



# **Cambodian-German Development Cooperation**

## **Joint Strategy for the Priority Area**

### **“Rural Development”**

February 2011

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## **Abbreviations and Acronyms**

ADB	Asian Development Bank
AFD	Agence Française du Développement
CARD	Council for Agriculture and Rural Development
CEDAC	Cambodian Center for Study and Development in Agriculture
CMDGs	Cambodia Millennium Development Goals
CSES	Cambodian Socio-Economic Survey
D/M Fund	District and Municipality Fund
FAO	Food and Agriculture Organisation
IFAD	International Fund for Agricultural Development
JICA	Japan International Cooperation Agency
MAFF	Ministry of Agriculture, Forestry and Fisheries
MLMUPC	Ministry of Land Management, Urban Planning and Construction
MRD	Ministry of Rural Development
NGO	Non-Governmental Organisation
NSDP	National Strategic Development Plan
RS	Rectangular Strategy for Growth, Employment, Equity and Efficiency
TWG	Technical Working Group
SNIF	Sub-national Infrastructure Fund

## 1. Summary

Despite progress in poverty reduction (a decline in poverty rate of more than one percentage point per year from 35% in 2004 to 27.4% in 2009), incidence of poverty, especially in rural areas, remains high. The Royal Government of Cambodia (RGC) has declared poverty reduction one of its political priorities, with "growth with equity" at the center of poverty reduction. Building on the foundation of progress made so far, rural development thus presents an opportunity, a potential that can fully be tapped for poverty reduction and economic growth. The main objective of this Cambodian-German Joint Strategy on Rural Development is to analyse the existing challenges and impediments to rural development and on that basis identifies key areas for bilateral cooperation in this sector. With a view, based on Cambodian policy guided by the Rectangular Strategy (RS) Phase II, to contributing to poverty reduction and improving the living conditions of poor people in rural regions, the overall sector strategy goal is focusing and defined as follows:

**"The living conditions of the poor rural population, especially women, in programme areas will be sustainably improved."**

Cambodian-German development programmes to support RGC's development policies (RS-Phase II and NSDP) will be conducted within the two defined fields of action "**Regional Economic Development**" and "**Support to the Land Sector Programme**". Programmes for regional economic development support the poor rural population in the programme areas, in particular women, in making use of the improved infrastructure and the extended scope for action to participate to a greater extent in sustainable economic development. The German support of the Land Sector Programme is aimed at improving social balanced, gender-equitable and secure access to land in rural as well as in urban areas, and therewith striving to attain the objective that the poor urban and rural population, in particular women, can better realize their appropriate rights to food and housing.

Suitable areas of bilateral cooperation involve the support of the value chain approach, measures relating to productivity increases in the agricultural sector, and the promotion of dialogue and cooperation between various actors. In addition, German support will contribute to the improvement of consultation, coordination and citizen participation in local planning processes in order to strengthen the different roles of the state, private sector and civil society within the scope of economic development in rural areas. At the same time, investments in rural infrastructure and support for the implementation of the land reform will be part of the German contribution to Cambodia's development agenda. Support will be provided to increase the proportion of the Cambodian population that receives legally secured access to land in a socially balanced manner, when respecting especially the rights and needs of indigenous communities and informal urban and rural settlers. The German support will take into account more strongly the requirements of the poor population regarding socio-economically and regionally balanced and equitable spatial and land use planning as well as the resolution of land conflicts in urban settlements in selected regions.

## 2. General situation and national strategies

### 2.1. General situation in the priority area

Cambodia's rural areas continue to be the home for more than 80% of the population and account for a significant portion of GDP. Most notably affected by poverty<sup>1</sup> in Cambodia are women, children and the rural population in general. More than 90% of the poor live in rural

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<sup>1</sup> About 30% of the country's population has less than USD 0.50 to USD 0.75 per day at their disposal, and even more than 40% lives below the World Bank's poverty line of USD 1.0 to USD 1.50 per day.

areas. Poor households spend about 70% of their income on food. Nevertheless, about 40% of Cambodian children under the age of 5 are chronically undernourished.<sup>2</sup>

More than 60% of the population of Cambodia earn their living primarily in agriculture, fisheries and forestry. In 2004, over 80% of all women in Cambodia were economically active, whereas 60% were working in the agricultural sector. In 2004, about 26% of the population was between 15 and 24 years old, of which 80% lived in rural areas. Only one third of this group was working, two thirds of them in the agricultural sector.

Economic growth in the last years has reduced poverty all over Cambodia. Rural areas have also seen improved living conditions in terms of food security, rising productivity and increased diversification of agriculture.<sup>3</sup> However, growth in rural areas was significantly lower than in urban areas. Despite this progress, it has been observed that poverty reduction was unable to prevent widening social inequality: the Gini coefficient rose from 0.34 (2004) to 0.36 (2007). Still, 20% of the rural population has no access at all to land suited for use as farmland and 80% of the rural population farm on areas of less than one hectare per household, thereof 25% have less than 0.5 ha.

The dramatic increases in food prices in 2008 and the adverse effects of the global economic crisis on Cambodia seem to have been jeopardising the positive developments achieved in recent years. However, the newly released data by MOP/NIS indicates a further decline in poverty reduction from 30% in 2007 and 27.4% in 2009. Therefore, the Joint Cambodian and German efforts will continue to focus on poverty reduction in rural areas of Cambodia by diversifying regional economic development action plan and enabling legal access to land tenure, especially for poor households to support the government in achieving their target at 19.5% poverty level by 2015 as outlined in the NSDP Update.

## **2.2 Relevant Cambodian strategies**

Poverty reduction policies of the RGC, including in the rural areas, are articulated in the Rectangular Strategy-Phase II, operationalized by the NSDP Update 2009-2013 towards achieving the Cambodian Millennium Development Goals (CMDGs). RGC has committed to achieving sustainable economic growth rate of 7% per annum and to reduce poverty by at least 1 percentage point per annum. The Cambodian MDGs, comprising 9 indicators of which 3 are on track, include efforts to strive for a poverty level with 19.5% of the population living under the poverty line by 2015 and for gender mainstreaming.

In the field of rural infrastructure development, Cambodia aims to rebuild 28,000 km of 32,000 km of rural roads by 2015, to double the length of the 22kV transmission line network and to double the number of household consumers of electricity between 2008 and 2013. The NSDP 2009-2013 emphasises the promotion of women, also in agriculture, in order to overcome gender specific discrimination for access to productive resources.

Regarding the Cambodian Millennium Development Goals (CMDGs), the following goals are particularly relevant for the priority area: CMDG 1 (poverty and hunger), CMDG 2 (education). In addition, there are interrelations with the following CMDGs according to the existing cross-sectoral issues: CMDG 3 for gender, CMDG 6 for HIV/AIDS, CMDG 7 for environment and CMDG 9 for de-mining.<sup>4</sup> The targets for CMDG 1, 3, 4, 6 and 9 may be yet possible to achieve with concerted efforts.

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<sup>2</sup> Cambodian Anthropometric Survey, NIS, 2008

<sup>3</sup> This growth contributed to poverty reduction in rural areas from 39.1% (2004) to 34.7% (2007).

<sup>4</sup> In addition, the following Cambodian strategy papers are going to guide the joint development cooperation efforts in the area of rural development: The Rectangular Strategy II, which will be implemented mainly through the NSDP Update 2009-2013; Strategy on Agriculture and Water, 2008, in particular programme 3 on agribusiness and agriculture (elaborated jointly with development partners); Interim Paper on Strategy on Land Policy Framework (Green Paper), 2002 – including the Land Administration Management and Distribution Programme (agreed on with development partners), Land Policy Declaration of the Royal Government of Cambodia, 2009, developed in consultation with development partners; Policy for Rural Roads, 2002; Strategic Plan for Rural Roads, 2007; Rural Roads Policy, 2008; SME Development Framework, 2004 (agreed on with development partners); Strategic Framework for Food Security and Nutrition, 2008 (developed by CARD).

Cambodia has ratified most important human rights treaties and is committed to implementation.<sup>5</sup> In addition, RGC has adopted various regulations on the improvement of the rights of minorities. Their implementation, however, is still influenced by limited capacity of the judicial system, although the government has been striving very hard to strengthen it.

In order to support poor and disadvantaged groups in society, priority investments in poor regions and households (especially for female-headed households) are needed. The NSDP Midterm Review 2008 already brought this into focus. In spite of commendable but gradual improvements in the implementation of the NSDP, poor and disadvantaged groups continue to face challenges and constraints in realizing the development benefits. Pro-poor growth policies have increasingly been emphasized by RGC.

### **2.3. Main challenges and potentials**

During the last ten years, Cambodia has seen strong economic growth of an average of more than 8% per annum, largely due to a small number of sectors (the textile industry, tourism and the construction industry). Cambodian agriculture is dominated by rice, which covers 85% of the farmland but creates merely 45% of the added value. Only about 24% of the land used for rice is irrigated<sup>6</sup>, and at an average of 2.72 t/ha the productivity is lower than in other countries in the region. Cambodia's agricultural exports are little diversified and largely limited to unprocessed primary products. Therefore, a high percentage of higher-value agricultural products are imported from neighbouring countries.

A central key to poverty reduction and sustainable rural development is the diversification and commercialisation of the Cambodian agriculture. One of the main challenges to date is the low level of competitiveness of Cambodian agricultural products, which derives from extraordinarily high costs for all agricultural processes, particularly in terms of energy and transport. Further obstacles are weak services (finance, information and extension), little coordination and cooperation between value chain actors, and limited access to quality inputs. To date rural regions are not sufficiently interlinked with the (mainly urban) growth sectors although infrastructures such as roads and bridges have been constructed to link the rural areas to the urban centers. This is a particular challenge for efforts to diversify and commercialise agriculture and to integrate rural areas more fully in economic cycles. In addition, food security remains a key concern, especially for poor rural families if prices of rice rise again.

Despite such significant impediments, there are good opportunities and potentials for development in the agricultural sector. The recent Government Paper on the promotion of paddy production and rice export aims at exploiting these potentials. Agricultural infrastructures (irrigations, water, extension services, etc.) have received government attention. Cambodia provides adequate resources for pro-poor economic development and food security for its people (manpower / especially young people, land, and natural resources). Its regional embedding offers good opportunities for economic development, as neighbouring countries are rapidly developing and have "pull" effects on the Cambodian economy. Cambodia is a signatory to free trade agreements and a member of regional trading alliances through which it obtains access to international markets, including EU under EBA scheme for LDCs. The privatisation of formerly state-owned enterprises is largely completed, which provides development opportunities for the private sector.

The Cambodian private sector increasingly demonstrates a strong interest in agriculture and investments in rural areas, and it thus provides good potential for the development of smallholder agriculture with improved links to markets and know-how transfer within value chains and provision of private-sector services. As the rural economy becomes increasingly

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<sup>5</sup> E.g. ICCPR, ICESCR, CEDAW, CRC.

<sup>6</sup> Ministry of Agriculture, Forestry and Fisheries, MAFF, 2008

market oriented and diversified, agricultural extension work tends to be taken over by the private sector (e.g. embedded services, contract farming and market pull).

A major obstacle to rural development is limited access to rural infrastructure (e.g. rural roads, access to electricity) . Cambodia still has the lowest electrification rate and some of the highest prices for electricity in the region. The average distance of a village to the closest year-round all-weather road is 1.2 km. The transport cost is still high (some USD 15 per tonne per 100 km for agricultural product)<sup>7</sup>. In addition, it affects the rural population's access to economic (markets etc.) and social services (schools, health stations, etc.). Again, women are particularly affected by these shortcomings, as a mere 10% of them have access to those facilities.

The years 1975-1979 almost destroyed the cadastral and administration systems of land and titling. Efforts to rebuild the cadastral system and the legal framework for land titling is still on-going. Much needs to be done including the strengthening of the judicial systems so that the protection of land rights can be provided by the state.. With the recent rise in land prices, the incidences of land grabbing and involuntary resettlements have risen sharply over the last few years. Poor households and indigenous communities are especially affected. Land security has been recognized by the government as crucial for rural development in Cambodia today. Without land titles people do not have access to (micro-) credits which might be used for investments for more productive production. In addition, conflicts on land rights (e.g. farmer versus economic land concession owner) hinder rural development and poverty alleviation. To date, land titles for about 24% of the Cambodian farmland have been issued<sup>8</sup> on the basis of the 2001 Land Law, which provides for the re-establishment of the cadastral system. The implementation of the Land Law is still complex, mostly in areas where the interests of investors conflict with the poor. State land is distributed for development with unsatisfactory concern of the needs of the current, partly informal land users. The urban and rural poor, in particular women, have difficulties in securing their rights to appropriate food and housing. Especially the land rights of indigenous communities need to be protected and communal land titles need to be distributed.

The ongoing decentralisation process offers opportunities for increased development, as the transfer of responsibilities may positively affect the motivation of local governments to find local solutions for rural economic development, including measures to assist the poor people within the communities. One important challenge in this area is the low level of administrative and managerial human capacities available particularly at sub-national level. One reason is the low salary paid to public servants, which leads to reduced motivation and productivity.

Although comparatively many civil society organisations operate in Cambodia, NGOs continue to play a subordinate role in the political life and democratic processes. Participation in terms of genuine consultation is still more the exception than the rule, though this has begun to change. There seems to be two main reasons for this: individualism behaviour, lack of networking and cooperation among NGOs, and the lack of means of exchange at the working level between state and non-governmental stakeholders as well as with the private sector.

In addition, some groups appear to resist pro-poor development efforts: various interest groups in Cambodia circumvent sustainable and poverty reduction-oriented use of natural resources, while monopolies and oligopolies distort the product and land markets. Resistance may also occur as a result of infringement of land rights and residence rights. The poorly developed legal framework and/or lack of law enforcement at times encourage illegal seizure of land. However, when the poor seize land illegally, it is important to take into account their poverty as well as land and housing needs to find a solution to these problems.

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<sup>7</sup> For comparison: The costs in Vietnam amount to less than USD 8 per tonne per 100 km and in Thailand to less than USD 4 per tonne per 100 km.

<sup>8</sup> National Strategic Development Plan (NSDP) 2009 - 2013

## **2.4 Cambodian cooperation partners**

Cambodian cooperation partners for German Development Cooperation in the priority area are the Council for Agricultural and Rural Development (CARD), the Ministry of Agriculture, Forestry and Fisheries (MAFF), the Ministry of Commerce (MoC), the Ministry of Economy and Finance (MEF), the Ministry of Interior (Mol), the Ministry of Land Management, Urban Planning and Construction (MLMUP) and the Ministry of Rural Development (MRD). In addition, the relevant downstream provincial and district departments of these ministries as well as provincial, district and local authorities and self-governing bodies at local and district levels are cooperation partners. Furthermore, national and international NGOs operating in the sector as well as the private sector may be potential cooperation partners to implement development cooperation programmes.

## **2.5 Capacity development needs**

Even 17 years after the first general elections in 1993, Cambodia is still feeling the effects of the civil war and internal conflict. The "missing generation" and the impacts of the nearly complete elimination of the intelligentsia still represent a quantitative and qualitative challenge for capacity development in general in Cambodia. The current cooperation and coordination within and among Cambodian ministries do leave room for improvement. The administrative and managerial capacities of national ministries, provincial and district authorities are in a process of being strengthened.

Regarding the target group of ongoing and potential development programmes, it has been observed that the rural population currently has little information on market opportunities and limited understanding of market mechanisms and requirements (quality standards, etc.), in particular because economic development and competition is very much at odds with the traditional lifestyle of the people. Cultural and economic reticence and a low level of self-confidence with respect to making the most of new opportunities and facing risks inherent in new business ideas are widespread, especially among the rural population, particularly the rural poor. Women are often unpaid or underpaid, and they are still unable to develop their potential given the prevalence of gender discrimination and their lacking negotiating skills.

## **3. Development partner activities and coordination**

The most important development partners in the area of rural development in Cambodia alongside Germany are the World Bank, IFAD, ADB, Australia, Japan and France.<sup>9</sup> Sector-relevant NGOs include Asia Foundation (USA) and GRET (France) with a focus on economic promotion, dialogue forums and industrial associations, as well as Buddhism for Development and CEDAC (both Cambodian) and Oxfam (UK, USA) with a focus on agricultural productivity and diversification. In addition to these NGOs, about 15 different human rights organisations support the Cambodian population regarding their land tenure rights according to the Cambodian Land Law. Projects on de-mining/unexploded ordnance (UXO) are implemented by various donors (EU, Finland, Germany, Japan, USA, etc.) and NGOs, and are of considerable relevance to rural development.

Coordination among Government and development partners takes place via Technical Working Groups (TWGs). The Cambodian-German priority area of rural development, the content of which this strategy defines, is not reflected one to one by the in-country structure of the TWGs. There is no respective "lead donor" for rural development. As a result, representatives of German Development Cooperation are taking part in all the TWGs relevant to Cambodian-German programmes in order to coordinate the objectives and

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<sup>9</sup> See Annex 1 for a detailed synopsis on development partner activities related to the fields of action of Cambodian-German Development Cooperation.

measures of the existing programmes with other development partners. Representatives of German Development Cooperation take part in the following TWGs:<sup>10</sup>

- Technical Working Group Agriculture and Water (Co-Chairs Ministry of Agriculture, Forestry and Fisheries (MAFF), and Ministry of Water Resources and Meteorology (MoWRAM), Lead Donor Facilitators AusAid and FAO)
- Technical Working Group Infrastructure and Regional Integration (Chair Ministry of Public Works and Transport (MPWT), Lead Donor Facilitator JICA)
- Technical Working Group Rural Water Supply and Sanitation & Hygiene (Chair Ministry of Rural Development (MRD), Lead Donor Facilitator UNICEF)
- Technical Working Group Land (Chair Ministry of Land Management, Urban Planning and Construction (MLMUPC), Lead Donor Facilitator Germany and Canada)
- Technical Working Group Food Security and Nutrition (Chair: Council for Agriculture and Rural Development (CARD), Lead Donor Facilitator: World Food Programme)

#### **4. German contribution**

With the German support in the area of rural development in Cambodia, which complements the support in the health sector, Germany is contributing to the achievements of the Millennium Development Goals and thereby especially to poverty alleviation in rural areas. The German contribution will strengthen the private sector in rural areas and civil society organisations.

The German contribution aims to continue the concentration on coherent geographic development regions in order to use synergies and to reduce transaction costs. However, support measures for the programmes focusing on land issues will entail nationwide inputs. The German development corridor and the involved regions are identified using the following criteria: (i) high incidence of absolute poverty (ii) economic potential and (iii) geographical cohesion of the Cambodian-German development region.<sup>11</sup>

To implement the objectives of the Cambodian-German cross-sectional support for “Good Governance”, the joint programmes will implement support elements for good governance via the twin-track approach, primarily in the areas of administrative reform, decentralisation and civil society. As laid down in the Cambodian-German strategic framework for cross-sectional assignment “Democracy, Civil Society and Public Administration” - Good Governance”, the twin-track approach implies on the one hand joint Cambodian-German efforts in these thematic areas in the form of specific programmes. On the other hand, tasks in this area form an integral part of all projects supported in the priority sectors of 'rural development' and 'health' in Cambodian-German cooperation. Hence, all projects promoted must contribute to strengthening the legal and institutional framework, democratic development and good governance.<sup>12</sup>

In line with the term of the NSDP Update 2009–2013, the priority area strategy is to cover the period up to 2013 at least.

#### **4.1 Fields of action, objectives and indicators**

**Overall goal for the priority sector strategy:** “The living conditions of the poor rural population in selected areas, especially of women, will be sustainably improved.”

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<sup>10</sup> Responsible ministries and lead partners on donor side in brackets as of September 2010

<sup>11</sup> As a result, the "German development corridor" covers the provinces of Siem Reap and Kampong Thom, the central Cambodian provinces of Battambang, Kampong Chhnang, Kampong Speu and Kampong Cham and the southern provinces of Takeo and Kampot.

<sup>12</sup> For further information on the cross-sectional task, please refer to the Cambodian-German strategic framework on “Democracy, Civil Society and Public Administration – Good Governance”, 2007.

In order to address the jointly defined challenges and to utilise the potentials in the priority area, the German contribution will be delivered within two fields of action: “Regional Economic Development” and “Support to the Cambodian Land Sector Programme”.

**Objective of the field of action “Regional Economic Development”:**

"The poor rural population, in particular women, increases its income and actively participates in local sustainable economic development."

**Indicators for the field of action “Regional Economic Development”**

Indicator 1: Higher family income of the poor rural population in the target region (base value in 2011). The share of poor households and women headed households that benefit from the improvement corresponds at a minimum to their share of the population.

Indicator 2: Reduction, from x to y, of the average cost of transport (commodities / passenger transportation) to nearest towns that are districts' commercial centres or have some other characteristics of central locations, for example a permanent (daily) market.

Indicator 3: The traded volumes of locally produced agricultural goods, namely rice, fruits, vegetables and handicrafts increased from x to y.

The value assignment of indicators 1, 2 and 3 will be carried until August 2011 and will be integrated in an updated version of the strategy paper.

**Objective of the field of action “Support for the Land Sector Programme”:** “The poor urban and rural population, in particular women, can better realize their appropriate rights to food and housing.”

**Indicators for the field of action “Support for the Cambodian Land Sector Programme”:**

Indicator 1: In communes where the land title distribution through the systematic registration process and in areas where former landless and the poor received land the local hunger index is x percent points lower than the World Hunger Index for Cambodia (own data collection compared with national WHI for Cambodia, baseline in 2010 is 20.9 percent points).

Indicator 2: Following the implementation of circular 3 informal settlers on urban state public land who qualify have received ownership rights to the property within 10 years of usufruct right and rental right (Source: Use Agreements/Leases of the Settlers).

Indicator 3: The proportion of women who have received land titles through the systematic land titling process or land certificates through the State land distribution process is at least 50% (source: cadastral offices data).

Indicator 4: At least 80% of all land title recipients confirm a reduction of land conflicts in their communes. Among indigenous communities and formerly informal settlers the proportion is also at least 80% (Source: own data collection in 2012, 2015).

The value assignment of indicator 1 and the baseline data for all indicators will be carried until August 2011 and will be integrated in an updated version of the strategy paper.

## **4.2 Instruments and levels of intervention and cooperation**

The German contribution intends to make systematic use of the potential offered by the multi-level approach by interlinking different tools of German development cooperation (technical and financial cooperation). In order to contribute to efforts on harmonisation and alignment, within the next few years, there will be a systematic examination to determine the potential of German participation in Programme-based Approaches in the rural development sector and foster agreements with other development partners (e.g. delegated cooperation

agreements). Synergies will be used among the different Cambodian-German programmes in the field of action “Regional Economic Development” and with the Cambodian-German programme "Support for administrative reform" on issues of decentralisation (Organic Law). 10 years National Program for sub-national Democratic Development ( NP-SNDD) and 3 years Implementing Plan (IP3).

### ***Field of action “Regional Economic Development”***

Cambodian-German development programmes in the field of action on regional economic development will in future focus on supporting the value chain approach, promoting dialogue and cooperation between various actors, improving citizen participation in local planning processes in the context of decentralisation, as well as qualifying state services and local self-government bodies in their specific roles for economic promotion in rural areas. In addition, capacity building activities will increase the competences of sub-national and local staff to actively design and coordinate a potential-oriented and participatory-regional development of rural areas. At the same time, investments in rural infrastructure, especially markets and rural roads, will be implemented linked with the mentioned rural economic promotion measures.<sup>13</sup>

In addition, specific measures relating to the potential to boost productivity (including rice) and competitiveness of smallholder agriculture and the agricultural sector will be considered, e.g. support for the networking of important actors in the value chains, capacity development for provision of market-driven public and private services, support of farmer associations and other private sector associations, and promoting Public-Private Partnership (PPP).

The impact chain for the field of action “Regional Economic Development” reads as follows: Funding and advice for the planning, construction and maintenance of rural infrastructure are made available. New approaches and instruments for regional economic development are introduced and public, private sector and civil society actors are capacitated to develop new initiatives and services for economic development. National training institutions are qualified to develop training modules and to build capacities in regional economic development (Outputs). MRD and local administration use new knowledge, procedures and financial resources to improve the rural infrastructure and for improved maintenance measures. National training institutions use new methods for the qualification of actors in regional economic development. Public and private sector and civil society stakeholders implement joint initiatives for regional economic development. Local government bodies use new capacities for demand driven measures to promote economic development. Public and private service providers provide access to know-how and innovations for sustainable, market oriented rural production. Producers and rural enterprises use new services and new forms of cooperation to enlarge their business operations (Use of outputs). This improves the access of poor rural households to economic and social services as well as to markets and increases their participation in economic development (Outcomes) which leads to increases in income for the poor rural population (Impact).

### ***Field of action “Support to the Land Sector Programme”***

Within this field of action, Germany will support all three existing Cambodian land sub sector programmes<sup>14</sup>. Focus will be on the strengthening and improving of the cadastral system, the establishment of a sustainable, pro-poor spatial planning policy and land use planning measures. In addition, support will be granted for the resolution to land conflicts in urban and rural areas and for the elaboration of an implementation strategy for land distribution, with

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<sup>13</sup> At the moment there are still three energy projects being implemented under financial cooperation via KfW in order to build up three transmission lines. An impact analysis will be established in 2012 to evaluate the pro-poor impact of these projects.

<sup>14</sup> Land Administration Sub Sector Programme (LA-SSP), Land Management Sub Sector Programme (LM-SSP), Land Distribution Sub Sector Programme (LD-SSP).

focus on the rural poor. German Development Cooperation will therewith support the Cambodian Land Sector Programme at the macro, meso and micro levels (advisory services, and human resources development).

The impact chain for the Cambodian-German programme reads as follows: Employees of MLMUPC and its departments at sub-national level are advised and trained. Interministerial and multi stakeholder consultation and negotiation processes are initiated which will lead to the improvement of the systems of land administration, land management and land distribution. Local authorities, involved citizens and civil society organizations are trained in spatial planning and land use planning as well as in the resolution to land conflicts. The Royal University of Agriculture has developed an academic program for land administration and land management (Outputs). MLMUPC applies new capacities and improved procedures in the design of the policy and legal framework and to donor coordination, and, on the local level, to issuing land titles, land dispute resolution and land distribution to the poor. Local authorities and participating citizens use new capacities for the implementation of needs-based spatial planning and land use planning. The agricultural university uses new capacities and training modules for the training of qualified young professionals (Use of Outputs). In the framework of a comprehensive spatial planning concept the proportion of the Cambodian population that received legally secured access to land has increased in a socially balanced manner. Requirements of the poor population are taken into account more strongly in the spatial planning and land use planning as well as in the resolution of land conflicts in urban settlements in selected regions (Outcomes). Consequently, the poor urban and rural population can better realize their appropriate rights to food and housing (Impact).

### ***Target group of the joint programmes***

Development programmes under this strategic framework are intended to support poor and disadvantaged people.<sup>15</sup> Poor population groups are the explicit target group of the infrastructure improvements (rural roads and markets) and economic promotion measures. Specific measures that overcome discrimination and barriers preventing the access to resources are an integral part of the programme procedures. Specific account will be taken of the need to promote women and young people, including emphasis on capacity development, particularly in order to overcome discrimination in access to resources (including land), knowledge and services in economic development in rural areas. Poor and disadvantaged population groups, especially indigenous communities and informal settlers are explicitly to be taken into account when distributing land, providing land titles and other rights for residential and agricultural use of land.

## **5. Topics for the priority area dialogue**

- Dialogue on improved coordination between the TWG Land and other land-related ministries, especially MAFF and the Forest Administration, for a more coherent State Land Management.
- Dialogue on performance-based and adequate remuneration of public servants and harmonisation of per diems and overnight allowances.
- Funding allocation for the provision of financial and material inputs for development projects and programmes in the area of rural development (e.g. securing Government budget resources for operation and maintenance of the newly established infrastructure), and especially improved self financing from increased income through fees and tax from the land sector for the financing of the land reform and the sustainability of the cadastral system.

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<sup>15</sup> See footnote 1 for the definition of poor in Cambodia.

- Resettlement policy and practices conform to universal human rights standards as well as housing policy and gender-equitable land use and distribution.
- Granting and protecting land tenure security for indigenous communities and for poor and vulnerable populations in both rural and urban areas.
- Promotion of civil society in the area of rural development and the support of dialogue between state institutions and civil society in order to improve the working climate.

## 6. Annex

### International Support in the area Rural Development in Cambodia as of September 2010

	Donor	Support to the Land Sector Reform			Regional Economic Development				
		Field of Action	Land Management	Land Administration	Land Distribution	Support to Regional Economic Development	Productivity of the Agricultural Sector	Economic relevant Support to Infrastructur, including Rural Energy	Participatory and Dialogue Processes for Rural Economic Development
	<b>Germany</b>	<b>xx</b>	<b>xx</b>	<b>xx</b>	<b>xx</b>	<b>x</b>	<b>xx</b>	<b>x</b>	
Bilaterals	Denmark	x							
	Finland		xx						
	France				x	xx			
	Netherlands						x		
	UK	x							
	EU/EC				xx	x			
	Australia				xx	xx			
	Canada			xx	x				
	China						xx		
	Japan	x				x	x	xx	
	New Zealand					x	x		x
	Rep.of Korea							x	
USA					xx	x			
Int. Org.	IBRD/WB		xx	xx	xx	x	xx	xx	
	ADB				x	xx	xx		
UN Agencies	FAO					x			
	IFAD				x	xx	x	x	
	ILO				x				
	ITC				x				
	UNCOHCHR		x						
	UNDP				x				
	UNIDO				x				

"strong engagement"

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