

CAMBODIA COUNTRY BRIEF

See also the Department of Foreign Affairs and Trade [Country, Economy and Regional information](#).

Cambodia is at an early and precarious stage in its recovery after decades of war, isolation and genocide.

Since the signing of the Paris Peace Accords in 1991, the country has made significant progress in stabilising the economy and restoring economic growth. Still, Cambodia remains one of the world's least developed countries with an estimated GDP of only US\$300 per capita per year, barely one-tenth that of Thailand. Moreover, the growth that has been achieved has not generally translated into broad improvements in the well being of the majority of Cambodian people, especially those in rural areas. The UNDP's 2001 Human Development Index ranks Cambodia 121st among 162 countries in terms of quality of life.

Substantial international support is needed to re-establish and build up the institutions, human capacity, and infrastructure essential to the country's successful development. At the same time, the international community is looking to Cambodia to demonstrate its commitment to improving the quality of its governance and to implementing the reforms essential for sustained and equitable economic growth.

AUSTRALIA'S NATIONAL INTERESTS

Australia's interests in Cambodia include promoting democratic development, stability and prosperity; supporting regional economic integration; and combating transnational crime (including people smuggling, narcotics, and child sex tourism).

AUSTRALIAN AID TO CAMBODIA

Australia's humanitarian aid effort in Cambodia began in the early 1980s with a significant emergency response through Australian non-government organisations. In April 1992, following the signature of the Paris Peace Accords, Australia announced the resumption of an official development cooperation program with Cambodia.

Australia is currently the third largest bilateral aid donor to Cambodia after Japan and France. In 2002-03 Australia expects to provide \$24.5 million for bilaterally agreed activities and another \$15.1 million for humanitarian and emergency programs, regional programs and NGO activities.

The objective of Australia's bilateral aid program for Cambodia is: *to assist Cambodia make a transition towards sustainable, broad-based development.*

The program focuses on poverty alleviation but recognises that real poverty reduction depends on Cambodia's own success in mobilising and effectively managing non-aid resources for domestic investment. Agriculture, governance, health, education, and mine action are current key areas of focus for Australian aid.

A new country strategy for Cambodia is currently being developed, and consultations with stakeholders in Cambodia and Australia are planned for November/December 2002.

FOCAL SECTORS

Agriculture:

85% of Cambodians live in rural areas and most earn their living from agriculture. But agriculture continues to operate at subsistence level and rural poverty is widespread. Australia's aid program to Cambodia focuses on agriculture as the most effective way to promote economic growth with the benefits going to the broadest possible base. It is also crucial to achieving food security.

AusAID's agriculture program includes three major projects and funding through ACIAR and regional programs. Australia has a long history of involvement in this sector: since 1987 we have provided more than \$25 million in assistance for Cambodian agriculture research, with a focus on rice production, through the Cambodia IRRI Assistance Project (CIAP). This support has contributed to Cambodia moving from a net food importer to producing rice surpluses. The net financial benefit to Cambodian farmers since the CIAP project commenced in 1987 has been around US\$40 million per year.

Cambodia Agriculture Research & Development Institute (CARDI) Assistance Project

An important outcome of Australia's support for agricultural research through CIAP has been the development of Cambodia's own national agricultural research institute, CARDI. A new four-year CARDI Assistance Project, focusing on achieving the financial and management sustainability of CARDI, commenced in August 2002.

Cambodia Australia Agricultural Extension Project (CAAEP), Phase II

The aim of CAAEP II is to increase household cash incomes by further developing a sustainable, district-oriented extension system. The Department of Agricultural Extension and the Ministry of Agriculture, Forestry and Fisheries will be focal points for coordinating and facilitating all extension service providers in Cambodia. The project will build on the strengths of phase I such as the group of well trained, enthusiastic and motivated agricultural extension workers and the farming systems approach, while trying to overcome the weaknesses including limited coverage and lack of sustainability. This five year project started in March 2001.

Agriculture Quality Improvement Project

AQIP contributes to improved food security and greater cash incomes for farm families by increasing the quantity and quality of rice production, reducing waste through improved rice milling, and building a more robust farming system with improved, small-scale village-based fruit and vegetable marketing. The project started in August 2000 and will run for five and a half years.

ACIAR Research to Support Better Agriculture

The Australian Centre for International Agricultural Research (ACIAR) is an Australian Government agency that facilitates international agricultural research to reduce poverty, improve food security and conserve and rehabilitate the natural resource base for agriculture

in developing countries. Vital to this is strengthening research capacity, transferring technology and promoting training for scientists participating in ACIAR's broad range of programs.

Governance

Effective and transparent governance is critical to achieving sustainable development in Cambodia. Good governance provides favourable conditions for private sector investment and expanded trade, and supports poverty reduction through a more equitable distribution of the benefits of growth. Australia's commitment to improved governance in Cambodia means helping to develop policies which encourage investment and growth. It also involves creating effective public institutions, enhancing the rule of law, protecting human rights and strengthening civil institutions that help bring community views to the attention of government.

Australian support for governance is provided through the institutional strengthening components of projects in agriculture, health and education, and through a major project supporting improvements in criminal justice. We also provided assistance for voter education for the Commune Elections in February 2002, and support for the national elections in 2003 is currently under consideration. Small amounts of funding continue to be available for targeted NGO human rights activities. In developing our new country strategy, options are being explored for expanding our support for activities aimed at promoting enhanced government capacity and accountability.

Cambodia Criminal Justice Assistance Project (CCJAP)

The first phase of CCJAP was a four and a half year \$12.6 million project, which began in 1997. CCJAP targeted improved adherence to international human rights standards for those with responsibility for administering Cambodia's criminal justice system ie: the judicial police, the prisons and the courts. Phase II will include a strengthened focus on crime prevention and community links to the justice sector, and will be implemented from 2002 to 2007 with a budget of \$18 million.

Cambodia Human Rights/Education Program

This program is administered by the political section of the Australian Embassy in Phnom Penh. It provides small grants (usually up to around US\$5,000) to local NGOs for projects which promote democratic values and the observance of civil and political human rights. The program receives an annual allocation of \$110,000 from the Australian Government.

Health

Cambodia's poverty levels contribute to an unacceptably high level of health problems. Cambodia has amongst the highest infant and maternal mortality rates in the world, caused largely by poor access to health services. Communicable diseases, including acute respiratory infection, tuberculosis and HIV/AIDS, present significant challenges to Cambodia's health system. Around 45 per cent of children are moderately to severely stunted as a result of chronic malnutrition.

Australia is supporting two projects in the health sector. Funding is also provided for a range

of NGO activities in the health sector.

Provincial Health Management Assistance

Following on from a major project focusing on Health Promotion and Primary Health Care, Australia is funding a small group of technical advisers to assist the Provincial Department of Health in Kampong Cham with health service planning, human resource management and financial systems improvement.

Expanded Program of Immunisation (EPI)

Between 1988 and 2001 Australia provided around \$12 million through UNICEF and WHO to support national immunisation programs to fund critical maternal and child immunisation programs. A further \$2 million will be provided for activities up to December 2003.

Education and Training

Rebuilding Cambodia's education system following its complete devastation during 1975-1979 remains one of the country's greatest challenges. Although access to education has improved, educational standards remain among the lowest in Asia and the quality of education provided needs significant attention. Cambodia also faces an urgent need for practical and relevant technical and vocational training.

Cambodian education policy prioritises the creation of a 9-year universal basic education, reforms to modernise and improve the quality of education and the linking of education and training with the labour market and society.

Australia's key contribution to Cambodian education is funding for the development of an effective and credible high school examinations system. Australia also provides scholarships for post-graduate study in Australia.

The Cambodia National Examinations Project

The goal of this \$6 million five-year project is to assist the development of a reliable and valid secondary school examination system. It targets the years 9 and 12 national examinations in the expectation that over time valid examinations will increase the quality of the education system. The project is due to finish in October 2002.

Australian Development Scholarships (ADS)

More than 90 Cambodian scholarship holders have graduated from Australian universities at post-graduate level and about 40 Cambodian students are currently studying in Australia on full scholarships in fields such as agriculture and fisheries, engineering, health, economics and administration and education.

ADS were first offered in Cambodia in 1994 and allow around 20 selected government officials from key developmental ministries to take up post-graduate studies in Australia each year.

Regional Programs

South East Asia is the predominant focus for AusAID's Asia Regional Program, with particular attention paid to the needs of the new ASEANs (Vietnam, Cambodia, Laos and Burma), as the poorest and least 'integrated' countries in the region.

Sectoral priorities for the Asia Regional Program are governance (specifically economic management, trade-related capacity building and social protection programs, including social safety net strengthening and people trafficking) and health (HIV/AIDS and communicable disease).

Landmine Action

Cambodia is one of the world's most heavily mined countries with an estimated 4-6 million landmines scattered across mainly rural land. Australian aid, together with that of other countries, has helped to reduce mine casualty rates from 3000 per year to around 800. Landmines and unexploded ordinance continue to constitute some of the most serious obstacles to Cambodia's reconstruction and development.

Australian Support for the Cambodian Mine Action Centre

The Cambodian Mine Action Centre (CMAC) is Cambodia's national demining agency. CMAC's landmine clearance, minefield surveying and marking, and mine awareness activities have contributed to a marked reduction in mine-related casualties in Cambodia. Australia provides core funding to CMAC through the UNDP, and will provide \$4,000,000 for activities from 2001 to 2003.

Other Mine Action Activities

Through AusAID's humanitarian assistance programs, considerable support has been provided for NGO projects that address the landmine problem in Cambodia. This includes programs to raise awareness of the dangers of landmines, locate and dispose of landmines, link demining and rural development activities and provide treatment and rehabilitation assistance to landmine victims. In addition, the Destroy-A-Minefield Scheme enables individuals, schools, community groups, religious organisations, businesses and associations to directly contribute to clearing minefields in Cambodia. Sponsors raise funds in their respective communities and for every two dollars raised by sponsors the Australian Government will contribute one dollar.

Food Aid and Relief and Reintegration

Although Cambodia is broadly self-sufficient in rice in years of good harvest, this does not translate into food security at the household level. Large sections of the Cambodian population, affected by endemic poverty, lack access to sufficient food and considerable problems remain in terms of basic food security. One consequence of the inadequate levels and quality of food intake is a nutritional situation, especially that of children and women, which is one of the worst in South East Asia. Government responses are constrained by insufficient resources and capacity. Australia's development assistance strategy recognises the need to continue to provide support for humanitarian food aid as required. Australia is one of the largest donors of food aid to Cambodia contributing around \$4 million annually since

the early 1990s. We also provide support to strengthen community disaster preparedness and reduce vulnerability.

Australia has provided substantial assistance to Cambodia to support relief and reintegration activities. The cessation of hostilities and the formation of a coalition government in November 1998 saw around 45,000 Cambodian refugees return from camps on the Thai border and many internally displaced people returned to their original homes in 1999. The areas to which refugees have returned mostly lack basic infrastructure and services and are often heavily mined. Australia has been helping to provide basic services and infrastructure for returnees in these remote areas. Australian support for relief and reintegration in Cambodia is channelled through NGOs and UN agencies.

Support for NGOs and Communities

Australia's aid program in Cambodia will continue to support the work of Australian and Cambodian NGOs working at the grassroots level in rural areas of Cambodia. This includes activities which are aimed at improving the provision of public services in health, education and community infrastructure. Also included are small activities supported through schemes implemented by the Australian Embassy in Phnom Penh.

Cambodia Community Development Program (CCDP)

The CCDP provides opportunities for Australian NGOs to implement projects with Cambodian counterpart agencies and community groups. Activities funded under CCDP are intended to complement other forms of development cooperation to Cambodia. The CCDP's focuses on poverty alleviation and capacity building in areas of greatest need, including in agriculture, health, education and community development. In the current round of CCDP, which runs from 2002-2004, eight projects are being funded for a total of \$7.5 million.

AusAID NGO Cooperation Program (ANCP)

Australia provides substantial funding through the AusAID/NGO Cooperation Program (ANCP) for projects jointly funded by NGOs and the Australian Government. Some 50 accredited Australian NGOs are implementing 300 projects in Cambodia under this program.

Community Development Fund

The Community Development Fund is administered by the AusAID section of the Australian Embassy in Phnom Penh. The scheme funds small activities which have significant development benefits for specific Cambodian communities. Activities generally fall within the priority sectors of agriculture, education, health and community infrastructure. Recognised NGOs or institutions with an interest in development in Cambodia can apply for funds up to US\$50,000. Community organisations can apply for funds within the range of US\$5,000 to US\$15,000.

Direct Aid Program

The Department of Foreign Affairs and Trade in Canberra allocates limited funding annually to the Australian Embassy in Phnom Penh to fund a Direct Aid Program (DAP). This is separate from the government to government aid program administered by AusAID. DAP

projects usually benefit vulnerable groups, notably people with disabilities, orphans and women. Projects are self-contained with finite time lines and recipient contributions and must be developmental in nature. Recognised NGOs or institutions are invited to apply for funds up to US\$6,000 following the DAP guidelines available at the Australian Embassy in Phnom Penh.

Volunteer Programs

Australia supports three types of volunteer services: short term skilled young Australian volunteers aged 18 to 30 (through the Australian Youth Ambassadors for Development program), longer term community volunteers (through Australian Volunteers International), and short term business volunteers (through AESOP business volunteers). Each of these volunteer services is active in Cambodia.

Updated 2 October 2002