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Developing the Family Package in Cambodia: The Realization of Integrated Social Protection

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7.1. INTRODUCTION

Guided by the Constitution, the Royal Government of Cambodia has introduced several laws, policies and strategies to further its commitment to institutionalizing and systematizing social protection. The Government's Rectangular Strategy for Growth, Employment, Equity and Efficiency – Phase IV (2018–2023) builds upon this commitment. It presents social protection as an instrument to foster human capital development and reduce poverty, and as part of this, prioritizes ensuring social security and protection for all – especially income security for vulnerable groups. The strengthening of gender equity and social protection also features as one of the four priority areas in Cambodia's new phase of development (towards achieving upper-middle-income country status). Cash transfers form an integral component of Cambodia's poverty reduction efforts, as laid out in the National Development Plan and sectoral strategies.

The National Social Protection Policy Framework (NSPPF) approaches social protection as an investment in human capital and social equity, as an instrument to build resilience to shocks, and as a means to enhance savings and investments nationally and among households. The long-term vision is to build a social protection system that is inclusive, effective and financially sustainable, to reduce and prevent poverty, vulnerability and inequality; improve human resource development; and stimulate economic growth. NSPPF stems from the lessons learned from the implementation of previous strategic documents and addresses some of the challenges identified within Cambodia's social protection sector,

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including fragmentation of programmes, resulting in inefficiencies. The NSPPF, under its social assistance pillar, addresses consumption poverty that is currently at 17.8% (Ministry of Planning, 2021), while focusing on human development to address several challenges. In particular, challenges related to child development outcomes, including in the early years, with stunting currently at 22 per cent (Cambodia Demographic and Health Survey, 2022), reduced from 32 per cent in 2014 (Cambodia Demographic and Health Survey, 2014), and lower health indicators among the poor; and in later stages of children's life cycle – for example, while the primary school completion rate is currently 91.7 per cent, the secondary school gross enrolment rate is 36.6 per cent (Ministry of Education, Youth and Sport, 2021). NSPPF also recognizes the vulnerability of people with disabilities and elderly people and confirms the Government's commitment to increase income support and access to social health protection to further widen access to health services, particularly for poor and vulnerable populations.

Since the adoption of NSPPF and the operationalization of the National Social Protection Council (NSPC), Cambodia's social protection landscape has advanced at a very accelerated pace. In a series of strategic investments to strengthen the social protection system, the Government transitioned from having multiple fragmented social assistance programmes in 2015 to designing four consolidated life cycle-based social assistance programmes. These focus simultaneously on poverty reduction and the reduction of vulnerability of children under 18 years, people with disabilities, elderly people and people living with HIV/AIDS, with an emphasis on improving coherence and integration across the social assistance programmes.

Over the past decade, the Government of Cambodia has invested in the building blocks essential for an integrated social protection system: (1) improving processes for the identification of poor and vulnerable households; (2) digitization of social assistance benefits; (3) consolidation of existing social assistance programmes; and (4) development of a national monitoring and evaluation framework that comprises social protection outcomes. The development and implementation, in 2019, of the fully digitized Cash Transfer Programme for Pregnant Women and Children under Two (CT-PWYC) living in poor and vulnerable households (IDPoor or equity card holders²¹) was a vital milestone for the social protection sector. It laid the foundation for what is poised to become a global best practice in building towards an advanced, integrated and developmental social protection system.

Cambodia's social protection sector boasts a comprehensive set of social assistance programmes, guided by NSPPF. The Government recognizes, however, the potential efficiency gains – in terms of better awareness and

²¹ The Identification of Poor Households Programme (IDPoor) is the government's mandatory standard tool for targeting pro-poor measures in Cambodia. The programme provides regularly updated information on poor and at-risk households to a large number of Government and non-governmental agencies to help them target services and social assistance.

coverage and operational improvements – that would result from integrating these programmes. The Family Package is the culmination of this vision to deliver social protection comprehensively, effectively and efficiently to all poor and vulnerable families and children, covering the needs of Cambodian citizens from conception until death.

7.2. THE FAMILY PACKAGE

In 2019, the Government of Cambodia sought to address one of the more ambitious outcomes planned in NSPPF: development of the Family Package as part of the wider integration agenda. NSPPF envisages the Family Package as a package of integrated benefits that comprehensively addresses risks throughout the life cycle for poor and vulnerable families and children.

The Family Package is an integrated social assistance framework designed to support the poor and vulnerable families (17.8 per cent of the population – Ministry of Planning, 2021) across the country; protect them from poverty; accelerate human capital accumulation; and promote inclusive growth, leaving no one behind. By integrating existing and planned/future social assistance interventions, thereby ensuring their improved coverage, cost-efficiency and sustainability, the Family Package aims to strengthen the ability of families to invest in human capital and achieve long-lasting prosperity.

The specific objectives of the Family Package, as outlined in the Family Package policy document include the provision of comprehensive and adequate social assistance covering families and children throughout the life cycle; Improvement of the accessibility and coverage of social assistance benefits for populations in need; Strengthening of the institutional framework for social assistance delivery; Establishment of shared systems/functions to improve the operational efficiency of social assistance benefits; and strengthening of linkages with complementary programmes, social care services and social security.

The package is intended to integrate all existing and planned social assistance benefits in the country – CT-PWYC, Cash Transfer for Children from Poor Households in Primary and Secondary Schools, Cash Transfer for Persons with Disabilities and the planned Cash Transfer for Elderly People – and will introduce a Cash Transfer for Persons Living with HIV/AIDS.

The Family Package is intended to be implemented by multiple stakeholders responsible for social protection in Cambodia. NSPC is responsible for aligning the package with the wider social protection sector. Implementation of the Family Package is to be managed by the National Social Assistance Fund established under the technical guardianship of the Ministry of Social Affairs, Veterans and Youth Rehabilitation and under the financial guardianship of the Ministry of Economy and Finance, which has overall responsibility for the package. The

poverty targeting of the constituent programmes is ensured via the IDPoor database, which is updated by the Ministry of Planning, with a view to expanding the database into a more comprehensive social registry in future. The Ministry of Health and the Ministry of Education, Youth and Sport, along with other relevant ministries, participate in the delivery of the programmes.

It is envisaged that the Family Package will rely on common identification, delivery and monitoring systems to deliver social assistance effectively and efficiently, while preserving the rights of individual beneficiaries, to the extent possible, through individual entitlements to benefits. Integrating back-end functions by streamlining identification rules, targeting and registration processes is a key priority of the Family Package. Furthermore, digitizing payments will reduce administrative costs of delivery and simultaneously achieve the dual objectives of promoting financial inclusion for poor and vulnerable families and improve the accessibility and coverage of social assistance benefits for populations in need.

The Family Package reduces fragmentation and policy overlap in social assistance by promoting the National Social Assistance Fund as the sole operator, consolidating operational mandates and improving cross-sectoral coordination of social assistance. Monitoring and financing of all social assistance programmes are also consolidated under the Family Package to improve the operational efficiency of the social assistance programmes and enable easy linkages with complementary programmes, social care services and social security.

Finally, by developing a package of benefits that reaches all vulnerable families, and by enhancing targeting and delivery infrastructure to support it, the Family Package promotes shock-responsive social assistance systems. It improves cross-programme referrals by integrating the programmes' management information systems, ensuring that individuals in poor and vulnerable families have access to the full spectrum of social assistance benefits available to them.

7.3. THE PROCESS

Under the keen leadership of NSPC, and in close collaboration with key ministries such as the Ministry of Social Affairs, Veterans and Youth Rehabilitation and development partners, the Government of Cambodia undertook a series of assessments and engaged in wide stakeholder consultations to develop and refine the concept of the Family Package.

In line with the NSPPF commitment to assess the feasibility of such a package in Cambodia, the Government conducted a systems assessment to explore the possibility of its introduction. The Government also undertook a careful consideration of the implementation of existing social assistance programmes, drawing on lessons learned from the implementation of CT-PWYC and the emergency COVID-19 Cash Transfer Programme for Poor and Vulnerable

Households, including the effectiveness of interministerial collaboration in targeting and delivery of the cash transfers, and the persistent positive effects of steady income support on the social and economic status of poor and vulnerable families. This effort reaffirmed the need for a more comprehensive, integrated and streamlined process for designing and delivering social assistance in Cambodia. After thorough deliberation, the Government authorized the draft policy for the Family Package in 2021. The package design and operational manual are now in the final stages of review.

These accelerated developments in Cambodia's social protection system were the result of three vital processes:

- high-level government commitment
- use of high-quality data and evidence from multiple sources
- collaboration and coordination across multiple stakeholders in government and among development partners.

Success in these areas was driven by the interactions between robust evidence, multisectoral engagement, very strong national leadership, and the continuous engagement of NSPC. From the outset, NSPC led and coordinated the development of the Family Package. It ensured the inclusion of and coordination between various development partners, donors and ministries from the conceptualization phase of design. The drafting of the Family Package policy gained traction thanks to the time and resources invested by NSPC and because the process of developing the package leveraged experiences and evidence from multiple institutions. In particular, the package was built based upon the experiences of the Ministry of Social Affairs, Veterans and Youth Rehabilitation on delivering cash transfers (CT-PWYC and Disability Allowance); of the Ministry of Education, Youth and Sport on delivering its scholarship programmes; and of the Ministry of Planning on running the IDPoor programme.

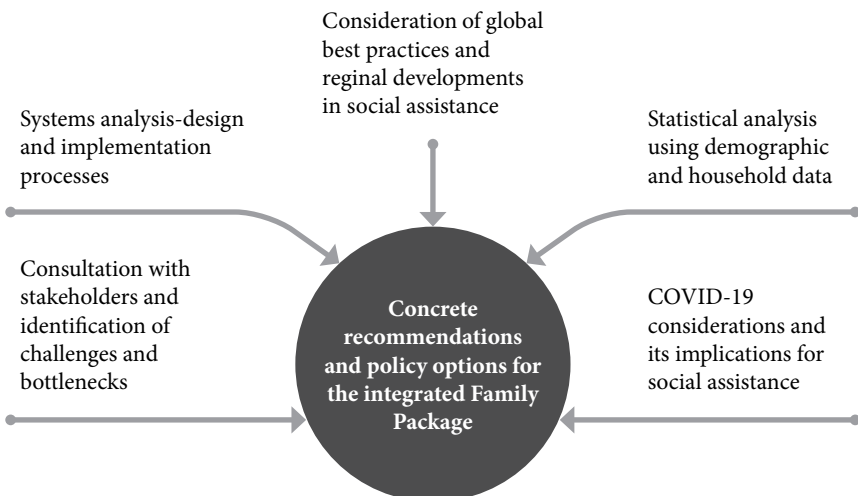
These insights were further strengthened through triangulation of evidence generated by development partners such as UNICEF in partnership with Deutsche Gesellschaft für Internationale Zusammenarbeit, the European Union, the Government of Sweden, the International Labour Organization, Save the Children, the United Nations Development Programme, the World Food Programme and others working on issues related to social protection, child protection, disability and gender; on the identification of poor and vulnerable households; and on delivery and monitoring and evaluation systems, as well as management information systems. Evidence generation activities included a comprehensive risk and vulnerability assessment considering COVID-19, and a detailed analysis of Cambodia's social assistance system. An analysis of transient poverty among IDPoor households was also conducted, highlighting the need for a more flexible and inclusive approach to the identification of poor households. Lastly, an ex-ante simulation of various policy options (in terms of

coverage, distribution, equity and costing) guided the Government towards the finalization of the policy.

To fill gaps in data and evidence – particularly on capacity gaps and implementation challenges – and identify the best model for the Family Package, the various assessments and evidence pieces were coupled with wide stakeholder consultations involving more than 40 informants from across all social sector ministries and from non-governmental organizations and development partners. Nationally relevant policy options were discussed, with consideration to global and regional evidence and best practices, to identify the most suitable approaches for Cambodia. Multiple consultation and validation meetings were also held with key government stakeholders, under the guidance of NSPC.

Furthermore, this combination of evidence and stakeholder engagement strengthened national discussions on improving the efficiency of the IDPoor programme and the identification of poor and vulnerable groups. Consequently, in conjunction with experiences of the COVID-19 crisis, these discussions led to a revival of the national discourse on identifying the ‘near poor’. Development of the Family Package accelerated various processes – across ministries and development partners – to explore a risk and vulnerability-based lens for identifying households that fit neither the IDPoor 1 nor IDPoor 2 classification yet are vulnerable and in need of support.

Figure 7.1 Process followed for developing the Family Package



Source: Authors.

Finally, another strong enabler for the design of the Family Package was the design support (as well as evidence generation) provided to the COVID-19 Cash Transfer Programme for Poor and Vulnerable Households by various agencies, including UNICEF. Implementation of the COVID-19 cash transfer provided early lessons and insights to inform the Family Package programme design. These included insights on improving inclusiveness by combining a poverty reduction lens (consumption smoothing objectives) with the risk and vulnerability approach, focusing on the protection of key vulnerable populations such as children, people with disabilities and elderly people; innovative implementation through digitization of processes; and financing mechanisms, including to provide a more streamlined flow of public finances and reduce administrative costs.

Furthermore, the wide stakeholder engagement and continuous updating of the evidence base on the Family Package led to the alignment of its design with the national discourse on social protection and other ongoing reforms, such as the decentralization and deconcentration agenda and coverage of vulnerable groups including people with disabilities and people living with HIV/AIDS. The costing of the Family Package design led to the development of a five-year expansion plan for the package, encouraging the Government to think about a gradual scale-up and to plan for annual targets covering pregnant women, children, people with disabilities, elderly people and people living with HIV/AIDS.

The various components associated with the design of the Family Package have positioned the social protection sector as a key player in both the fight against poverty and the drive for sustainable and inclusive development in Cambodia. Achieving such influence is the culmination of joint and coordinated efforts among donors and development partners, including to provide extensive technical assistance; support for institutional strengthening and for capacitation of key stakeholders in policy and programme design; system building tools, including monitoring and evaluation and information technology infrastructure for social protection; and capacity development for social assistance delivery at multiple administration levels.

7.4. CONCLUSIONS

The COVID-19 crisis became the catalyst for integration of the social protection system in Cambodia. The COVID-19 crisis exposed the weaknesses of social protection systems around the world, but it also demonstrated the advantages of having invested in vital systems to support the identification of beneficiaries and the payment of benefits to vulnerable groups. The Government of Cambodia found itself positioned midway on that spectrum: The IDPoor programme provided the Government with the necessary information to reach a good share of already poor households yet excluded those that may have fallen into poverty or were at risk of doing so because of the COVID-19 crisis.

At the same time, ongoing improvements to IDPoor meant that institutions and mechanisms designed for the On-Demand IDPoor process had already been piloted, so these were rapidly scaled up to identify the ‘new poor’ – firmly establishing the advantage of having essential systems and local-level capacities in place. The recent setting up of an automated delivery system for CT-PWYC was opportune for scaling up, in just a few additional steps, payments to all poor and vulnerable households captured by IDPoor.

The challenges and lessons of the COVID-19 crisis and response encouraged the Government to adopt a more inclusive approach to the Family Package, recognize and build on systems such as IDPoor, integrate the management information systems for social assistance programmes and scale up digital transfers for the Family Package.

Consequently, the final Family Package represents a fundamental shift in thinking and a significant change in the way that social protection is implemented in Cambodia. The design discussion for the Family Package opened up a wider debate around the coverage of near-poor groups, vulnerable groups and risks not yet covered by the social assistance system. The introduction and expansion of the CT-PWYC management information system, which automates the entire implementation pipeline of the social assistance programme, was accepted for expansion as the main delivery mechanism for the implementation of social assistance in Cambodia. At the same time, the consolidation and harmonization of the policy for the various social assistance programmes opened up the space for a more coherent and equitable expansion of benefits throughout the life cycle.

The rapid expansion of social protection in Cambodia provides valuable evidence for the vital role of social protection institutions, and the need to strengthen them. The impetus brought by a strongly capacitated team of leaders within the social protection sector, led by the Ministry of Economy and Finance, is evident in the acceleration of the sector’s expansion since NSPC was installed and operationalized as the coordinating agency responsible for scaling up social protection in Cambodia. Coordinated by NSPC, the investments in the building blocks essential for an integrated system have built upon successes of the past, gradually leading towards a digital, progressively inclusive and efficient system for social assistance.

The Family Package has also contributed to institutional strengthening for social assistance. Guided by NSPPF, the Family Package incorporates a single operator modality to consolidate and simplify implementation of the full package. As a result, the National Social Assistance Fund has been established and tasked with managing the delivery of social assistance, including the Family Package.

The Family Package is truly cross-sectoral, leveraging the expertise and capacities of multiple ministries. NSPC is responsible for overall policy decisions. The Ministry of Social Affairs, Veterans and Youth Rehabilitation, through the single

operator (National Social Assistance Fund), is responsible for the day-to-day progress, monitoring and operational oversight of the package. The Ministry of Interior has a vital role to play in implementing the package via subnational administrations, which undertake functions such as registration and grievance management. At the same time, the Ministry of Planning provides the necessary data for the identification of beneficiaries of the Family Package.

In terms of cash transfers to be integrated within the Family Package, the Ministry of Health and its health centres at the local level are integral to the success of CT-PWYC, while the Ministry of Education, Youth and Sport and schools are core drivers of success for the Cash Transfer for Children from Poor Households in Primary and Secondary Schools.

Engaging all of these ministries collaboratively will be essential for the successful implementation of the Family Package. In its capacity as the national body for coordinating social protection activities, NSPC is instrumental in enabling such cross-sectoral coordination.

7.5. NEXT STEPS

These developments symbolize the modernization of the social protection landscape, moving towards a global best practice model for systematic social protection that provides life-cycle coverage in a flexible, inclusive and responsive manner. The Government of Cambodia has already identified several priority areas in this regard.

The key to reaping the benefits of an integrated social assistance framework – the Family Package – lies in the effective implementation of the policy. Following development of the Family Package, integration of the social assistance programmes at the policy level is near completion, yet numerous implementation steps remain works in progress. The Family Package requires both a gradual scaling back of existing processes and the adoption of a common and developmental delivery system for each of the social assistance programmes in the package.

In addition to sensitization and awareness-raising on the Family Package to ensure a smooth transition, expansion of the existing management information system for CT-PWYC is necessary to include modules for the other cash transfers. All current beneficiaries of the Disability Allowance and Cash Transfer for Children from Poor Households in Primary and Secondary Schools need to be moved over to the digital payment system and a common framework for the monitoring and evaluation of the Family Package must be developed.

The package is integrated in its implementation for improved delivery efficiency, yet the social assistance benefits must continue to adopt an individual focus, protecting the rights of vulnerable people from conception to death. Providing the Government with the necessary support to enable this is vital to realizing results through the integrated social assistance system.

The Family Package design has laid the foundation for further extending integrated social protection to include social services, building upon the successes of streamlined social assistance to accelerate the provision and uptake of social services for poor and vulnerable households in Cambodia through referrals and linkages. The Family Package prioritizes easy referrals and linkages across cash transfers, which can be extended in time to include other social protection programmes, active labour market programmes and social services. These services may include services for children, people with disabilities, elderly people and people living with HIV/AIDS, as well as gender empowerment services. The Government is committed to realizing a more comprehensive and integrated social protection system over the next phases of expansion.

To achieve this vision, several capacity and systems investments are necessary. The first step towards increasing linkages and improving the multisectoral impact of the Family Package is to expand its capacity for referrals and its entry points. Multiple entry points will ensure holistic and comprehensive functionality across multiple sectors, through the improved engagement of local actors, especially non-governmental organizations and other grassroots organizations that work for the protection of vulnerable groups. Adopting this approach will require the standardization of service providers and formal certification/recognition of these providers, in addition to periodic and quality assurance processes, and can significantly improve inclusion and coverage of the Family Package.

Additionally, the establishment of a strong social service workforce (professional and paraprofessional) is integral to this process. Strong referrals and linkages between social assistance (the Family Package), social security and social services can greatly improve the efficiency and strengthen the outcomes of the Family Package. Yet existing mechanisms at the commune level alone may be insufficient to fulfil the referral pathways, service monitoring and quality assurance necessary for a good referral system for the social protection framework.

Investments in pre- and post-qualification training of social workers and in the deployment of a social service workforce are essential to support social protection, child protection and the protection of vulnerable groups such as people with disabilities, elderly people and people living with HIV/AIDS or other chronic conditions, as well as those from other marginalized groups. Establishing this workforce will allow multiple entry points for the identification of vulnerable people and put in place competent social work and case management teams to develop referral plans, undertake case management activities and augment the outcomes of social assistance programmes delivered through the Family Package. Case management approaches will help to identify vulnerable individuals timeously, thereby enabling preventive action. In turn, preventive action will reduce the long-term cost of poverty reduction for the Government.

Finally, ensuring the responsiveness of the social protection system to unexpected shocks and risks is non-negotiable today. Cambodia's existing systems enabled a

relatively swift response to the COVID-19 crisis. From here on, the Government of Cambodia must carefully evaluate the evolving social protection system and ensure that it is designed for agility and can be scaled up rapidly and adequately to respond to future shocks.

The Government of Cambodia has taken the first steps towards improving the system's responsiveness by drafting the Shock-responsive Social Protection Framework. As well as the Family Package, other investments include improvements in the inclusion of vulnerable groups, integration of data systems through the 'digital highway', and the strengthening of local governments through capacity building and partnerships with non-governmental organizations. Together, such investments will serve to both protect households that are living in poverty and prevent vulnerable households from the risk of poverty, thereby building a more resilient society.

7.6. REFERENCES

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