



# USAID | CAMBODIA

FROM THE AMERICAN PEOPLE

## Country Development Cooperation Strategy 2014-2018



## Contents

I.	Introduction .....	1
II.	CDCS Goal and Development Hypothesis: .....	12
III.	Development Objective 1 .....	15
IV.	Development Objective 2 .....	26
V.	Development Objective 3 .....	39
VI.	Monitoring, Evaluation, and Learning .....	53

## USAID's 2014-2018 Country Development Cooperation Strategy for Cambodia

### I. Introduction

Cambodia is one of the world's poorest countries, and nearly a fifth of all Cambodians continue to live below the poverty line.<sup>1</sup> The majority of Cambodia's population is engaged in an agriculture sector that is both inefficient and undiversified. Representing over 50% of the agricultural workforce, and with significantly higher illiteracy adult rates than men, women are particularly vulnerable to the economic inefficiencies on the farm and have limited off-farm livelihood opportunities. Additionally, the agriculture sector is highly vulnerable to climate change, and natural resource degradation is exacerbating rural poverty. The celebrated MDG gains in the health sector are fragile, and greater country responsibility for funding and leadership is needed to strengthen and sustain health systems. Tremendous progress has been achieved in women's elected representation at the local level, but increased participation in decision-making is needed to significantly measure progress in women's public leadership. Meanwhile, the next generations of Cambodians are endangered with less than half of children graduating from secondary school, while the number of children in institutional care rather than with families has increased from 6,254 to 11,945.<sup>2</sup>

Cambodia's future development will increasingly be shaped by its large youth population, which is predicted to remain the majority of the populace until 2035. This generation does not have a personal history with genocide and political struggle. Many Cambodian youth seek economic opportunity and political freedom; if trained in relevant skill areas, and allowed to flourish under democratic rule of law, this population will become Cambodia's major asset. Use of technology, especially social media, is increasing exponentially, expanding the reach of technical – and political – information. Furthermore, youth have the potential to move beyond the understanding simply that domestic violence is illegal, to believe that gender-based violence is also unacceptable. The private sector is cultivating a crop of entrepreneurs in new industries that is more willing to invest in labor skills training and engage in policy reform. The Cambodian government also has a cadre of younger technical officers who are working to professionalize the machinery of government and enact administrative reforms to better implement policies.

Cambodia's historic wealth of biodiversity, land, and water is under pressure from economic expansion and population growth. Land issues have become a major focus for citizens' expression of political discontent. While Cambodia remains predominantly rural, Phnom Penh is among the fastest growing urban centers in the world, with migrants to the city having greater access to information and communication technology, as well as higher expectations for their own and their children's future.

This 2014-2018 CDCS utilizes resources across the democracy and technical sectors, as well as from other donors, the private sector, and civil society, to advance the conditions necessary for a

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<sup>1</sup> [http://devdata.worldbank.org/AAG/khm\\_aag.pdf](http://devdata.worldbank.org/AAG/khm_aag.pdf).

<sup>2</sup> Alternative Care Database, Ministry of Social Affairs, Veterans and Youth Rehabilitation, 2005-2010.

democratic and prosperous Cambodia--prosperity being based on higher status levels in education and health, among other factors.

This CDCS is completed at a time when key factors in the political context remain unknown. The Mission, in response, anticipates reviewing and revising the strategy to take advantage of new opportunities as they arise. At the time this strategy was completed, agreement had not been reached on the outcome of the July 2013 national elections, nor has the opposition's participation in the government been resolved.

By the end of this strategy period, USAID will have achieved specific DO level outcomes and will have substantially furthered Cambodia's own foundation underpinning a sustained democratization and economic development. This will include a much broader and deeper democratic political culture, a more sustainable Cambodian civil society capacity, greater civic engagement in governing processes, and more responsive governing institutions protecting human and civil rights across a variety of sectors-- all of which are critical for Cambodia's democratization process. USAID will have supported a significant increase in citizen engagement in health services, land management, early grade education quality, agriculture production and sales, and environmental conservation. Citizens will better be able to mobilize and demand increased government accountability and transparency in the health, education, agriculture, and environment sectors. Youth and women's civic engagement will have increased, including the number of women in leadership positions. The TIP rating for Cambodia will have improved to at least Tier 2. The rights and needs of the vulnerable and marginalized populations will be recognized by government and civil society, and progress made in building systems to address them.

At the end of five years, HIV prevalence will have reduced among high risk populations through improved testing and the roll-out of innovative treatment approaches. Interventions to reduce stunting will have been tested and best practices for Cambodia determined, with prevalence rates dropping for the first time, a component of which is families having access to improved sanitation. There will be nearly universal delivery in a healthcare facility, fewer newborns will die, and there will be improved detection of MDR-TB, resulting in a better match between those projected to have MDR-TB and those being treated. Government ownership and financing of the social sector will have increased, demonstrated by increased government spending and contributions to both the education and health sector. Finally, improved reading scores for Cambodian children will help reduce school dropout rates, and increase work force competitiveness. Reducing gender based violence will be incorporated as a primary objective in national strategies, with community awareness substantially increased.

Also at the end of the five year strategy period, the Mission will have supported a reduction of the people living on less than the poverty level of \$1.25 per day from 23% of the population in 2010 to below 17% poverty in the major provinces around the Cambodia's central lake. Horticulture will be established as a viable commercial business, with private sector interest building market systems. A Cambodian system for expanding knowledge on agriculture, and a dissemination network or extension service will be identified and begin to be established. The financial and environmental costs of deforestation and interference with the Mekong River natural flows will be known at the highest levels and debated publicly at national and regional

levels. Community systems for negotiating environmental conservation will be established, evaluated, and well known.

**USAID in Cambodia:** Beginning in the mid-1980s, USAID played a vital role helping tens of thousands of refugees in Thai border camps who had fled Khmer Rouge rule and the Vietnamese invasion. In 1990, the United States announced that it would end economic sanctions against Cambodia and provide aid to the country for the first time in 15 years. USAID established a bilateral mission in 1992, following the signing of the Paris Peace Accords in April 1991.

Moving from an early focus on relief and rehabilitation, USAID transitioned by the mid-1990's to a development program incorporating democracy and governance, education, rural development, and health and family planning. Factional political violence in 1997, however, led the United States to cease providing direct support to the Cambodian government and temporarily reduced its assistance budget for the country. Following the 1998 national elections, the United States restored bilateral humanitarian assistance focused on HIV/AIDS, democracy, and civil society, with budget levels returning to pre-1997 levels.

The USAID Cambodia Interim Strategy Plan, covering 2002 to 2005, moved beyond humanitarian relief to begin addressing long-term development challenges through social sector, while continuing support for democracy and human rights. Given the short, three-year timeframe, USAID assistance focused on political competition in anticipation of upcoming national elections.

USAID Cambodia's 2005-2010 "Strategic Statement" recognized that good governance encompassed elections and increased political competition, but also accountable, transparent systems that respond to citizen concerns. In 2007, 10-year old restrictions barring most direct U.S. assistance to the Cambodian government were lifted. USAID subsequently signed bilateral agreements with the Cambodian government in health, education, and economic growth. In 2010, Cambodia became the focus of three new presidential initiatives: the Feed the Future Initiative (Global Food Security Initiative) (FTF); the Global Climate Change Initiative (GCC); and the Global Health Initiative (GHI) (which also includes PEPFAR and the Presidential Malaria Initiative). These initiatives respond to several of Cambodia's top development priorities and are also areas where USAID has demonstrated effectiveness. The 2014-2018 Country Development Cooperation Strategy (CDCS) continues to prioritize democracy and human rights, and the three Presidential Initiatives, but also seeks to re-engage in basic education, given the evidence of the role of education on furthering democracy, as well as health, food security and environment.

**U.S. Foreign Policy Interests:** The top U.S. foreign policy objective in Cambodia is the development of a sustainable democracy that encourages civic participation in governance, adherence to the rule of law,

### Challenges

- "One party plus" system
- Weak human rights
- Low governance accountability
- Insecurity of land tenure
- Fragile health improvements
- Persistent malnutrition
- Inequality and narrow economic base

and respect for human rights. More broadly, the United States promotes a secure, democratic, prosperous, educated, and healthy Cambodia that provides for the needs of its people and plays a constructive role in the region. The United States views Cambodia as a valued economic and diplomatic partner. The United States also has global interests that can be addressed through cooperation with Cambodia. The spread of multi-drug resistant strains of malaria pose a major threat to the Greater Mekong region and all of Africa. The widespread use of counterfeit and substandard medicines and high mobility spreads drug resistance. The Obama Administration seeks an AIDS-free generation, and Cambodia is positioned to be among the first countries to deliver on this promise. Cambodia's rich biodiversity, forest, and water assets have both national and regional importance and affect global stocks of unique species and valuable resources. Though it has a limited global impact, Cambodia's explosive economic growth contributes to climate change, even while its own agriculture is sensitive to environmental shifts. Cambodia's location at the heart of a growing and dynamic region gives it added strategic importance.

**Democracy, Politics, and Human Rights:** Cambodia's future development is constrained by policy and capacity weaknesses in governance and democracy. In the recent July 2013 national elections, the National Election Committee (NEC) ruled that the Cambodian People's Party (CPP) won the majority of seats in the National Assembly with the newly united opposition, the CNRP, making a significant gain of seats. Most independent observers assessed that the elections process did not fully meet international standards, specifically criticizing the NEC for a lack of independence and the nearly exclusive access of the CPP to broadcast media.

Reported human rights violations increased in 2012 and were increasingly linked to land disputes, with some activists involved in protesting evictions accused of criminal incitement or defamation. Long lacking financial resources and technical capacity, the judicial system may be subject to corruption and political influence and fails at times to provide due process. Perceptions of bias in adjudicating cases that arose from the government's granting of economic land concessions (sometimes to ruling party officials) fueled disputes, sometimes violent, in every province in 2012.

Cambodia is a source, transit, and destination country for human trafficking and was downgraded to the Tier Two Watch List for the second year in a row in the 2014 Trafficking in Persons Report. Cambodian men, women, and children migrate to countries within the region—primarily Thailand and Malaysia, but also Singapore, Vietnam, and South Korea—for work in factories, restaurants, or other industries, but many are subsequently subjected to sex trafficking, domestic servitude, debt bondage, or forced labor within the fishing, construction, food processing, and agricultural industries. Many Cambodians are also experiencing physical and psychological effects from the Khmer Rouge period and the subsequent era of political instability. Certain segments of the population, such as lesbians, gays, bisexuals, transsexuals, commercial sex workers, and intravenous drug users, experience discrimination and marginalization and face barriers to accessing healthcare and other social services.

Transparency International ranked Cambodia 157 out of 176 in the Corruption Perception Index in 2012, with an overall score of 20 out of 100. In Transparency International's 2013 survey, 57 percent of Cambodians reported having paid a bribe in the past year. Government employees are underpaid, which is a key driver of corruption. Revenue generation has increased but remains below adequate levels for ongoing government functions, much less for the human and

infrastructure investments needed for Cambodia to compete with its neighbors and prepare for the challenges of an aging population over the next 20 years.

Over the last decade, however, the capacity of civil society and political opposition has grown substantially. Human and labor rights civil society organizations (CSO) have professionalized their data collection and monitoring related to such issues as economic land concessions, prison conditions, and violations of freedom of expression. The labor movement has been effective in not only raising salaries but winning employment benefits for garment workers. The gains of the newly united opposition in the 2013 parliamentary elections demonstrate increased political competition and the growing strength of citizen voices, especially the youth, in the political arena.

**Poverty and the Economy:** Thanks to impressive economic growth and notable poverty reduction, the World Bank (WB) estimates that Cambodia achieved its MDG target of halving poverty.<sup>3</sup> Nonetheless, poverty remains a serious concern. Approximately four million Cambodians live on less than \$1.25 per day.<sup>4</sup> Since 2004, Cambodia's growth has been narrowly based on four pillars: agriculture (primarily rice), real estate/construction, garments and footwear exports, and tourism.

Structural weaknesses challenge further economic growth. While the majority of the population is engaged in the agriculture sector, high input prices have driven value-added agricultural processing to neighboring countries, and poor irrigation systems have stunted the country's agricultural output. Although road infrastructure is improving significantly, power and other infrastructure is poor, particularly compared to neighboring countries. For example, electricity prices are three times higher than in Vietnam. There are no dedicated air-cargo links, and Cambodia's seaport is the most expensive in Asia. The Cambodian government is prioritizing investment in electricity plants, roads, and port upgrades and has accessed funding from donors and Asian neighbors that will reduce production costs. Little has been done, however, to address Cambodia's low productivity rates. The poorly prepared labor force is increasingly identified as one of Cambodia's major challenges. This complex problem stems from a range of causes including poor nutrition, insufficient or poor quality schooling, and a dramatic lack of skill training for all key economic sectors. Furthermore, females in the Cambodian workforce have had less school enrollment at all levels of education than men, and less access to the limited training opportunities than men (e.g., women represent 57% of the workforce in market-oriented agriculture, but only receive 10% of the agricultural extension services). Although Cambodia's economy is relatively open due to private-sector pressure on the government, a major economic challenge for Cambodia over the next decade will be fostering an economic environment in which the private sector can create enough jobs to employ Cambodia's young population. As ASEAN economic integration proceeds, Cambodia's youth may be forced to turn to low-wage opportunities in more economically successful ASEAN member countries.

Strengthening the business environment, increasing the competitiveness of the private sector in

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<sup>3</sup> <http://www.worldbank.org/en/country/cambodia/overview>.

<sup>4</sup> <https://www.cia.gov/library/publications/the-world-factbook/geos/cb.html>.

agriculture and other areas, and encouraging the private sector to adopt gender-responsive human resource management practices that are good for business, that will increase incomes, reduce food prices, advance women's economic inclusion and leadership, expand access to higher quality food and other goods, and create jobs.

**The Cambodian People:** The 2013 UN Development Program's (UNDP) Human Development Report concluded that due to impressive gains in its economy, Cambodia registered "massive gains and improvements" in life expectancy, educational attainment, and living standards as reflected in its gross national income. Cambodia also made impressive achievements in health. HIV prevalence was reduced by half, and over 80 percent of infected people are under care and treatment. Maternal mortality was reduced by nearly half since 2005, and infant and child mortality by greater than half. More recently, evidence shows that tuberculosis prevalence has dropped as well. These impressive gains have generated momentum and confidence that further success is possible. Cambodia's Human Development Index (HDI) score, however, is below average when compared to other countries in the region. With an HDI score of 0.543, Cambodia is considered a "medium" country in terms of human development, ranking 138 out of 186 countries. With a Gender Inequality Index of 0.473, Cambodia ranks 96 out of 148 countries ranked; Myanmar ranks 80, Thailand 66, and Vietnam 48. While Cambodia has slowly but steadily improved from "alarming" to "severe" status in the World Hunger Index, 40 percent of Cambodian children under the age of five are stunted, and malnutrition remains a challenge.<sup>5</sup>

Despite the huge gains in attendance for both girls and boys in primary schools, only 1.6 percent of Cambodia's GDP is spent on education. As a result, Cambodian teachers are significantly underpaid and spending little time in the classroom to work outside the school to supplement their low teaching salaries. Most classrooms are under-equipped and lack proper teaching materials. Inadequate funding for the education system results in poor quality education and high student dropout rates. The majority of students drop out of school in middle school. On average, the completion rate for primary school is nearly 90 percent; this is dramatically lower for lower secondary school at 42 percent. Furthermore, the lack of comprehensive relevant skills training in schools has produced a generation of youth with limited work skills and workplace capacity.

**Gender Inequality:** In the World Economic Forum's Global Gender Gap Report 2013 Cambodia has a score of 0.651 (0.0 is inequality, 1.0 is equality), ranking 104 out of 136 countries. However, it is the gender gap sub-indexes for economy, education, health, and politics that most vividly show the progress and challenges Cambodia currently faces in closing sectoral gender gaps. Among the four sub-sectors, politics represents the most significant gender differential. For example, although Cambodia has made some progress with female representation in parliament (0.25, 65 of 136 countries), female representation in ministerial positions remains significantly low (0.05, 120 out of 136). Within the education sector, advancement in girl's access to primary education has been encouraging (0.97), but women's enrollment in tertiary schooling (0.62, 116 out of 136) and the overall literacy of women (0.80, 113 out of 136) is low. Within the economic sector, women's labor force participation overall is

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<sup>5</sup> International Food Policy Research Institute, *World Hunger Index*, 2012.



very impressive (0.93, 14 out of 136); however, women show low rates of participation as professionals and technical workers (0.48, 103 out of 136) and as legislators, senior officials and managers (0.16, 97 out of 136). Trend data since 2006 shows relative stability of Cambodia's progress across and within the sectors.

Domestic violence is significant in Cambodia, with over 20% of ever married women aged 15-49 years reporting experiences. Further, rates of physical and sexual violence among Cambodia's most vulnerable populations, including trafficked women and commercial sex workers, are even higher. Each year more than 500 cases of sexual exploitation, trafficking and rape of children are reported to the police. Yet many more Cambodian women and children experience unreported domestic and physical violence, which affects their general well-being, physical and mental health, and social functioning. Child victims of violence are also more likely to become perpetrators or victims of other types of violence later in life.

USAID Cambodia's 2006 *Gender Analysis and Assessment* and a USAID gender assessment in 2010 concluded that efforts to promote gender equality and women's rights have improved in some areas, and appear to be gaining momentum. There was greater awareness of women's rights, especially among young, urban women. These areas reflect the three objectives of USAID's Gender Equality and Female Empowerment Policy (2012): 1) Reduce gender disparities in access to, control over, and benefit from resources, wealth, opportunities, and services; 2) Reduce gender-based violence and mitigate its harmful effects on individuals and communities; and 3) Increase the capability of women and girls to realize their rights, determine their life outcomes, and influence decision-making in households, communities, and society.

**Biodiversity, Forests, and the Mekong:** Although Cambodia is a relatively small country; the abundant water from the Mekong River is associated with some of Southeast Asia's richest areas of biodiversity and largest tracts of forest. Economic pressures, including the demand for power, land for industrial agriculture, and the impact of rapid urbanization, are intensifying. Though written policies to protect these valuable resources are in place, in practice a weak legal system and high levels of corruption threaten these resources. A steep decline in forest cover since the 1990s continued through 2010, damaging the forest watersheds critical to maintaining both agriculture and biodiversity and reducing Cambodia's ability to contribute towards the mitigation of global climate change through carbon sequestration.

The Mekong River has a nearly unrivaled impact on food production supporting approximately 60 million people living within the region. Its monsoonal "flood pulse" interaction with Cambodia's Tonle Sap River and Lake is key to maintaining soil fertility and critically important to maintaining the wild fisheries from which 76 percent of all animal protein in the region is derived.<sup>6</sup> As many as 12 dams are planned along the Mekong's mainstream, including two within Cambodia. A strategic environmental assessment by the Mekong River Commission concluded that these dams could significantly contribute to economic development in host countries but negatively affect Cambodia as well as Vietnam.<sup>7</sup> Former

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<sup>6</sup> Cronin, R. and Hamlin, T., *Mekong Turning Point: Shared River for a Shared Future*, 2012, p 2.

<sup>7</sup> Cronin, R., p. 7.

Secretary Clinton issued a call for a 10-year moratorium on construction of these dams to allow time to study and better understand their socioeconomic impact—a call that has gone unheeded thus far. The damming of the Mekong River would fundamentally alter the river’s unique ecosystem and significantly impact the food security and livelihoods of the population it supports.

**USAID’s Comparative Advantage:** USAID made strategic choices when determining which sectors it would focus its work on during the life of this strategy. In making these determinations, USAID considered Cambodia’s critical needs across all sectors, the presence or lack thereof of other donors working in each sector, existing and possible future changes in the political and economic landscape, available funding, and the opportunities for success. USAID’s choices were difficult to make.

In partnership with civil society actors, other donors and the private sector, USAID is well positioned to build on existing momentum for reform in democracy and governance. Working with CSOs to build citizen demand for meaningful reform is critical. In addition, USAID has a long-standing history in Cambodia of working with human rights organizations to support advocacy for freedoms of assembly, speech, and press. USAID partners with other donors and civil society to protect vulnerable and marginalized populations including individuals affected by trafficking in persons, gender-based violence, and the Khmer Rouge genocide. USAID also supports individuals suffering from discrimination resulting from being lesbian, gay or bisexual or having disabilities. Furthermore, where windows of opportunity exist, USAID will engage the government more directly to increase government accountability and transparency including in its efforts to decentralize government authority to the provinces and communes.

USAID has had a major role in helping Cambodia achieve significant improvements in health status, and will continue to be one of the few major donors in this sector, as the mission transitions from service delivery to building sustainable health systems that can address child and maternal health, infectious diseases including HIV/AIDS, TB, and malaria, as well as avian and other influenzas. With drug-resistant strains of malaria and TB increasing, USAID Cambodia will continue to work with its regional partners in stemming this expansion.

Except for improvements to the overall health system, USAID will not fund programs in other areas of chronic disease. There are neither adequate resources at this time to work in this area, nor is it an area of USAID comparative advantage. Dengue fever is one area not included in this strategy due to lack of funding and the presence of other donors, namely the World Bank, providing limited funding for dengue fever prevention and treatment programs. While USAID may provide limited support to strength the government’s laboratory capacity to better prepare for infectious disease outbreaks, programs in this area, along with blood safety, are for the most part being addressed by the U.S. Centers for Disease Control and Prevention. USAID will fund evaluation and operations research but will not fund pharmaceutical trial research and disease prevalence studies, as these are funded by other U.S. government agencies. Recently, some programs have shifted to work with the commercial sector as a partner in making healthcare commodities and services available to more affluent Cambodians, thus, prioritizing USAID resources for the poor. Further, in response to consistent data on commodity stock-outs in all sectors, USAID will help ensure the availability of drugs and commodities at all levels of the

system, by strengthening distribution, forecasting, and drug information. Chronic disease, namely diabetes, hypertension and cancer, is becoming a larger area of concern in Cambodia. Because it is the most prevalent form of cancer in Cambodia, USAID will support cervical cancer screening and referral for treatment through its reproductive health programs.

Cambodia faces significant gaps in education at all levels. A recent WB report cited that while the majority of children in primary school could read, almost half (46.6 percent) did not understand what they had read, 33 percent could not read at all, and 28 percent could not recognize basic vowels and consonants. The poor quality of instruction, gaps in teacher deployment, high student drop-out rates in the end lead to poor readiness of Cambodian youth to enter the work force. To meet this challenge, the Mission plans to prioritize improving Cambodia's education system, requesting more funds for education and less in other areas of less need.

To meet the objective of poverty reduction, USAID focuses on agriculture, which is one out of the four key economic sectors in Cambodia. In addition to USAID's Feed the Future resources, there is evidence that agricultural development works best to reduce rural poverty. Development Objective 3 (DO3) will focus on specific populations and geographic areas specific to each Intermediate Result. Cambodia's major agricultural value chains were evaluated based on what kind of impact they had on target beneficiaries: the ability to increase and diversify household production; the share of diet, nutritional content, income potential; and, technical improvement potential. Their impact on female farmers and the potential benefits to natural resources conservation and adaptation to climate change were also considered. Forests were selected given the importance of their contribution to the world's and Cambodia's biodiversity and to conservation of watersheds critical to agriculture production, as well as being a source of income for some of the country's poorest people.

As shown in the 2010 Cambodia Demographic and Health Survey, the Cambodian Strategy for Agriculture and Water, and the Cambodian Strategy for Food Security and Nutrition, there is wide variation in nutrition levels and food availability in the country. Most of Cambodia's agricultural production is concentrated around the Tonle Sap Lake and the Mekong River. The Rural Tonle Sap region has the highest poverty rate of 45 percent totaling one third of Cambodia's poor.<sup>8</sup> This area also includes about a third of all food insecure households (one million people during the lean season) and shows the highest concentration of children suffering from malnutrition across all income brackets. On the positive side, the rural Tonle Sap region has relatively high soil fertility, an inland fish catch that comprises 80 percent of the total for Cambodia, and two of the country's top 10 rice producing provinces. USAID's activities will focus on achieving results in four of the six provinces in this area. Assessments conducted by USAID in 2011 and subsequent 2013 statistical studies carried out by the World Food Program confirmed these choices.<sup>9</sup>

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<sup>8</sup> The Rural Tonle Sap is a formal designation of the area comprising six provinces: the four Feed the Future target provinces along with Banteay Meanchey and Kampong Chhnang provinces.

<sup>9</sup> Several donor and host country studies completed between 2004 and 2011 were used to develop the rationale for these choices. They include FAO's Cambodia Food Insecurity and Vulnerability Information and Mapping System, World Food Program's 2002 Poverty and Vulnerability Analysis Mapping, the Cambodian government Ministry of

USAID’s environmental activities will focus on conserving forested landscapes that are the most critical to maintaining watersheds including the Prey Lang forest and the Eastern Plains region. Interventions to improve the enabling environment will help build national capacity of all stakeholders in policy making and implementation. This higher level, national focus is necessary because national policies, public-private engagement, and decisions regarding national economic diversification have significant implications for local populations.

**Cross Sector Higher Education, Workforce Training and Youth:** Building the capacity of local partners and institutions is critical to the sustainability of the outcomes of this objective and to meeting USAID Forward objectives more broadly. The period of the Khmer Rouge brought the eradication in many rural areas of those people with key vocational and other higher level technical skills, especially those related to agriculture, agricultural mechanization, marketing, business, irrigation, etc. The significant rise in the percentage and numbers of youth in the last 30 years has not been followed with a similar rise in vocational or technical training or graduate study. Thus, key component of DO3 includes the provision of short-term vocational training for the rural workforce, especially targeting those youth returning home to rural areas to start their own families, farms and businesses after having worked in urban and international labor migration. In addition, scholarships for higher education in the agriculture, nutrition, environment, economic growth, and performance monitoring and evaluation sectors are critical to fill these technical gaps founds in government, the private sector and civil society.

**Prioritizing USAID Forward:** USAID Forward is an integral part of the Mission’s approach, it is already instilled within USAID Cambodia’s planning processes and will be expanded during the strategy period. USAID will continue to develop the capacity of Cambodian organizations to implement local development solutions, prioritizing entities that are the most critical to Cambodia’s development. These will include not just local non-governmental organizations (NGOs) and civil society organizations, but also private sector enterprises, and a cadre of professional experts who can continue to provide technical assistance to government and NGOs over the long term. The transition away from reliance on expatriate expertise and service delivery demands a new level of skill and orientation among Mission staff, the development of which is an increasing priority for Mission leadership and its talent management agenda.

Moving forward, USAID will continue to institutionalize multi-sector coordination to increase complementarity of programming. Efforts are already in place within the Mission in the areas of gender-based violence, nutrition, and land tenure to collaborate across DOs.

USAID will also continue to build upon innovative practices using mobile phone technology, expanding current use in the democracy/governance and health sectors and exploring potential

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Planning’s 2004 Poverty Profile of Cambodia, the 2003-04 Cambodia Socio-Economic Survey, and the 2005 Cambodian Demographic and Health Survey (CDHS). More recent studies confirming this logic include the 2010 CDHS, the papers prepared for the November 2010 International Food Policy Research Institute (IFPRI) and the Cambodia Development Resource Institute (CDRI) Cambodia Food Security and Agriculture Policy Stocktaking Roundtable (funded by USAID),and USAID’s May 2011 Cambodia nutrition strategy and assessment.

in food security, environment, and education. USAID will continue to emphasize science and technology through Grand Challenges, Partnerships for Enhanced Engagement in Research projects, and work with U.S, regional, and local universities.

## II. CDCS Goal and Development Hypothesis:

**2014-2018 Cambodia CDCS Goal:  
Cambodia's transformation to a democratic and prosperous country accelerated**

Impact indicators to measure success toward achieving this goal include:

- Maternal survival rate; and
- Bertelsmann Stiftung's Transformation Index.

The development hypothesis behind the CDCS goal is that civic engagement, informed constructive dialogue, and a demand for transparency and accountability by the Cambodian people will result in greater respect for human rights and in prosperity, as defined by improved health and education status and reduced poverty. Those outcomes will move Cambodia further down the road towards a higher income, democratic country. The hypothesis assumes that gains in human development and economic growth are limited by a political system that is not fully accountable to its people. It also assumes that focus on evidence, innovation, and knowledge along with citizen mobilization to demand better health and education services, conservation of the environment, gender equality and female empowerment, and poverty reduction will strengthen its democratic systems.

**Non-Governmental Partners:** USAID has a strong and extensive history of supporting civil society organizations (CSOs) in Cambodia from those engaged in human rights advocacy to those farmer and other business associations critical to private sector development. Under this CDCS, USAID support to CSOs will continue to extend across the development portfolio in the pursuit of an equitable and sustainable future for Cambodia.

During this strategy period, USAID will expand its engagement with the private sector as a partner in influencing policy and enhancing program implementation. USAID will work with the ASEAN business community, the American Chamber of Commerce, the US-ASEAN Business Council, and leading Cambodian enterprises to create partnerships and increase job creation. This platform will engage the private sector as a champion of women's economic inclusion, providing evidence that helps strengthen local value-chains working across all target sectors. It will also engage technology developers and providers to incorporate the use of social media and other technologies, especially mobile and smart phone applications, in all target sectors. USAID's regional and Washington-based programs will also contribute to the knowledge base informing USAID Cambodia's interventions, producing score-cards to identify best practices, provide additional training and technical assistance opportunities to partners, support efforts to prevent and respond to gender-based violence and help integrate Cambodia into solutions on regional issues, especially in the environment, food security and health sectors.

**Development Partner Cooperation:** USAID will work closely with a range of development partners to implement this CDCS through Cambodia's existing aid effectiveness architecture and through on-the-ground program implementation. The aid effectiveness architecture in

Cambodia is comprised of:

- Nineteen Technical Working Groups (TWG), comprising Cambodian government officials and development partners, including USAID, that communicate regularly and formally on sector and thematic issues, with a focus on resources, implementation, and monitoring;
- The Government Development Partner Coordination Council (GDCC), a forum for high-level political and technical dialogue; and
- The Country Development Cooperation Forum (CDCF), the highest-level forum for policy dialogue in Cambodia that focuses on the implementation and resourcing of the National Strategic Development Plan (NSDP).

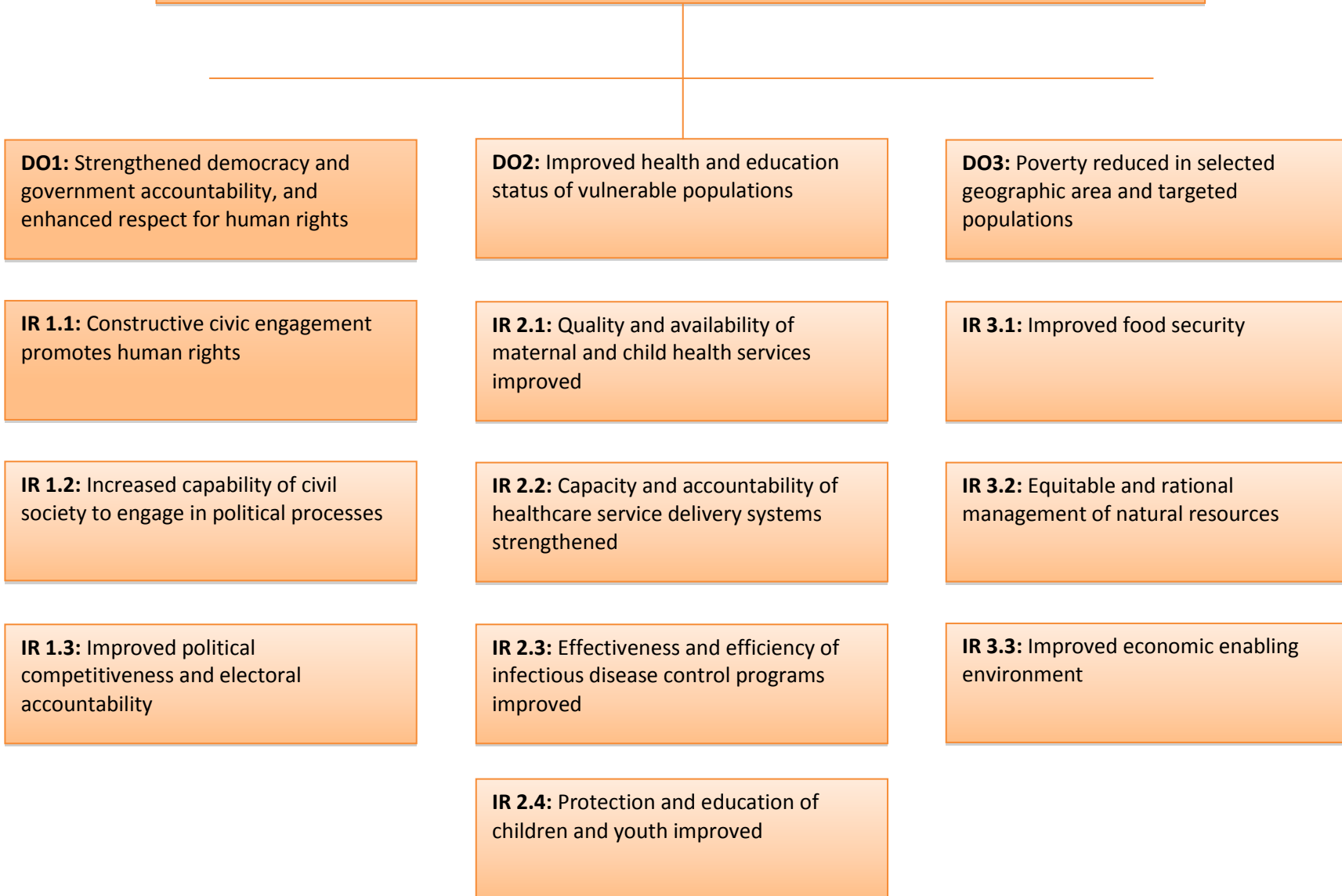
The above bodies are chaired by a relevant Cambodian government official and co-led by a development partner representative.

**Aid Effectiveness Principles:** USAID will work closely with the Cambodian government and development partners to ensure maximum aid effectiveness. The Cambodian government is developing key vision and planning documents in its quest to achieve middle-income status by 2030. The United States will support this goal through this CDCS and expects to achieve measureable improvements in health, food security, environmental management, and democratic governance in this five-year period. The Cambodian government has developed its 2014- 2018 National Strategic Development Plan (NSDP), which will commit the government to “ensuring a better quality of life for its people, and in building a democratic, rule-based society, with equitable rights and opportunities for the population in economic, political, cultural and other spheres.”<sup>10</sup> The Cambodian government will produce a Development Cooperation and Partnerships Strategy to support implementation of the 2014-2018 NSDP, with the objective of promoting development effectiveness in Cambodia through a wide range of partnerships.

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<sup>10</sup> Ministry of Planning, Cambodian government, *Guidelines for formulating National Strategic Development Plan (NSDP) 2014-2018*, April 20

**GOAL: Cambodia's transformation to a democratic and prosperous country accelerated**



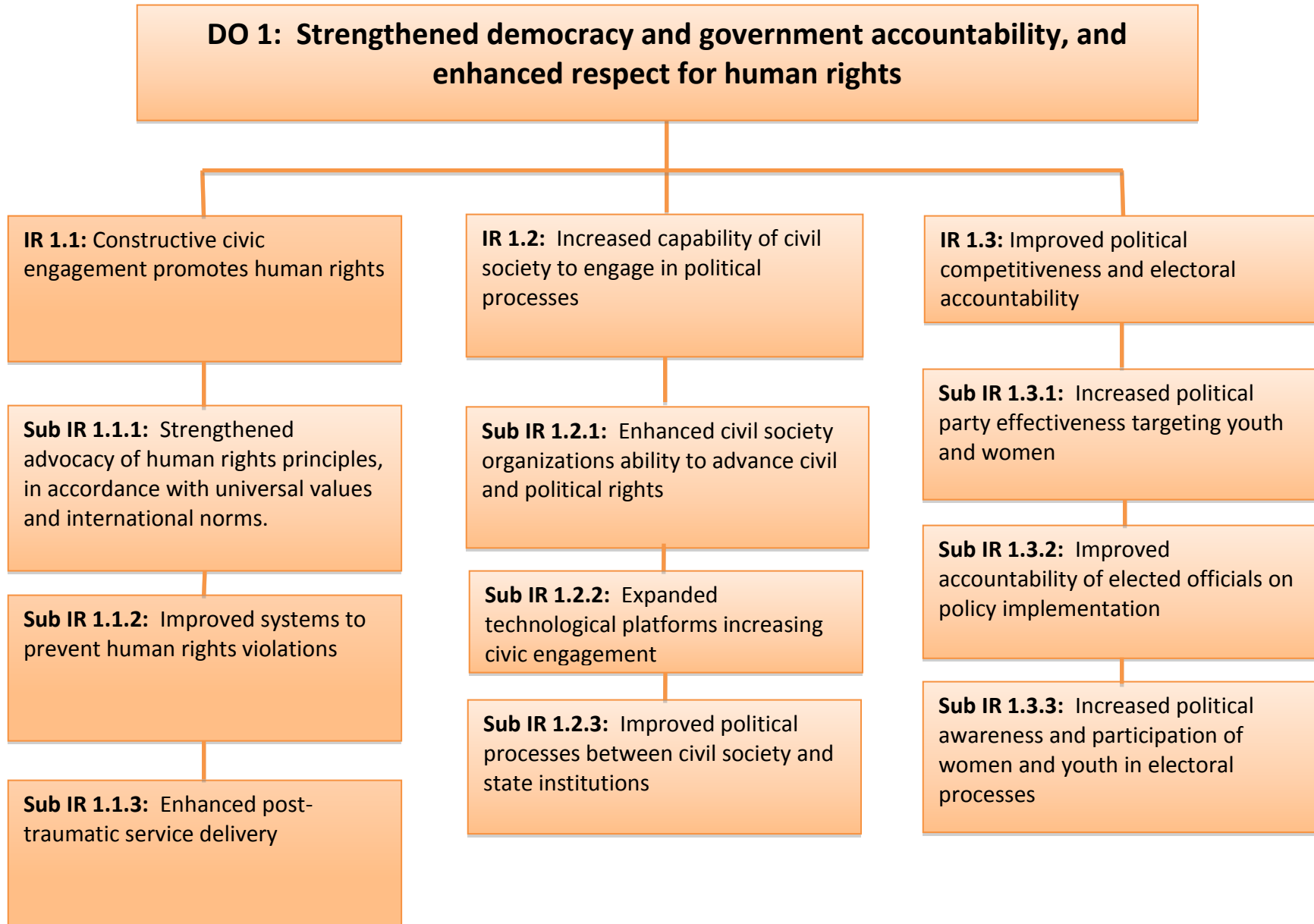


### III. Development Objective 1

<b>Development Objective 1: Strengthened Democracy and Government Accountability, and Enhanced Respect for Human Rights</b>
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**Illustrative Indicators (Impact Level):**

1. Accountable governance improved as measured by the number of policy or law reform measures adopted and implemented by the Cambodian government that respond to citizen interests;
2. Freedom of speech and assembly improved as demonstrated by increased debate and/or public policy forums; and
3. Country rating improved on capacity of the host government to provide protection to trafficking victims.



**Development Hypothesis:** The development hypothesis underlying DO1 is that a more engaged and participatory citizenry will expand the demand for, and result in, greater democratization, accountable governance, and the promotion of human rights. This hypothesis is supported by recent evidence demonstrating that when citizens build strategic partnerships; develop issues-based campaigns, alliances, and coalitions; and, use the power of media to express their views and mobilize others, they can influence public opinion and their government's policy decisions.

DO1 is consistent with USAID's recently released Democracy, Human Rights, and Governance (DRG) Strategy's goal supporting the establishment and consolidation of inclusive accountable democracies to advance freedom, dignity, and development. USAID will work with CSOs promoting anti-corruption measures, law and policy reform, human rights (including for the poor, marginalized and at-risk communities, and prevention of gender-based violence), civic education, independent media, Internet freedom, electoral reform, counter trafficking in persons (TIP), and political participation of youth and women. USAID will help improve the quality and dissemination of civic education and advocacy messages using broadcast media, social media, and new mobile technology. USAID will also promote political pluralism by strengthening the capacity of political parties to compete in elections and increase citizens' knowledge of the political process to build consensus between civil society and government on electoral reforms.

The provision of social services to vulnerable populations as part of the DG strategy reflects USAID's recognition that helping rehabilitate and reintegrate citizens into society, in particular integration into the economy and political life, builds social resilience in post-conflict environments and promotes an enduring democracy. USAID will assist the poor, marginalized, and at-risk populations by providing rehabilitation services and other support to survivors of human trafficking, disabled persons, individuals and communities still affected by the Khmer Rouge period, persons with HIV/AIDS, key populations at-risk for HIV/AIDS, and the lesbian, gay, bisexual, and transgender communities. Programs will identify the different needs of men and women in order to better tailor targeted interventions.

At the same time, activities under DO2 and DO3 to improve nutrition, health, education, environment, food security, and income will increase the number of Cambodians who become more fully involved in civic affairs. With increased literacy, with better health of adults and their children, and with an increased prosperity that frees the poor from concentration on basic survival and household food security needs, Cambodians will have the time as well as reason to attend community meetings, access political information, and communicate their concerns and demands to the government at the local and national level.

**Expected DO Outcomes:** This five-year strategy coincides with Cambodia's electoral cycle. Therefore, by the 2018 parliamentary elections, USAID anticipates that Cambodia will have a stronger democratic political culture, greater civic engagement in political processes, and more responsive governing institutions – all of which are critical for Cambodia's democratization process. Also by the end of this strategy, USAID envisions that the number of cases regarding freedoms of speech and assembly will be significantly reduced. The number of land concessions that have resulted in illegal land evictions or a lack of appropriate compensation

will be reduced as well. There is an increase in government accountability and transparency as perceived by citizens. Meaningful electoral reforms will be institutionalized and the increased principles of political competitiveness will be enforced. Formal civil society organizations, informal groups, and the private sector will have established sustainable and effective linkages in advocating for the needs of citizens. Youth and women's civic engagement will have increased, including the number of women in leadership positions. The TIP rating for Cambodia will have improved to Tier 2 or higher. The vulnerable and marginalized populations will see an increase in legal assistance and access to care.

### **Methodology – Empowering Youth and Women, and Disseminating Civic Education**

**Through Technology and Social Media:** Key means for achieving DO1 are a focus on youth and women's political participation and increased use of technology and social media for civic education, policy advocacy, and social mobilization. Youth, as potential change agents, play a central role in DO1. Given that 70 percent of the population is under the age of 35, a key assumption that underlies this objective is that, if youth are educated about their political rights and supported to advance key human rights issues (e.g., prevention of gender-based violence, women's political participation and leadership), then they will act as a catalyst for political and social transformation in the future. This theory reflects recent evidence of strong youth interest and participation in the recent 2013 Parliamentary elections, which voted in far greater numbers for opposition party members to the National Assembly than anticipated. USAID recognizes the value of building the current and next generation of leaders and will support female and youth civic education programs to increase skills, awareness, networking and participation in democratic development activities. USAID will integrate female empowerment and gender equality throughout its democracy and governance activities. USAID will support issues-based dialogue to enable women civil society leaders to lead discussions on policy solutions related to pertinent gender equality concerns. USAID will also train and provide technical support to women leaders to strengthen their skills in policy advocacy and governance. Whenever possible, and in collaboration with other USAID Missions, USAID Cambodia will support regional exchanges of women leaders to promote the sharing of lessons learned in increasing the role and leadership skills of women in politics, and in ensuring the representation of women's issues in the policy agenda. These activities address the gender gaps identified in the 2010 Gender Analysis, which recommended greater support to women in political offices and to establish or strengthen networks to build a political base for action. USAID strategies to overcome the challenge for Cambodia in supporting women's voices and leadership at the grassroots level include promoting male norms and behaviors towards gender, addressing gender-based violence, promoting women's legal rights and protection, and increasing women's access to income and productive resources.

### **Intermediate Result 1.1: Constructive Civic Engagement Promotes Human Rights**

#### **Illustrative Indicators:**

1. Number of TIP survivors who receive U.S. government reintegration support;
2. Number of people benefitting from U.S. government-supported social assistance programs;
3. Number of people receiving assistance for the promotion of human rights; and
4. Number of people reached by a USG funded intervention providing GBV services.

The UN Universal Declaration on Human Rights is embedded within the Cambodian Constitution. The Cambodian government, however, still faces challenges in the promotion and protection of human rights in a number of areas under the Universal Declaration tenants, including, but not limited to, the right to work, property, assembly, and expression, and the right to a standard of living, which includes access to service delivery.

USAID will advance the promotion of human rights through civic engagement at all levels, with focus on protecting those most vulnerable to loss of rights, including gender-based violence (GBV) victims, the lesbian, gay, bisexual and transgender community, men and boys sexually exploited, individuals with HIV/AIDS, key populations at-risk for HIV/AIDS, and the disabled. USAID will invest in a range of activities that serve to protect and/or increase public demand for human rights, supporting both individuals and groups. This assistance will help ensure that activists have the security and safety net protection needed for them to continue their fight against human rights violations, be they related to land tenure, labor, corruption, or general political expression.

Resulting from complex factors, including poverty and the lack of employment, corruption, poor public education, and weak legal enforcement, trafficking in persons continues to be a major challenge in Cambodia. Cambodia was listed on the U.S. State Department's 2014 Trafficking in Persons (TIP) report as being on the Tier 2 Watch list for a second year. USAID will continue to work with reform-minded individuals within the government and with CSOs to support the strategic TIP framework – prevention, protection, prosecution, and partnership – to improve the implementation of policies and laws, the provision of protective services, and the coordination of counter-TIP activities by civil society and the Cambodian government. USAID will coordinate closely with other U.S. government agencies on prosecution, itself taking a lead on prevention and protection activities. Specifically addressing issues of gender-based violence will be part of the prevention and protection activities.

Despite progress in poverty reduction, Cambodia continues to have poor, marginalized, and at-risk groups struggling to protect and promote their basic rights. These groups include victims of trafficking, victims of gender-based violence, Khmer Rouge survivors, the lesbian, gay, bisexual and transgender communities, those without political or economic assets who need legal protection, and people with disabilities.

The marginalized and at-risk populations often do not have equal access, relative to the mainstream population, to resources, information and support services that could protect their human rights. Their engagement with civil society is typically limited or non-existent. USAID will provide access and referral to legal and related services for individuals and organizations, and when appropriate, media visibility on threats to human rights. Communication technology will help increase access to information on rights, and encourage greater engagement of the poor, marginalized, and at-risk communities in expressing their needs and concerns.

## **Intermediate Result 1.2: Increased Capability of Civil Society to Engage in Political Processes**

### **Illustrative Indicators:**

1. Percentage change in the “CSO advocacy index;”<sup>11</sup> and
2. Increased availability of innovative, specialized technology or social media-based tools and services for civil society activities.

The 2012 Civil Society Assessment for Cambodia noted that, despite constrained political space, “civil society remains vibrant” and that “one of the most promising developments in the civil society sector has been the emergence of grassroots groups and movements.” The assessment also highlighted “the important role that women are playing in civic activism and the potential for engaging with Cambodian youth.” While donors have supported CSOs for several decades, the new opportunity for this strategy period is to further engage the youth, advance recognition of women’s leadership, and expand involvement of informal groups, such as grassroots networks and community-based groups, while linking them with urban-based CSOs to strengthen the voice for political reform.

USAID will take advantage of the new political climate following the parliamentary elections to help to increase civic engagement in political processes by improving CSO institutional and technical skills, including the collection and use of evidence and data to underpin advocacy campaigns.

The development of new technology-based solutions in providing information and mobilizing citizen support will also increase civil society’s effectiveness. USAID will also explore ways to use new technological tools to improve data collection and analysis to support advocacy, monitoring, evaluation, and programmatic decision-making. Given the importance of the legal framework in determining the ability of CSOs to operate, USAID will provide expert legal analysis to assist in the review and development of new laws. This will help ensure that new laws adhere to the general human rights principles and are in accordance with the UN Universal Declaration on Human Rights.

Cambodia’s Decentralization and Deconcentration (D&D) policy offers opportunities to promote more responsive governance and greater citizen participation at the local level. There is already substantial support by donors such as the WB and Asia Development Bank (ADB), the UN system, and bilateral donors such as Sweden and Germany, to the D&D process. Progress is mixed, with greater movement in D&D among certain sectors such as health. Under DO1, USAID will focus on strengthening CSO technical skills to understand local governance and build relationships with the sub-national government. USAID will promote dialogue between civil society and government on reform proposals and encourage a strategic approach towards an enduring democracy. Particularly, USAID will encourage greater civil society engagement with democratically elected commune leaders to promote accountable governance. USAID will engage with the commune councils to provide an entry point for women to gain experience and confidence, and build networks that could be leveraged in seeking higher-level positions and promoting change in the political structure. In addition,

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<sup>11</sup> CSO advocacy index measures CSOs’ use of evidence-based approaches; diverse/innovative advocacy strategies; clear and persuasive messages that resonate with the population; technology, social media, and/or broadcast media; and alliance or coalition-based advocacy; as well as their organizational capacity development and linkages between grassroots/informal groups and formal CSOs.

USAID will explore opportunities in working with the commune council structure, such as through the committee on women and children, to address and resolve challenges regarding gender-based violence. USAID will continue to monitor and evaluate the D&D strategy to identify possible entry points for greater USAID support under DO1 in the future.

### **Intermediate Result 1.3: Improved Political Competitiveness and Electoral Accountability**

#### **Illustrative Indicators:**

1. Percentage of females who report increased self-efficacy at the conclusion of USG supported training/programming;
2. Number of actions by elected representatives in response to citizen concerns; and Citizen satisfaction with the responsiveness of elected officials.

The UN Special Rapporteur on Human Rights for Cambodia stated that “urgent and longer-term reforms are needed to give Cambodians confidence in the electoral process and the National Election Committee.”<sup>12</sup> USAID recognizes these challenges and believes that Cambodia’s elections will become more competitive if parties become more skilled in developing issues-based policy platforms that respond to citizen interests. As elected leaders become more responsive and accountable to the electorate and can be distinguished by issue and performance, the political culture will become more pluralistic, a key step to strengthening democracy.

USAID will build off of the momentum from the 2013 Parliamentary elections and subsequent citizen demonstrations to advocate for electoral reform. The electorate, which became much more visible leading up to, during, and after the elections, is seen as a key driver for political reform. USAID will strengthen the capacity of political parties to develop messages and platforms that continue to engage and motivate citizens to sustain their involvement throughout the electoral cycle. It will support town hall meetings where constituents speak directly with elected officials on their community issues, and provide support for civil society dialogue with the Cambodian government on key electoral reform issues, including but not limited to voter registration and media coverage of election campaigns. USAID will work alongside its diplomatic colleagues and the international community as well as civil society to promote reform.

USAID recognizes the low representation of women in politics and will continue to encourage women’s participation through women’s political empowerment programs. USAID will support women’s political apprentice programs and provide training and technical assistance to young women through gender analysis, policy development, and leadership skills to help build the next generation of female political leaders. USAID will host issues-based policy dialogue events that bring together female civil society and female elected leaders to lead discussions with male colleagues on policy solutions to community development problems. The dialogues will address key gender inequities, such as economic and educational opportunities and violence against women. These dialogues showcase the leadership skills of women in decision-making, and encourage women and men to collectively find solutions to gender inequality

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<sup>12</sup> United Nations Special Rapporteur on Human Rights for Cambodia.

concerns shared by the government and civil society.

**Focus and Selectivity:** USAID's focus is strengthening the capability of civil society advocacy. Other development partners and donors, such as the World Bank, Asian Development Bank, Sweden and Germany are providing funding and intensive technical assistance to support the government, or what might be called the supply side, in governance policy and capacity of administrative structures, including the D&D process. Moreover, USAID assistance will support the D&D process, for example in the health sector, where there has been tangible progress. USAID will engage the government at all levels including at the sub-national level, specifically at the commune council level. The commune councils are believed to be an opening for community dialogues that could lead to greater government responsiveness and accountability - from gender-based violence to land concessions. USAID will continually assess the situation for democracy and governance sector engagement on the D&D process.

For greater impact, local civil society engagement activities under DO1 will be focused on select provinces that overlap with DO2 and DO3 to build broad and evidenced-based advocacy for better and more responsive governance of services, as well as rights, including prevention and response to gender-based violence. For TIP programs, USAID will focus its prevention, shelter, care, and police training efforts in select communities that are most vulnerable to trafficking.

USAID will have a particular focus on technology and social media as a means to increase the effectiveness of CSOs, both in service delivery related to DO2 and DO3 and in strengthening the voice of citizens. To maximize the number of beneficiaries and the success of their re-integration, social services for people with disabilities will be primarily delivered in the capital city of Phnom Penh.

USAID envisions that a core element of support in achieving this DO is the strengthening of CSOs to improve their advocacy and organizational management skills as well as their ability to improve service delivery. Working with CSOs to build citizen demand for meaningful reform is critical. A vibrant civil society sector is a necessary means to ensure citizens are well informed about the actions and performance of the government, and that citizens have the means to freely influence public policies.

Where windows of opportunities exist, USAID will also engage the government more directly on democratic reforms in government accountability and transparency, such as through the D&D process.

There are opportunities to work with the government on addressing development challenges for the vulnerable and marginalized populations as those areas are typically less politically-charged. Therefore, in the areas of counter-trafficking in persons, gender-based violence, disabilities, genocide education, and the lesbian, gay, bisexual and transgender community, USAID will continue to work with civil society and the relevant governing bodies to increase constructive civic engagement in order to improve government responsiveness and accountability.



**Critical Assumptions:**

- Civil society will be allowed to advocate for increased democracy, improved governance, and the promotion of human rights.
- Windows of opportunity for greater citizen participation expand or remain the same.
- Development partners will continue to fund CSOs and work with government on administrative reforms.
- The Cambodian government will encourage competition among mobile network operators, fostering the development of new mobile-based tools and services.
- Cambodia will continue to have a permissive regulatory environment governing the creation and operation of new media and the Internet.
- Cambodians will have increasing access to income, health services, and education.

**Presidential Policy Directive on Global Development:** Under DO1, USAID will empower citizens to promote accountable governance by using technology and social media to increase their access to information and advocacy networks, as well as to disseminate information through citizen journalism. Using technology to expand and strengthen advocacy networks advances the Presidential Policy Directive on Global Development in supporting “game-changing innovations and sustainable systems for meeting basic human need.”<sup>13</sup> Anticipating a rise in cell phone use, the 2012 Rapid Technology for Development Assessment indicated that “the prevalence of mobile phones provides an excellent opportunity for USAID to better disseminate messages about its programs to the greatest number of people.”<sup>14</sup> USAID will support the use of recorded messages accessible by mobile phone to educate the public on the range of governance and democracy issues. In addition, USAID will support collaboration between private sector technology service providers and CSOs to create tools that are useful for their objectives, such as reporting violations and collecting evidence. New technologies are critical in augmenting access to information and promoting greater connectivity among citizens. Social media is a change agent in Cambodia, as seen during the Parliamentary elections. There is also increasing competition among mobile network providers for new, creative, and affordable tools and services. All these developments indicate a wide range of possibilities to use mobile technology for more than just voice-based communication.

**Agency-Wide Policy and Strategies:** Under DO1, USAID Cambodia is advancing Agency-wide policies and strategies, including the Youth Policy; the Democracy, Human Rights and Governance Strategy; Gender Equality and Female Empowerment Policy; the Countering TIP Policy; the Disability Policy; and, the Political Party Assistance Policy. The Mission undertook a number of assessments to link Agency policies to the Cambodian context. For example, the 2010 Gender Assessment noted that, although there were an increasing number of women commune council leaders, women had not achieved gender parity with men in representative politics. DO1 will emphasize support for women’s political participation and leadership development to increase their participation in the electoral process. The Assessment also noted that there was limited support for male TIP victims, including for their repatriation. Men are predominantly trafficked for labor exploitation and women for domestic (household) labor and

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<sup>13</sup> Fact Sheet: U.S. Global Development Policy.

<sup>14</sup> USAID/Cambodia, *Rapid Technology for Development Assessment*, 2012, Page 1.

sexual exploitation. Under DO1, USAID will craft rehabilitation programs for TIP survivors that reflect the different needs of men and women.

**USAID Forward Emphasis – Innovative Mobile Technology, Social Media, Public-Private Partnerships and Local Development Solutions:** USAID will continue to advance USAID Forward objectives through local partnerships, science and technology, and innovation to promote sustainable, high-impact development outcomes. USAID will have direct partnerships with local CSOs and with local organizations that provide capacity-building services. Technical support will help local CSOs establish independent funding sourced from citizens and the private sector in order to foster sustainability and local ownership. USAID will use public-private partnerships (including Global Development Alliances) to support the use of mobile phone platforms and innovative forms of social media to disseminate information throughout the country, and seek to ally with lead employers and employment agencies to stem illegal labor migration.

**Development Diplomacy:** USAID works closely with the U.S. government interagency working group at post and in Washington to promote democracy, human rights, and governance goals. USAID staffs the interagency meetings on TIP, and leads an ongoing process to establish common objectives and clarity of responsibility among all agencies engaged in human rights, democracy, and governance at post.

**Engagement with the Cambodian Government:** The Cambodian government’s draft NSDP for 2014-2018 includes the broad objective of “ensuring a better quality of life for its people, and in a building democratic, rule-based society, with equitable rights and opportunities to the population in economic, political, cultural and other spheres.”<sup>15</sup> USAID supports the government in producing the 2014 Cambodia Gender Assessment that will provide evidence-based recommendations for inclusion in the 2014-2018 NSDP.

**Donors and Development Partner Engagement:** USAID will continue to participate in Technical Working Groups on “Gender” and “Legal and Judicial Reform,” which are chaired by the Government and attended by development partners and civil society organizations. These groups provide a means of engaging in policy discussions and identifying new program opportunities. USAID will seek other mechanisms to engage with civil society, other donors, and the diplomatic community to share information and coordinate resources. If possible, USAID will also seek to co-fund activities with other donors where there are common interests.

**Non-USAID Resources:** The private sector is a strong potential partner in furthering democracy and human rights objectives, both in providing resources and technological tools, and influencing policy. USAID will encourage leading companies, particularly in sectors that have been prioritized by the Cambodian government, such as textiles and rubber, to advocate for improvements in corruption, transparency of land grants, women’s economic inclusion and other reforms. The newly established Communication Technology Innovation Lab is a center for fostering partnerships between civil society organizations and private sector technology

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<sup>15</sup> Royal Government of Cambodia Ministry of Planning, Guidelines for Formulating the National Strategic Development Plan (2014-2018), April 2013.

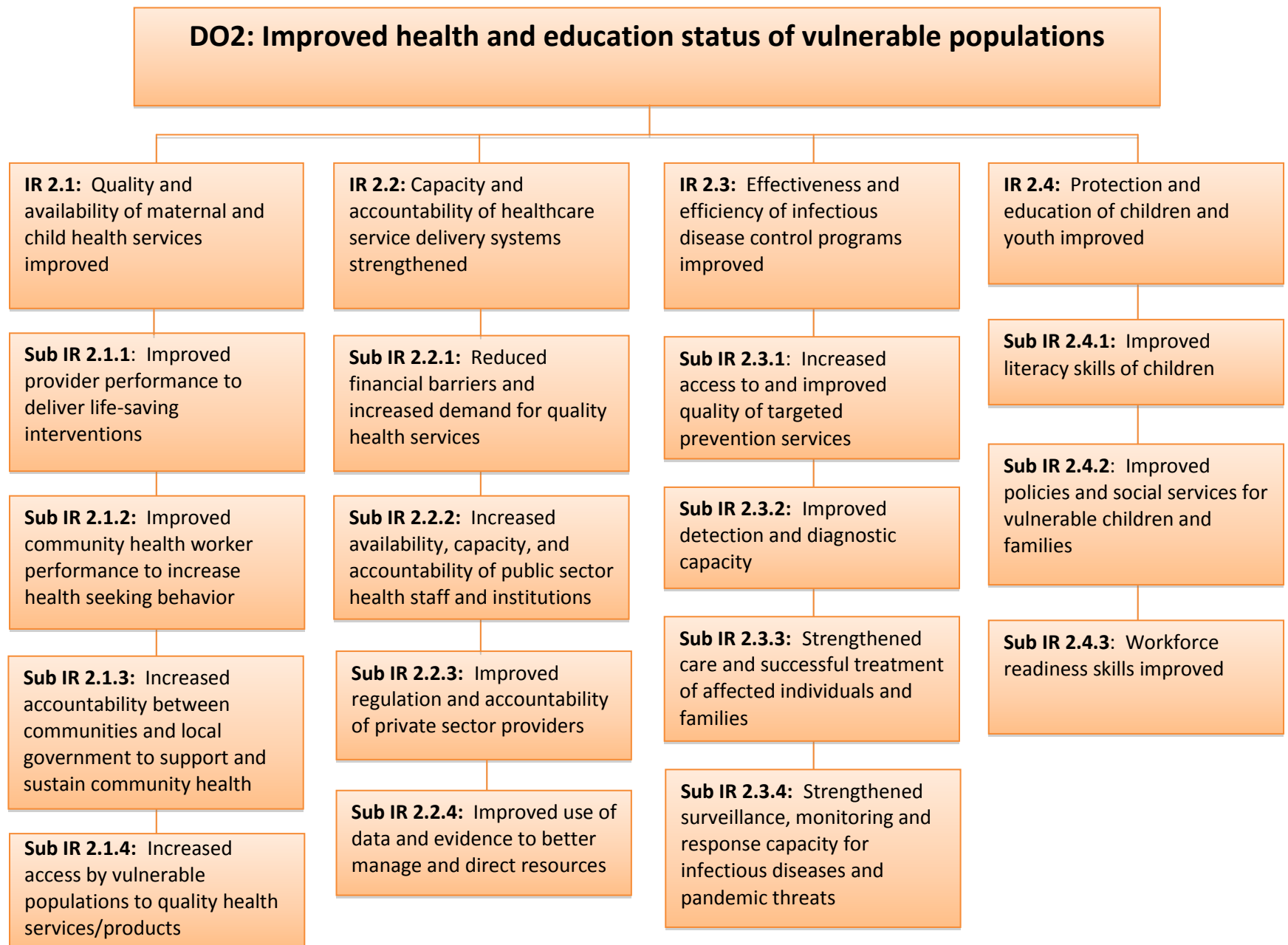
companies. USAID will encourage local partners to seek private sector sponsorships for activities focused on, but not limited to, civic education and youth political engagement, and CSO training on the use of technology and social media for development purposes.

#### **IV. Development Objective 2**

<p style="text-align: center;"><b>Development Objective 2: Improved health and education status of vulnerable populations</b></p>
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**Illustrative Indicators (Impact Level):**

1. Maternal, neonatal, and infant mortality;
2. Percent decrease in patients' out-of-pocket expenditures on healthcare, including the incidence of catastrophic healthcare expenditures;
3. Percentage of target population that views gender-based violence (GBV) as less acceptable after participating in or being exposed to USG programming; HIV prevalence; and
4. Improved reading skills for children in primary grades. (See DO3 for stunting and wasting indicator).



**Development Hypothesis:** DO2 posits that if the mechanisms for the delivery of health services are strengthened and adequately financed, then the health of Cambodians will improve and these improvements will be sustained into the future. If the reading comprehension of children improves, their overall success in school will improve and there will be less likelihood of dropout, increased readiness to enter the workforce, and greater contribution to Cambodia's overall prosperity. The health and education DO will contribute to the CDCS goal of a healthier population by decreasing maternal, infant, and under-five mortality, bringing down the rates of stunting and anemia in children and women, and reducing the prevalence of HIV/AIDS and TB among all Cambodians. Likewise, this DO will result in improved reading comprehension among children and lower school dropout rates, and ultimately, to higher educational attainment for Cambodians and increased readiness to enter Cambodia's work force. Healthier and better educated Cambodians will be more productive and decrease the economic burden of poor health, the impediment of malnutrition to the ability to learn, and of an under- and unemployed labor force.

**Expected DO Outcomes:** At the end of five years, HIV prevalence will have reduced among high risk populations through improved testing and the roll-out of innovative treatment approaches. Stunting prevalence will have reduced and families will have access to improved sanitation. There will be nearly universal delivery in a healthcare facility, fewer newborns will die, and there will be improved detection of MDR-TB, resulting in a better match between those projected to have MDR-TB and those being treated. Government ownership and financing of the social sector will have increased, demonstrated by increased government spending and contribution to both the education and health sector. Finally, reading scores for Cambodian children will have improved. Victims of gender-based violence will be counseled, treated, and referred for healthcare and legal services.

## **IR 2.1: Quality and Availability of Maternal and Child Health (MCH) Services Improved**

**Illustrative Indicator (Outcome Level):** Maternal Mortality Rate

### **Illustrative Indicators (Output Level):**

1. Percent of women receiving Active Management of Third Stage of Labor (AMSTL);
2. Percent of newborns receiving essential newborn care;
3. Percent of contraceptive years of protection; and
4. Percentage of females who report increased self-efficacy at the conclusion of USG supported training/programming.

Cambodia's focused commitment to reduce maternal deaths has resulted in remarkable progress in recent years as basic, cost-effective interventions, such as AMTSL and Magnesium Sulfate, have successfully reduced maternal mortality.<sup>16</sup> Nonetheless, Cambodia's national maternal mortality rate remains among the highest in the region, requiring sustained focus to close the

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<sup>16</sup> Use of active management of the third stage of labor in seven developing countries, *Bulletin of the World Health Organization* 2009; 87:207-215.

gap with neighboring countries.<sup>17</sup> Continued promotion of evidence-driven, sustainable interventions, such as those reviewed by recent evaluations of the Mission’s MCH program and Social Marketing program, drive USAID’s strategic approach to improving maternal health in Cambodia.<sup>18</sup>

Further progress towards addressing the major causes of maternal and child mortality in Cambodia requires additional effort to upgrade health provider capacity and improve access to health commodities, equipment and infrastructure.

In health facilities, healthcare providers and outreach workers must be equipped to deliver life-saving interventions at the appropriate time. In the surrounding communities, village-based community health workers must be prepared to increase demand for health services, fostering healthcare-seeking behavior that leads to earlier treatment and improved health outcomes. In addition, improved quality of nutrition counseling and screening provided by volunteer workers and healthcare providers will complement community outreach through the food security sector, as described in DO3. Increased access to health products, including contraceptives and diarrhea treatment commodities, accompanied with improved counseling by pharmacists and other healthcare providers will further improve maternal and child health. USAID will likewise facilitate contributions from the private sector, both commercial and not-for-profit, as well as strengthen the capacity of local non-governmental organization to ensure long-term sustainability remains a cornerstone of the MCH program strategy. Among these efforts, public-private partnerships will be developed in the Water, Sanitation and Hygiene (WASH) sector to expand the provision of safe water and improve sanitation and hygiene in Cambodia – critically important interventions for human development and urgent needs across Cambodia. Family planning and child survival commodities also lend themselves towards a private sector approach, with progress in this area expected to be further expanded upon in coming years.

Increased community participation, coordination and leadership in the health sector will support elected officials, community leaders, patients, and volunteer health workers to work together to ensure the health sector is accountable to local needs. In partnership with DO1, specific efforts will identify opportunities to advance women’s leadership among the various community officials. Specific gender-equity issues within the healthcare system will be highlighted for policy and program action, such as prevention and response to gender-based violence (particularly violence against women). Objective tools, such as client satisfaction surveys and community health scorecards, will be utilized to incorporate community feedback and be used to advocate for, and measure, improvement in the quality of services. Community monitoring of MCH services will also be explored, including prevention of and response to, gender-based violence. This will link to DO1 by improving citizen education on client rights and strengthening policies to increase accountability among health centers, providers, communities, and elected leaders.

## **IR 2.2: Capacity and Accountability of Healthcare Service Delivery Systems Strengthened**

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<sup>17</sup> Lozano, R., Wang, H., Foreman, K., Rajaratnam, J., Naghavi, M., Marcus, J., Dwyer-Lindgran, L., Lofgren, K., Phillips, D., Atkinson, C., Lopez, A., Murray, C. Progress towards Millennium Development Goals 4 and 5.

<sup>18</sup> Mid-term review of USAID MCH programs, February 2011.

**Illustrative Indicator (Outcome Level):** Total overall government budget expenditures on health (as a percentage of GDP)

**Illustrative Indicators (Output Level):**

1. Number of outpatient department visits per 10,000 population per year;
2. Increase in healthcare quality as measured by the healthcare quality index; and
3. Number of laws, policies or procedures drafted, proposed, or adopted with USG assistance designed to improve prevention of or response to sexual and gender-based violence at the regional, national or local level.

A strong healthcare delivery system is both competent in delivering services and accountable for delivering the kind that people need and want. Cambodia's health sector is challenged by a lack of provider skills, a mismatch in distribution of staff relative to population needs, low salaries, weak governance and management systems, very limited public financial resources, and high patient out-of-pocket spending on health services.<sup>19</sup> These factors result in Cambodia's poor quality and accessibility of public health services. USAID will provide technical assistance to identify, prioritize and address these key healthcare delivery challenges.

Health equity funds play an instrumental role in supporting access to healthcare for the poor, and are scheduled for scale up by the Cambodian government and its development partners. Given USAID's past role in the design and launch of health equity funds, USAID will continue to shape the implementation of a comprehensive and sustainable system for social health protection that ensures coverage for the poor and vulnerable. USAID assistance is informed by recent assessments recommending that resolving human resource gaps should be the cornerstone of our health system improvement efforts.<sup>20</sup> USAID will ensure that health providers, such as midwives, attain life-saving skills and practices through a continuum of training, coaching, and mentoring activities. Strengthening the legal framework and capacity of Cambodia's professional councils will establish a sustainable system in country with the ability to regulate, improve, and ensure quality healthcare in the public and private sectors. USAID will support targeted technical assistance through NGOs to public and private healthcare providers.

In addition to building human resource capacity, USAID will support other emerging priorities in the health sector, such as the increased role of community-level and private sector service provision and a comprehensive health sector approach to the prevention and response of gender-based violence. An improved health management information system that incorporates both public and private sector service delivery will provide data to be used by health managers, policy makers, and elected officials to make informed policy and resource allocation decisions based on evidence. To increase accountability for delivery of quality health services, local leaders will use data to understand their constituents' health needs, advocate for greater resources, and hold healthcare providers accountable for the delivery of responsive, quality services. USAID technical assistance will complement resources provided by the Global Fund,

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<sup>19</sup> Health, Nutrition, and Population in Cambodia: Country Overview. World Bank.

<sup>20</sup> Mid-Term Review of the Government of Cambodia's Health Strategic Plan 2, 2008-2015.



the Cambodian government, and other donors working in the health sector.

### **IR 2.3: Effectiveness, Efficiency and Sustainability of Infectious Disease Control Programs Improved**

#### **Illustrative Indicators (Outcome Level):**

1. TB prevalence;
2. HIV prevalence in the most at-risk populations, such as entertainment workers, men who have sex with men, and injecting drug users; and
3. Government contribution to vertical infectious disease programs.

#### **Illustrative Indicator (Output Level):**

1. Number of individuals receiving testing and counseling and received their test results;
2. Percentage of USAID resources going to local organizations (percentage of the results to the HIV response attributable to the local organization);
3. Case detection rate for all forms of TB;
4. Treatment success rate: percent of registered new smear-positive pulmonary TB cases that were cured and completed treatment under directly observed treatment-short course (DOTS);
5. Number of adults and children with advanced HIV infection receiving antiretroviral therapy; and
6. Percentage of affected communes with functional outbreak reporting systems.

USAID will continue to strengthen the capacity of infectious disease control programs to reach vulnerable groups by improving their efficiency and quality while expanding targeted prevention activities; improving detection and diagnostic capacity; strengthening care and treatment services; and, improving surveillance and response capacity for infectious diseases and pandemic threats. Though HIV/AIDS prevalence within Cambodia's general population has declined in recent years, high-risk behaviors threaten this progress. Cambodia's HIV/AIDS epidemic is currently concentrated among high-risk groups, including commercial sex workers, injecting drug users, and men who have sex with men.<sup>21</sup> In an environment of tightening resources for HIV, USAID programs will strengthen the ability of the Cambodian government to take on the full responsibility for the provision of HIV services. Programs will develop and advocate for more cost-effective approaches that the Cambodian government is able to sustain in the long term, at the same time, strengthening the broader health system, particularly in quality service delivery, health information, and financing. Civil society, who are better able to reach highly stigmatized, high risk groups, together with the government will prevent new infections and protect those living with HIV/AIDS by ensuring they receive comprehensive care and treatment. USAID priorities to combat HIV/AIDS are aligned with the "PEPFAR Blueprint" as well as the Cambodian government's strategy to eliminate new HIV infections by 2020, build upon the achievements of PEPFAR, and incorporate the results of USAID

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<sup>21</sup> HIV/AIDS Country Profile, USAID. December, 2010.

Cambodia's HIV/AIDS mid-term program evaluation.<sup>22</sup> Among the PEPFAR priorities is addressing the prevention and response to gender-based violence within vulnerable populations.

Morbidity and illness as a result of Cambodia's high TB prevalence negatively affects the nation's productivity and overall health status. Based on the results of a 2011 national TB program review, interventions will focus on populations more susceptible to TB (e.g., the elderly, prisoners, children, and the poor), to improve early detection of TB and ensure patients complete the full course of treatment through public and private providers.<sup>23</sup>

USAID will continue to collaborate closely with CDC through PEPFAR and Global Health Initiative programs in order to leverage and complement CDC expertise in surveillance, epidemiology, and laboratory capacity. USAID will also continue to coordinate with the U.S. military, which helps renovate or construct clinics and trains Cambodian government officials to better respond to infectious disease outbreaks. Additionally, USAID Cambodia will continue to coordinate with the centrally funded Emerging Pandemic Threats program, which partners with key technical organizations to predict, prevent, identify, and respond to pandemic threats of infectious disease.

#### **IR 2.4: Protection and education of children and youth improved**

##### **Illustrative Indicators (Outcome Level):**

1. Percent change in early grade reading assessment scores; and
2. Cambodia's compliance with global recommendations and policy on child welfare and protection.

##### **Illustrative Indicator (Output Level):**

1. Number of children living in institutions;
2. Number of learners receiving reading interventions at the primary level;
3. Number of teachers implementing effective instructional practice;
4. Number of parents or caregivers who report reading to their children or listening to their children read to them daily; and
5. Number of foster children in day care receiving support services.

USAID programs will enhance the quality of Cambodia's reading programs by improving teacher training, teaching tools, and curricula. Other interventions will contribute to improved education outcomes by addressing underlying problems that inhibit children's ability to learn, such as poor nutrition or a disruptive, harmful home environment. Activities will target at-risk and vulnerable children living in foster care or orphanages, children who have suffered the

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<sup>22</sup> Conceptual Framework for Elimination of New HIV infections in Cambodia by 2020, December 2012. Cambodia 3.0

<sup>23</sup> Joint Review of the National TB Program, August 2012.

death of a parent, or children living with extended family members due to parent's migration for work or poverty. Within the context of D&D, civil society and local elected officials will be supported in identifying problems and local solutions that can improve schools, and ensure that safety nets are provided in communities for at-risk families and children.

Wherever possible across all DOs, USAID would invest in vocational training programs, thus contributing to workforce readiness. In addition, should funds become available, USAID would continue to improve the life skills curricula currently supported by the Ministry of Education, Youth and Sports. During the life of this strategy, USAID's programs in health will continue to increase the skills of the healthcare workforce, such as midwives, pharmacists and doctors. In addition, key components of DO3 include the provision of short-term vocational training for the rural workforce, especially targeting those youth returning home to rural areas to start their own families, farms and businesses after having worked in urban and international labor migration. In addition, scholarships for higher education in the agriculture, nutrition, environment, economic growth, and performance monitoring and evaluation sectors are critical to fill these technical gaps found in government, the private sector and civil society. With additional, un-earmarked resources, USAID will support new host government priorities to establish technical high schools that will prepare youth with basic technical skills, such as computer technology or mechanical skills, thus improving their readiness to enter the workforce. For at-risk families, community programs and child case management will complement national child welfare systems to keep children in families to begin with, and if removed, to return to safe, nurturing homes that are free of violence and exploitation. USAID will continue to work with the interagency to advocate at higher levels of government to encourage Cambodia's compliance with global policy in its systems for child welfare and child protection.

**Focus and Selectivity:** USAID Cambodia's program will target vulnerable populations, specifically the poor and those living in rural areas. It will also address the needs of marginalized groups at high risk for HIV/AIDS, such as entertainment workers, men who have sex with men, and injecting drug users. While the HIV/AIDS and TB programs are not geographically targeted, maternal and neonatal interventions target vulnerable populations in the eight provinces with the worst health indicators for child health and malnutrition. Malaria programs will target geographic areas where malaria resistance has been documented, primarily in the forested regions of northwest and northeastern Cambodia. Families with risk factors such as the migration of one or both parents for work, families where one parent has died, or families living in extreme poverty will be targeted for case management and for added support services that strive to keep families together, and to prevent dropout from school. The education program will target children throughout the country particularly those living in rural areas.

USAID priorities are based on evidence, the presence or lack thereof of other donors working in a particular area, changes in political or economic landscape, and the opportunity for success. Programs under DO2 have demonstrated the ability to shift in response to these factors and will continue to do so in the future. Recently, programs under DO2 have shifted to work with the commercial sector as a partner in making healthcare commodities and services available to more affluent Cambodians, thus, prioritizing USAID resources for the poor. Further, in response to consistent data on commodity stock-outs in all sectors, USAID will

ensure the availability of drugs and commodities at all levels of the system, by strengthening distribution, forecasting, and drug information.

In the area of education, USAID will handover programs in life skills education and lower secondary school to the government and other donors, primarily in response to the Agency's focus on early grade reading. If additional un-earmarked funds were made available, USAID would prioritize workforce readiness programs by helping the government to support technical and vocational training as well as address financial and cultural barriers that contribute to high secondary school drop-out rates especially among girls.

In the health and education sector, USAID will leverage the political momentum supporting the decentralization of funds and decision making to commune and district councils by working with local leaders to better program funds to improve their health clinics and schools. USAID programs will also increase knowledge of communities about their rights in education and health and strengthen fora for discussion as well as strengthen the availability of information on the government's performance in these sectors. These efforts will be complimented by improvements in the data available through the health management information system and the functioning of client feedback mechanisms for healthcare delivery and school performance. At the national level, USAID will participate with other donors and government to achieve greater budget transparency through the annual reporting of all health sector budget contributions through a national health accounts system.

Programs will improve the overall health delivery system for the benefit of poor and vulnerable Cambodians. To the extent that healthcare delivery for this population is also being provided by the private and nonprofit sectors, these providers will be included in program interventions.

**Critical Assumptions:**

- Continued financial support from other donors (e.g., the Global Fund, the Australian government, and the World Bank) to the Cambodian government; and
- Increased transparency in the health sector.

**Presidential Initiatives:** As outlined by the Global Health Initiative Strategy for Cambodia, this DO complements and supports key U.S. government initiatives, including the U.S. Lower Mekong Initiative (LMI), USAID/Washington's Emerging Pandemic Threats Program, and the Presidential Malaria Initiative. USAID's HIV programs are guided and funded by the President's Emergency Plan for HIV/AIDS Relief. Cambodia features prominently as a recipient of resources under multiple Presidential Initiatives and LMI mainly due to its geographic importance in preventing the spread of resistant malaria and other infectious diseases. It is also important in the region as a marketplace for counterfeit drugs, such drugs being a main contributor to drug resistant diseases. The control and regulation of counterfeit and substandard medicines for malaria, tuberculosis, avian influenza, and other infectious diseases in the Greater Mekong sub-region is a key priority for LMI's health pillar.

**Agency Policy and Strategy:** Program approaches and projects will use the USAID evaluation policy to identify approaches that achieve the highest impact and are the most cost effective. In alignment with the Agency's Gender Equality and Female Empowerment Policy, all programs

will be designed to address and overcome gender-related barriers. With Cambodia's selection as a pilot country for the U.S. Government Action Plan for Children in Adversity (APCA), through existing and planned activities, this strategy will support the three main objectives of APCA: 1) Build strong beginnings; 2) Put family first; and 3) Protect children from violence, exploitation, abuse and neglect.

**USAID Forward Emphasis – Local Development Solutions and Innovations through Science and Technology:** The approaches prioritized under DO2 will stimulate greater host government leadership in health as well as build enduring civil society organizations. USAID Cambodia currently implements 49 percent of its resources through local Cambodian NGOs, a result of a deliberate strategy to build capacity in order to leave behind viable, thriving local organizations after the future withdrawal of donors and international organizations. Building on this success, USAID will engage with a second generation of local organizations to strengthen their financial and technical capacity, while at the same time helping current partners develop sustainability plans that promise a secure financial resource base and ensure technical leadership in health. This two-pronged approach strengthens long-standing USAID partners, while simultaneously building the capacity of NGOs with little USAID funding experience. Strategy implementation will incorporate greater emphasis on grand challenges to develop new innovations, the use of science and technology, research, and new uses of mobile phone technology. Already a partner in health commodities, the private sector will be an increasing partner in guiding and delivery quality health care.

**Development Diplomacy:** USAID will continue to engage the U.S. government interagency in high-level policy issues, including corruption in the health sector involving pharmaceutical procurement, as documented in the 2011WB IFAPER report.<sup>24</sup> Diplomacy will also encourage the Cambodian government to increase its contribution to the health sector.

**Government Systems:** The government leads the health sector through the Technical Working Group on Health, which meets monthly and is chaired by a high-ranking Ministry of Health official. USAID is an active participant, as well as having its own bilateral relationship with key government departments. It will help strengthen government health service delivery systems and policy development through technical assistance provided by implementing partners. Direct funding assistance to the Cambodian government is not currently anticipated.

In education, the Minister chairs the Joint Technical Working Group for Education; USAID is a member of this working group. Further, the Ministry established a government-USAID consultative group to oversee the implementation of USAID education programs in the past. USAID's education program will continue to strengthen Cambodia's primary education system, with a focus on improving student reading scores.

**Relevance and Support for Cambodian Government Policies:** USAID programs operate within the broad, national framework of policies, guidelines, and strategies. USAID works with others to ensure that any new evidence is incorporated into national guidelines. For instance, Cambodia 3.0, the strategy recently adopted by the National HIV/AIDS program, spells out the

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<sup>24</sup> *Integrated Fiduciary Assessment and Public Expenditure Report*, World Bank, 2011.

goals and steps for reaching the three zeros – zero deaths, zero stigma, and zero new HIV infections – by 2020.<sup>25</sup> Priorities for reducing maternal and newborn mortality are articulated in the Fast Track Initiative for Reducing Maternal and Newborn Mortality and the five-year Health Strategic Plan 2.<sup>26</sup>

USAID education programs support the goals and policies of the Ministry of Education, Youth and Sports as articulated in the country’s Education Strategic Plan, 2014-2018. Additionally, programs are designed to assist Cambodia to achieve its “Education for All” goals and incorporate the six dimensions of the Ministry’s “Child Friendly School” policy that focus on gender, community engagement, child protection, and effective teaching. USAID is a member of the government-donor Joint Technical Working Group for education.

**Donors and Development Partner Engagement:** USAID will target its resources in order to leverage the larger funding stream from multilateral and bilateral donors, the Cambodian government, other U.S. agencies, and the private sector. Due to its flexibility in working with a series of implementing partners, USAID can play a strategic role in testing new approaches and technologies, such as identifying a system of third party oversight for expanding health equity funds.

The largest donor in the health sector is the Global Fund, with pledges of \$353 million in funding for HIV, TB, and malaria through 2015. Other major donors are the Australian Ministry of Foreign Affairs and Trade, the World Bank, and the Korean International Cooperation Agency. After USAID, the Australian government is the second largest bilateral donor in health, with approximately \$21 million in contributions annually. Other donors, including the Belgian Technical Corporation and Agence Francaise du Development, recently exited the health sector in Cambodia.

Development partners have historically played a very significant role in healthcare delivery in Cambodia. Through non-governmental organizations, donors fund service delivery, including for HIV prevention, testing, and care, and support services; treatment for TB; and, family planning. Donors, led by the World Bank, provide budget support to the overall health system, including for salaries, equipment, and facility improvements. In addition, development partners are active in areas supporting DO2, including social health protection, health information systems, and training. USAID programming will complement the community work that the United Nations Population Fund and the Australian government do to prevent gender-based violence.

USAID will also assist in improving overall healthcare delivery, whether by the public or private sectors or civil society, through targeted technical assistance. USAID formalized an agreement to work in partnership with the Australian government through a May 2013 Memorandum of Collaboration.

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<sup>25</sup> Conceptual Framework for Elimination of New HIV infections in Cambodia by 2020, December 2012.

<sup>26</sup> Strategies include the Strategic Plan for HIV/AIDs and STI Prevention and Care 2011-2015 and the National Nutrition Policy.

Donors active in the education sector include UNESCO, UNICEF, the European Union, the Asia Development Bank and the World Bank. ADB and the World Bank provide direct government loans while the European Union and SIDA provide budget support through the Ministry of Economy and Finance. While other donors fund education hardware, such as school buildings, USAID compliments their assistance through models to increase access and quality of school instruction.

**Gender Barriers:** A gender assessment conducted by the Australian government in 2011 cited persistent barriers to women and girls in accessing healthcare. Lost income by women due to long wait times for health services for their children and themselves, the devaluation of women's health needs, inconvenient clinic hours for working women, rude treatment by healthcare providers, and a low percentage of women in policy making and leadership positions in the health sector, are concrete examples of how gender factors into healthcare delivery and decision making.<sup>27</sup> USAID Cambodia's 2010 Gender Assessment cited a number of barriers that women experienced in the health sector; lack of money to pay for healthcare treatment; inability to go to a health center unaccompanied; and, poor knowledge and practice of life-saving maternal health interventions on the part of healthcare providers.<sup>28</sup> Norms that accept violence against women are actually quite high. The proportion of women who believe that wife beating is justified if the wife argues with her husband, goes out without telling him, or neglects the children are 23 percent, 30 percent, and 39 percent, respectively.<sup>29</sup>

Under this strategy, USAID programs will increase women's leadership and voice within the community and health systems, encouraging respectful and customer-oriented provider behavior so that women and men are encouraged to use health services, and to make their own decisions related to their healthcare. Programs will continue to address financial barriers to healthcare, including ensuring coverage of child care and payment for the cost of a friend or relative to accompany a woman when she goes to the clinic in health financing policies and programs.

Maternal and child health programs will prioritize improving the knowledge and skill of practitioners in life-saving interventions. USAID will also advocate for and raise awareness about the need for a greater proportion of women in policy making positions within the Ministry of Health. Barriers for women to access health services exacerbate the impact of domestic violence. Twenty percent of women reported experiencing physical violence at home, and 45 percent of local authorities felt a husband was justified in engaging in violence if his wife argued with him, did not obey him, or did not show respect.<sup>30</sup> Programs will seek to link with other donors' work on addressing gender-based violence in the health system, with an emphasis on prevention.

USAID will leverage its partnership with the Australian government, and specifically through an agreement with UNFPA, to increase the country's attention to gender-based violence, as a

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<sup>27</sup> A Gender Analysis of the Cambodian Health Sector, September 2011.

<sup>28</sup> Gender Assessment, USAID/Cambodia, September 2010.

<sup>29</sup> Cambodian Demographic Health Survey, 2010.

<sup>30</sup> UNAIDS Cambodia, June 2011.

collaborative effort is more likely to result in changed norms and the implementation of new policies and programs to combat gender-based violence. USAID programs will assist the government to develop and introduce gender-based violence screening tools and protocols in health facilities, along with the referral to legal services, in collaboration with partners supported through DO1. Further, because norms around gender-based violence indicate a high threshold of permissiveness, USAID will support communication programs that change norms among youth and prepare simple advocacy tools for discussions with policy makers to increase their awareness of the negative effects of gender-based violence.

HIV prevalence is disproportionately high among the transgendered in comparison to the general population, pointing to discrimination and marginalization based on gender. Stigma experienced by entertainment workers, men who have sex with men, and transgendered people make it difficult to reach these groups with prevention programs, and affects their willingness to be tested for and get treatment for HIV. Gender-based physical and sexual violence rates are also high among this population and need targeted programming approaches. USAID programs will focus on reaching these groups through peer networks and providing easily accessible HIV testing and family planning, and when appropriate, programs will link patients to legal services through collaboration with programs under DO1. Early HIV treatment, also a form of prevention, will be provided as well.

USAID Cambodia's 2010 Gender Assessment also cited a number of gender barriers in regards to obtaining a sufficient level of education.<sup>31</sup> Although boys and girls face some of the same barriers to obtaining education, mainly poverty forcing them to leave school and find work or stay home and provide household help, some constraints are still very much gender-specific. For example girls from poor families are more likely to enroll in primary school late, if at all. They are also more likely to drop out and less likely to move on to lower secondary grades. Poor sanitation facilities, especially in secondary schools, is another main barrier for girls remaining in school. Another barrier for girls is the long distances to school and the lack of transportation, which threatens the safety of girls more drastically than boys.

Under this strategy, USAID's basic education programs will continue to focus more pronouncedly on gender equity, ensuring that planned education interventions are addressing any potential gender inequality. Provision of scholarships to girls to help cover the school cost, promotion of schools with clean water and appropriate sanitation facilities, and training more female teachers in order to improve the rate of women eligible for higher level positions in the education system, are just a few examples of planned interventions under this strategy. USAID's basic education program will work closely with the Cambodian government and donors to develop a more systematic and sustainable approach to addressing existing gender barriers to learning opportunities.

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<sup>31</sup> Gender Assessment, USAID/Cambodia, September 2010.

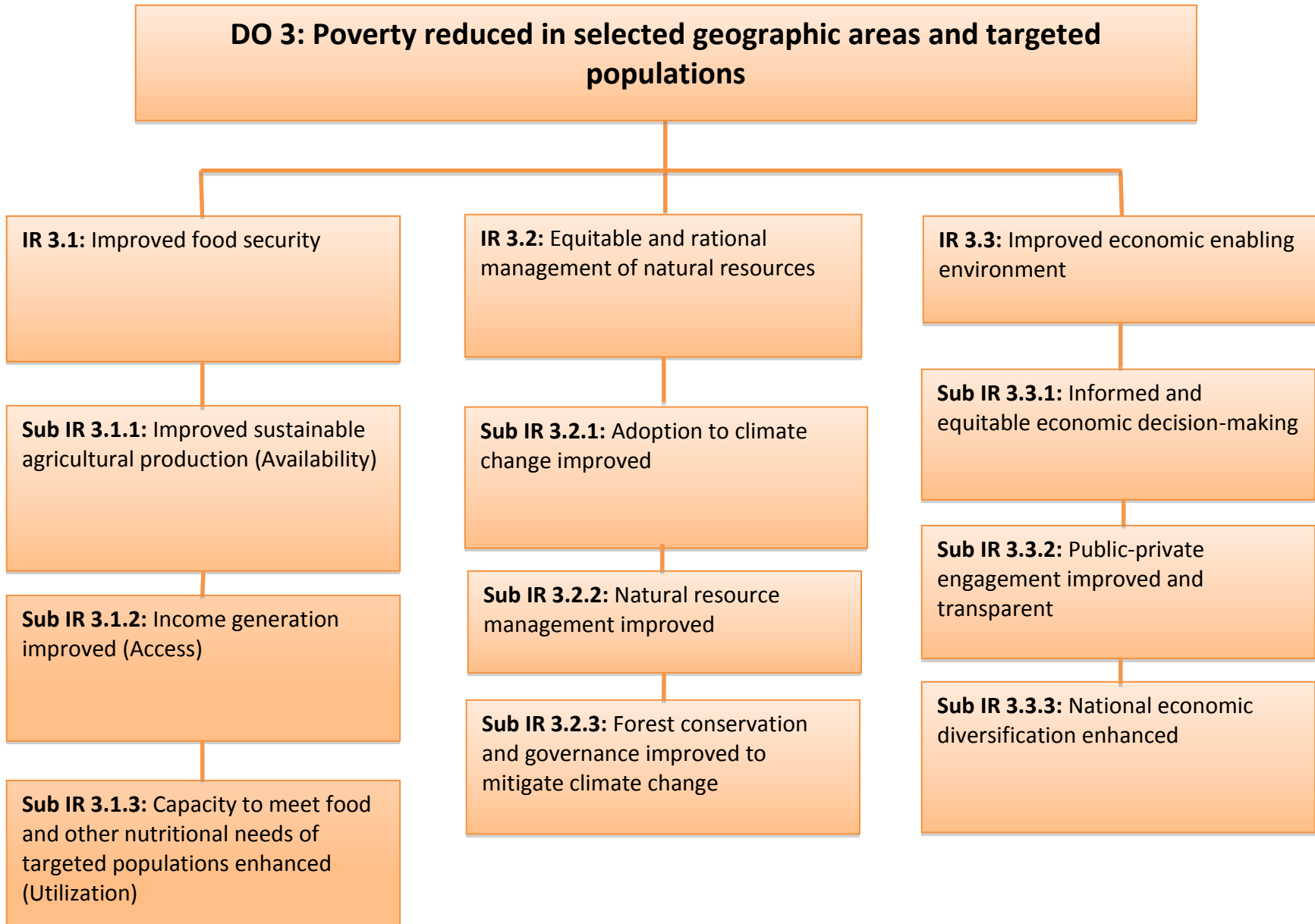


## V. Development Objective 3

<p style="text-align: center;"><b>Development Objective 3: Poverty Reduced in Selected Geographic Areas and Targeted Populations</b></p>
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### **Illustrative Indicators (Impact Level):**

1. Poverty rate among target populations;
2. Prevalence of stunted and of wasted children under five years of age; and
3. Greenhouse gas emissions reduced, sequestered, and/or avoided.



**DO3 Development Hypothesis:** In societies dominated by a rural population, an economic growth strategy led by agriculture and natural resources management has been shown as the best approach to achieve balanced and equitable economic growth. The development hypothesis guiding DO3 rests on a definition of poverty beyond a mere measure of income that more broadly includes a varied lack of all three traditional aspects of food security (availability, access and utilization); an extreme vulnerability to climate change and natural resources degradation; and a poor economic enabling environment. Given the vast majority of Cambodia’s population relies on agriculture and its diverse natural resources for their livelihoods and broader food security, the theory of change underpinning DO3 is that improving conditions within and across these key aspects of Cambodian “poverty” will not only increase and maintain incomes for poor Cambodians and thus reduce formal poverty rates in a sustainable manner, but will address key non-income aspects of poverty through improved food security, natural resources management, and mitigation of climate change in Cambodia.

Diversification is a fundamental concept underpinning all components of DO3. Diversifying both farm production and sources (on and off-farm) and timing of income for rural households helps reduce hunger and poverty. Diversifying both farm production and sources and timing of income for rural households helps reduce hunger and poverty. By expanding technologies for adaptation to climate change such as use of drought or flood resistant varieties of rice, adaptation and diversification work in tandem. Growing a diverse portfolio of crops (plants, fish, and other aquatic resources) reduces the impacts of crop-specific disease, drought or flood, and price fluctuations on each household and community. Diversification makes households less vulnerable to climatic or economic shocks such as flood, drought or dramatic price increases for inputs such as seed and fertilizer.

Further, to make a lasting impact, the natural resources base on which agriculture relies must survive. A healthy natural resources base is essential for agrarian livelihoods. The floodplains of the Tonle Sap constitute a highly productive freshwater ecosystem. Its seasonal flood-recession cycle deposits rich sediment that fertilizes vast flood plains and creates seasonal habitat that sustains one of the world’s most productive freshwater fisheries. The upland forests (e.g., the Cardamom Mountains) mitigate flooding and siltation, and maintain the stream flows feeding the Tonle Sap. Conservation of Cambodia’s forests and biodiversity contribute to global environmental goals as well as poverty reduction. Providing information on the true value of forests and natural resources, identifying and making available income opportunities that complement conservation and enabling informed dialogue among key stakeholders will lead to consensus on the equitable and rational management of forests and natural resources. Rural household capacity to sustainably use, manage, and benefit from Cambodia’s diverse natural resource base will be improved, building resilience to shocks that would otherwise trap households in poverty. DO3 will contribute to the achievement of the USG Global Climate Change Initiative as well as the new 2012 USAID Climate Change and Development Strategy’s Strategic Objective (SO)1 (*Accelerate transition to low emission development*) and SO2 (*Increase resilience of people, places and livelihood*).

As the vast majority of Cambodians remain tied to the rural economy, food security and natural resource management are concerns that mobilize citizens. To achieve its results, DO3 will be contributing to DO1 through its work to strengthen organizations and associations that can help

citizens voice their concerns and priorities to the government, such as producer associations, business chambers, farmer representatives on commune and higher level councils, and other stakeholder groups. Land tenure and rights, and their abuse, have been a major source of citizen activism and unifying issue for community networks across the country. As environmental conservation frequently touches on land tenure, DO3 will be supporting citizens in engaging with government at different levels in achieving greater tenure protection for both communities and individuals, for instance in attaining community forest land titles.

**Expected DO Outcomes:** In five years, through achievements under DO3, the Mission will support the further reduction of the numbers of people living on less than \$1.25 per day to below 17%. Under the FTF strategy period of 2010-2015, Cambodia is on track to reduce this poverty rate from 23% in 2010 down even further. In addition, food security gains in food production, food marketing and appropriate feeding, sanitation and hygiene practices will see reductions in the percentage of stunted children under-five. After five years, Cambodia's internal systems to maintain its Greenhouse Gas Inventory will be in place. Ultimately, significantly reducing the rates of deforestation and improving transparency can be achieved but key to this will be the regularized Cambodian system for public-private dialogue on these issues that will be significantly strengthened within five years. Mechanisms for citizens to voice their opinions on food security and natural resource management policies and practices will be strengthened, reflected in positive policy changes in several key areas including protective status for forests and crop land, and improved markets for local produce.

### **IR 3.1: Improved Food Security**

#### **Illustrative Indicator (Outcome Level):**

1. Number of households that have adopted diversified cropping systems as a result of U.S. government assistance;
2. Number of farmers and others who have applied new technologies or management practices as a result of U.S. government assistance;
3. Value of incremental sales as a result of U.S. government assistance; and
4. Percentage of females who report increased self-efficacy at the conclusion of USG supported training/programming.

DO 3 focuses on three major value chains: rice, fish, and horticulture. The three sub-components include a focus on enhanced productivity in rice, fish, and horticulture; improved rural incomes; and, improved nutritional knowledge and practice. USAID will focus on increasing access to agricultural supplies, credit, and irrigation; disseminating best practices in farming and natural resource management; reducing post-harvest losses; expanding household storage of food; improved water and sanitation; and, delivering nutrition education. These activities will raise and diversify incomes for households, expand their diets, and reduce seasonal and chronic hunger, and malnutrition.

Current yields of rice, fish, and other crops in Cambodia are significantly lower when compared to neighboring countries, despite significant progress in enhancing agricultural yields over the

last several years.<sup>32</sup> DO3 will use tested technologies to increase productivity with more efficient use of inputs including improved seeds, fertilizers, and drip irrigation systems. Better planting, growing, and harvesting techniques will also improve productivity. It will evaluate different community models for uptake of tested technologies, particularly women-led systems that advance women's leadership and decision-making in the agricultural sector growth. Through scholarships for higher education, curriculum development in technical schools, and supporting U.S.-Cambodian research partnerships, USAID will build the technical capacity of Cambodia's agriculture sector. Fostering the diversification of crops and incomes enables households to manage economic risk and reduces pressure on natural resources. At the household and the national levels, growing a diverse portfolio of crops throughout the year reduces the impact of crop-specific disease, drought, flood, or price fluctuation. By reducing individual crop losses, diversification helps increase total farm production. Moreover, diversification will give poor households more affordable food choices throughout the year. If rural Cambodians are better educated about food choices, including the benefits of a more diverse diet and of improved water and sanitation, they can better meet their nutritional needs.

USAID will work with private sector suppliers and market agents to shorten the value chain, and identify systems that can become sustainable and scalable in the future. This component will focus on technical assistance that will help agribusinesses provide more affordable quality products and embedded services, including those associated with seeds, fertilizers, plant protection and animal health, improved farm management practices such as soil and water conservation and management that increases the efficiency of inputs (such as fertilizer). Financial strategies (e.g., loan guarantees, supplier credit, and forward contracting) and technologies that reduce risk will allow farmers and local agribusinesses to become more innovative, leading to increased production and reduced labor/input costs.

In order to increase the opportunities for poor rural households to generate needed cash income, DO3 will include activities focused on expanding rural off-farm jobs and sales, strengthening post-harvest systems, improving market access, and making targeted investments in marketing infrastructure. Non-farm self-employment is important for all Cambodians. However, more women than men (83 percent and 76 percent, respectively) are self-employed in farm and off-farm labor and in both formal and informal enterprises. According to several studies, women are listed as owners of the majority of micro, small or medium enterprises. Most of these firms (over 95 percent) have less than 10 employees, and the most informal and smallest self-employed businesses were women-owned.

An important source of income for the rural poor is wage labor from off-farm activities. Roughly 85 percent of Cambodians are employed in informal enterprises usually associated with agricultural production, housing and construction, and services such as transportation and agribusinesses. These jobs are usually short-term, have limited security, and can result in long periods of unemployment in rural areas. For rural households, with no access to land or other

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<sup>32</sup> This is documented in several sources identified by the assessment teams used to develop the Feed the Future Implementation Plan in 2010. This is further supported by newer documentation (e.g., Hasan, et al. *Factors Affecting Manufacturing and Agricultural Productivity Trends among Asian Countries*, ASEAN Economic Bulletin – Vol. 28, No. 1, April 2011, pp. 45-60).

productive assets, erratic and seasonal employment in farms or rural microenterprises is often the sole means of purchasing food. The landless account for roughly 20 percent of rural households and are among the most vulnerable to food insecurity. The high rates of unemployment are the result of the limited number and ability of private-sector entities to absorb large numbers of unskilled workers. However, producers with diversified crop schemes and related agribusinesses involved in high value activities often lead to higher income and increased demand for workers. DO3 activities can work to help diversify employment opportunities for on-farm and postproduction enterprises, as well as non-agricultural but rural enterprises, with a special focus on women, youth, and the landless poor.

Low education and social status of producers contributes to limited knowledge about market conditions and consumer tastes and preferences. An inability to produce sufficient quantities of crop varieties on a consistent basis and poor distribution channels are aggravated by poor coordination of value chain activities and weak market links between farmers and buyers. Poorly developed or nonexistent post-harvest systems for handling, packaging, and transportation of agricultural products leads to significant spoilage and reduction in product quality and sales. Activities will focus on reducing crop spoilage and linking producers (farmers and fishermen) to existing processing industries through local public-private partnerships. DO3 also may include foster of post-harvest processing enterprises, improving product standards and quality, and increasing government and private-sector capacity to adhere to international quality standards. Related activities will work with value chain groups at different links in the chain (producer groups, haulers, millers' associations) to assist producer groups as well as enterprises involved in post-production, trade activities and forward contracting with farmers.

Profits from agricultural activities are generally low given poor transportation networks and limited infrastructure in rural areas to support market activities. While many roads have been significantly improved in recent years as a result of donor investments, remote rural roads are often in a state of disrepair increasing losses and costs. DO3 activities might for example support small-scale transportation technology (e.g., small motorcycle-powered refrigeration transport -- "cooler *tuk tuks*"), food storage and processing facilities, alternative energy sources, and/or market infrastructure and emphasize partnerships between the local public and private-sector entities.

In Cambodia, one important causes of malnutrition is lack of access to health care and nutrition education on how children are cared for and fed. For example, it is common for very young children to only be fed rice when being weaned; therefore, changing the social norms and beliefs regarding feeding practices of young children will be critical and will be done jointly in collaboration with DO2 funding and activities. DO3 brings a food-based, agricultural, environmental, and private-sector approach to targeted nutrition messaging and education to change key dietary practices. With nutrition funding limited, agricultural education and messaging through DO3 activities must be used to increase awareness of food-based approaches to nutrition and foster improved dietary choices. DO3 activities promoting diversified agricultural production are being informed and guided by the need to improve household dietary diversity and improve dietary choices by farming households and others in their rural communities. One current agriculture program includes nutrition partners working closely with

the agriculture team to explore creative ways to improve dietary choices and promote dietary diversity for farmers and their families. Combining agricultural messaging for crop diversification and related farming practices with nutrition and dietary messaging that targets farm managers and decision-makers (often women) will help increase the effectiveness of such messaging.

As in other countries, Cambodia's high rates of stunting are associated with extremely low rates of access to proper water, sanitation and hygiene. Other critical goods and services that require affordable and sustainable solutions include use of iodized salt, malaria and deworming treatments, vitamin supplementation, fortified and/or complementary foods, and fostering the enterprises providing these. In coordination with the public sector interventions being promoted under DO2, the activities under DO3 will expand the use of these goods and services through sustainable, private-sector service-provider approaches. In many areas of Cambodia, the water and sanitation sector provides an instructive example of this two-pronged approach. Assisting the private-sector to provide water services or cost-effective latrine sales is highly effective in providing sustainable and long-term solutions that significantly reduce disease-related malnutrition. Conversely, there are still areas of the country that will require a more public health-based approach to provision of water and sanitation services.

USAID Cambodia in conjunction with USDA, the U.S. Embassy, and key donors will continue to provide unified comments to the Cambodian government on various draft laws and regulations related to the agriculture, animal health, environment, and food security sectors and urge the Cambodian government to improve access to agricultural inputs. DO3 will continue support to activities that assist in key policy reforms needed to achieve its goals.

### **IR 3.2: Equitable and Rational Management of Natural Resources**

#### **Illustrative Indicator (Outcome Level):**

1. Number of people with increased economic benefits derived from sustainable natural resources management and conservation as a result of U.S. government assistance; and
2. Greenhouse gas emissions, estimated in metric tons of CO<sub>2</sub>e, reduced, sequestered, and/or avoided as a result of U.S. government assistance.

Conserving existing forest resources is not at odds with improving existing agricultural lands and production on those lands as forest conservation is critical to maintaining the forest watersheds upon which lowland agriculture depends. USAID will continue to coordinate and leverage RDMA resources and other regional platforms, particularly in regards to dam construction on the Mekong and threats to biodiversity.

Improved forest conservation and governance will help mitigate climate change and encourage low greenhouse gas emission development. Both the United States and Cambodia have endorsed the Copenhagen Accord that states that a "low emission development strategy is indispensable for sustainable development." In support of these international commitments, on May 31, 2013 USAID and the inter-ministerial Cambodian National Climate Change Committee entered into an agreement to support the U.S. government's Enhancing Capacity for

Low Emission Development Strategy (EC-LEDS) program and other relevant initiatives. USAID will support the EC-LEDS program by enhancing the capacity of the government and forest managers to manage forests sustainably; facilitating constructive dialogue among the government, civil society, the private sector, and communities; and, increasing opportunities for gaining equitable economic benefits from the sustainable management of forests. In addition, USAID will support the Cambodian government to conduct its first National Greenhouse Gas Inventory and the First National Census of Agriculture, both of which are expected to foster the government's ability to continue these key data collection systems. All EC-LEDS activities will be coordinated with the appropriate Cambodian government institutions and will continue to build upon Cambodia's Climate Change Strategic Plan, the National Green Growth Road Map, and the National Green Growth Strategy.

USAID is supporting one of the leading sub-national demonstration sites for Reduced Emissions from Deforestation and Forest Degradation (REDD+) activities in Monduliri province. While the sale of carbon credits may not happen in the immediate future, the Mission is working on wide range of other activities that will increase economic benefits for Cambodians as an alternative to unsustainable land-use changes or illegal logging. USAID will continue developing non-timber forest product value chains, eco-tourism, piloting a community-based timber production forest, and using science-based studies to show the value of forests as they contribute to the Cambodian economy.

USAID's interventions will strengthen Cambodia's capacity to conduct carbon accounting, support carbon finance mechanisms, identify and take advantage of opportunities for revenue generation from carbon sequestration, and avoid emissions from deforestation. Through the Supporting Forests and Biodiversity project, USAID will measure the reduction of greenhouse gas emission through state of the art Carbon Calculator developed by its implementing partner. The project will measure its impact with the standard indicator, "Greenhouse gas emissions, estimated in metric tons of CO<sub>2</sub>e, reduced, sequestered, and/or avoided as a result of USG assistance." The DO3 team will increase the Cambodian public's participation in environmental decision-making and strengthen the country's links to the global climate change scientific community. USAID will work closely with environment programs promoting climate mitigation and adaptation that are managed by RDMA and with the U.S. interagency. USAID will continue to support studies on forests, non-timber forest products, watersheds, fish stocks, and other wildlife. DO3 will also use state-of-the-art technology to analyze and monitor forest cover.

USAID will share information available to the public and the Cambodian government in order to encourage evidence-based decision-making and constructive dialogue that will foster actions by all stakeholders to conserve biodiversity. In addition, USAID will continue to strengthen the ability of relevant ministries to improve the management of protected areas and combat threats to biodiversity. Cambodian laws, policies, and strategies that provide for the sustainable management of forests already exist and USAID programs are in line with these efforts.

For all results, there will be an emphasis on ensuring the role of women as government and forest managers, their voice in government and civil society, and their ability to access



opportunities as beneficiaries of “green growth” economic models.

As noted under IR 3.1, adaptation to climate change is critical to the achievement of food security as well. Activities funded under DO3 will also work across the agriculture and environment sectors to achieve results that foster adaptation to climate change on farms, within fisheries, and forest watersheds. For example, activities will need to consider potential impacts of heat and drought stress, seasonal flooding and tidal cycles on crop production as well as fish stocks, and techniques and policies related to these.

### **IR 3.3: Improved Economic Enabling Environment**

#### **Illustrative Indicator (Outcome Level):**

1. Number of community forest, community protected areas, or indigenous land titles granted as a result of U.S. government assistance; and
2. Number of policies developed as a result of U.S. government assistance.

Sustainability and scale depend heavily on a positive policy environment. USAID will focus on the implementation of existing pro-poor growth strategies and policies that are inclusive of women, and marginalized and vulnerable groups. Transparent, well-informed policy-making, and public and private dialogue, will benefit all DO3 sub-objectives. In addition, the Mission will identify and build upon linkages between DO1 and DO3 in its work to alleviate the negative effects on livelihoods of Economic Land Concessions (ELC). Providing assistance to improve the economic enabling environment will lead to improved economic growth and to better food security in the targeted geographic areas. By diversifying and strengthening climate-resilient production on farms, fisheries and forests, USAID will also contribute to the achievement of Strategic Objective (SO) 2 (*Increase resilience of people, places and livelihood*) of the USAID Climate Change and Development Strategy (January 2012).

Building the capacity of Cambodians to engage in household, farm and enterprise level agriculture and natural resources management is critical to the success of this overall objective. However, the national level science, technology and innovation research necessary to ensure Cambodia’s long term success will also require alleviation of the critical shortages of highly trained technical personnel in the agriculture, nutrition, environment, climate change and natural resources sectors. USAID will continue to build skills of government, civil society and private sector beneficiaries by providing them with access to Cambodian, Asia-Pacific regional, and U.S. graduate scholarships at the Masters and Doctoral levels that support specific areas within the agriculture, nutrition, environment, and climate change sectors. USAID will augment this long-term training with relevant short-term professional training opportunities in Cambodia and the region.

USAID's interventions will build upon past success that supported value-chain development in various natural resources, agriculture and private enterprise development sectors. Engagement of the private sector and civil society in advocating for policy change, but also primarily for policy enforcement, are essential. In all partnership discussions with the private sector, USAID will encourage their involvement in advancing women’s economic opportunities by highlighting the opportunities for stronger business and social outcomes. The implementation

of this effort will leverage the power of civil society and private sector associations, similar to the advances made by organizations such as the International Labor Organization that works to unify and strengthen garment workers unions.

USAID's interventions will complement other donor partners including: the Australian government's Cambodia Agricultural Value Chain Program; Canada's value chain program; the Food and Agricultural Organization; the Asian Development Bank's Global Agriculture and Food Security Program; and, Japan's International Cooperation Agency. The interventions will also complement DO1 activities in supporting public policy dialogue and voice for civil society.

**Focus and Selectivity:** To meet the objective of poverty reduction, USAID focuses on agriculture, which is one out of the four key economic sectors in Cambodia. DO3 focuses on specific populations and geographic areas specific to each Intermediate Result. Cambodia's major agricultural value chains were evaluated based on what kind of impact they had on target beneficiaries: the ability to increase and diversify household production; the share of diet, nutritional content, income potential and technical improvement potential. Their impact on female farmers and their potential benefits to natural resources conservation and adaptation to climate change were also considered. Forests were selected given the importance of their contribution to the world's and Cambodia's biodiversity, as well as being a source of income for some of the country's poorest people.

As shown in the 2010 Cambodia Demographic and Health Survey, the Cambodian Strategy for Agriculture and Water and the Cambodian Strategy for Food Security and Nutrition, there is wide variation in nutrition levels and food availability in the country. Most of Cambodia's agricultural production is concentrated around the Tonle Sap Lake and the Mekong River. The rural Tonle Sap region has the highest poverty rate of 45 percent totaling one third of Cambodia's poor.<sup>33</sup> This area also includes about a third of all food insecure households (one million people during the lean season) and shows the highest concentration of children suffering from malnutrition across all income brackets. On the positive side, the rural Tonle Sap region has relatively high soil fertility, an inland fish catch that comprises 80 percent of the total for Cambodia, and two of the country's top 10 rice producing provinces. USAID's activities will focus on achieving results in four of the six provinces in this area. Assessments conducted by USAID in 2011 and subsequent 2013 statistical studies carried out by the World Food Program confirmed these choices.<sup>34</sup> USAID's environmental activities will focus on conserving forested landscapes that are the most critical to maintaining watersheds including

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<sup>33</sup> The Rural Tonle Sap is a formal designation of the area comprising six provinces: the four Feed the Future target provinces along with Banteay Meanchey and Kampong Chhnang provinces.

<sup>34</sup> Several donor and host country studies completed between 2004 and 2011 were used to develop the rationale for these choices. They include FAO's Cambodia Food Insecurity and Vulnerability Information and Mapping System, World Food Program's 2002 Poverty and Vulnerability Analysis Mapping, the Cambodian government Ministry of Planning's 2004 Poverty Profile of Cambodia, the 2003-04 Cambodia Socio-Economic Survey, and the 2005 Cambodian Demographic and Health Survey (CDHS). More recent studies confirming this logic include the 2010 CDHS, the papers prepared for the November 2010 International Food Policy Research Institute (IFPRI) and the Cambodia Development Resource Institute (CDRI) Cambodia Food Security and Agriculture Policy Stocktaking Roundtable (funded by USAID), and USAID's May 2011 Cambodia nutrition strategy and assessment.

the Prey Lang forest and the Eastern Plains region. Interventions to improve the enabling environment will help build national capacity of all stakeholders in policy making and implementation. This higher level, national focus is necessary because national policies, public-private engagement, and decisions regarding national economic diversification have significant implications for local populations.

**Critical Assumptions for DO3:**

- The Cambodian government will maintain and implement its current official policy of limiting new economic land concessions in primary forest and protected areas.
- Food (rice, horticulture, and fish) distribution requirements (roads, transport, and marketing infrastructure) will be sufficient for target populations or will be met through future infrastructure investments funded by others.
- Dramatic effects of any dam construction of the Mekong River Systems on species of inland fisheries breeding and the cycles of beneficial flooding of key forests and farmland (which helps maintain soil fertility) will be sufficiently mitigated (e.g. by redesign and re-siting of dams).
- The new “green growth” approach to management of the lower Mekong basin watersheds will continue and increasingly be fostered by the RGC and key investors such as China for the strategy period and beyond.
- USG programs will continue to be able to improve the capacity of Cambodian government officials as well as Cambodian civil society and private sector counterparts in the food security, environment and economic sectors through direct training and other engagements as required.

**Presidential Initiatives:** This development objective comprises goals under two Presidential Initiatives: the Feed the Future Initiative (FTF) and the Global Climate Change Initiative (GCC). USAID Cambodia is the only FTF focus country in Southeast Asia. FTF funding is expected to continue to comprise slightly less than 50 percent of this development objective’s resources. Cambodia is also a GCC focus country, with Sustainable Landscapes and Adaptation funding that comprises approximately 50 percent of this development objective’s resources. In Cambodia, biodiversity earmarks contribute to the GCC sustainable landscapes and forestry conservation objectives. In addition, through its focus on nutrition education and improved water, sanitation and hygiene services, this objective also supports the nutrition goals under the Global Health Initiative and DO2.

**Agency Policy and Strategy:** All efforts under DO3 are in line with agency policies relating to the FTF and GCC initiatives. In addition, gender inclusion, as identified in the Gender Equality and Female Empowerment policy, is an important consideration in the development and management of activities.

**USAID Forward Emphasis - Innovation through Science, Technology and the Development Credit Authority (DCA):** USAID is already using the DCA and will pursue additional innovative credit opportunities as appropriate. It will integrate new technologies into many aspects of environmental interventions, such as aerial photography and satellite imaging for monitoring deforestation. USAID will also connect local, regional, and U.S. universities to expand science and technology, including through Partnerships for Enhanced Engagement in

Research, Innovation Labs, and other exchanges. Under DO3, USAID will identify key local institutions that are likely to lead reforms and capacity development, and seek to improve the capacity and longevity of these organizations. Strengthening the ability of Cambodian partners to effectively monitor and evaluate the success or failure of their programs will help ensure that Cambodian and donor resources are more effectively spent. It will also increase the likelihood that the goals of eradicating hunger and poverty will be met and sustained. The DO3 team will work with DO1 in developing and deploying new media technologies in partnership with the private sector to help increase information available to the public. Activities include establishing secure mobile email; interactive voice response; localizing and distributing games related to human rights, economic development, or social empowerment; and, developing optical character recognition to enable greater access to information in Khmer.

**Development Diplomacy:** USAID works through a collaborative U.S. government interagency process to identify policy objectives and respective roles under an economic growth and trade goal. Embassy economic staff is instrumental in identifying private sector partners and using diplomacy resources to support policy reforms. USDA provides funds to the World Food Program for the McGovern-Dole Food for Education program, and these were expanded in 2012 to include USAID food security focus provinces. USDA regional staff provides coverage for Cambodia from Vietnam, overseeing USDA food aid and technical assistance work related to animal health and sanitary and phyto-sanitary issues. The U.S. Department of Labor funds a program addressing child labor in agriculture (including the two USAID food security focus provinces of Pursat and Siem Reap) by providing educational opportunities for children, and training for families and communities on agricultural livelihoods. The U.S. Department of State's Humanitarian Mine Action Program also provides benefits to the agriculture and food security sectors in Cambodia by facilitating the rehabilitation of land previously littered with landmines.

U.S. Peace Corps-Cambodia has recruited health and nutrition education volunteers, some of whom work in food security focus provinces. USAID Cambodia also helps to train Peace Corps Volunteers in Phnom Penh and provides them with nutrition and health training

Beyond the work undertaken through specific implementing mechanisms to support Cambodia's capacity to develop appropriate laws and policies related to DO3. USAID - in conjunction with USDA, the U.S. Embassy, and key donors - provide unified comments to the Cambodian government on draft laws and regulations related to the agriculture, animal health, environment, economic growth, and food security sectors. Through this process, the U.S. government also urges the Cambodian government to improve access to farmers, businesses, and investors to key resources and services such as agricultural inputs, environment issues and security of tenure, and contract enforcement.<sup>35</sup> In 2013, the U.S. government's diplomatic efforts increasingly became focused on fostering key policy reforms and actions in the environment sector needed to achieve this objective. The U.S.-Cambodian Memorandum of Understanding on Enhancing Capacity for Low Emission Development Strategies was signed on May 31, 2013, and fulfills a key USG Global Climate Change Initiative benchmark. It also paves the way for continued investment by USAID and other U.S. government agencies in the

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<sup>35</sup> State 15 1990, February 17, 2011.

environment and global climate change sectors.

**Relevance and Support for Cambodian Government Policies and Priorities:** Working closely with its donors, the Cambodian government developed its highly regarded and comprehensive Strategic Framework for Food Security and Nutrition, the Strategy for Agriculture and Water 2010-2013 Investment Plan, and other key related analyses and strategies.<sup>36</sup> Focused on the recommendations of multilateral donors such as the ADB and the International Monetary Fund, the Cambodian government is working to increase competitiveness and further diversify the Cambodian economy, especially its agriculture sector, in order to maintain the economic growth rates necessary to reduce poverty throughout the nation. USAID's efforts are in line with these goals.

**Donors and Development Partner Engagement:** Cambodia has a large pool of bilateral and multilateral donors who have been working in the Cambodian agriculture and food security arena far longer than USAID. USAID's economic growth value-chain work in aquaculture, water service provision, sanitation services, economic conservation, and input supply sectors, however, has positively informed the work of several donors that have expanded this model in their own agricultural and environmental value-chain work.

USAID Cambodia engages with donors and the Cambodian government through the TWGs for Social Protection, Food Security and Nutrition, and for Agriculture and Water. The Australian government is working to accelerate growth in the value of agricultural production and small farm incomes, working with USAID's ongoing food security activities in one province. The Australian government also shares USAID's commitment to gender equality and female empowerment, and efforts will be made to collaborate on activities that foster increased economic opportunity and independence for women. Australia's programs were modeled after USAID value-chain programs and they are coordinating with USAID closely to ensure they fill gaps in each overlapping province. The United Nations World Food Program has several activities funded by the UN and by the U.S. Department of Agriculture (USDA) that include a focus on improving access to food by vulnerable groups, nutrition education as well as water, sanitation and hygiene in key USG food security focus provinces. In June 2011, the ADB awarded Cambodia a total of \$39.1 million. These funds support the increased productivity and diversity of agriculture in selected highly food-insecure and economically-depressed areas.

**Gender Barriers:** The 2010 Cambodia Gender Assessment noted that 65 percent of the country's farmers are women and that they are increasingly participating in farmer training programs.<sup>37</sup> For example, under the main FTF program, HARVEST, approximately 55 percent of client farmers are women who are reached through the mainstream program and not through women-specific projects. Cambodian women most often control and manage household and business finances yet, like most farmers, they often have only limited or no access to formal credit, high quality farming supplies, extension services, improved farming practices, or market information. While programs under this strategy will continue to incorporate agricultural interventions that maximize women's economic empowerment, leadership,

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<sup>36</sup> See Annex D for complete list.

decision-making, access to needed resources (like credit and training), and opportunities to increase household incomes, it is important to highlight that Cambodia with a 0.98 rating, holds the highest rank under the new Women's Empowerment in Agriculture Index. Building on this, the focus on horticulture as critical to diversifying the Cambodian economy and diet, also helps foster a focus on women since over 80 percent of the vegetable and fruit traders are female. Agricultural education and messaging on nutrition will target men and women, parents, and grandparents, including male and female caregivers as most appropriate.

At all income levels and in most households, Cambodian women manage family, farm, and business finances. In 2010, studies indicated that women owned or managed 62 percent of all listed enterprises, and follow-up studies in 2012 showed this figure had increased slightly to 65 percent. The bulk of all businesses in Cambodia (97 percent) comprise micro, small, and medium enterprises, and most have fewer than four employees. In forest communities, while men and women participate equally in the collection of non-timber forest products, women often manage the sales and proceeds of products such as honey, resin, and rattan, and play a key role in advocacy and dialogue over land disputes with national and international authorities. Projects already underway in the environment sector include two main approaches for promoting gender equality in the program: *Gender Mainstreaming and Women's Empowerment*. As part of the empowerment approach to promote women's leadership in the forest management and climate change sector and setting targets of 30% for women's inclusion through recruitment, participation, and training/capacity building. Further, through a small grants component current programming promotes women as more than "beneficiaries" of green-growth. Women led environment organizations will be targeted for grants that empower women financially and in decision-making over natural resources. Women and women-owned enterprises are being targeted for value chain development, particularly in eco-tourism, honey, and resin. Increasing access to formal agricultural lending options for all rural farmers is critical. However, the shift from an informal lending sector dominated by women to one comprising formal lending institutions can inadvertently disadvantage women, and impact USAID will seek to avoid. Currently women comprise well over 50 percent of all borrowers under USAID FTF Cambodia loan guarantee programming.

**Cross Sector Higher Education, Workforce Training and Youth:** A key component of DO3 includes the provision of short-term vocational training for the rural workforce, especially targeting those youth returning home to rural areas to start their own families, farms and businesses after having worked in urban and international labor migration. In addition, scholarships for higher education in the agriculture, nutrition, environment, economic growth, and performance monitoring and evaluation sectors are critical to fill these technical gaps founds in government, the private sector and civil society.

## **VI. Monitoring, Evaluation, and Learning**

USAID Cambodia takes a vigorous approach to Managing for Results in order to achieve its development objectives. The CDCS monitoring and evaluation (M&E) system will aim to provide critical information for decision-makers and guide their implementation of the CDCS to attain the Agency's development objectives.

Indicators will be regularly tracked at the project, IR, and DO levels to monitor progress toward achieving the DOs. Where appropriate, the Mission will disaggregate data by sex. Key agency standard gender indicators will also be used at various measurement levels. Evaluations will be used to validate development hypotheses and generate high quality data for decision-making.

Assessments and studies will be used to fill any information gaps and guide project design and management. The increased use of baselines, testing, and performance evaluations will allow USAID Cambodia to account for U.S. government contributions towards improved development outcomes. At each step, continuous learning efforts will ensure that lessons learned are incorporated throughout the program cycle.