

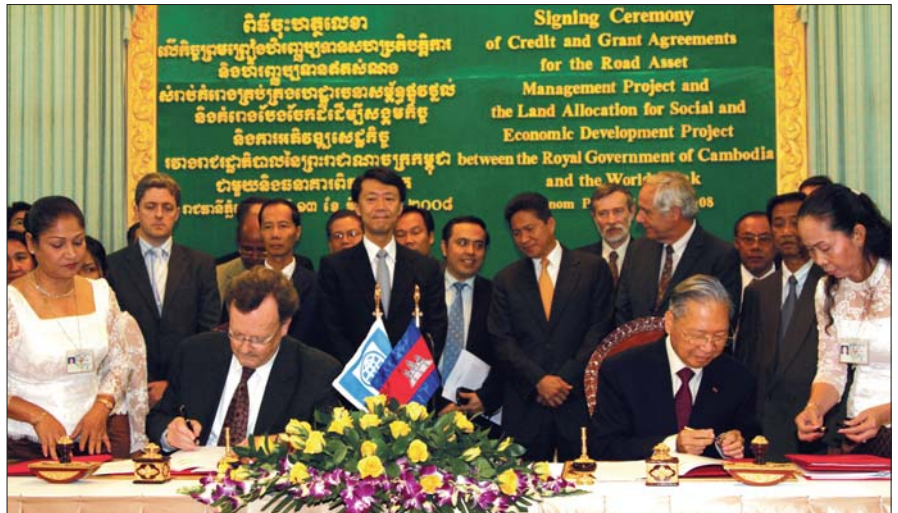


## **World Bank Extends Cambodia Country Program till 2011** *Three New Projects Worth \$71.5 million to Help Govt. Fight Poverty*

**T**he World Bank Group's Board of Executive Directors endorsed, in May 2008, the extension of the Bank's Country Assistance Strategy (CAS) for Cambodia until 2011, citing strong progress on reform efforts and the government's commitment to the reform agenda.

The decision to extend the current CAS three more years resulted from extensive consultations with the Government and other stakeholders, including the donor community, the private sector, and the civil society. These consultations confirmed the continued relevance of the CAS strategy of improving governance through a wide range of development initiatives, said **Ian Porter**, Country Director for Cambodia.

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*World Bank Country Director Ian Porter and H.E. Senior Minister Keat Chhon sign project agreements in June 2008 in Phnom Penh.*

## **Land Allocation for the Poor Comes Closer**

**S**itting on the floor of her tiny thatched cottage, rocking her sleeping 18-month-old child in a hammock, Rin Neang, 23, and eight months pregnant with another child, is full of hope that her family will soon own its own piece of land.

"I heard that they [the government] will give my family a piece of land for residential and agricultural land," she said. Then after a breath she continued: "I am still waiting for it and I don't know when it is going to come. I hope I can have it soon because I don't have any other land to grow rice on."

Landless former soldier Touch Sokhon, 52, has submitted a request for residential and agricultural land from a social land concession program. She hopes the land will provide a better life for her, her husband, also a former soldier, and their six children.

"Since we demobilized we haven't had land to farm and give us a living," she said. She pointed to her wooden house, indicating its poor condition, and said, "Here is our house, but it's built on my brother's land."

Sokhon's family is one of the poorest in the village and she and her husband make their living by selling their labor to other

villagers to plant and harvest rice, or weeding cassava patches. None of her children has completed primary school.

"Even though we are poor and have no tools or stock for the new land, I will try my best to improve my family's situation. You know, if we are lazy our life will not change," she said with a smile of hope.

Oung Houn, a Kravien Commune resident of Kampong Cham, feels so happy since she was invited by the village chief to submit her request for a piece of land. "I was so happy when I heard that. I borrowed 10,000 riel (\$2.50) from my neighbor for my husband to take a passport-photo to include with the application."

Oung Houn has eight children. None of them goes to school. Her husband suffers from chronic shrapnel wounds from his days as a soldier in Cambodia's years of war.

Neang, Sokhon, and Houn are all among the poorest landless families in Kratie and Kampong Cham provinces. They have submitted their applications for land designated for distribution for residential and agricultural purposes un-

der the Land Allocation for Social and Economic Development Project (LASED) approved by the World Bank Board on May 20 and signed over in an agreement with the government on June 13, 2008.



*Rin Nean rocks her sleeping child as she talks of her hopes for her own piece of land to provide her with a livelihood.*

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"The Bank's assistance strategy recognizes the positive changes in Cambodia over the past three years, and the solid progress the Government has made in implementing the ambitious reform agenda," Porter said.

"This progress has enabled the World Bank and other donors to continue working with the Government to deepen their reform efforts."

First approved in 2005, the Cambodia CAS provides support for tackling some of the critical governance issues threatening the country's ability to reduce poverty and achieve Millennium Development Goals. It aims to improve governance through private sector develop-

ment for growth; public financial management for better service delivery; land administration, management and allocation for agricultural investments and growth; and decentralization and social accountability for better governance and empowerment of communities.

The Cambodia CAS was the first World Bank CAS produced jointly with the Asian Development Bank, the UK Department of International Development, or DFID, and the UN system, which have all endorsed the extension. (We intend to publish a detailed interview about the CAS extension in the next issue.)

On May 20, 2008, together with the CAS extension, the World Bank's Board of Executive Directors also approved two

lending projects for Cambodia aimed at helping the government fight poverty, one by improving access to roads (RAMP), the other by providing poor people with land for agricultural development, called Land Allocation for Social and Economic Development (LASED). See story below.

On June 19, 2008, the World Bank's board also approved the second Health Sector Support Project (NSSP2) to help Cambodia to achieve its health millennium development goals. See *World Bank and Multiple Donors Help Cambodia Achieve its Health Goals*, on page 3.

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## World Bank helps Government with Roads and Land for the Poor

On June 13, 2008 the Ministry of Economy and Finance (MEF), and the World Bank signed two projects – Road Asset Management (RAMP) and Land Allocation for Social and Economic Development (LASED) – with US\$41.5 million in credit and grants, aimed at helping the government fight poverty by improving access to roads, as well as enabling poor, landless people to access land.

At the same time, the Japan Social Development Fund (JSDF) is providing US\$2.4 million to three NGOs: Wathnakpheap, Lutheran World Federation, and Habitat for Humanity International-Cambodia, to support local communities and the Government in implementing social land concessions.

"On behalf of the Royal Government of Cambodia and the Cambodian people, I would like to thank the World Bank and development partners for making resources available to support Cambodia. We recognize our responsibility to utilize these credits and grant in an efficient, accountable and transparent manner and to ensure that the benefits will flow to the people of Cambodia," said **Senior Minister Keat Chhon, Minister of Economy and Finance**. "I also would like to reaffirm our strong commitment and willingness to implement the Declaration on Harmonization and Alignment to improve the development coordination and partnerships and to assume the leadership of the development priorities and to move away from donor-led development towards development led by



*David Mueller, Lutheran World Federation Country Director, left, and World Bank Country Director Ian Porter sign a grant agreement.*

*Cambodia and its people."*

**Ian Porter, World Bank Country Director** said: "Our Country Assistance Strategy (CAS) places a lot of emphasis on the World Bank supporting the development of infrastructure and sustainable natural resource management to benefit rural communities. Under RAMP, the Bank is well positioned to continue its support together with other development partners for a more comprehensive approach to road asset management capacity, with a strong focus on ensuring adequate maintenance of road infrastructure. Under LASED project, the World Bank will also be working with the Government and other partners to ensure local communities — particularly poor, landless and land-poor people — ben-

*efit from improved land management, including land access and tenure security. World Bank support for the LASED project will be complemented by grant funding from the Japan Social Development Fund, which will support civil society participation and broader citizen engagement and transparency in the social land concession program."*

Under the Road Asset Management Project (RAMP), the World Bank will provide \$30 million financial and technical support to help the government perform periodic maintenance on selected sections of the country's road network, as well as establish related systems. Studies have shown that road access helps reduce poverty as it allows poor people easier access *see WORLD page 3*

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to markets. An improved road system also enables the government to bring social services to remote, rural areas.

This five-year project also receives financial support from the Asian Development Bank, and the Australian Agency for International Development. The Royal Government of Cambodia also contributed toward the project cost, which stands at \$56.1 million.

**Mr. Pheng Sovicheano, RAMP project Director of Ministry of Public Work and Transport (MPWT) said:** *“The Ministry appreciates the support of the World Bank for RAMP. Through this project, the Ministry will have ability to routinely and periodically maintain approximately of 900 km of national and provincial road network. It also establishes road Maintenance Management System, builds capacity of MPWT on management of private sector participating in road maintenance, sets up long term effective planning, budgeting and monitoring tools for road asset, and provides broader road safety public awareness programs.”*

*“MPWT recognizes the importance of sound analytical frameworks in maximizing the potential returns on its maintenance investments,”* said project leader **Ms. Maria Margarita Nunez, a senior highway engineer for the World Bank.** *“This project will help to cultivate a maintenance culture in the road sector.”*

LASED will receive a total of \$11.5 million in funding from the World Bank which complements technical cooperation support from the Government of Germany. LASED will support development and implementation of the Royal Government of Cambodia’s social land concession program, through which local communities identify appropriate state land, and select poor, landless families to receive land and livelihoods assistance within their own communities. The project is intended to

support improved management of state lands and better land access and tenure security for the poor.

The five-year project will be implemented by the local communities with support from the Royal Government’s land and decentralization support agencies which will also assist with the allocation of state land for social land concessions. Complementary grant funding from the Japan Social Development Fund will support civil society participation and broader citizen engagement and transparency in the social land concession program.

**H.E. Sar Kheng, Deputy Prime Minister and Minister of Interior said:** *“The Royal Government of Cambodia very much welcomes and appreciates the support of the World Bank for rural development and poverty reduction efforts through land allocation for social and economic development to the poor and the landless families as well as supporting the Government’s Strategic Framework for Decentralization and Deconcentration Reforms by improving capacity of commune council members and local communities to deliver results on the ground.”*

**H.E. Senior Minister Im Chhun Lim, Minister of Land Management Urban Planning and Construction said:** *“The LASED project is the part of country-wide Social Land Concession Program implemented by the Royal Government of Cambodia. This five-year project will be implemented in Kratie, Kompong Cham and Kompong Thom province. Social land concession is the part of The Interim Paper on the Strategy Framework of Land Policy of the Royal Government of Cambodia, which consist of three pillars – Land Administration, Land Management and Land Distribution. This project aims to distribute state private land to poor, landless and land-poor families who need it for residential and family agricultural*



**Touch Sokhon with her husband and child in front of their old house.**

*purpose. Together with necessary rural development support to recipients, it will help to improve their livelihood which is the part of poverty reduction policy of the Royal Government of Cambodia through the Land Sector.”*

**Mr. Norio Maruyama, Charge d’Affaires ad interim at the Embassy of Japan said:** *“The Japan Social Development Fund (JSDF) projects aim to support capacity building for Social Land Concessions (SLCs) as well as to implement the legal framework on SLCs as pilot cases in target provinces. I very much appreciate the fact that the World Bank will take the lead in carrying out the projects, in collaboration with three experienced NGOs, in order to provide land and livelihood support.”*

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## World Bank and Multiple Donors Help Cambodia Achieve its Health Goals

**O**n June 19, 2008, the World Bank Group approved a US\$30 million credit to support the implementation of Cambodia’s new Health Strategic Plan 2008 - 2015. The plan aims to improve health care and preventive health services for Cambodian people, with particular emphasis on women, children and the poor.

The credit will be used to finance the **Second Health Sector Support Program (HSSP2)** which, over the next five years, will receive a total of US\$120 million from six development partners. On the World Bank side, the credit will be provided by the International Development Association (IDA), the arm of the World Bank that

supports the world’s poorest countries. The rest of the support will come from the UK’s overseas development agency, DFID, the Australian Agency for International Development (AusAID), UNICEF, United Nation Population Fund (UNFPA) and French Development Co-

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operation (AFD). Other development partners are expected to join the program during its implementation.

The HSSP2 will use Royal Government of Cambodia (RGC) health planning and results monitoring mechanisms and provide for joint management arrangements and pooled resources. The program is designed to help Cambodia improve health outcomes by strengthening institutional capacity and mechanisms by which the Government and development partners can achieve more effective and efficient health sector performance.

HSSP2 is expected to significantly increase resources available to improve health of mothers and children as well as to tackle new health problems such as injuries and chronic disease. It will improve the quality of training of health professionals, including midwives; strengthen health service delivery in health centers and referral hospitals; and, support the Government in its role as the steward of the health system. More poor people will benefit from the program as it intends to scale up support to Health Equity Funds to help the poor access essential health care. The program is also expected to facilitate the role of civil society and non-governmental organization in local health planning and oversight on service delivery.

*“There have been notable improvements in the health of Cambodian people over the past decade,” said H.E. Professor Eng Huot, Secretary of State, Ministry of Health. “Life expectancy has increased from 52 to 58 years for men and 56 to 64 years for women; infant and child mortality are on the decline and the HIV/AIDS epidemic has been arrested. But several challenges are still facing us. These include high maternal mortality, slow progress in malnutrition, rising cost for health care; poor quality of health care, and the rise of injuries and non-communicable diseases. We hope that, with this significant support through HSSP2 from the World Bank and our other development partners, we will be able to achieve and sustain progress towards the Millennium Development Goals and improve equity in health. HSSP2 also takes a significant step forward in improving harmonization and alignment of aid in the health sector in*



*Patients and a health worker at a new health center in Roka Koh Commune in Kampong Speu province. The Second Health Sector Support Project is designed to improve service delivery to attain Millennium Development Goals.*

*line with our commitments under the Paris Declaration and International Health Partnership. “*

**The World Bank’s Country Director for Cambodia, Ian Porter said:** *“The World Bank has been engaged in the health sector since 1996 through our two projects – Disease Control and Health Development Project, and the Health Sector Support Project. We have built strong relationships with the Government and other development partners in the health sector. We are glad to see HSSP2 off the ground in line with our Country Assistance Strategy for Cambodia that was developed in cooperation with DFID, the Asian Development Bank, and the UN system.”*

**Claire Moran Country Manager for the UK Department for International Development said:** *“I am delighted that the World Bank with the other funding donors has developed this new program. As well as accelerating progress towards the health MDGs, this new partnership represents an important step forward in aid effectiveness in the health sector. In line with the commitments development partners and the RGC made in signing the International Health Partnership in September 2007, the new program includes plans to pool resources and work in a more coordinated way to streamline how development partners support the Ministry of Health.”*

*“AusAID is currently expanding its development assistance to Cambodia,”*

**said the head of AusAID’s Cambodia Program, Counsellor Lachlan Pontifex,** *“We believe that the HSSP2 Partnership will make an important contribution to improving health within Cambodia and in particular to achieving the Cambodia Millennium Development Goals for health. We hope that HSSP2 will also provide an opportunity for all donors and the Cambodian Government to work more effectively together to strengthen the health system and improve access.”*

**Alice Levisay, UNFPA Cambodia Representative said:** *“We are pleased to be part of this ambitious multi-donor program in support of the Ministry of Health’s new Health Strategic Plan 2008-2015. The HSSP2 represents a new way of working for both donors and for the ministry, and will accelerate progress toward Cambodia’s Health MDG targets, particularly for underfunded priority areas such as reproductive, maternal, neonatal, child health and non-communicable diseases.”*

IDA is the part of the World Bank that helps the world’s poorest countries. It aims to reduce poverty by providing interest-free credits and grants for programs that boost economic growth, reduce inequalities and improve people’s living conditions.

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