

profile



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Kingdom of Cambodia Country Strategy and Programme Evaluation

IFAD started its operations in the Kingdom of Cambodia in 1996. At that time, the country was going through an intense phase of reconstruction and rehabilitation after almost two decades of wars and destruction. During the last two decades, the country and its rural context have changed dramatically, with strong economic growth, a significant decline in poverty, and an upsurge in non-agricultural income opportunities for rural households that has led to outmigration and labour shortages in rural areas. IFAD has supported nine investment projects in Cambodia for a total project cost of US\$353.9 million, with a financial contribution of US\$179.5 million.

This is the first Country Strategy and Programme Evaluation (CSPE) in the Kingdom of Cambodia conducted by the Independent Office of Evaluation of IFAD (IOE). The CSPE reviewed the evolution of the country strategy and programme since the Fund started operations in 1996, but with a focus on the last decade. The main objectives of the CSPE were to: (i) assess the results and performance of the IFAD-financed strategy and programme; and (ii) generate findings and recommendations for the future partnership between IFAD and the Royal Government of Cambodia.

Main evaluation findings

The IFAD portfolio has made contributions in a number of important aspects of rural transformation, including “decentralization and deconcentration (D&D)” processes and gender equality and rural women’s

empowerment. By channelling investments through decentralized structures, the projects have provided the provincial departments (agriculture, women’s affairs, rural development) and sub-national administrations with opportunities for “learning by doing”, thereby contributing the Government’s D&D policy. Consistent attention to gender issues across projects has contributed to enhancing women’s access to economic opportunities and women’s participation in public spheres. The projects have also contributed to increasing the agricultural productivity of poor rural households, although greater results could have been achieved if some weaknesses (e.g. extension and training approach) had been addressed and other constraints (e.g. labour shortage) duly considered.

IFAD’s strategy and design for the projects shifted in an effort to adapt to the country and rural contextual changes, but belatedly. In fact, the portfolio remained largely static until around 2010 with the repetition of largely similar

approaches – forming groups of poor rural households, and providing agricultural training and extension services combined with group revolving-fund support – in different geographic areas. Only from around 2010-2011 did projects start to pursue more focused market-oriented approaches and non-land-based activities, with some encouraging results. Moreover, the portfolio did not fully appreciate the implications on rural households of increasing non-agricultural income opportunities and labour shortages. For example, the projects continued to provide training in labour-intensive technology.

Support to demand-driven agricultural extension services has consistently run through the portfolio with mixed results. The projects tended to offer a standard menu of training to groups of farmers formed. However, recent project have made improvements to offer training that is more specific and demand-driven. The consistent focus that IFAD's portfolio has given to improved agricultural extension service delivery is likely to have contributed to key elements of the Government's extension policy: demand-driven and pluralistic extension services.

There could have been more focused and concerted efforts to support the empowerment of beneficiaries and their organizations. Thousands of revolving-fund groups have been established, but the issue of their sustainability has been considered only late in implementation. The projects have paid little attention to organizing farmers to enhance their bargaining power with respect to other market actors, although there have also been good exceptions, such as the agricultural cooperatives which emerged from Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri.

Strategic partnerships with other development partners in the investment projects have contributed to improving effectiveness and bringing in innovations. Ongoing efforts to improve monitoring and evaluation offer opportunities to upgrade knowledge management, policy engagement and scaling up. Partnerships with farmer organizations and indigenous peoples' organizations that emerged from corporate initiatives and regional grants are one of the positive features related to IFAD's mandate and strengths. More could be done to improve coordination and synergies between grants and investment projects.

CAMBODIA AT A GLANCE

Population: **15.76 million (2016)**

Rural population: **12.45 million (2016)**

Gross domestic product growth: **6.9% (2016)**

Poverty head count ratio (% of population): **13.5% (2014)**

Life expectancy at birth: **69.6 (female), 65.5 (male) (2014)**

Human development index: **0.563** (ranked 143th out of 188 countries)

Number of IFAD loans approved since 1996: **9**

IFAD investment financing approved since 1996: **US\$179.5 million** (US\$129.5 million in loans and US\$50 million in grants)

Sources: *United Nations Development Programme; World Bank*

Key recommendations

- **Develop and operationalize a two-pronged strategy for the portfolio**, with support to: (i) agricultural commercialization geared to relatively advanced smallholders; and (ii) coping strategies of poor households. It is important to develop and operationalize tailored strategies in light of the profiles of the target group and specific contexts (e.g. agricultural potential and market opportunities in specific geographical areas).
- **Balance investment in human capital and rural organizations supported by strategic partners, with tangible items that could enable beneficiaries to put the skills and knowledge acquired into practice.** A long-term perspective is needed for investment in human and social capital and empowerment. To ensure quality support, especially for the “soft” aspects and for innovations, IFAD and the Government should seek opportunities for strategic partnerships with experienced institutions that could provide crucial technical assistance.
- **Pursue more strategic planning and use of grants and investment financing to deepen partnerships with farmer organizations/associations.** So far, the corporate initiatives and regional grants have facilitated linkages between farmer associations and indigenous peoples' organizations at national level and the country programme. There is a need for more strategic planning and use of IFAD financing to work with these organizations of different types and at different levels.
- **Explore options for supporting regulatory services in agriculture in future pipeline development.** Improved and sustainable agriculture and commercialization not only requires sound advice on crop and animal husbandry, but also effective regulatory services (e.g. phytosanitary and veterinary control). A programmatic approach will be required, which in turn assumes mobilization of financing from various sources.
- **IFAD to work with the Government to strategize and facilitate mobilization of other partners to invest in smallholder agriculture.** Ongoing ASPIRE¹ and AIMS² could serve as a platform to bring in other partners for two important areas: agricultural extension; and pro-poor agricultural value chain development. IFAD's financing and role should help leverage other partners and resources.

1 Agriculture Services Programme for Innovation, Resilience and Extension
2 Accelerated Integrated Markets for Smallholders Project

Further information:

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