



## 2020-21 CAMBODIA DEVELOPMENT PROGRAM PROGRESS REPORT

The *2020-21 Cambodia Development Program Progress Report* summarises progress for the reporting period 1 July 2020 to 30 June 2021 of implementation of the Australia – Cambodia COVID-19 Response Plan and program highlights.

*Our development program to Cambodia contributes to achieving the following Sustainable Development Goals.*



Program Budget	2020-21 Budget Estimate \$m*
Bilateral	43.4
Regional	8.5
Global	12.7
Other Government Departments	1.5
<b>Total</b>	<b>66.1</b>
Temporary, Targeted and Supplementary Measures (TTS)	22.7
<b>Total ODA</b>	<b>88.9</b>

\*Actual expenditure is expected to be available in December 2021/ January 2022.

### CONTEXT

Australia and Cambodia have a long-standing partnership. Since helping to bring peace to the country in the early 1990s, Australia has provided over \$1.3 billion in development assistance.

Cambodia avoided widespread COVID-19 community transmission until February 2021. The Government began an **early vaccine rollout reaching almost 30 per cent of the targeted 10 million adults by June 2021**. This effectively reduced pressure on Cambodia’s under-resourced hospital system and contributed to relatively low rates of hospitalisation and death. Cambodia’s response to COVID-19 has also seen the Government implement social protection programs on an unprecedented scale, including by using an Australian co-funded national poverty database to roll out Cambodia’s first nation-wide cash transfer. **At the end of June 2021, support had been provided to 652,484 households (2,583,123 people).**

Cambodia’s economy was seriously impacted by the pandemic during 2020. During 2021, COVID-19 outbreaks and government-imposed lockdowns affected the manufacturing, services, and construction sectors. On the positive side, **lending to the agriculture, agro-processing and non-garment manufacturing sectors increased**, creating some momentum towards much needed economic diversification.

The Asian Development Bank forecasts gross domestic product (GDP) growth of 1.9 percent in 2021 for Cambodia, a significant reduction in the growth of 4 per cent predicted earlier in the year. Cambodia’s fiscal position remains strong with relatively low debt to GDP ratios (34.2 per cent). While Cambodia’s effective vaccine program positions the country for a relatively strong economic rebound, the economic damage caused by the pandemic will make it harder to snap back to the very high pre-pandemic growth rates.

At a household level, COVID-19 has severely affected incomes for millions of Cambodians, causing extreme hardship and reversing some of the gains of the strong growth of the last two decades. **Recent estimates indicate that the pandemic will likely cause an additional one million Cambodians to fall into poverty.** Seventy-nine per cent of Cambodian households surveyed by the World Bank reported a loss of earnings due to COVID-19 and two-thirds reported that they reduced food consumption due to COVID-related financial pressures. Many households involved in the industries most affected by the pandemic—tourism, the wholesale and retail trade, garments, construction, and manufacturing—have lost over half their income.

## AUSTRALIA'S RESPONSE AND PROGRAM HIGHLIGHTS

Australia's development program continues to deliver across the pillars of the *Partnerships for Recovery* framework. Despite a difficult operating environment in the reporting period, most investments were able to adapt their activities to suit the COVID-19 context, while still making progress towards expected outcomes. In some cases, performance on gender equality could be improved.

### *Health Security*

Australia's support to the Government of Cambodia is strengthening health service delivery in facilities nation-wide, both in support of the COVID-19 response, and ongoing health challenges.

Australia has committed \$35.7 million over three years (2020-23) for COVID-19 vaccine access in Cambodia, including delivery support and vaccine procurement, drawing on **Australia's Regional COVID-19 Vaccine Access and Health Security Initiative (VAHSI)**. Through VAHSI, Australia has committed to support Cambodia and other Southeast Asian countries to **expand COVID-19 vaccine coverage in a safe and timely manner**. This is in addition to Australia's support to the COVID-19 Vaccines Global Access (COVAX) Advance Market Commitment totalling \$130 million. At 30 June 2021, this global mechanism had delivered 324,000 COVID-19 vaccine doses to Cambodia.

Australia began work with UNICEF to support Cambodia's vaccine rollout through VAHSI, **including procuring 5,500,000 syringes, promoting accurate information on COVID-19 safe behaviour and vaccines** in the reporting period, and ensuring disadvantaged groups such as people with disabilities are included. To ensure a wide reach, vaccine communications products are being rolled out in Khmer and four indigenous languages and are also being broadcast through loudspeakers nationwide.

Australia worked with partners including the World Bank in the reporting period to **support Cambodia's Ministry of Health to procure equipment for the diagnosis, treatment, and transportation of COVID-19 patients**, including 110 ventilators and 370 patient monitors, and 80 ambulances.

In the reporting period, **Australia's Indo-Pacific Centre for Health Security strengthened Public Health Emergency Operation Centre facilities** through improved infrastructure and equipment; enhanced disease surveillance systems and capacities; and supported the Ministry of Health to respond to COVID-19. Cambodian experts and laboratory staff have undertaken field epidemiology placements and biosafety training, and a regional health laboratory is being developed to prepare for future outbreaks of disease spread from animals to humans.

In 2020, **Australian support enabled the Cambodian Government to identify the nation's poorest citizens, and to provide 2.7 million Cambodians with subsidised health care and other critical social services** throughout the pandemic.

In 2020, Australian support improved the quality of services provided by health centres, with 1,125 out of 1,206 health centres scoring 60 per cent or over on the national quality scorecard system, compared to a baseline of 49 per cent in April 2016. A new Payment Certification Agency was also developed which strengthens the accountability of health care providers to health care users by independently verifying payments to health facilities based on the quality and volume of health services provided.

### *Stability*

Australia is providing targeted support for Cambodia's social protection system, ensuring all poor Cambodians can access public services and social protection schemes. Cambodia's national poverty register (IDPoor)—developed over ten years with Australian funding — **enabled households to receive Cambodia's first national cash transfer for emergency COVID-19 relief** in the reporting period. Through our 'Resilience Fund' Partnership with the United Nations Development Program (UNDP), we also helped to procure the 1,700 tablet computers required to rapidly expand the government's online database identifying the thousands of households pushed into poverty by COVID-19 and in need of this support.

Australia helped to rapidly expand the uptake of agricultural technology (329 subsidised direct seeders and nine laser land levellers) so farmers could expand production to ensure food security and agricultural incomes. Thirty of these seeders were also provided as part of Australia's humanitarian response to severe flooding in Cambodia during the

2020 wet season. We also supported sanitary measures at border points to avoid disruption to trade and supply chains mitigating risks to food security and economic activities in the reporting period.

Australian technical advice is supporting disability inclusive legislation in Cambodia, and **the development of Cambodia's new Disability Law**. Australian assistance ensured that 960 women and girl survivors of gender-based violence accessed legal representation, counselling, shelter, economic livelihood support and health services throughout the pandemic. It also ensured that 2,705 people with disabilities received assistance to access economic opportunities, and another **3,959 people with disabilities were supported to access the national social protection cash transfer program** in response to COVID-19 in the reporting period.

Australia is building the capacity of both men and women researchers to conduct cutting edge research on women's economic empowerment, reducing violence against women, and the economic impact of COVID-19. The research developed by our partners is informing evidence-based policymaking and dialogue on Cambodia's development priorities.

Australia is partnering with the Ministry of Rural Development to ensure Cambodian agricultural programs and policies identify and effectively respond to the needs of women and people with disabilities through hands-on training.

### ***Economic Recovery***

Australian support to aid economic recovery in Cambodia has focused on encouraging high quality investment in infrastructure to strengthen competitiveness; and invigorating the agriculture and agro-processing sectors as a source of inclusive growth.

With Australian co-funding, 363km of rural roads were restored (1,140km of rural roads since 2014), enabling small business owners in rural communities to reach local markets to sell their products, and more easily access vital services in the reporting period. With 60 per cent of business people in rural areas being women, this has contributed to supporting women entrepreneurs.

Australia is partnering with Cambodia's private sector to expand piped, treated water and electricity networks by covering the proportion of costs required to make the projects financially viable. **In 2020, this provided 60,525 Cambodians with access to clean piped water (206,564 to date over the project's life) and 26,744 Cambodians with access to grid electricity (121,000 to date).**

Australia is supporting the Cambodian Government to develop its **first renewable energy strategy**. We also commenced a solar power mini-grid initiative in the reporting period which will enable remote villages to connect to the national power system and enable 150,000 Cambodians to access affordable and reliable power.

Australian-constructed irrigation schemes are **providing 12,000 Cambodian households with year-round access to irrigated water, enabling more than 100,000 tonnes of extra paddy rice to be grown**, and expanding rural incomes. Drawing on funding from the Mekong-Australia Partnership, work also commenced to establish a long-term Centre of Excellence that will help the Cambodian Government ensure that its planned irrigation investments (approximately USD1.5 billion over the next decade) are sustainable and effective, a key aspect of modernising Cambodian agriculture and ensuring climate resilience.

To support economic diversification, Australia supported analysis on prospective high value crops, helped Cambodia establish an 'agrifoods' desk to attract foreign direct investment into new crops and processing, and commenced work on feasibility studies for agro-industrial parks, to develop a competitive production model.

**Australia contributed to the clearance of 11.42km<sup>2</sup> of land contaminated by landmines and other explosive remnants of war** in the reporting period, making new land available for productive use, including agriculture, for 28,979 people.

Australia also provided 546 small and medium sized enterprises with the skills, knowledge and networks to begin selling products through e-commerce platforms, to avoid business closures during lockdowns and support Cambodia's transition to a digital economy – a key part of Cambodia's recovery strategy.

## ANNEX 1: PROGRESS AGAINST COVID-19 RESPONSE PLAN RESULTS INDICATORS

## Health Security

Key Results Indicators	Progress/Result
Number of outpatient services (episodes) covered by the Health Equity Fund is maintained (2.9 million visits in 2019)	With partners, provided 2,972,353 outpatient services to poor Cambodians through the Cambodia Health Equity and Quality Improvement Project during 2020.
Evidence of enhanced laboratory capacity	With partners, Australia contributed to upgraded laboratory facilities at Cambodia's National Institute of Public Health (NIPH) in Siem Reap and Battambang to biosafety level 2+ (necessary for PCR testing). Installed additional polymerase chain reaction machines, capable of COVID-19 testing, at the National Blood transfusion Centre and NIPH.
Number of boys and girls immunised with Australian support	Cambodia received 324,000 COVID-19 vaccine doses via the COVAX Advance Market Commitment mechanism for developing countries, to which Australia contributed \$130 million globally. Sex disaggregated data is not available.  Gavi, the Vaccine Alliance (Gavi) provided USD 4.47 million in support for Cambodia in 2020. Australia's pro-rata contribution to Cambodia through Gavi was USD 113,108. Sex disaggregated data is not available.
New equipment provided for 45 Health Centres, 15 maternity wards, and two provincial hospitals	With partners, Australia contributed 12,197 COVID-19 diagnostic sets and equipment for the treatment and transportation of COVID-19 patients including 110 Ventilators, 31 Mobile X-Rays, 80 ambulances, 370 patient monitors, and 46,000 bio-hazard waste bags. This equipment was provided to the National Institute of Public Health and the Capital Provincial Departments of Health to allocate and distribute to health facilities according to needs.
New World Bank Partnership in place that includes measures to 1) strengthen the health system and 2) improve accountability of local healthcare service providers	Commenced a new five-year partnership with the World Bank in April 2021 to strengthen Cambodia's public health system at both the national and local levels, enabling the Government of Cambodia to deliver better quality services, including to Cambodians living in poverty, women, and people with disabilities.

## Stability

Key Results Indicators	Progress/Result
Number of people reached with new Cambodian Government cash transfers using IDPoor as the targeting mechanism (baseline: 0)	2,707,253 people received COVID-19 cash transfers using the IDPoor system, including 1,442,966 women and 3,959 people with disabilities.
Number of women survivors of violence receiving services such as counselling with Australian support increases (143 women in 2019)	960 women and girl survivors of violence received gender-based violence (GBV) support services, such as counselling.
Four research studies conducted on the social or economic impacts of COVID-19 in Cambodia	Supported Cambodian think tanks to develop seven research studies on the socio-economic impacts of COVID-19, including education, microfinance, urbanisation, agriculture, tourism, and business. The results of these studies are being used by the Ministry of Economy and Finance (MEF) to inform policy responses to the pandemic.
Postgraduate scholarships provided in areas that build Cambodia's long-term resilience	Awarded 29 postgraduate scholarships to Cambodian women and men working in government, the private sector, and non-governmental organisations in the areas of infrastructure, agriculture and fisheries, education, human resilience, gender equality, and public policy.
Milestones of the Cambodian Government PFM Reform Program are achieved	In partnership with other donors, supported MEF to streamline their financial systems, reducing payroll processing from 46 to 13 steps (70 per cent improvement in efficiency). This enables MEF to manage their resources more efficiently and provide better public services.
Evidence that national disability and Ending Violence Against Women policies are being implemented	Supported the Ministry of Women's Affairs to establish 6 provincial and 21 district GBV networks. 2,988 service providers (985 women) trained on the Domestic Violence Law and other relevant GBV service standards.  Improved the quality of services at six physical rehabilitation centres and assisted 3,959 people with disabilities (47 per cent women) to access COVID-19 support through the national social protection cash transfer program.
Evidence of technical and policy advice on building capacity for food security	Supported technical advice to the Ministry of Water Resources and Meteorology (MOWRAM) to improve irrigation practices underpinning food security. This included support on irrigation scheme design, farmer consultations, land surveys and establishing farmer water user communities to ensure secure water supply for food production.
Implementation milestones for regional investments on anti-trafficking and countering transnational crime are achieved in Cambodia	Delivered a substantial capacity building program of over \$170,000 in training and equipment for Cambodian law enforcement operations focused on child sex exploitation, money laundering and cybercrime through the Australia Federal Police. Over 150 Cambodian officers received training in the areas of investigations management, interviewing, online investigation, intelligence, and digital forensics.  Through the ASEAN–Australia Counter Trafficking program, trained 307 justice sector actors in Cambodia to strengthen counter-trafficking capacity including upholding and advancing victim rights.

## Economic Recovery

Key Results Indicators	Progress/Result
Examples of Australian-funded technical advice in stimulus measures and longer-term economic recovery policy	<p>Funded UNDP to model COVID-19 impacts and potential stimulus measures which informed the Cambodian Government's design of a cash transfer program providing emergency assistance to 700,000 poor households. Our ten-year investment supported the development of the targeting system used for the cash transfer program. Provided technical assistance to establish Cambodia's agro-processing industry which is a cornerstone of Cambodia's economic recovery strategy.</p> <p>Supported technical advice to MOWRAM to improve irrigation practices underpinning food security. This included support on irrigation scheme design, farmer consultations, land surveys and establishing farmer water user communities to ensure secure water supply for food production.</p>
Evidence of infrastructure policy support, in areas such as water, energy and construction sectoral policies and standards	<p>Supported policy dialogue with the Cambodian Government on wind energy, rooftop solar, waste-to-energy and off-grid to inform Cambodia's energy planning to 2040.</p> <p>Supported technical advice on how to develop and fund a nation-wide piped water system for universal access to clean water by 2030.</p>
The Cambodia-Australia Agricultural Value Chain Program (CAVAC) irrigation management system is applied across schemes constructed by others	Partnered with the Asian Development Bank to apply CAVAC's design and management system to large schemes constructed with ADB financing. CAVAC is currently formulating a partnership with the World Bank to support a proposed irrigation program valued at approximately USD100 million. CAVAC is also developing irrigation standards to be institutionalised by the Cambodian Government.
Examples of partnering with the private sector and other partners to ensure supply lines are open and access to utilities is increased	Supported the local private sector to expand piped, treated water and reliable electricity supply to households. This provided an additional 60,525 people with access to clean piped water and 26,744 people with access to grid electricity.
A new economic governance program is designed that supports COVID-19 economic recovery and women's economic empowerment	A new economic governance program to support Cambodia's economic recovery and women's economic empowerment is currently under design, with the design due to be completed by the end of 2021.
Cambodian-led landmine clearing services release land for productive use (targets: 2020: 7.46km <sup>2</sup> ; 2021: 10.35km <sup>2</sup> )	In 2020 the Cambodian-led Clearing for Results project cleared and released 11.42km <sup>2</sup> of land (against a target of 7.46km <sup>2</sup> ). The majority of cleared land has been used for agriculture. The project target for 2021 has been slightly reduced to clear and release 9.92km <sup>2</sup> of land.

Key Results Indicators	Progress/Result
<p>Cross-cutting: Two or more examples of significant policy change from across the portfolio (such as health, social protection, infrastructure, agriculture, or economic policy)</p>	<p>Our ten-year investment in Cambodia’s national poverty register helped build and maintain the targeting system which enabled the Cambodian Government to deliver a new nationwide cash transfer program to the nation’s poor during COVID-19.</p> <p>Supported the development of disability inclusive legislation in Cambodia, including providing technical advice on the development of Cambodia’s new Disability Law. Australia is supporting the Cambodian Government to develop its first renewable energy strategy.</p> <p>The Australian-supported CAVAC program supported the Ministry of Agriculture, Forestry, and Fisheries to implement critical policy reforms and regulatory changes to strengthen the agriculture sector including on pesticide regulation, quality seed certification and food safety.</p>

## ANNEX 2: INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender
Investing In Infrastructure Investment duration: 2015-21; Budget: \$49.4m	2021	5	4	3
	2020	5	5	4
Cambodia Agricultural Value Chain Program Phase 2 Investment duration: 2016-21; Budget: \$84.2m	2021	5	5	3
	2020	5	5	4
Health Equity and Quality Improvement Program Investment duration: 2016-21; Budget: \$57.34m	2021	6	5	4
	2020	5	5	4
Australia-Cambodia Cooperation for Equitable Sustainable Services Investment duration: 2016-25; Budget: \$35.3m	2021	5	5	5
	2020	4	4	5
Australia Awards Scholarships Cambodia Investment duration: 2018-26; Budget: \$18.9m	2021	5	5	5
	2020	5	4	5
Data and Dialogue for Development Investment duration: 2019-22; Budget: \$2.9m	2021	4	6	4
	2020	n/a	n/a	n/a
Resilience Fund Investment duration: 2020-24; Budget: \$9.5m	2021	5	5	4
	2020	n/a	n/a	n/a

## FINAL INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender
Cambodia Infrastructure Investment 2013-2020 Investment duration: 2013-20; Budget: \$22.6m	2021 FIMR	4	4	4
	2020 IMR	4	4	4

## Definitions of rating scale:

Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas.

5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas.

1 = Very poor; does not satisfy criteria in many major areas.