



Australian Government
AusAID

Annual program performance report: Cambodia 2008–09

September 2009

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ISBN 978-1-921285-86-8

Published by the Australian Agency for International Development (AusAID), Canberra, 2009.

This document is online at www.ausaid.gov.au/publications

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Abbreviations

ADB	Asian Development Bank
AusAID	Australian Agency for International Development
CAVAC	Cambodia Agriculture Value Chain (Project)
CCJAP	Cambodia Criminal Justice Assistance Project
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit GmbH
HSSP2	Second Health Sector Support Program
IMF	International Monetary Fund
MDG	Millennium Development Goals
NGO	non-government organisation
RGC	Royal Government of Cambodia
UNFPA	United Nations Population Fund
UXO	unexploded ordnance

Summary

This report assesses the performance of Australia's aid program to Cambodia in 2008 against strategic objectives. The objectives are in line with Royal Government of Cambodia (RGC) development priorities. Strategic objectives, expected outcomes and performance targets for 2008 for each of four pillars are set out in a performance assessment framework for the program.

Overview

The major renovation to the Cambodia Program identified in the 2007 annual program performance report is well underway. Flagship activities in health and agriculture are aligned to Cambodia's development priorities and its government's response to the global recession. Progress has also been made in adopting more innovative and contemporary forms of aid, with growth in the use of program-based approaches.

Ratings

Table 1: Likelihood that the Cambodia Program will achieve its objectives

Objective	Rating	Review against previous rating
Pillar 1: Rural poverty reduction through agricultural development		
1. Increased value of agricultural production and smallholder income in targeted provinces.	The objective will be partly achieved within the timeframe.	N/A
2. Improvements in quality and use of rural infrastructure.	The objective will be partly achieved within the timeframe.	N/A
Pillar 2: Health service delivery		
1. Improved RGC management, financing, monitoring and evaluation systems for health service delivery.	The objective is on track to be fully achieved within the timeframe.	N/A
2. Improved focus on hygiene and sanitation in water supply programs.	The objective will not be achieved within the timeframe.	N/A
Pillar 3: Strengthen the law and justice system		
3. Improved capacity and commitment of courts, prisons, police and provincial authorities to function effectively and equitably (particularly in dealing with vulnerable groups).	The objective will be partly achieved within the timeframe.	N/A
Pillar 4: Sustainable economic and natural resource management		
1. Enhanced public financial management through the predictable and timely flow of funds while ensuring adequate controls.	The objective is on track to be fully achieved within the timeframe.	N/A
2. Improved management of natural resources (water).	The objective will be partly achieved within the timeframe.	N/A

Major results

In 2008 Australia successfully re-engaged in the health sector in Cambodia. Key strategies were developed and focused on maternal and child health (MDGs 4 and 5), harm reduction to prevent the spread of HIV/AIDS (MDG 6) and the promotion of donor harmonisation and alignment.

Social safety net support for the poor was provided through integrated rural development, mine action and targeted feeding activities. AusAID support to NGOs delivered measurable increases in rice yields, reducing food shortages for beneficiary households, including those headed by single women. Unexploded ordnance (UXO) casualties declined from 352 in 2007 to 266 in 2008, and more than 6.8 million square metres of primarily agricultural land was cleared of mines. As the largest contributor to the World Food Programme in Cambodia, AusAID's A\$4 million contribution fed around 462 000 very poor primary school children and 75 000 people affected by HIV/AIDS.

Australia, along with a number of development partners, helped the RGC to improve its budget credibility through increased revenue collection (exceeding its target by 24%) and predictable expenditure (actual expenditure being within 5% of estimates). The next phase of the program will endeavour to introduce reforms into line ministries.

Major challenges

The impacts of the global recession on Cambodia have been severe and will probably worsen during 2009. The International Monetary Fund (IMF) expects Cambodia's economy to contract by 1% in 2009. This may result in reverses to the steady progress Cambodia has made on poverty reduction in recent years.

Despite AusAID's 10-year involvement in the highly complex law and justice sector, progress in reforms is slow and has been hampered by a lack of political will, particularly with respect to judicial independence and perceptions of impunity. Law and justice will remain a core priority, although slow progress in reform warrants a review in 2009 to assess the future direction of our activities in this area.

Main management consequences

While relatively well positioned, the country program will require further adjustment in 2009 to help Cambodia effectively respond to the global recession. The new country strategy will align with the Australian Government's new aid policy statement. Accommodating the priorities of the strategy will require some further consolidation of activities. Infrastructure in particular will become more important, bringing with it direct management consequences. Increased infrastructure activities will also mean a reduced commitment to economic and natural resource management activities.

Country performance

Summary

The major renovation to the Cambodia Program flagged in the 2007 performance report is well underway. Flagship activities in health and agriculture are well aligned to Cambodia's development priorities and its response to the global recession. More innovative and contemporary forms of aid have been adopted, and the use of program-based approaches has increased.

The finalisation of a new country strategy will enable alignment with the Australian Government's new policy statement on the aid program. Accommodating the priorities of the strategy will require some further consolidation of activities. Infrastructure in particular will become more important. Law and justice will remain a core priority.

Australian assistance

Total Australian aid flows to Cambodia in 2008–09 were \$61.2 million.

Development challenges

Cambodia faces significant challenges in preserving the impressive development gains made over the past 10 years. In the decade to 2008, Cambodia enjoyed robust economic growth averaging 8.2% per year. That growth contributed to rising living standards and helped to reduce the poverty rate from 47% in 1993–94 to 35% in 2004 and 30% in 2007.

The growth masked vulnerabilities to movements in external economic conditions. Domestic food prices in Cambodia increased sharply from 2007 to mid-2008, while growth declined to under 7%. The impact of the global recession has been severe and may worsen during 2009, for which the IMF has projected negative growth of 1%. Declines in garment manufacturing, construction and tourism are affecting employment and income, as well as migration flows and remittances. As a result, the steady progress Cambodia has made on poverty reduction may be reversed.

The full social impact of the global recession is not yet apparent but is likely to be severe. There is a significant risk that Cambodia will not reach its MDG 4 (child mortality) and MDG 5 (maternal health) targets. Progress to address the high maternal mortality rate has long been a problem, but there are now also emerging signs of increasing child malnutrition that threaten recent progress on child health.

RGC and IMF projections earlier in the year indicated that the fiscal deficit could expand from 1.75% of GDP in 2008 to 4.25% in 2009. As a result, the RGC faces growing fiscal challenges and will require additional assistance to effectively and efficiently channel resources to meet the needs of the poor. Donors pledged about US\$1 billion in December 2008 in official development assistance. With this support, the RGC plans to increase expenditure in all sectors by US\$427 million in 2009, to US\$1 815 million.

In addition to addressing the most immediate challenges, there remains a pressing need for policy dialogue and reform that is strategically focused on structural issues. Structural reforms in investment and credit have improved the country's standing from 150 to 135 out of 181 countries in the 'ease of doing business' ratings. However, strengthening governance and addressing corruption remain significant tasks. For example, there have been increased numbers of forced evictions in Phnom Penh, and there is no timeframe for the passage of anti-corruption legislation.

What are the results of our aid program?

The Cambodia country strategy remains in draft; finalisation and endorsement are expected in mid-2009. Despite the delay, significant program development was undertaken in 2008 to orient activities around four pillars:

- > rural poverty reduction through agricultural development
- > health service delivery
- > strengthen the law and justice system
- > sustainable economic and natural resource management.

The delay in the finalisation of the country strategy, coupled with major design work in our flagship agricultural and health programs prevented the use of a coherent, program-wide performance framework in 2008.

Pillar 1: Rural poverty reduction through agricultural development

Objective 1: Increased value of agricultural production and smallholder income in targeted provinces

Rating

- The objective will be partly achieved within the timeframe.

Assessment of results and performance

Support to the agricultural sector remains fragmented in Cambodia. In 2008 our activities focused on improving agricultural productivity and providing social safety net support.

The design for the Cambodia Agriculture Value Chain (CAVAC) program, Australia's flagship rural development program, was finalised in 2008. CAVAC's objectives of increasing farm incomes and the value of agricultural products are well aligned with Cambodia's strategy on agriculture and water. Specific activities include irrigation, research and extension, and agribusiness development. CAVAC will strengthen the important role that women play in production and marketing through extension and small business development activities. Interim activities in 2008 included feasibility studies for four irrigation schemes and the establishment of four farmer cooperatives. CAVAC will commence full implementation in mid-2009.

The Agriculture Quality Improvement Project also promoted agricultural productivity by expanding farmer access to high-quality rice seed through an independent commercial seed operation. In 2008, the company had total sales of 1 400 tonnes of rice seed, planted over an estimated area of 27 451 hectares. Efforts to secure the company's commercial viability were complicated by the food, fuel and financial crises in 2008. AusAID has extended its support to the company to establish sustainable financial and operational arrangements, and our involvement in the joint venture will cease by late 2009.

Social safety net support for the rural poor and very poor was provided through integrated rural development and targeted feeding program activities. Three NGO cooperation agreements delivered measurable increases in rice yields that reduced food shortages for beneficiary households, including those headed by single women. Food security support was also provided through the World Food Programme, which supported 462 000 very poor primary schoolchildren and 75 000 people affected by HIV/AIDS through targeted feeding programs.

Objective 2: Improvements in quality and use of rural infrastructure

Rating

- The objective will be partly achieved within the timeframe.

Assessment of results and performance

In 2008 AusAID continued its longstanding support for UN-led mine action activities, which cleared 6.8 square kilometres of land. Deaths from landmines declined from 352 in 2007 to 266 in 2008. AusAID activities are increasingly focused on the post-clearance use of land. NGO cooperation agreements assisted in the allocation of land to poor beneficiaries and provided livelihood support to use that land for productive purposes. While there has been important progress, the sustainability of these activities is uncertain due to the lack of secure titles to cleared land.

Three co-financed infrastructure projects also commenced implementation in late 2008. Working with the Asian Development Bank (ADB), the Road Asset Management Project and the Southern Coastal Corridor Project will provide periodic maintenance of selected provincial and national roads, and will support subregional integration with Thailand and Vietnam. Australia is also co-financing the Cambodia Rural Energy Services project with the World Bank to expand grid coverage and deliver renewable energy alternatives to remote communities. While initial project implementation to date has been slow, clear opportunities exist for alignment with our broader support for agriculture and rural development.

Estimated expenditure

Estimated expenditure for Pillar 1 (objectives 1 and 2) in 2008–09 was \$24.8 million, or 41% of the Cambodia Program.

Pillar 2: Health service delivery

Objective 1: Improved RGC management, financing, monitoring and evaluation systems for health service delivery

Rating

- The objective is on track to be fully achieved within the timeframe.

Assessment of results and performance

In 2008, Australia successfully re-engaged in the health sector in Cambodia. Key strategies were developed to maintain a tight focus for the program, including targeting maternal and child health (MDGs 4 and 5), a focus on harm reduction to prevent the spread of HIV/AIDS (MDG 6), and promotion of donor harmonisation and alignment. The major design work was finalised, and interim projects allowed for direct service delivery.

Key results for this objective in 2008 included:

- > establishment of a health sector wide approach, accounting for 20% of the national health budget
- > establishment of the HIV/AIDs regional project in Cambodia, focusing on harm reduction for emerging high-risk groups, including intravenous drug users
- > increased number of births attended by trained health staff in 9 out of 77 districts
- > increased antenatal and postnatal care visits in 9 out of 77 districts
- > increased number of poor people accessing health centres and referral hospitals through expanded health insurance coverage in Kampot Province.

The framework for our support is the RGC's Health Strategic Plan 2008–2015. The Second Health Sector Support Program (HSSP2), which was agreed in December 2008, supports implementation of the plan through pooled financing with seven donors. Policy leadership will rotate among donors, and the World Bank will take the lead on financial management. Establishment of HSSP2 is a major step towards improving health outcomes, as it provides a mechanism for greater efficiency and scaling up resources.

In 2008 AusAID also supported interim activities with a focus on maternal and child health and access for the poor. These activities will be scaled up through HSSP2. Support to UNFPA expanded maternal and child health services in nine provinces. This has already increased the number of births attended by trained health staff; antenatal and postnatal care; and the use of modern birth-spacing methods. Support for a GTZ health equity fund in Kampot Province has increased the number of poor accessing health centres and referral hospitals, but has also identified administrative challenges for HSSP2 to address. Potential partnerships between Australian and Cambodian health institutions were canvassed with a view to capacity building for maternal and child health, and it is expected that at least one of these will begin in 2009.

After extensive design work, the regional harm reduction project was established in Cambodia in late 2008. The project will work with health and law enforcement officials and NGOs to prevent the spread of HIV/AIDS through the emerging risk group of intravenous drug users. Scaling up access to methadone treatment will be a focus in 2009 and 2010.

Objective 2: Improved focus on hygiene and sanitation in water supply programs

Rating

- The objective is unlikely to be achieved within the timeframe.

Assessment of results and performance

Following the 2008–09 Budget, program preparation work was undertaken to participate in the Access to Clean Water and Sanitation Initiative and support expanded access to sanitation for the rural poor in Cambodia. Proposals for co-funding projects of ADB and UNICEF were developed and reviewed. Due to funding uncertainties, further work will not be undertaken in this area in 2009. It is likely that this objective will be removed from the program strategy.


Estimated expenditure

Estimated expenditure for Pillar 2 (objectives 3 and 4) in 2008–09 was \$7.6 million, or 12% of the Cambodia Program.

Pillar 3: Strengthen the law and justice system

Objective 1: Improved capacity and commitment of courts, prisons, police and provincial authorities to function effectively and equitably (particularly in dealing with vulnerable groups)

Rating

 The objective will be partly achieved within the timeframe.

Assessment of results and performance

Australia has had a longstanding involvement in the legal and justice sector in Cambodia. The scale and complexity of problems in the sector are vast. Composite indicators show that the rule of law, corruption and accountability are among Cambodia's most difficult development challenges. The RGC's Legal and Judicial Reform Strategy prioritises access to justice, the establishment of a legal framework, and security institution reform. RGC reform progress is slow and has been hampered by a lack of political will, particularly with respect to judicial independence and perceptions of impunity. Our work in this area is undergoing significant change.

The Cambodia Criminal Justice Assistance Project Phase 3 (CCJAP) entered its second year in 2008. The project takes an integrated approach to justice, working with police, courts, prisons and the Council for Legal and Judicial Reform. While initial progress has been slow, the project is seeking to transition from its previous focus on capital works and individual outputs to support for national-level reform necessary to drive long-term change. In addition to legal and judicial reform, this includes public financial, civil service and decentralisation reform. These reforms are being supported in Phnom Penh and selected provinces, complemented by short-term service delivery to address immediate human rights problems.

The following results for this objective were achieved in 2008:

- > the Council of Legal and Judicial Reform developed a sector planning manual and activity monitoring system, to increase policy coherence and improve budget outcomes for institutions in the sector.
- > the General Department of Prisons developed corrections legislation and strategic planning tools to drive prison management reforms. Short-term assistance also led to improved prisoner welfare in Battambang and Prey Veng prisons through small-scale capital works.
- > strategic and annual plans were developed in four designated 'model courts'.
- > the National Police Strategic Plan was approved by the Cambodian National Police Commissioner. Drafting of a new police law is underway.

- > CCJAP worked with the Ministry of Women's Affairs and the Ministry of Justice to develop court forms so that domestic violence legislation can be translated into good practice in provincial courts.
- > AusAID supported pilots of community safety initiatives through sub-national governments in selected provinces, focusing particularly on issues affecting women and young people.

Australia also supported three Australian NGOs to work directly with communities in the areas of child protection and domestic violence. A mid-term review of the three NGO projects found mixed results and, as a consequence, only one of the cooperation agreements was extended beyond 2009.


Estimated expenditure

Estimated expenditure on Pillar 3 (Objective 5) in 2008–09 was \$8 million, or 13% of the Cambodia Program.

Pillar 4: Sustainable economic and natural resource management

Objective 1: Enhanced public financial management through the predictable and timely flow of funds while ensuring adequate controls

Rating

 The objective is on track to be fully achieved within the timeframe.

Assessment of results and performance

In 2008, Australia worked in conjunction with a number of development partners to support the RGC's Public Financial Management Reform Program. The priority for our engagement is to support progressive improvements in the financing and delivery of services in key line ministries.

Key results for this objective in 2008 included the following:

- > phase 1 of reforms to strengthen budget credibility was completed, and the next phase of reforms to strengthen financial accountability was launched.
- > revenue collection exceeded targets by 24%.
- > actual expenditure was within 5% of budget estimates.
- > a budget strategic plan to progressively integrate recurrent, capital and development partner funding in all line ministries was introduced.


The reform effort to date has largely involved engagement by development partners on technical issues. Reflecting their comparative advantage, the World Bank and IMF led development partner efforts. Notwithstanding the progress made, development partner groups have emphasised the challenges that remain to be confronted. These include improving financial management systems to support better expenditure tracking and improved accountability and transparency, including through external disclosure of audit results.

The expansion into line ministries is an important step in linking the technical reforms at the central level of government with resource allocation decisions that affect service delivery. However, AusAID sectoral work indicates that capacity and knowledge constraints will present significant challenges to the rollout of the program, and expectations need to be realistic.

Despite overall improvements, ongoing concerns about the relative weakness of government budget systems led to a decision in 2008 not to provide direct budget support through the World Bank-led Poverty Reduction and Growth Operation.

Objective 2: Improved management of natural resources (water)

Rating

 The objective will be partly achieved within the timeframe.

Assessment of results and performance

AusAID is strengthening human resource capacity in natural resource management by providing scholarships to the Cambodia Development Resource Institute and the Royal University of Phnom Penh for postgraduate study at the University of Sydney. This effort also includes research focusing on the economic, social and governance dimensions of water resource management around the Tonle Sap Basin. A sharper focus is needed to align these activities more closely with the RGC's policy priorities and to establish more effective linkages with the Ministry of Water Resources and Meteorology. There may be opportunities to integrate the work of the Cambodia Development Resource Institute with the AusAID sub-regional Integrated Water Resource Management Program. Both programs would benefit from closer alignment within a single management framework, as their activities and comparative institutional advantages are complementary and reinforcing.

Estimated expenditure

Estimated expenditure for Pillar 4 (objectives 5 and 6) in 2008–09 was \$3.9 million, or 7% of the Cambodia Program.

What is the quality of our aid activities?

Aid effectiveness and alignment with RGC priorities

In 2008, significant progress was made on aid effectiveness commitments outlined in the 2007 program performance report, most notably in the increased use of program-based approaches. The Cambodia country program currently participates in four of the seven existing program-based approaches in Cambodia: HSSP2; the public financial management reform program; mine action; and donor harmonisation and alignment. Funds disbursed through these mechanisms increased from 15% in 2007–08 to 26% in 2008–09.

The strategic objectives of the Cambodia Program and specific RGC development priorities are broadly aligned. Alignment is particularly strong in our health and public financial management activities, which support costed government-led sector strategies. The absence of costed strategies in agriculture and legal and judicial reform are a constraint to moving from project-based to more sustainable program-based approaches.

Gender

We have made progress in addressing gender issues in the program, including through support across the program to implement the National Strategy for Gender Equality. Our legal and judicial reform program worked with the police, prisons and the Ministry of Justice on the selection and promotion of women. Early results have new female recruits in the prison service and a commitment from the Police Commissioner to increase the promotion of women in the police service. The program's mine clearance activities with the UN Development Programme worked to ensure gender mainstreaming at the national policy level in the Cambodian Mine Action Authority. This work was followed through to the provincial, commune and village levels in the implementation of our integrated mine action NGO cooperation programs.

Some initiatives require further improvements to develop genuine implementation strategies that will ensure improvements in outcomes and not simply collect disaggregated data. New designs for CAVAC and the HIV/AIDS Asia Regional Program, which included thorough gender analysis and specific gender indicators, are positive examples.

What are the management consequences of this assessment?

The global recession and the Australian Government's new aid policy statement (released with the 2009–10 Budget) sharpen the strategic choices for future aid activity in Cambodia. Two conclusions are apparent:

- > the finalisation of the country strategy to provide coherence and direction for our activities is urgently needed.
- > further program consolidation is needed to ensure strategic priorities can be achieved.

Finalisation of the country strategy

Because our program cannot do everything, we need to assess Australia's comparative advantage and expectations of the impact of program activities, and our choices need to be reflected in the 2009–15 country strategy. Of the existing priorities covered in this report, some have clearly increased in importance while others have diminished.

Health and agricultural development will remain the core priorities of our program. Our activities in these areas can be further sharpened in 2009–10 to respond to the global economic crisis and the priorities of Australia's new aid policy statement.

In **health**, we will continue to focus on progress against MDGs 4 and 5. MDG indicators report increasing rates of child malnutrition, and maternal health indicators remain a significant concern. Australia's new family planning guidelines for development assistance will necessitate a change in the nature of the policy dialogue with the RGC on these issues. More broadly, we will focus on measures to ensure that access to health services is maintained and, where possible, expanded. In the approaching HSSP2 mid-year review, we will advocate strongly for a national health equity fund to provide a safety net for low-income households.

In **agriculture**, we will provide additional support to the World Bank Development Policy Operation, which is being funded from the Global Food Crisis Response Program (to which Australia is the largest bilateral donor). The operation will not only strengthen the broader agricultural sector, but also strongly support CAVAC's activities (which include strengthening community-based farmer associations, establishing explicit government funding for irrigation maintenance, and improving seed and fertiliser markets for smallholder farmers).

Law and justice activities will remain a central pillar of the country strategy. Despite our 10-year commitment to the sector, serious questions remain about the impact of our support. A major review of CCJAP's mid-program performance is proposed for 2009–10.

Growing investment in **infrastructure** activities warrants inclusion as a stand-alone pillar in the country strategy. Those activities provide for increased trade and labour-intensive employment, which will make important long-term contributions to Cambodia's development. In 2009–10, we will consider scaling up our infrastructure activities significantly through an

assessment of a request to co-finance an ADB project to rehabilitate Cambodia's national railway. We will rigorously assess the project's ability to increase Cambodia's economic competitiveness and support regional economic integration.

Economic and natural resource management will be removed as an explicit pillar of the country strategy. While important, the pillar accounts for a small proportion of program expenditure and we lack the technical skills to assume a leadership role. Support for public financial management will continue, with a sharper focus on sectoral programs and service delivery improvements. Support for natural resource management will continue to focus on water issues through links with our sub-regional program.

Social protection initiatives will require a clearer focus in the Cambodia Program. This is an area of pressing development need and longstanding Australian interest. Funding of the World Bank's Development Policy Operation will facilitate an expansion of the World Food Programme's school feeding program, food-for-work programs and a rice distribution program in 200 communes.

Scholarships are a clear Australian Government priority that has, to date, been under-represented in the program. A modest initial increase from 20 to 25 scholarships and expanded eligibility beyond the government sector in 2009–10 will begin to address this.

Program consolidation

Funding constraints will prevent further involvement in proposed water and sanitation activities, as well as any new stand-alone governance activities. There are opportunities to reposition the program through new activity development in 2009–10. This is particularly relevant in meeting the Australian Government's policy priority to deepen our partnership with NGOs and civil society. While this engagement is a significant part of our program, it is currently constrained by diffuse delivery arrangements (11 separate programs) and relatively small amounts of individual funding. The conclusion of the Land Mine Survivor Assistance Program and the decision not to extend five NGO cooperation agreements beyond 2009–10 provides a timely opportunity to formally review these arrangements. Particular issues to be considered in the review will include linkages to the new country strategy, the impact and effectiveness of program activities, and the mix of support for local and international NGOs and civil society.

Australia's mine action commitments conclude at the end of 2010, giving us an opportunity to align any future support with the Australian Government's disability initiative.

Aid effectiveness and program delivery

Australia's use of program-based approaches in the health sector will increase in 2009 as a result of the scale of our support for HSSP2, which will soon become our largest single program. The challenge for AusAID and other development partners will be to encourage other donors to pool funds and support into HSSP2 so that Cambodia can move towards a truly sector-wide approach.

More basic reforms are required in the agricultural sector to support the implementation of the RGC's strategy on agriculture and water, including integration into the national budget and aligning financial and human resource planning with the priorities articulated in the strategy. We will fund technical assistance to help the government and development partners to develop a roadmap for transitioning to a program-based approach.

Human resources and organisational issues

Recent growth in staff numbers provides a sustainable base to deliver program activities. No further resource bids are foreshadowed in 2009. In-house advisory capacity has sharpened our engagement in the health and agriculture sectors. While that approach is not broadly replicable, the Cambodia Program is looking at more flexible arrangements to access relevant technical expertise. This will be particularly critical to support our transport- and energy-related infrastructure activities.

Performance against Millennium Development Goals

Cambodia's progress towards meeting its MDG targets is mixed. Good progress has been made in the areas of education (MDG 2), HIV/AIDS and malaria control (MDG 6). Advances have been made in reducing extreme poverty (MDG 1), and there has been progress in reducing child mortality rates (MDG 4) and in mine clearing (MDG 9). However, Cambodia remains one of the poorest countries in East Asia, with some 68.2% of people living on less than US\$2 per day. Many rural people remain vulnerable to extreme poverty from global economic shocks, including increases in commodity prices and global slowdowns. The maternal mortality rate (MDG 5) remains disturbingly high. There has been limited success in provision of access to clean water and sanitation (MDG 7). Results in reducing violence against women and increasing women's representation in public institutions (MDG 3) are also concerning.

Table A1: Key indicators in Cambodia's MDG progress

MDGs	Base (year)	2005 target	2005 (actual)	2010 (NSDP target)	MDG target	Likelihood of achieving MDG
Poverty rate (%)	39 (1993)	31	34.7	25	19.5	Unlikely
Food poverty rate (households unable to ensure 2100 calories/day/person) (%)	20 (1993)	16	19.7	13%	10%	Unlikely
National enrolment rate, primary education (%)	87 (2001)	95	91.3	100	100	Likely
Gender parity in enrolment (ratio of girls to boys)						
Primary (%)	87 (2001)	98	89.5	100	100	Unlikely
Secondary (%)	63 (2001)	96	77	100	100	Unlikely
Under-five mortality rate (deaths/1000 births)	124 (1998)	102	82	85	65	Likely
Maternal mortality rate (deaths/1000 births)	437 (1997)	343	540	243	140	Unlikely
HIV and AIDS prevalence (%)	3 (1997)	2.3	1.9	2	1.8	Likely
Access to clean water source (%)						
Rural	24 (1998)	30	35	40	50	Unlikely
Urban	60 (1998)	68	75.8	74	80	Likely
Access to improved sanitation (%)						
Rural	8.6 (1996)	12	16.4	20	30	Likely
Urban	49 (1998)	59	55	67	74	Unlikely
Civilian casualties from mines and unexploded ordnance	1691 (1993)	500	875	205	0	Unlikely

Quality reporting 2008

Table B2: Quality at implementation (QAI)

No	Initiative name	Implementation progress	Achieving objectives	Monitoring and evaluation	Sustainability
1	Cambodia – Australia Development Scholarships	(Green)	(Yellow)	(Yellow)	(Yellow)
2	Agriculture Quality Improvement Project	(Yellow)	(Yellow)	(Amber)	(Yellow)
3	Cambodia Public Financial Management		(Green)	(Green)	(Green)
4	Radio Development Assistance Project	(Yellow)	(Green)	(Yellow)	(Yellow)
5	Australia–Cambodia NGO cooperation agreements implementation	(Yellow)	(Yellow)	(Green)	(Yellow)
6	Strengthening Democracy and Electoral Processes	(Yellow)	(Yellow)	(Yellow)	(Yellow)
7	Clearing for Results 2006–2011	(Yellow)	(Green)	(Green)	(Yellow)
8	CDRI Water Resource Management	(Yellow)	(Yellow)	(Amber)	(Yellow)
9	Cambodia Criminal Justice Assistance Initiative	(Yellow)	(Amber)	(Amber)	(Amber)
10	Cambodia Agriculture Value Chain Program	(Yellow)	(Yellow)	(Yellow)	(Yellow)
11	Election support	(Yellow)	(Yellow)	(Yellow)	(Yellow)
12	Cambodia harmonisation and alignment	(Green)	(Green)	(Green)	(Yellow)
13	Cambodia Delivering Better Health	(Green)	(Green)	(Green)	(Green)
14	Landmine Survivor Assistance Program 2007–2009	(Green)	(Green)	(Green)	(Yellow)
15	Southern Coastal Corridor	(Amber)	(Yellow)	(Amber)	(Yellow)
16	Road Asset Management Program	(Green)	(Yellow)	(Yellow)	(Yellow)

Summary QAI performance 2008–09

Table C3: 2008–09 Cambodia QAI summary performance

	Implementation progress	Achieving objectives	Monitoring and evaluation	Sustainability
6 (Green)	0	0	1	0
5 (Green)	5	6	5	1
4 (Yellow)	9	6	4	11
3 (Amber)	0	2	4	2
2 (Amber)	0	0	0	0
1 (Amber)	0	0	0	0
Total	14	14	14	14
Unsatisfactory (1, 2, 3)	0	3	4	2
% of QAIs	0%	14%	29%	14%
Satisfactory achievement (4,5,6)	14	12	10	12
% of QAIs	100%	86%	71%	86%
Special category: Requires improvement (1, 2, 3, 4)	10	9	9	14
% of QAIs	64%	57%	57%	93%
Satisfactory (4, 5 and 6)				
6 (Green)	Very high quality			
5 (Green)	Good quality			
4 (Yellow)	Adequate quality; some work to improve needed			
Less than satisfactory (1, 2 and 3)				
3 (Amber)	Less than adequate quality; needs significant work			
2 (Amber)	Poor quality; needs major work to improve			
1 (Amber)	Very poor quality; needs major overhaul			

Note: Total initiatives, 14; QAIs completed, 14; outstanding QAIs, 0.