving international resource persons and practitioners from the Cambodian Government, development partners, and civil society institutions, focusing on the following Social Protection interventions:

- Cash transfers (with a focus on addressing child and maternal malnutrition),
- Public Works Programs, and
- Education and Child Labor.

Based on these consultations, policy papers were developed. Further consultations (e.g. on HEF) are foreseen in the near future. In early 2010 a **background note** to the actual strategy summarizing the outcome of the stakeholder discussions was drafted under the title "Cambodia: Towards a Social Protection Strategy for the Poor and Vulnerable", and an outline of the future NSPS agreed upon.

A draft of the NSPS prepared by CARD was discussed with relevant ministries, development partners, and civil society organizations during April and May 2010 before submission to the Government for approval. In early June 2010 the NSPS will be presented to the Cambodian Development Cooperation Forum (CDCF III) to solicit for support and funding. More in depth analysis and thorough costing exercises are still required for the detailed design of specific programs within the strategy.

2. POVERTY AND VULNERABILITIES IN CAMBODIA

Cambodia has emerged from three decades of instability with an impressive record on sustained economic development and poverty reduction with a GDP growth above 10% annually for four consecutive years ending in 2007, and a poverty headcount index decreasing from 47% in 1993/94 to 35% in 2004, and to 30% in 2007. However, a third of the population still lives in poverty with the majority (92%) in rural areas. Poverty rates show large regional variations, and it seems that the strong economic growth between 2004 and 2007 went along with a significant rise in the level of inequality (with a Gini Coefficient raising from 0.39 to 0.43).

Cambodian households face serious vulnerabilities and are prone to individual-specific and macroeconomic shocks. With the majority of the population engaged in rice subsistence farming depending on weather conditions, crop failures and resulting food insecurity are major concerns. Illness and related high health expenditures are further key factors driving households into chronic poverty - taking children out of school, selling productive assets or engaging in other detrimental coping strategies. High rates of child and maternal malnutrition impact cognitive child development and educational performance, barring children from life opportunities. For many Cambodians un- or underemployment is equally an endemic risk. Rural seasonal unemployment is widespread and jobs in the export-oriented sectors of the economy (garment, construction and tourism) remain vulnerable to global economic shocks.

The poverty and vulnerability situation of many people has been recently exacerbated by soaring food prices and the global financial and economic crisis, which caused deterioration in employment, incomes, and access to essential services for the entire population and might have contributed to further exacerbating inequality and disparities. A recent survey[1] revealed that the previous trend of rapidly improving child nutrition seems to have come to a halt as the poor increasingly use adverse coping strategies, such as shifting consumption to lower quality food items. Also the livelihood of specifically disadvantaged groups of people (eg the disabled, the elderly, orphans, ethnic minorities, female-headed households, people living with HIV or TB, and other risk groups) especially vulnerable to all kind of household specific and external shocks may have been affected.

3. EXISTING SAFETY NETS, GAPS AND CHALLENGES

Cambodia has implemented many mainly externally funded social safety net projects and programs for reintegration, rehabilitation, to improve food security and the livelihoods of the poor, and to respond to emergency situations for over more than 20 years. Particularly successful in reaching large numbers of beneficiaries and in effectively enabling access to services, food, and income security have been:

- food distribution to food-insecure areas, school feeding, take-home rations, and food for work – providing the basis for addressing food insecurity, chronic poverty, and to some extent, malnutrition;
- public works programs – providing the basis for addressing food insecurity and chronic poverty of the working age population;
- Health Equity Funds, Community Based Health Insurance schemes - providing the basis for addressing basic health protection for the poor;
- scholarships – providing the basis for addressing the income/poverty situations of school-children;
- social welfare services to special vulnerable groups, including the disabled, the elderly, orphans, etc.

[1] Cambodian Anthropometric Survey 12/2008, NIS

Yet Cambodia does not have an effective and affordable social safety net in place. Many of the interventions have been patchy and ad hoc, and highly dependent on specific donor funding sources. The coverage of existing social protection programs for the poor and vulnerable is still very limited; they do not necessarily focus on the poorest areas and efforts have been largely fragmented with weak coordination between the many ministries and institutions involved.

Traditional family and community based social safety nets in Cambodia comprising sharing, mutual assistance and assistance from pagodas and extended families, charity and local self help initiatives still exist, but were fragmented and weakened over the last decades, and suffered further from the impact of recent crises.

The gap analysis revealed a number of areas where the pro-poor orientation of investments and coverage remains patchy particularly with reference to certain key groups, such as children, pregnant women, the working age population and the elderly[2]. **Addressing these gaps requires the streamlining of social protection measures** and better integration and coordination to ensure that the key instruments that it promotes contribute to achieving minimum levels of social protection to the poor and vulnerable in the form of a package of benefits and related essential services. The gap analysis highlights the need for some of the existing benefit-based schemes and services to be revamped or extended. New schemes would also need to be introduced to address remaining gaps and vulnerabilities, especially those that have arisen or been exacerbated as a result of the series of global crises during 2007-2009.

4. CAMBODIA'S NEW NSPS – SCOPE, VISION, GOALS AND OBJECTIVES

Based on the analysis of vulnerabilities and existing social net provision and prevailing gaps as well as the outcome of the stakeholder consultations on specific social safety nets in 2009, the NSPS was drafted in early 2010 in a participatory process involving relevant ministries and development partners.

The strategy complements other strategies and sector plans adopted by the RGC that pertain directly or indirectly to social protection. It is aligned with and operationalises priority actions laid out in the Rectangular Strategy and the updated National Strategic Development Plan (NSDP 2010-2013).

The long term vision of the NSPS includes contributory social protection schemes (social insurance) for the private sector employees and civil servants and aims to achieve a high level of human development as well as equal choices and opportunities for all Cambodians: *"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 NSPS sets the framework for sustainable and comprehensive social protection for all citizens over the long term. However, for the near future, this strategy focuses on social protection for the poor and vulnerable, and therefore gives priority to the development of effective and affordable social safety nets targeted at the poor and vulnerable with complementary social welfare services for special vulnerable groups.

[2] More details are provided in the Table "Gaps and challenges of existing interventions" in Annex 1 of the paper.

Scope of the NSPS, focusing on the poor and vulnerable

An effective social protection strategy for the poor and vulnerable requires a balance between relieving chronic poverty, helping the poor to cope with social, economic and climatic shocks and promoting their human capital for the future towards enabling them to break the cycle of poverty. The NSPS pursues therefore a threefold approach:

1. supporting the poorest and most disadvantaged groups who cannot help themselves through social transfers and services;
2. reducing the impact of risks that could lead to negative coping strategies and further impoverishment; and
3. supporting the poor to move out of poverty by building human capital and expanding their opportunities.

The medium term goal of the strategy clearly expresses this concept: *"Cambodian poor and vulnerable are increasingly protected against chronic poverty and hunger, shocks, destitution and social exclusion and benefit from investments in their human capital".*

Five objectives for prioritized action areas were formulated to reach this goal. Each of these objectives includes a set of specific interventions required to enable its achievement. Some of these interventions are already ongoing but their coverage needs to be expanded or their implementation streamlined to increase impact. Others (e.g. cash transfers) are new for Cambodia but have proved effective and will be developed and introduced during the next years.

Priority area and related CMDG	Objective	Medium-term options for programmatic instruments
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 etc, to meet their basic needs in times of emergency and crisis*	• Targeted food distribution, • Distribution of farm inputs • Other emergency support operations
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*	• 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) • School feeding, take-home rations • Outreach services and second-chance programmes for out-of-school youth and supporting social welfare services
Addressing seasonal un- and underemployment 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 physical and social infrastructure assets*	• National labour-intensive PWP • Food for work and cash for work schemes
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 illness*	• Expansion of HEFs (for the poor) and CBHI (for the near poor) as envisioned in the Master Plan on Social Health Protection (pending Council of Ministers approval)
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 disabilities, people living with HIV and/or TB, etc receive income, in-kind and psycho-social support and adequate social care*	• Social welfare services for special vulnerable groups • Social transfer and social pensions for the elderly and people with chronic illness and/or disabilities

Existing social protection gaps for the poor and vulnerable will be addressed by the implementation of new programs that intend to help both relieve chronic poverty and promote human capital such as cash transfers, focusing on improvement of child and maternal nutrition, education, and reducing child labor, as well as second-chance programs that promote skills development for out-of-school youth.

The harmonization of ongoing and new social protection programs and their integration into larger scale national programs following the same principles and procedures, and which are jointly supported by different development partners, will be pursued during the implementation process of the NSPS. This integration will increasingly

allow the tackling of vulnerabilities in geographic areas in a more coordinated and cost-effective way, and contribute to reducing transaction costs for involved government structures[3].

A list of prioritized and costed interventions for each of the five objectives of the NSPS considering limited fiscal space and restricted Government implementation capacities is currently being developed to further operationalize the implementation strategy in the short term. This includes new programs (such as a national CT or PWP), ongoing programs which need to be expanded (such as HEF's), activities to further conceptionalize programs, as well as actions to build up capacities for coordination, monitoring and evaluation of the NSPS at both national and decentralized levels (see Annex 3).

5. IMPLEMENTATION OF THE NSPS

The development of effective and efficient implementation procedures and institutional arrangements for the NSPS is still in progress and guiding principles and prioritized options only are laid out in the Strategy, and need to be further detailed during the first year of implementation:

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.
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 and MoP. 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[4].

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-

[3] The matching of main sources of vulnerability and existing programs requires **the scaling-up and harmonization of existing interventions.** Health Equity Funds, school feeding, scholarships and public works are already addressing major vulnerabilities faced by the poor and proving effective in Cambodia. Some of these programs, such as public works, tend however to be implemented by multiple development partners on an *ad hoc* basis without much coordination, and since they depend on specific financing sources their medium-term sustainability is often questionable. In scaling up these interventions it will be of the utmost importance to harmonize processes and ensure more regular financing, so as to guarantee the medium-term sustainability of these programs. In addition, the coverage of existing programs will be reassessed and better aligned to poverty levels.

[4] 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.

date collection, generation and dissemination of information among involved stakeholders.[5]

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.

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.

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" (IDpoor) 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 IDpoor 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.

[5] 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.

ABBREVIATIONS

ADB	Asian Development Bank
CMDG	Cambodian Millennium Development Goals
CARD	Council for Agricultural and Rural Development
CBHI	Community Based Health Insurance
CDCF	Cambodian Development Cooperation Forum
CFW	Cash for Work
CT	Cash Transfer
FFW	Food for Work
HEF	Health Equity Fund
IDpoor	Identification of Poor Households (Project)
MoP	Ministry of Planning
NSPS	National Social Protection Strategy for the Poor and Vulnerable
NSDP	National Strategic Development Plan
PWP	Public Works Program
RGC	Royal Government of Cambodia
SNEC	Supreme National Economic Council

ANNEXES

1. Risks, shocks, determinants of vulnerability and vulnerable groups (table 2 NSPS)
2. Gaps and challenges of existing interventions (table 4 NSPS)
3. NSPS short-term priority actions and cost estimates (table 7 NSPS)

Annex 1: Risks, shocks, determinants of vulnerability and vulnerable groups

Main risks and shocks *A risk is a source of danger; a possibility of incurring loss or misfortune. When a risk occurs, it becomes a shock.*		**Determinants of vulnerability** *The vulnerability of an individual or household depends on their level of exposure and ability to cope with a shock. People living under or near the poverty line tend to be more vulnerable to negative outcomes of shocks.*	**Outcomes** *Depending on the vulnerability of the individual and household, a range of outcomes can result from experiencing the shock.*	**Most vulnerable groups** *While all poor and near poor are vulnerable to shocks, some groups in the population are especially vulnerable to certain shocks.*
1. Situations of emergency and crisis	Economic crises *(price rises, economic slowdown)*	• Have limited income-generating opportunities • Be concentrated in insecure, unstable employment • Reductions in the number of jobs in key sectors of the economy • Reductions in the purchasing power of salaries and earnings	• Rise in under- or unemployment • Increase in poorly remunerated, insecure and risky jobs • Lower remittances	• All poor and near poor
	Climate, environmental, natural disasters *(floods, droughts)*	• Rely on crop farming and livestock rearing for subsistence food production and income provision • Depend on (often degraded, over-exploited and contested) common natural resources for livelihoods • Live in remote, isolated areas and suffer a low level of community infrastructure • Have low base of savings and assets to cover emergency needs	• Destruction or degradation of assets and resources • Increase in under- or unemployment • Increase in incidence and severity of food insecurity • Lower incomes	• All poor and near poor • People living in flood- and drought-prone areas
2. Human development constraints	Poor maternal and child health and nutrition	• Have low income and suffer food insecurity • Have poor access to quality maternal, newborn and child health care	• Higher maternal mortality rates • Higher infant mortality rates • Increase in incidence and severity of malnutrition, stunting and poor cognitive development	• Girls and women of reproductive age • Pregnant women • Early childhood (0-5)

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	Poor access to quality education	• Come under pull factors to undertake domestic activities, help with family business and/or take up external employment, given households' low income and food insecurity • Have poor access to quality education services	• Higher dropout rates and low level of skills attained • Increased incidence of child labour (6-15) • Increase in under- and unemployment • Increase in poorly remunerated, insecure and risky jobs • Increase incidence of hazardous or unconditional worst forms of child labour (15-17)	• School age (6-14)
	Poor access to quality second-chance programmes	• Come under pull factors to remain in paid employment, however precarious and low paid • Have poor access to quality training services		• Youth (15-24)
3. Seasonal unemployment and livelihood opportunities	Under- and poor nutrition	• Rely on subsistence farming with low productivity • Do not have sustained employment to supplement incomes from agricultural activities • Rely on (often degraded, over-exploited and contested) common natural resources for livelihoods • Face a greater age dependency • Are more likely to be landless, or have less access to land and relatively smaller land holdings	• Higher maternal mortality rates • Increase in incidence and severity of malnutrition, stunting and poor cognitive development • Increased likelihood of ill-health • Decreased capacity to study or work productively	• All poor and near poor • Pregnant women • Early childhood (0-5) • Families with greater age dependency ratio • Landless and land poor
4. Health shocks	Ill-health, injury, illness,	• Have constrained access to clean water and sanitation	• Higher maternal mortality rates	• All poor and near poor • Pregnant women

Main risks and shocks *A risk is a source of danger; a possibility of incurring loss or misfortune. When a risk occurs, it becomes a shock.*		**Determinants of vulnerability** *The vulnerability of an individual or household depends on their level of exposure and ability to cope with a shock. People living under or near the poverty line tend to be more vulnerable to negative outcomes of shocks.*	**Outcomes** *Depending on the vulnerability of the individual and household, a range of outcomes can result from experiencing the shock.*	**Most vulnerable groups** *While all poor and near poor are vulnerable to shocks, some groups in the population are especially vulnerable to certain shocks.*
	death, pandemics	• Live with poor housing conditions • Have low base of savings and assets to cover out-of-pocket expenditures for health care • Have poor access to quality preventive and treatment health services • Work in physical jobs with greater risk of accidents and injuries	• Higher infant mortality rates • Increase in incidence and severity of malnutrition, stunting and poor cognitive development • Loss of assets and increased debt	• Early childhood (0-5) • Elderly • People living with disabilities
5. Special vulnerable groups	Inability to work, marginalisation	• Have limited access to income-generating activities • Suffer from marginalisation in society, constrained access to services and exclusion from opportunities	• Increased income and food insecurity • Increased likelihood of becoming victims of violence, labour and sexual exploitation and abuse	• Elderly • People living with disability • People living with chronic illness • Ethnic minorities • Orphans • Child labourers • Victims of violence, exploitation and abuse • Veterans • Families of migrants

Annex 2: Gaps and challenges in existing interventions

Main risks and shocks		Most vulnerable groups	Progress to date in response	Gaps and challenges in response
1. Situations of emergency and crisis	Economic crises	• All poor and near poor	• Public works have shown to be an effective and rapidly expandable safety net instrument during crises and natural disasters	• Limited coverage and coordination of existing PWPs
	Climate, environmental, natural disasters	• All poor and near poor • People living in flood- and drought-prone areas		
2. Human development constraints	Poor maternal and child health and nutrition	• Girls and women of reproductive age • Pregnant women • Early childhood (0-5)	• Some maternal and child nutrition programmes are in place • Breastfeeding practices are improving	• Supply of maternal and child nutrition services remains limited and of poor quality • Coverage of these services is not universal • Other demand-side factors (eating, feeding and care practices) are not being adequately addressed
	Poor access to quality education	• School age (6-14)	• Scholarships and school feeding programmes are improving attendance	• Quality of education remains poor • Coverage of education services is variable • Coverage of scholarships and school feeding programmes does not reach all poor areas
	Poor access to quality second-chance programmes	• Youth (15-24)	• Establishment of vocational training curricula • Some programmes in place for second-chance education	• Quality of vocational training remains poor • Supply of second-chance programme is minimal • Poor link between training offered and employers' needs • No certification/accreditation system in place for private sector

Main risks and shocks		Most vulnerable groups	Progress to date in response	Gaps and challenges in response
3. Seasonal unemployment and livelihoods opportunities	Under- and poor nutrition	• All poor and near poor • Pregnant women • Early childhood (0-5) • Families with greater age dependency ratio • Landless and land poor	• Some targeted food distribution • School feeding • PWPs are providing some assistance during lean season or crises	• Limited coverage and coordination of existing public works programmes • Funding and assistance remains volatile
4. Health shocks	Ill-health, injury, illness, death, pandemics	• All poor and near poor • Pregnant women • Early childhood (0-5) • Elderly People living with disabilities	• HEFs are financing health care for the poor in some areas	• Quality of health care remains poor • Coverage/access of HEFs is not universal
5. Special vulnerable groups	Inability to work, marginalisation	• Elderly • People living with disability • People living with chronic illness • Ethnic minorities • Orphans • Child labourers • Victims of violence, exploitation and abuse • Veterans • Families of migrants	• Pensions for civil servants, NSSF for private sector employees • Some donor assistance to the disabled • Some assistance to ethnic minorities	• No pensions for the poor • Very limited assistance to people with disabilities • Limited assistance to other special vulnerable groups

Annex 3: NSPS short-term priority actions and cost estimates

Short-term priority programmes and action		Implementing ministry	Estimated beneficiaries and benefit levels	Funding status	Resource requirements (in US$ m)		
					2010/2011	2012	2013
Overarching priority actions							
0.1	**Disseminate NSPS at national and decentralised level**	CARD		To be confirmed	0.05		
0.2	**Define roles and functions and set up a social protection steering committee and appropriate government/donor coordination structure**	CARD		To be confirmed	0.05		
0.3	**Cost medium- and long-term implementation of NSPS and identify opportunities for joint pooled financing and develop appropriate joint/pooled financing arrangements for social protection tasks**	CARD		To be confirmed	0.1		
0.4	**Conduct capacity need assessment and develop human resource development plan**	CARD		To be confirmed	0.1		
0.5	**Build up capacities for social protection development, coordination and M&E at national level (in CARD and line ministries) (trainer pool)**	CARD		To be confirmed	0.1	0.3	0.3
0.6	**Build up capacities for social protection coordination and monitoring at decentralised level**	CARD		To be confirmed	0.5	0.5	0.5
0.7	**Set up and maintain monitoring and information management system for social protection in CARD**	CARD		To be confirmed	0.5	0.5	0.5
0.8	**Expand coverage of IDPoor to all rural households and provide updated Lists of Poor Households every two years**	MoP	2010: 11 provinces, approx 1.2 million HHs in coverage area 2011-13: per annum 12 provinces, approx 1.2 million HHs in coverage area	Confirmed for 2010 and 2011	2.8	2.95	3.1
0.9	**Design and pilot system to identify urban households**	MoP				0.3	0.3
Objective 1: Cover basic needs during crisis and emergencies							
1.1	**Targeted food distribution**	MEF	ADB/EFAP ?	Confirmed			
1.2	**Distribution of agricultural inputs**	MEF, MAFF	ADB/EFAP ?, EC/FAO Food Facility ?	Confirmed			

Short-term priority programmes and action		Implementing ministry	Estimated beneficiaries and benefit levels	Funding status	Resource requirements (in US$ m)		
					2010/2011	2012	2013
1.3	**Emergency relief assistance**	MoSVY	Based on 2008-2013 MoSVY work platform, by 2013 beneficiaries will have included 250,000 (50,000 per year) work victims of natural disasters and poor people facing food shortages and victims of disasters will have received emergency relief assistance	Confirmed	MoSVY budget	MoSVY budget	MoSVY budget
	Emergency relief assistance – NCDM						
Objective 2: Reduce poverty and vulnerability of poor mothers and children							
2.1	**Set up new cash transfer programme to support the poor while addressing child and maternal malnutrition (preparation and pilot in 2011-2012, 50% implementation in 2013)**	To be confirmed during project design phase	2012: 64,000 children/mothers 2013: 160,000 children/mothers Benefit level: US$60 per child/year Administration cost 10%	To be confirmed	0.2	4	10
2.2	**Targeted food transfer for mother and child nutrition**	MoH	2010: 50,460 beneficiaries 2011: 50,460 beneficiaries 2012: 55,506 beneficiaries 2012: 55,506 beneficiaries	To be confirmed	3.4	3.8	3.8
2.3	**Expand scholarship programme for secondary school children focusing especially on children vulnerable to child labour**	MoEYS	527 schools currently in CESSP x 30 children on average per school x US$45 = 15,800 potential scholarships for 2011 (US$711,450) Potential in 2012 and 2013 to reach more schools	Financed by MoEYS budget			
2.3	**Expand scholarship programme for primary school children focusing especially on children vulnerable to child labour**	MoEYS	Fast Track Initiative: pilot ending 2012, 10,442 scholarships in 2011, 6,814 in 2012 at US$20/student, 3 provinces Possible impact evaluation in 2013	Confirmed	0.21	0.14	
2.4	**(Expand) School feeding programme**	MoEYS	2010: 454,100 children 2011: 564,660 children 2012: 621,126 children 2013: 621,126 children (Grades 1-6, 1 meal /day)	To be confirmed	9.8	15.2	15.2
2.5	**(Expand) food scholarship programme ("take-home rations")**	MoEYS	2010: 89,696 beneficiaries 2011: 92,400 beneficiaries 2012: 184,800 beneficiaries 2013: 184,800 beneficiaries (Monthly 15kg rice, 2kg beans and 1kg vegetable oil mostly to school girls, Grades 2-	To be confirmed	3.3	6.6	6.6

Short-term priority programmes and action		Implementing ministry	Estimated beneficiaries and benefit levels	Funding status	Resource requirements (in US$ m)		
					2010/2011	2012	2013
			6 for family consumption)				
2.6	**Support to the implementation of the National Plan of Action on the Elimination of Child Labour**	MoLVT	12,000 by 2012 [6]	Confirmed			
Objective 3: Reduce seasonal unemployment and provide livelihood opportunities							
3.1	**Set up and gradually expand an integrated national public works programme to address (seasonal) rural unemployment of the poor and create sustainable community assets**	To be confirmed during project design phase	Beneficiaries 2011: 20,750 Beneficiaries 2012: 42,000 Beneficiaries 2013: 105,500 Employment for 40 days/year Wage rate: 10,000 Riels Average non-wage cost 30%	To be confirmed	0.2	10	**24**
3.2	**Continue existing FFW/CFW programme** **a) WFP** **b) EFAP**	MEF, MRD	2010: 142,915 beneficiaries 2011: 181,249 beneficiaries 2012: 250,000 beneficiaries 2013: 250,000 beneficiaries	To be confirmed	3.3	5	**5**
Objective 4: Promote affordable health care for the poor and vulnerable							
4.1	**Streamline/harmonise/expand coverage of HEF**	MoH		Confirmed with funding gap identified	9 (Gap 3.0)	10 (Gap 6.0)	12 (Gap 8.0)
4.2	**Expand CBHI?**	MoH	End 2009: 13 schemes with a total of 122,829 members	To be confirmed			
Objective 5: Improve social protection for specific poor and vulnerable groups							
5.1	**Develop concept for addressing vulnerabilities for poor elderly, chronically ill and disabled people**	MoSVY	Long-term strategy to increase social protection for poor, elderly, disabled (e.g. through cash transfers or social pensions) developed and agreed on by 12/2013	To be confirmed	0.1	0.1	0.1
5.2	**Targeted food distribution to specific vulnerable groups**	MoH	TB patients 2010: 22,857 patients, US$2 million People living with HIV/AIDS/OVC 2010: 67,460, US$4.2 million	To be confirmed	3.7 4.9	3.7 5.8	3.7 5.8
5.3.	**Social welfare services, including child welfare and youth rehabilitation, welfare**	**MoSVY**	Based on the 2008-2013 MoSVY work platform, by 2013 beneficiaries will have	Financed by MoSVY budget	MoSVY budget	MoSVY	MoSVY budget

[6] The above beneficiaries are to be directly targeted under an ILO-funded project. However, it may be noted that the RGC is committed to ending the worst forms of child labour by 2016. Towards this, it has been estimated by joint World Bank, UNICEF, ILO (Understanding Children's Work Project) study to require an additional funding of $90 million. Thus, for the three-year period 2011-2013, roughly an additional $45 million will be required, i.e. $15 million each year.

Short-term priority programmes and action		Implementing ministry	Estimated beneficiaries and benefit levels	Funding status	Resource requirements (in US$ m)		
					2010/2011	2012	2013
	and rehabilitation for people with disabilities, homeless, welfare for elderly and for veterans		included: 11,000 orphan children; 105,160 veterans and 316,260 family members; 15,185 children and teenagers in conflict with the law; 4,500 people with disabilities (900 per year), including 676 children with disabilities; 7,500 homeless people (1,500 per year); 1,500 AIDS-affected women and children and their families (300 per year); 8,500 women and children victims of human trafficking (1,510 per year)			budget	