REALIZING THE PROMISE OF SOCIAL ASSISTANCE

Cambodia Policy Note
Foreword

Thanks to rapid and sustained growth, Cambodia has become one of the world’s leaders in poverty reduction and shared prosperity. Cambodia’s success so far has ridden on openness to trade and investment, preferential trade treatment, and an abundance of low-skilled, low-cost labor. This facilitated the establishment of an export-oriented and foreign-owned garment sector, which—together with tourism, agriculture, and construction—has been driving growth over the past two decades.

Several factors suggest that Cambodia will not be able to rely on its current drivers of growth going forward. With the country becoming more prosperous, it is receiving less generous donor financing, and preferential trade treatment is expected to phase out eventually. At the same time, rising wages are making it increasingly difficult for Cambodia to keep exporting unprocessed rice and low-end garments. Meanwhile, around the globe, automation is displacing jobs, and digital technologies are transforming certain sectors. Coinciding with the possibility of diminished economic prospects are the rising expectations of Cambodian citizens, fueled by the rapid spread of information through mobile phones, the internet, and social media.

In light of these factors, Cambodia’s current drivers of growth need to be diversified. While the country’s economic outlook remains positive, Cambodia could begin to explore new drivers of growth that will create jobs and boost prosperity over the next 20 years. The country’s next economic transformation will rest on its ability to empower domestic entrepreneurs and citizens with capabilities and tools for the modern economy of tomorrow.

Drawing from the knowledge gaps identified in the Cambodia Systematic Country Diagnostic, the Cambodia Policy Notes analyze four relatively under-analyzed policy areas: Entrepreneurship and Innovation, Digital Economy, Microfinance and Household Welfare, and Social Assistance. These topics are interrelated and will be crucial for catalyzing or complementing reforms in traditional sectors. For example, digital platforms are expected to play a key role in enabling local entrepreneurs to participate in global value chains more effectively. Financial technology (fintech) can provide expanded access to finance for both enterprises and individuals as well as facilitate the growth of e-commerce. Social assistance could help mitigate shocks for households and contribute to building a stronger human capital base to take advantage of new opportunities and safeguard the impressive economic gains of the last two decades.

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• Although Cambodia’s households remain vulnerable to shocks that can push the near-poor into poverty and push the poor into deeper poverty, social assistance programs have been very limited. The Government has made modest efforts to address poverty and vulnerability through small but fragmented social assistance programs. Overall, Cambodia spends far less on social assistance than other lower middle-income countries and has the potential for evidence-based expansion of the system over time.

• The National Social Protection Policy Framework (NSPPF) is a positive development, but its priorities are numerous and seem overly ambitious given the incipient state of most social assistance programs. Realizing all the NSPPF priorities in the short- to medium-term will be difficult. Further prioritization is likely to be needed.

• A feasible implementation strategy for the NSPPF would be an incremental expansion of social assistance and a gradual shift from fragmentation to harmonization of social assistance programs and delivery platforms. Specific recommendations to achieve this include:
  i. Further prioritizing the policy objectives of NSPPF to lay out a sequenced expansion of the social assistance system;
  ii. Refining institutional arrangements in the early stages of NSPPF implementation to improve coordination across social assistance programs—in particular, further clarifying the respective roles of the National Social Protection Council (NSPC), line agencies, and IDPoor;
  iii. Harmonizing delivery systems across social assistance programs/agencies to build common delivery platforms and developing a vision for data management and inter-operability;
  iv. Formulating a long-term financing strategy for social assistance, including a medium-term budget for roll-out of the recently announced cash transfers for poor women and children; and
  v. Continuing work on design and operational modalities for the new cash transfer program to ensure a balance among appropriate coverage, adequate benefit levels, and efficient delivery mechanisms.
Introduction

Although Cambodia has become one of the world’s leaders in poverty reduction, two-thirds of its population remains poor or economically vulnerable, with a large number of households moving in and out of poverty. ¹ Cambodian households are exposed to a range of shocks that can have devastating costs for the poor and vulnerable. Negative coping strategies to manage shocks can put poor or economically insecure households at risk of a return to—or deepened—poverty.

Formal social protection in Cambodia is only incipient, with low levels of spending compared to other countries, particularly for social assistance. Most social protection spending in Cambodia goes toward retirement benefits for civil servants through the National Social Security Fund for Civil Servants (NSSF-C) and the National Fund for Veterans (NFV), neither of which have been contributory to date and are thus entirely funded through general revenues. Social assistance spending is much lower and comprises several small, fragmented programs.

The Government has recently signaled its willingness to scale up social assistance through its approval of the National Social Protection Policy Framework (NSPPF), which lays out ambitious reforms. The NSPPF, approved in 2017, provides the framework for an integrated social protection system. Guidance will be provided by a National Social Protection Council (NSPC) under the overall direction of the Ministry of Economy and Finance (MEF), with distinct sub-bodies for social insurance and social assistance. Considering the currently limited levels of spending and coverage, the envisaged reforms in the strategy—particularly for social assistance—are ambitious. In June 2018, the Government also announced the launch of a cash transfer program for poor women and children.

This note presents policy options for ensuring the feasibility of the institutional and programmatic roll-out of social assistance reforms envisaged in the NSPPF. To realize the goals of the NSPPF, a clear vision on prioritization and sequencing of SA reforms will be critical. The path from incipient and fragmented social assistance systems is one that has been trodden by many developing countries in recent years, and those experiences can provide important lessons for Cambodia in this process. This policy note draws from these lessons while taking into account Cambodia’s ongoing social assistance programs, institutional frameworks, and delivery systems. It utilizes the World Bank’s ASPIRE database, program documents, an assessment of Cambodia’s social assistance programs in the OECD’s 2017 Social Protection System Review of Cambodia, and country data.

Context and Main Challenges

Poverty reduction gains are continually threatened by households’ exposure to shocks and low human capital formation

Although Cambodia has made impressive progress in poverty reduction, multi-dimensional poverty remains high, particularly in rural areas. While official poverty incidence estimates have fallen, the OECD Social Protection Needs Analysis found that the multi-dimensional poverty rate was 33 percent in 2014, more than double the poverty incidence rate of 13.5 percent.² Oxford’s Global Multi-Dimensional Poverty Index (MPI) finds a 38.1 percent multi-dimensional poverty rate in

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¹ See World Bank 2017.
² OECD, 2017.
rural areas, where deprivations in nutrition and years of schooling are the largest contributors to overall poverty.\(^3\)

High levels of undernutrition and low educational attainment are further evidence of multi-dimensional poverty. Nearly one-third of children under age five suffer from stunting (low height for age, an indicator of chronic malnutrition). Stunting prevalence in the poorest wealth quintile (42 percent) is more than double that of the richest (18 percent). Cambodia also has extremely low enrolment in both pre-primary (20 percent) and secondary schooling (just under 60 percent for lower secondary and just over 20 percent for upper secondary).

Households are highly vulnerable to external shocks, and poverty reduction is continually threatened by fluctuations in household poverty status. Exposure to shocks is a likely cause for the significant number of households observed to transition into and out of poverty between 2004 and 2014.\(^4\) IDPoor program data confirm this trend: from 2008 to 2012, 9 percent of non-poor and 25 percent of poor households reverted to the “very poor” category. From 2012 to 2014, 8 percent of non-poor and 27 percent of poor households became “very poor.”

In the absence of social assistance, households might manage shocks by using negative coping strategies that adversely affect their productive capacity and thereby deepen poverty. Such coping strategies could include liquidating savings or (productive) assets, rationing food at low caloric and nutrition levels, taking children out of school to work, or neglecting health care. Some households stave off consumption losses or obtain necessary services by incurring debt, and repayment of loans at high interest rates can put further strain on their resources.\(^5\) Approximately 6.3 percent of the population incurred catastrophic spending in 2013, and 3.1 percent incurred debt to access health care.

Social assistance can play an important role in promoting inclusive growth

Increasing evidence from around the globe shows that the redistributive and risk management effects of well-designed social assistance programs can contribute to inclusive growth.\(^6\) This evidence contradicts traditional views of social protection and particularly social assistance as involving a trade-off with economic growth. Through direct and indirect channels, social assistance can positively influence an economy’s macroeconomic and microeconomic drivers of growth.\(^7\) At the national level, social assistance can promote social and political cohesion and stimulate aggregate demand during economic downturns through countercyclical spending for safety net recipients. At the community level, initiatives such as public works programs can create productive assets and/or infrastructure. At the household level, social assistance has proven effective in helping with the accumulation and protection of productive assets (by helping to prevent negative coping strategies) and increasing entrepreneurial activity.\(^8\)

Social assistance can also promote human capital development, bolstering long-term productivity and growth. Programs targeted at early childhood, such as conditional cash transfers (CCTs), or those that are conditioned on school attendance or other behaviors have successfully increased utilization of services in addition to having positive effects on household income. A systematic review of cash transfer programs from around the world finds positive impacts on poverty reduction, education, production, health, employment,

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\(^3\) The MPI comprises ten indicators measuring poverty in three dimensions: education, health, and living standards. Indicators include years of schooling, school attendance, child mortality, nutrition, electricity, sanitation, drinking water, flooring, cooking fuel, and asset ownership (University of Oxford, 2017).

\(^4\) OECD, 2017.

\(^5\) For more details, see the companion Cambodia Microfinance Policy Note.

\(^6\) For example, see Alderman and Yemtsov, 2013; Ostry, Berg, and Tsangarides, 2014; and World Bank, 2005.

\(^7\) Alderman and Yemtsov, 2013, 2018.

\(^8\) Ibid.
and empowerment. Over 70 percent of studies show reductions in poverty and increased expenditures on food or increased total household expenditure. Figure 1 captures the different effects on poverty of cash transfers by income country groupings. Improvements in dietary diversity and utilization of health services were also observed in the majority of cases. In the region, the Philippines’ flagship cash transfer program, the Pantawid Pamilya Pilipino Program, has achieved an estimated 1.4 percentage point reduction in poverty and led to marked improvements in human development outcomes. Pilot CCT programs in Cambodia have also achieved positive results (see below). In the last two decades, middle- and low-income countries have recognized the poverty reduction and human capital benefits of these schemes, and are increasingly investing on them.

**To date, Cambodia’s social assistance programs have been fragmented and have lacked a clear policy orientation**

Cambodia currently lacks a coherent social protection system, as evidenced by its fragmented approach to social assistance. The endorsement of two national social protection strategies since 2011 has not yet been accompanied by significant increases in funding, with estimated spending on social assistance of only around 0.3 percent of GDP. Spending on social assistance is low compared to lower middle-income countries (1.4 percent average) and average EAP regional spending (1.1 percent of GDP) (Figure 2). As acknowledged in the NSPPF, social assistance in Cambodia also lacks consistency across programs in terms of targeting criteria, sources of financing, and institutional arrangements. Most programs have been designed to address a specific problem or need rather than as building blocks of a larger and more coherent system, and without long-term financing plans. Many are still largely funded by development partners, for example the school feeding program. Programs thus have patchy coverage, target different geographic locations and groups, and have no interoperable information systems or common delivery platforms.

Assessing Cambodia’s current social assistance programs is difficult due to limited information about their coverage and costs, particularly for

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9 Bastagli et al., 2016.
smaller programs. Most programs started as small, donor-funded pilots, and few have moved beyond the pilot stage. The Government-led programs that have moved beyond the pilot stage, some of them on the basis of positive impact (e.g., the scholarship program), tend to have mixed funding (development partners plus Government). The following overview of social assistance programs combines information from World Bank ASPIRE data, the 2017 OECD social protection assessment, and available government program documents to derive approximate program coverage and spending to the extent possible. Annex 1 provides a more complete listing of Cambodia’s social assistance programs.

Social assistance programs in Cambodia can generally be grouped into three broad categories: emergency response, education, and health.

Emergency response: The Government has several programs in place to provide ad hoc post-emergency support to affected households, but it relies heavily on humanitarian assistance for this purpose. Support consists almost entirely of food assistance through two main programs: the Food Reserve System (FRS), managed by MEF, and social interventions for emergency and relief managed by the Ministry of Social Affairs, Veterans, and Youth (MoSAVY).12 The FRS is a permanent food reserve mechanism with minimum stock requirements, but no guidelines for targeting and delivery are available for this program. MoSAVY’s emergency response program, which provides cash support, accounted for about two percent of its allocated budget in 2016 at USD 3.5 million.13 Actual spending for both programs is unknown.

Education: The Ministry of Education, Youth and Sport (MoEYS) provides approximately 100,000 scholarships to poor, at-risk students in grades 4-10, one-quarter of which are funded by the World Food Programme (WFP). The cost of the program was about USD 9 million in 2015.14 In addition, approximately 50,000 more scholarships are provided by other partners. Students receive a scholarship in the amount of USD 60/year, and USD 90/year in upper secondary (10th grade). With total enrollment in grades 4-10 of about 1.29 million in

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12 OECD, 2017.
13 Ibid.
14 This is the cost for approximately 150,000 scholarships, thus it is assumed to represent the full cost of the program and not just the Government contribution.
2016-17, the program covers about 8.6 percent of students in those grades. Evaluations of the program in 2009 and 2011 found that enrollment and attendance increased by 25 to 30 percent for beneficiaries. It was also found that a scholarship of USD 45 was just as effective as one of USD 60 in increasing enrollment and attendance. However, evaluations found no notable improvements in learning performance, which points to the need for parallel improvements in education quality. School feeding programs are also prevalent in the education sector and are mostly donor-funded, although the Government plans to take over financing in 2021. Cumulatively, school gardens, take-away food rations, and school feeding programs cover about 320,000 students.

Health: The Health Equity Fund (HEF) has the widest coverage of any social assistance program in Cambodia, with about 2.9 million beneficiaries (around 20 percent of Cambodians), and is targeted at poor families through the IDPoor program. HEF spending (on benefits alone) was approximately USD 14 million in 2015, with average spending of USD 5 per beneficiary. Approximately 30 percent of households in the bottom quintile and 24 percent in the 2nd quintile receive access to free health care through the HEF or other smaller schemes such as complimentary vouchers for reproductive health, but HEFs are the primary vehicle. A 2016 study by Annear, et al., found that HEFs have decreased out-of-pocket (OOP) spending, particularly for the poorest households, by almost 35 percent. Nonetheless, HEF utilization remains low, especially for outpatient services, due to factors such as financial barriers like transportation costs, limited understanding of HEF benefits, and poor quality of public health services.

Other health and nutrition: The RGC has implemented two CCT pilots for maternal and child health and nutrition (supported by the World Bank/DFAT and UNICEF), but both pilots have ended. Both pilots increased the use of health services among beneficiaries, use of HEFs, and food consumption among pregnant women and children. Reductions in stunting were even observed among children 0-1 years of age in the DFAT-supported pilot. Save the Children is also implementing a cash transfer program as part of its USAID-funded NOURISH program. However, Cambodia does not currently have any Government-led social assistance programs that support nutrition and the first 1,000 days.

Vulnerable groups: Programs targeting vulnerable groups are among the smallest and are all implemented by MoSAVY. Social welfare for the elderly poor is the smallest program, with an annual budget of USD 0.2 million in 2016. Disability allowances target approximately 300,000 poor disabled beneficiaries with an annual budget of USD 1 million in 2016. Average benefits are very low, and the program has faced numerous difficulties in disbursing benefits.

No program emerges as the “flagship” social assistance program in Cambodia in the way that has been seen increasingly in middle-income countries and in a growing number of low-income countries globally. In other words, no program possesses the coverage or has developed the type of systems that could be used and scaled to provide a backbone for the social protection system at large. Many countries provide instructive examples of one or more flagship programs, including: China’s Dibao social assistance program; the Pantawid CCT program in the Philippines; Indonesia’s PKH CCT, BPNT, and PIP programs; and India’s flagship safety net programs. By 2017, around 150 developing countries had one (or sometimes more) national flagship social assistance programs.

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16 See Filmer and Schady, 2009, and 2011.
18 OECD 2017.
19 See Flores et al 2013.
21 Ibid.
22 See World Bank, State of Safety Nets 2018, which provides a comprehensive overview of the policy architecture, coverage and spending levels, and delivery systems for social assistance programs across the developing world.
Cambodia is unusual for a country with a relatively under-developed social assistance program architecture in that it already has a national system for identifying poor households. The IDPoor program could, and already does, provide an important foundation for Cambodia’s social assistance system. Such targeting platforms have been a critical element of social assistance systems development in many developing countries, including the Listahanan in the Philippines, Unified Database in Indonesia, and Poor List database in Vietnam.23

The NSPPF lays out a roadmap for social assistance coordination and expansion and a new institutional architecture to support it.

The NSPPF provides a new institutional framework for social protection through the establishment of a high-level coordinating body, the NSPC. The NSPC has been created within the MEF, with representatives from relevant line ministries. The Council replaces the previous coordination mechanism under the Council for Agricultural and Rural Development (CARD), housed within the Council of Ministers. The NSPC is responsible for overall policy coordination on social protection, including both social assistance and social insurance. A Secretariat for Social Assistance (and similarly one for Social Insurance) and a Social Assistance Sub-Committee will have coordination roles at the programmatic level. However, the specific roles of each are still to be fully defined. The creation of the NSPC and its housing within MEF are steps in the right direction, as it has the potential to play a much-needed leadership and coordination role.

The social assistance pillar of the NSPPF emphasizes support to the poor and vulnerable in four different areas by scaling up current programs and developing new ones.24 The social assistance pillar has four focus areas: (i) emergency response, (ii) human capital development, (iii) vocational training, and (iv) welfare for vulnerable people.25 These programs would target support to poor and vulnerable households in the following categories: (a) those who live below the poverty line; (b) those who live close to the poverty line and are vulnerable to crises; and (c) infants, children, pregnant women, families with food insecurity, people with disabilities, and the elderly. Of these groups, the strategy prioritizes the first 1,000 days, followed by school-aged children and then specific vulnerable groups (disabled and elderly).

The NSPPF’s ambitious agenda would benefit from programmatic prioritization and a long-term financing strategy, which it currently lacks. While the NSPPF does provide a general overview of social assistance programs, the programs are not assessed systematically for efficiency or effectiveness, nor are they adequately prioritized. Rather, the strategy provides short- and medium-term actions for the scale-up of each individual program. Since most programs (except for the HEF) have such limited coverage—and others, like a CCT focused on the first 1,000 days, are only in the planning stage—scaling up will require a significant resource commitment by the Government. It is unlikely that public funding for all the social assistance programs outlined in the NSPPF will be forthcoming in the foreseeable future. The NSPPF’s prioritization by target group (i.e. first 1,000 days, then students, etc.) thus provides a useful basis for sequencing of program financing and roll-out, guided by the NSPC.

The proposed early years cash transfer is a positive step toward realization of the NSPPF.

The recently announced CCT for poor women and children has the potential to improve household

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24 The NSPPF has two pillars, one for social assistance and one for social insurance. The social insurance pillar is focused on pensions as well as health insurance (including HEFs) and other forms of contributory social insurance.

25 Although the NSPPF categorizes the HEF program as a social assistance program, it groups the HEF under the social insurance pillar, with the stated intention of shifting HEF management to a single social security agency.
welfare and support future economic growth. The CCT program would be consistent with the NSPPF’s prioritization of the first 1,000 days, especially since no government program provides income support to poor women and children during this critical period for a child’s development. Income support to poor families, coupled with potential improvements in nutrition for future generations through a thoughtfully designed and well-targeted program, could be considered an investment in long-term growth, with high economic rates of return as evidenced by global experience with similar programs.

If implemented at a reasonable scale, the CCT could be a central or flagship program in Cambodia’s future social assistance architecture. As a new program, it presents an opportunity to build and test certain platforms—for example, a beneficiary database linked to IDPoor—as well as payment and reporting systems and local-level capacity building for front-end delivery. This will require significant investment in capacity building for the implementing agency.

While the proposed CCT is a sensible place to focus fiscal resources for social assistance, it will be important to ensure that it provides adequate financial protection. The Prime Minister’s announcement of the program included cost projections over a three-year period (USD 5 million in year 1, USD 7 million in year 2, and USD 10 million by year 3), suggesting gradual scale-up and the potential for sustained operation over time. However, projected benefit levels appear to be low, with households receiving USD 160 total as follows: USD 10 during pregnancy, USD 50 upon delivery, and USD 100 in 10 installments until the child’s second birthday (just over USD 4 per month per household). Findings from CCT pilots in Cambodia suggest that monthly transfers of USD 5 per beneficiary were too low to make a sustainable impact on poverty or undernutrition. Cash transfer benefits around the globe are generally between 15-20 percent of consumption of the bottom quintile. Cambodia’s proposed transfer amount is much lower than the global benchmark, at around five percent of household income for the bottom 20 percent of the population. As such, it is unlikely to have a significant impact on consumption or poverty.

Policy Options

Gradually expanding and moving from fragmentation to harmonization of social assistance will bring challenges but also opportunities. While full implementation of the NSPPF could indeed help mitigate poverty and shock-related risks for poor and vulnerable households, it seems unlikely to materialize fully within the timeframe of the strategy, through 2025. Instead, a phased build-up of the social protection system in terms of developing the institutional and policy architecture and strengthening delivery systems is likely to be a more feasible approach. Cambodia will face numerous challenges in pursuing this ambitious agenda, including fiscal implications. This section presents the main challenges for NSPPF implementation along with some related recommendations on how to approach NSPPF implementation in the short to medium term (see Table 1).

A first step will be to develop a narrower list of policy objectives that will inform the prioritization of actions and programs in the NSPPF. A detailed review of existing programs (including their costs versus current levels of Government financing, coverage, and targeting methodology) could assess their alignment with these objectives, as well as their efficiency and effectiveness. This could help the NSPC with an initial prioritization of which programs to scale up and how (e.g., should expansion of scholarship programs aim for inclusion of lower grade levels and/or for higher coverage of the poor in grades 4-10). Programs that address poverty while promoting human capital (e.g., nutrition-sensitive CCT

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27 Households with multiple eligible beneficiaries received a proportional level of benefits—e.g., a household with a pregnant woman and a child under age 5 received USD 10 per month.
and scholarship programs) would be an ideal starting point. Social assistance spending should be reoriented toward the programs that best reflect these objectives and are performing well. Expanding coverage to the near-poor, as per the stated objectives of the NSPPF, could be achieved in the medium term but will require significant analytical and planning work and a sustained budgetary commitment.

Coordination across the social assistance system could be improved through well-defined institutional arrangements. The roles and responsibilities of the NSPC, the Secretariat, and the Social Assistance Sub-Committees should be defined more clearly. The NSPC could maintain an oversight and coordination role or adopt a more hands-on role, including management of system-wide data, back-end administrative systems (such as a social registry), and financial flows. Regardless of the arrangement, NSPC’s unique ability to play a coordination role among the various line ministries should be leveraged to the extent possible. Line ministries may also have specific roles to play in program coordination, which should be based on an assessment of their administrative and implementation capacity (including front-end program delivery). In the longer term, the consolidation of small programs providing similar types of support and their mapping to a single line ministry would reduce administrative burdens and yield efficiency gains. Another option for the medium term is to transfer program responsibilities across ministries and bundle separate transfers (for example, using a single cash transfer agency that consolidates all benefit delivery at the front end in a “one-stop shop” and delivers cash to beneficiaries based on their eligibility to any number of programs).

Another important step in improving coordination would be to adopt IDPoor as the standard tool for determining eligibility across all targeted social assistance programs. The IDPoor database can also be enhanced to serve a more dynamic function, with programs drawing information from the registry to identify beneficiaries and sending information updates to the registry (Box 1). Increased coverage of IDPoor through implementation of its Urban IDPoor and IDPoor on-demand modules will be critical for developing a more robust list of poor and vulnerable households. The IDPoor’s relationship with the NSPC and various social assistance programs in terms of data sharing and management should also be defined, drawing from the wealth of experience around the world. Different models include social registries (SRs) hosted, managed, and operated by a social ministry (such as the Philippines’ Listahanan), SRs operated and managed by a separate central agency (Indonesia’s UDB or Chile’s RIS, for example); and SRs managed and operated by a dedicated agency (such as Pakistan’s NSER).

Harmonization of delivery systems and greater use of digital technologies would also help generate cost savings and efficiency gains. Increased use of digital technologies in social assistance programs for data collection, registration, monitoring and evaluation, payment systems, and so on, has great potential to lower administrative costs and enhance the client experience. Improvements in data collection and sharing through the development of interoperable systems (both within and across ministries and with the NSPC) would improve social assistance program coordination. An assessment of existing information systems and data flows could help identify the best options for making systems interoperable (cloud-based or otherwise).

Efforts are also needed to develop a long-term social assistance financing strategy focused on priority programs within the NSPPF. A detailed costing of priority programs would be helpful for determining short- and medium-term budget needs and possibilities. Global benchmarks suggest that there is significant scope to increase social assistance spending as a share of GDP over time, but this would need to be done incrementally and based on good evaluation of programs. Having a modest number of programs with adequate benefit levels seems preferable to spreading spending too thinly across many programs.

In the immediate term, priority could be given to the CCT for poor women and children, which requires sufficient financing and further attention to design to reach its full potential. A preliminary budget allocation is a positive signal, but additional financing will be needed to scale up the program nationally and to raise benefit levels. The spacing of transfers could also be reassessed to ensure that benefits are more evenly disbursed and to include greater support during pregnancy. There is “fairly clear evidence for the importance of the duration of transfers for both the use of health services as well as on child anthropometric measures”\textsuperscript{29}. Another design issue to consider is the inclusion of behavior change communication (BCC) to supplement cash (or even as a conditionality), which can lead to better nutrition outcomes. While cash transfers play an important role in smoothing household consumption during times of crisis and improving access to more nutritious foods, they alone are often not enough to have an impact on nutrition. Evidence from numerous countries where differentiated approaches were tried and tested (cash alone, cash plus BCC, and BCC alone) suggests that the combination of cash plus BCC has the greatest overall impact. Finally, if its objective is to reduce stunting the scope and targeting of the CCT could include the poor and the vulnerable, in which case a mechanism for identifying eligible households beyond the current IDPoor would be needed.

\textsuperscript{29} Bastagi, 2016, s. 130.
<table>
<thead>
<tr>
<th>Objectives</th>
<th>Short-term options (1-2 years)</th>
<th>Medium- and long-term options (3+ years)</th>
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</table>
| i. Refine policy objectives that will inform the prioritization of social assistance programs in the NSPPF | Review social assistance programs to determine alignment with NSPPF goals, efficiency, and effectiveness  
Redirect spending toward more effective programs  
Complete the design of the new CCT program and define operational modalities for roll-out | Assess phase-in potential of future social assistance program priorities, based on costing  
Ensure medium-term budget allocation for the new CCT program  
Develop long-term financing strategy and sequencing for program roll-out |
| ii. Define institutional arrangements                                        | Carry out an institutional assessment of relevant ministries to assess current capacity and needs  
Confirm implementing agency for proposed CCT program  
Define institutional responsibilities for social assistance data collection and management, program implementation, and funding flows, including relationship between NSPC and line agencies  
Improve performance monitoring and evaluation across social assistance programs | Consolidate small programs with similar objectives under a single responsible ministry  
Develop a human resource development plan for policy and operational staff managing social assistance programs |
| iii. Strengthen and harmonize delivery systems                             | Expand use of IDPoor as basis for targeting of all social assistance programs  
Increase IDPoor coverage and timeliness through roll-out of urban and on-demand models  
Assess existing information systems and data flows across SA programs and IDPoor  
Undertake business process review (BPR) of key social assistance programs as basis for process re-engineering | Standardize data collection and reporting across social assistance programs  
Streamline business processes for social assistance programs based on BPR  
Develop IT systems interoperability architecture for data sharing across social assistance programs and IDPoor and estimate budget for systems development and maintenance  
Expand IDPoor coverage to include vulnerable households and to make system more adaptive  
Streamline front-end delivery systems for social assistance programs for greater efficiency |
References


Annex 1:
Overview of social assistance programs in Cambodia

Table 2: Overview of social assistance programs in Cambodia

<table>
<thead>
<tr>
<th>Name</th>
<th>Implementing Agency</th>
<th>Benefit type</th>
<th>Target group</th>
<th>Coverage</th>
</tr>
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<tbody>
<tr>
<td>Food Reserve System (FRS)</td>
<td>Ministry of Economy and Finance (MEF)</td>
<td>Food</td>
<td>Food-insecure households affected by natural disasters</td>
<td>Nationwide</td>
</tr>
</tbody>
</table>
| Social interventions for emergency and relief | Ministry of Social Affairs, Veterans and Youth (MoSAVY) | Food                  | Households affected by natural disaster and other vulnerabilities            | • Provinces: 2
                                                                                                                                  | • Beneficiaries: approximately 15,000 |
| Social Welfare for the Elderly     | MoSAVY                                     | -                     | Elderly (65+)                                                                | • Provinces: 11
                                                                                                                                  | • Associations: 358                  |
| Disability allowance              | MoSAVY                                     | Cash (US$ 5/month)    | Disabled people who are poor, elderly, or have no supporting families         | 300,000 beneficiaries nationwide   |
| School feeding program            | Ministry of Education, Youth and Sports (MoEYS) | Food                  | All students in selected schools in rural/remote areas with food insecurity  | • Provinces: 9
                                                                                                                                  | • Schools: 1,219
                                                                                                                                  | • Students: 300,000                  |
| Primary school take-home rations  | MoEYS                                      | Food                  | Students in grades 4-6 IDPoor 1 and 2                                         | • Provinces: 3
                                                                                                                                  | • Schools: 765
                                                                                                                                  | • Students: 6,200                    |
| Home-grown school feeding         | MoEYS                                      | Food-for-work/ cash-for-work program | All students in grades 1-6 in selected schools in rural/remote areas with food insecurity | • Schools: 59
                                                                                                                                  | • Students: 13,000                   |
| Scholarship programs (various)    | MoEYS                                      | Cash (US$ 60 – US$ 90/year) | Varying coverage, with one nationwide program for grades 4-10                 | Approximately 150,000 students     |
| Health Equity Fund                | Ministry of Health (MOH)                   | Fee waivers for public health care | Poor households IDPoor 1 and 2 + MoH post-ID                                  | Approximately 2.9 million beneficiaries |
| Voucher for Reproductive Health Scheme | MoH                                           | Vouchers              | Women and children from poor families                                         | • Provinces: 5
                                                                                                                                  | • ODs: 23
                                                                                                                                  | • Cases: 68,276                      |
Table 2: Overview of social assistance programs in Cambodia (cont.)

<table>
<thead>
<tr>
<th>Name</th>
<th>Implementing Agency</th>
<th>Benefit type</th>
<th>Target group</th>
<th>Coverage</th>
</tr>
</thead>
</table>
| NOURISH Mother/Child nutrition cash transfer incentive for health    | Save the Children   | Cash         | Pregnant women and children under age 2          | • Provinces: 3  
• Beneficiaries: 13,378  
• Pregnant women: 3,392  
• Caregivers of children under age 2: 9,986 (as of June 2017)                                                                 |
| Cash transfer for poor families with pregnant women/children (closed) | NCDD-S              | Cash         | Pregnant women and children under age 5          | • Provinces: 2  
• Households: 1,589  
• Women: 381  
• Children: 1,945                                                                                                   |
| Cash transfer for poor families with pregnant women/children         | CARD                | Cash         | Pregnant women and children under age 5          | • Provinces: 1  
• Women: 59  
• Children: 1,239                                                                                                       |
| Emergency Food Assistance Project (closed)                           | MEF                 | Food         | Food-insecure households; IDPoor 1 and 2 affected by food price crisis | • Beneficiaries: 500,000  
• Provinces: 10  
• Districts: 33  
• Communes: 100                                                                                                           |
| Cash-for-work program (closed)                                       | MEF                 | Cash (on average US$ 5/work day)                | Food-insecure households affected by natural disasters | • The first phase of the program (ended in 2012) created 2 million work days; sustained temporary jobs in a 3-year cycle |

Source: Adapted from World Bank ASPIRE database, OECD (2017), and UNICEF (2018).