

**Office of the Resident Co-ordinator in Cambodia**  
No. 53, Pasteur Street, P.O. Box 877, Phnom Penh

# **United Nations Common Country Assessment**

**Cambodi**



**Phnom Penh, October 1998**

## Macroeconomic indicators

Indicator	Year	Value	Source of Value
Nominal GDP (US\$ millions)	1998*	2973	Ministry of Economy & Finance
	1997	3033	Ministry of Economy & Finance
	1996	3121	Ministry of Economy & Finance
	1995	2923	Ministry of Economy & Finance
Real GDP growth (%)	1998*	3	Ministry of Economy & Finance
	1997	1	Ministry of Economy & Finance
	1996	7	Ministry of Economy & Finance
	1995	7.6	Ministry of Economy & Finance
Per Capita GDP (US\$)	1997	276	Ministry of Economy & Finance
	1996	292	Ministry of Economy & Finance
	1995	284	Ministry of Economy & Finance
GDP by sector			
Agriculture	1997	40.6	Ministry of Economy & Finance
Services	1997	42.5	Ministry of Economy & Finance
Industry	1997	16.9	Ministry of Economy & Finance
Average annual rate of inflation (%)	1997	8	Ministry of Economy & Finance
	1996	7.1	Ministry of Economy & Finance
	1995	7.8	Ministry of Economy & Finance
Exports (as % of GDP)	1997	25.8	Ministry of Economy & Finance
Imports (as % of GDP)	1997	37.9	Ministry of Economy & Finance
Total domestic revenue (as % of GDP)	1997	9.7	CDC (1998)
from which tax revenue (as % of GDP)	1997	6.6	CDC (1998)
Government expenditure (as % of GDP)	1997	13.9	CDC (1998)
Total investment (% of GDP)	1997	28.2	CDC (1998)
Private investment (% of GDP)	1997	22.9	CDC (1998)
Public investment (as % of GDP)	1997	5.4	CDC (1998)
	1996	7.6	CDC (1998)
	1995	7.1	CDC (1998)
Overall budget deficit (as % of GDP)	1997	4.2	CDC (1998)
Current budgetary exp. on basic social services (% of total exp.)	1997	16	CDC (1998)
	1996	15	CDC (1998)
	1995	14.5	CDC (1998)

Total budgetary expenditure on basic social services (% of GDP)	1997	4.2	CDC (1998)
	1996	4.7	CDC (1998)
	1995	4.3	CDC (1998)
Total net official ODA disbursements (US\$ millions)	1997	375	CDC (1998)
	1995	513	CDC (1998)
	1993	322	CDC (1998)
Total net official ODA disbursements per capita (US\$)	1997	35	CDC (1998)
Exchange rate Riel/US\$	1997	3000	Ministry of Economy & Finance
	1996	2543	Ministry of Economy & Finance
	1995	2463	Ministry of Economy & Finance
Balance of payment current account deficit (% of GDP)	1997	14	National Bank of Cambodia
	1996	16.9	National Bank of Cambodia
	1995	15.6	National Bank of Cambodia

\* = projection

## Demographic profile

Indicator	Year	Value	Source of value
Estimated population (millions)	1998	11.4	NIS (1998a)
Annual population growth rate (%)	1998	2.4	NIS (1998a)
Population density (number of persons/km <sup>2</sup> )	1998	64	NIS (1998a)
Sex ratio (males per 100 females)	1998	93.1	NIS (1998a)
	1996	91.7	NIS (1996)
Average size of household (number of persons)	1998	5.2	NIS (1998a)
Urban population (%)	1998	15.7	NIS (1998a)
Crude birth rate	1995	36	UNDP (1998)
Crude death rate	1995	13.1	UNDP (1998)
Dependency ratio (%)		95	
	1995	83.5	UNDP (1998)
Total fertility rate (per woman)	1996	5.2	NIS (1996)
Contraceptive prevalence rate, modern method (%)	1995	6.9	MoH (1995)

## Employment

Indicator	Year	Value	Source of value
Labor force participation rate (as % of total population)	1997	65.8	NIS (1998b)
Female	1997	65.4	NIS (1998b)
Male	1997	66.2	NIS (1998b)
Women's share of adult labor force (% aged 15 and above)			
Employment status (% of total employed population)			
Paid employee	1997	9.9	NIS (1998b)
Female	1997	5.4	NIS (1998b)
Male	1997	14.9	NIS (1998b)
Own-account worker/self-employed	1997	44.7	NIS (1998b)
Female	1997	36.1	NIS (1998b)
Male	1997	54.5	NIS (1998b)
Unpaid family worker	1997	30.3	NIS (1998b)
Female	1997	42.2	NIS (1998b)
Male	1997	16.7	NIS (1998b)
Occupational distribution (% of total employed population)			
Agriculture, hunting and forestry	1997	75.4	NIS (1998b)
Wholesale and retail trade	1997	7.7	NIS (1998b)
Industry	1997	6	NIS (1998b)
Public administration and defence	1997	3.1	NIS (1998b)
Average urban unskilled wage		n.a.	

## Food security and nutrition

Indicator	Year	Value	Source of value
Agricultural production (as % of GDP)	1996	42.7	World Bank (1997a)
Food imports (as % of merchandise imports)	1994	9	UNDP (1997b)
Daily calorie supply (per capita)	1995	1.996	UNDP (1998)
Children aged 0-59 months moderately & severely underweight (%)	1996	49.3	NIS (1997)
Children aged 0-59 months moderately & severely stunted (%)	1996	56.1	NIS (1997)
Children aged 0-59 months moderately & severely wasted (%)	1996	12.2	NIS (1997)
Population below consumption-based poverty line (%)	1997	36	MoP (1998a)

## Literacy and schooling

Indicator	Year	Value	Source of value
Adult literacy rate	1997	67.8	NIS (1998b)
Female	1997	57.7	NIS (1998b)
Male	1997	80.0	NIS (1998b)
Net primary enrollment rate	1997/98	77.8	MoEYS (1998)
Female	1997/98	72.4	MoEYS (1998)
Net lower secondary enrollment rate	1997/98	16.6	MoEYS (1998)
Female	1997/98	12.4	MoEYS (1998)
Net upper secondary enrollment rate	1997/98	6.8	MoEYS (1998)
Female	1997/98	5	MoEYS (1998)
Net tertiary enrollment rate	1996/97	1.3	CSES 1997
Female	1996/97	0.3	CSES 1997
Male	1996/97	1.1	CSES 1997
Household expenditure on education (as % of total expenditure)	1997	3.2	NIS (1998b)
Budgetary expenditure on education (as % of total expenditure)	1997	12.6	Ministry of Economy & Finance
Budgetary expenditure on education (as % of GDP)	1997	1.8	Ministry of Economy & Finance

## Health

Indicator	Year	Value	Source of value
Average life expectancy at birth (years)	1997	54,4	NIS (1998b)
Infant mortality rate (per 1,000 live births)	1997	90-115	MoP (1997b)
Under-five mortality rate (per 1,000 live births)	1997	181	MoP (1997b)
Maternal mortality rate (per 100,000)	1996	473	NMCHC (1996)
Total fertility rate (per woman)	1996	5.2	NIS (1996)
Contraceptive prevalence rate, modern method (%)	1995	6.9	MoH (1995)
Births attended by trained health personnel (%)	1996	31	NIS (1997)
Deliveries taking place at home (%)	1996	89.9	NIPH (1996)
AIDS cases (per 100,000 people)	1996	2.9	UNDP (1998)
Tuberculosis cases (per 100,000 people)	1995	146	UNDP (1998)

Malaria cases (per 100,000 people)	1994	870	UNDP (1998)
People with disabilities (%)	1997	2.2	NIS (1998b)
BCG vaccine coverage (%)	1996	90	MoH (1996)
Polio vaccine coverage (%)	1996	76	MoH (1996)
DPT vaccine coverage (%)	1996	75	MoH (1996)
Measles vaccine coverage (%)	1996	72	MoH (1996)
Population with access to health services (%)			
Population with access to safe water (%)	1990-96	36	UNDP (1998)
Population with access to sanitation (%)	1990-96	14	UNDP (1998)
Outpatient consultations in all health facilities (per capita)		0.35	
Budgetary expenditure on health (as % of total expenditure)	1997	7.9	Ministry of Economy & Finance
Budgetary expenditure on health (as % of GDP)	1997	1.1	Ministry of Economy & Finance

## Environment and natural resources

Indicator	Year	Value	Source of value
Land area (1,000 ha)	1995	17.7	UNDP (1998)
Irrigated land (as % of arable land areas)	1993	3.9	UNDP (1997b)
Forest and woodlands (as % of total land area)	1997	58	ARD (1998)
	1969	73	ARD (1998)
Log production (millions of m3)	1997	4.3	ARD (1998)
Annual rate of reforestation (%)		n.a.	
Loss of mangroves (%)	1980-1990	5	UNDP (1998)
Internal renewable water resources per capita (cubic meter per year)	1998	8.2	UNDP (1998)
Annual marine fishery harvest (in tons)	1995	30,500	MoE (1998)
	1990	39,900	MoE (1998)

## LIST OF GLOBAL UN CONFERENCES

---

---

World Conference on Education for All	Jomtien	1990
World Summit for Children	New York	1990
United Nations Conference on Environment and Development	Rio de Janeiro	1992
World Conference on Human Rights	Vienna	1993
Global Conference on Sustainable Development of Small Island Developing States	Barbados	1994
International Conference on Population and Development	Cairo	1994
World Conference on Natural Disaster Reduction	Yokohama	1994
World Summit for Social Development	Copenhagen	1995
Fourth World Conference on Women	Beijing	1995
International Conference on Human Settlements (HABITAT II)	Istanbul	1996
World Food Summit	Rome	1996

---

---

## **TABLE OF CONTENTS**

Foreword

1. Introduction	2
2. Governance and the macro-economic environment for poverty eradication	3
3. Determinants and dimensions of poverty	7
3.1 Economic opportunities and assets	8
3.2 Personal security	11
3.3 Literacy and schooling	13
3.4 Health	16
3.5 Food security and nutrition	18
4. Population and poverty	22
5. Natural resources and poverty	24

References

### **Annex**

Basic data on Cambodia

## Foreword

The 1990s ushered in a new era of global conferences convened by the United Nations to address major developmental, economic, environmental and social concerns. World leaders and experts in various fields gathered together in such cities as Jomtien, New York, Rio de Janeiro, Vienna, Cairo, Copenhagen, Beijing, Istanbul and Rome to discuss diverse points of view, debate proposals and reach political consensus on some of the most pressing problems facing the world today. The global agenda emerging from the declarations and action plans of these conferences has created a common ground for co-operation between United Nation system organisations and host country governments on national development policies and strategies. In recent years, a Resident Co-ordinator System, consisting of the heads of UN agencies at the country level, has been established to ensure effective, complementary and synergistic contribution of the United Nations system towards this end.

The Common Country Assessment (CCA) forms part of the comprehensive reform package approved by the UN General Assembly in late 1997, and represents a first, major step, towards full collaborative programming of the United Nation system organisations active in Cambodia. The objective of the CCA is to pinpoint critical concerns and challenges facing Cambodia, in particular in the areas addressed at the global UN conferences of the 1990s. Based on this analysis, the CCA seeks to identify areas requiring priority attention in development co-operation.

The CCA serves as a stepping stone for the preparation of a common United Nations Development Assistance Framework (UNDAF) in Cambodia. It can also be employed to develop the country programmes of individual UN system organisations as well as other programming initiatives.

---

Nellie Chan UNHCR Head	Ian Cummings ILO CTA	Etienne Clement UNESCO Director
Ken Noah Davies WFP Country Director a.i	Leonard De Vos UNICEF Representative	Hedi Jemai UNFPA Representative
Paul Matthews UNDP Representative	Rosemary McCreery UNOHCHR Director	Georg Petersen WHO Representative

---

---

Adrianus Spijkers  
FAO Representative

## **1. Introduction**

The 1948 Universal Declaration of Human Rights (Article 25) declares that “everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food, clothing housing, and medical care and necessary social services”. During the 1990s, this commitment has been defined more specifically in the declarations and action plans of international UN conferences. A giant step was taken at the 1995 World Summit for Social Development in Copenhagen, where countries for the first time made clear commitments to eradicate poverty.

In Cambodia, the experience of poverty reduction has been mixed. Following the 1991 Paris Peace Accords and the 1993 UN-managed elections, the country has embarked on a number of difficult transitions; in particular, the move from a single party political system to a pluralistic multi-party system; and from an essentially command, centralised economic system to an open, free market economy. As of mid-1997, macro-economic stability had been achieved and annual GDP growth rates averaged over six percent. However, partly as a result of the political upheaval in July 1997, the economic situation has since then deteriorated and GDP growth has dropped to less than one-third the level of 1996. In addition, Cambodia is beginning to feel the impact of the financial crisis in Southeast Asia, causing foreign investment to decline.

Notwithstanding the recent worsening of the economic situation, the gains of growth have generally failed to improve the living standard of the poor. With a per capita income of less than US\$ 300 and nearly four out of ten citizens living below the poverty line, Cambodia remains one of the poorest countries in Asia. Infant mortality rates are among the highest in East Asia and half the children under five are malnourished. Education attainments and skill levels are low, only one-fifth of the population have an operational health clinic in their village, and few have access to safe drinking water and sanitation. Meanwhile, fear, violence, mines, and physical displacement continue to impede efforts to establish social cohesion. Human rights is an area of recurrent concern.

While it is true that the challenges facing Cambodia are formidable, it is important to remember that many of the problems are interconnected. For instance, women with no schooling are less likely to use contraceptives and more likely to have large numbers of children and this in turn keeps them and their families mired in poverty. The children of such women are more likely to be malnourished and unhealthy and less likely to be enrolled in school. This means that illiteracy is perpetuated across generations. Likewise, it is poverty that forces women into prostitution, encourages villagers to cut down

forests for fuel wood, and prevents individuals from seeking prompt treatment for their illnesses.

A holistic approach that recognises the linkages between illiteracy, poverty, environmental degradation, population growth, child schooling, health and nutrition will have a much greater effect than piece-meal efforts to address each problem individually. Above all, the success of any poverty eradication strategy in Cambodia will depend on the level of political will.

## **2. Governance and the macro-economic environment for poverty eradication**

Poverty cannot be eradicated without a system of governance that promotes, supports and sustains human development. Good governance ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of national resources. In short, good governance is characterised by participation, transparency, accountability, the rule of law, effectiveness and equity.

In line with the declaration of the 1995 Social Summit, the Cambodian government has announced poverty alleviation as its most important goal. This commitment has been declared in several policy documents, including the “First Socio-economic Development Plan 1996-2000”, “Implementing the National Program to Rehabilitate and Develop Cambodia”, and “Socio-economic Development Status, Requirements and Proposals”. The First Socio-economic Development Plan states that “... eradicating poverty is the single most important long-term objective of the Royal Government, and reducing it is the central thrust of the Plan for 1996-2000”.

However, little thought has gone into developing a coherent poverty eradication strategy. The lack of real commitment is evident in the allocation of public investment. Currently, Cambodia spends less than 3 percent of GDP on health and education together, compared with an average of 5 percent for low-income countries. This is well below the minimum expenditure required for delivery of basic health and education services. Moreover, a lion’s share of the health and education budget is used to cover salaries and running costs, and the present trends indicate that this share is rising.<sup>1</sup> While lack of accountability at the provincial level makes it difficult to track actual disbursements (as opposed to allocations) on basic social services, available financial data indicate that total budgetary expenditures on basic social services only reached 4.2 percent of GDP in 1997, a decrease of 0.5 percent from 1996.<sup>2</sup> Thus, it is clear that Cambodia is far from achieving the 20:20 vision.<sup>3</sup>

---

<sup>1</sup> World Bank (1997a) and the Council for the Development of Cambodia (1998)

<sup>2</sup> Ministry of Economy and Finance (1998)

<sup>3</sup> The 20:20 vision, adopted by the 1995 Social Summit, proposes that on average 20 percent of budgetary expenditure and 20 percent of aid flows should be allocated to basic social services. It is based on the conviction that the delivery of basic social services is one of the most effective and cost-effective ways of combating the worst manifestation of poverty.

The inadequate allocation of budgetary resources is due to a wide range of structural weaknesses of the economy. Economic growth is highly influenced by political events and, as a result of the very low level of national savings, under strong dependence on external funding. Public finances are suffering from the limits of domestic revenues on the one hand, and the pressure exerted by public expenditure on the other. This situation is exacerbated by tax evasion and the granting of export tax exemptions to foreign investors. Of particular concern is the situation in the forestry sector, where the royalties collected from timber correspond to only a fraction of the economic value of resource exploitation. According to four studies financed from a World Bank loan, in 1997, the government failed to secure US\$ 100 million in potential revenue from taxes on log production.<sup>4</sup>

The enforcement of laws and regulations is hampered by institutional bottlenecks in the public administration and the very weak managerial and technical capacity of civil servants. To remedy this situation, many donor-assisted development projects have come to focus on human resource development. The sustainability of these efforts is, however, jeopardised by highly inadequate civil service conditions and salary scales. In general, government employees, including civil servants, teachers, medical doctors, etc., earn the equivalent of US\$ 10-30 per month, which is not only very low in comparison to wages in the private sector, but is not even a living wage, at least in the larger cities like Phnom Penh. Furthermore, many government agencies are unable to pay these low salaries on a timely basis, with the result that the public employees sometimes do not receive their salaries for several months.

The low wages and irregular payments end in low morale and motivation, with a large number of government staff holding multiple jobs and paying inadequate attention to their civil-service obligations. The low wages also result in significant corruption, as civil servants look to all kinds of ways to supplement their limited incomes. All in all, civil servants lack incentives to improve their own knowledge and skills, since achievement is not rewarded by promotion or monetary compensation. In most cases, externally financed development projects see no alternative but to pay a modest supplement to public servants to enable them to

BOX 1

**The 1995 Social Summit**

At the conclusion of the World Summit for Social Development – held 1995 in Copenhagen – world leaders from 117 countries adopted a Declaration and Programme for Action representing a new consensus on the need to put people at the centre of development. Together they pledged to make the conquest of poverty, the goal of full employment and the fostering of stable, safe and just societies their overriding objectives. The specific commitments made included to:

- Create an economic, political, social, cultural and legal environment that will enable people to achieve social development;
- Eradicate absolute poverty by a target date to be set by each country;
- Promote social integration based on the enhancement and protection of all human rights; and
- Increase resources allocated to social development.

<sup>4</sup> World Bank, UNDP and FAO (1996)

fully take part in capacity development activities.

An honest effort to eradicate poverty in Cambodia also requires considerable decentralisation of government authority. The experience of other developing countries suggests that not only the utilisation rates - but also the sustainability and maintenance - of basic social services, such as schools, health clinics and drinking-water wells, are greater when local communities are involved in planning, constructing and maintaining these facilities. However, at present, decision-making in Cambodia is highly centralised and vertical. Budgetary authority is almost entirely vested in the Ministry of Economy and Finance and in centrally appointed provincial governors. For instance, provincial health or education directors have little flexibility or discretionary power in reallocating expenditures across education and health programs.

The participation of women is another critical factor in the concept of good governance. Even though women in Cambodia outnumber men and lead one quarter of all households, they are largely excluded from government structures and decision-making processes. This is evidenced by the small number of women among members of parliament (10 out of 122), high-level government officials, members and leaders of political parties, and village, commune, district and provincial heads. There is also a striking disparity between the number of women and men officials in the area of administration of justice. When Provincial Election Committees (PECs) were formed in 1998, only a handful included women as members, although clear instructions had been given that the appointment of women to the PECs was a priority.

Good governance and the rule of law also imply the respect for and promotion of human rights. While the Cambodian government has formally acceded to the majority of the most important instruments of international human rights,<sup>5</sup> the actual realisation of these commitments remains problematic and complex. Recent UN reports and resolutions have highlighted concerns about the treatment of political and non-political prisoners, the problems of politically motivated violence and the climate of impunity wherein perpetrators of political and criminal violence are neither investigated nor prosecuted by police and judicial authorities. The cluster of civil and political rights - the freedoms of expression, assembly, association and personal security is of continuing concern, and the development of the country and the welfare of its people should be seen in the context of the rights subscribed to in the Convention on Economic, Social and Cultural Rights.

### **Conclusion**

Developing the capacity for good governance is a prerequisite for the sustainability of poverty eradication efforts in Cambodia. In particular, there

---

<sup>5</sup> Cambodia has acceded to the International Covenant on Civil and Political Rights (ICCPR), the Covenant on Economic, Social and Cultural Rights (CESCR), the Convention on the Elimination of All Forms of Racial Discrimination (CEARD), the Convention on the Rights of the Child (CRC), the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Convention against Torture (CAT), the Refugee Convention, and the ILO Forced labour Convention, 1930 (No. 29).

is an urgent need to reform state institutions so that they become more efficient, accountable and transparent. The cornerstones of such an effort are:

- A further refinement of the mandates of government ministries, establishing common policies and methodologies and clarifying the roles, responsibilities and relationships between ministries and provincial authorities;
- The decentralisation of budgetary authority and decision-making regarding public investments to the provincial level and below. This would lead to a better response of public services to the needs of the rural population, and, thereby, to a more effective tackling of social and economic factors of poverty;
- A reform of civil service conditions and salary scales, designed to motivate the civil servants and enable them to work independently and full time on their designated tasks;
- An improvement in revenue mobilisation and collection, strictly reinforcing the rule of law and regulations for investment and taxation;
- A radical increase in the budgetary allocation towards basic social services; and
- The promotion of basic human rights and the rule of law through the strengthening of the judiciary, including the capacities of the court system and law enforcement institutions, especially the police.

### **3. Determinants and dimensions of poverty**

The lack of reliable household-based information has long been a critical constraint to assessments of poverty in Cambodia and the design of appropriate poverty-eradication strategies. However, this situation is now slowly changing. Since 1993, with support from UN agencies and other donor organisations, the Cambodian government has undertaken a complex series of nation-wide household surveys. In addition, in the first half of 1998, the first Cambodian census in more than three decades was conducted. Nevertheless, the lack of consistency in coverage and definitions over successive surveys put severe limitations to analysis of trends in poverty, and, thus, to an assessment of Cambodia's progress towards the goals of international UN conferences.

A comparative analysis (based on the 1993/94 and the 1997 Socio-economic Survey) in the 1997 Poverty Profile, reveals that the incidence of poverty<sup>6</sup> in Cambodia from 1993/94 to June 1997 declined from 39 to 36 percent. On a regional basis, the incidence of poverty declined significantly in "other urban areas" (from 37 to 30 percent), modestly in rural areas (from 43 to 40 percent), but not at all in Phnom Penh (remaining at 11 percent). All in all, rural households – and particularly those with agriculture as their primary source of income – continue to account for almost 90 percent of Cambodia's consumption poor.<sup>7</sup>

However, while during the same period real per capita consumption increased nation-wide income distribution worsened significantly, with the richest 20 percent of individuals experiencing an increase in their relative share of national consumption at the expense of the poorest 80 percent.<sup>8</sup> Further analysis of trends in per capita consumption reveals that the poor are still more likely to be found in households headed by someone with no or very brief schooling.<sup>9</sup> Perhaps surprisingly, female-headed households – accounting for approximately 25 percent of all households - generally appear to be no worse off than male-headed households in Cambodia.<sup>10</sup>

As in many other countries, poverty in Cambodia is, however, more than what can be measured by consumption. Poverty also means the denial of opportunities and choices - to have access to jobs and credit, access to proper shelter, safe drinking water, basic education and health services, among many other things. Alternative measurements of poverty – such as the Human Development Index (HDI) and the Human Poverty Index (HPI) – sensitive to these perspectives of human development give Cambodia one of the lowest scores of any country in Asia.

---

<sup>6</sup> Poverty is here defined as the inability to attain an adequate income to purchase a food basket that provides at least 2,100 calories of energy per person per day (with a small allowance for noon-food consumption, like clothing and shelter).

<sup>7</sup> Ministry of Planning (1998a)

<sup>8</sup> UNDP (1997a)

<sup>9</sup> Ministry of Planning (1998a)

<sup>10</sup> UNDP (1997a)

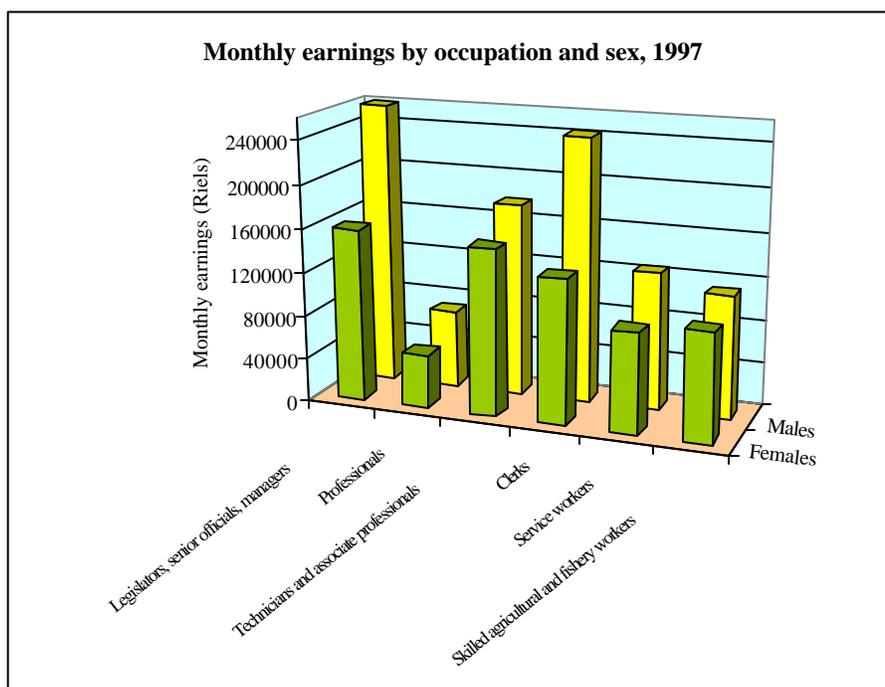
### 3.1 Economic opportunities and assets

Employment is often one of the most fundamental economic assets, as it enables people to establish command over a range of goods and services needed to ensure a decent standard of living.

The Cambodian economy is highly agrarian-based with agriculture contributing to 41 percent of the GDP, while services and industry correspond to 43 and 17 percent respectively.<sup>11</sup> Broadly reflecting this pattern, 75 percent of the work force is employed in agriculture. In the rural areas, this share increases to 87 percent, while in Phnom Penh and other urban areas service, shop and market sales workers dominate. Consequently, there is a predominance of self-employment and informal sector activities in the employment structure of Cambodia. Less than 12 percent of the labour force is engaged in wage employment, the rest being in the unorganised sector, either as own- account workers or self-employed (52 percent) and unpaid family workers (35 percent). Women account for a much higher proportion of unpaid family workers (50 percent) than men (19 percent). Among own-account workers,

the situation is reverse, with men corresponding to 63 percent and women for 43 percent of the workforce.<sup>12</sup>

Available data on the status and pattern of employment brings out a number of critical issues, which need to be taken into account in any major employment creation effort.



Firstly, the open unemployment rate – 0.7 percent for both men and women<sup>13</sup> – does not reflect the seriousness of the challenges facing Cambodia in terms of employment generation.

Given *Source: CSES 1997*

the nature of employment, the Cambodian workforce continues to suffer from underemployment, low productivity and incomes, in particular in the rural areas of the country. In subsistence agriculture, the rural unemployed are

<sup>11</sup> World Bank (1997a)

<sup>12</sup> NIS (1998b)

<sup>13</sup> Based on the international standard definition in which people who worked as little as one hour during the reference week are accepted as employed (NIS (1998b)).

added to the ranks of unpaid family workers who are classified as employed. The problem of underemployment is particularly highlighted by the seasonality of rainfed farming systems and the widespread existence of secondary occupations. A good indicator of underemployment is low income and poverty associated with employment. In Cambodia, the highest incidence of poverty is encountered among those with agriculture as the primary source of income.<sup>14</sup>

Secondly, the years of armed conflict and systematic purge of educated people have directly and in-directly – by creating disincentives among people for acquiring education – contributed to the very low skill profile of the Cambodian workforce. As many as 42 percent of Cambodian women and 21 percent of men above the age of 15 have never attended school, and only 10 percent of the labour force could be classified as skilled.<sup>15</sup>

Thirdly, it is important to recognise the significant role played by women in the labour market. While Cambodian women constitute 51 percent of the economically active population<sup>16</sup>, they face a number of handicaps in the labour market. In addition to lower rates of literacy, women have less access to skills training than men. Moreover, the bulk of the female workforce is concentrated in the low end of the labour market – in badly paid jobs involving arduous conditions.

Finally, there is a need to address vulnerable groups in the labour market. One such group

is child workers, estimated at 10 percent of the total labour force in 1996. The Cambodia Socio-Economic Survey 1997 reported 161,200 persons in the age group 10-14 years as part of the labour force. However, the actual numbers are believed to be much higher as informal child labour in home based enterprises is never properly recorded. Another vulnerable group in the labour market is the disabled workers. While Cambodians with disabilities are estimated to

#### BOX 2

##### **International commitments to employment, housing, safe water and sanitation**

One of the main thrusts of the 1995 Copenhagen Declaration on Social Development was the commitment to promote the goal of full employment as a basic priority of economic and social policies. This pledge was reinforced by the 1996 International conference on Human Settlements, which highlighted the links between such policies and the sustainable development of human settlements. Recommendations of the above mentioned conferences included the:

- Creation of employment, the reduction of unemployment and the promotion of appropriately and adequately remunerated employment at the centre of poverty alleviation strategies;
- Expansion of work opportunities and productivity by achieving economic growth, investing in human resource development, and encouraging self-employment, entrepreneurship, and small and medium-sized enterprises;
- Protection of women's position in the labour market and the promotion of equal treatment of women and men, in particular with respect to pay; and
- Promotion of public and private investments to improve for the deprived the overall human environment and infrastructure, in particular housing, water and sanitation, and public transportation.

<sup>14</sup> Ministry of Planning (1998a)

<sup>15</sup> Cambodia Socio-Economic Survey 1997, raw data files

<sup>16</sup> *ibid.*

make up 2.2 percent or 203,000 of the total population, there is no data indicating how many of these that are part of the labour force or unemployed.

Capital, derived from credit and savings, is a key asset that allows poor people to seize market opportunities. As many Cambodians are self-employed, own small businesses or work in family enter-prises or farms the demand for credit in rural areas is high. Since the early 1990s there has been a rapid expansion of micro-credit programs in terms of outreach, amount of loans disbursed and number of credit operators. Nevertheless, the vast majority of the population continues to rely on informal lenders. While the NGO credit operators typically<sup>17</sup> provide small loans, averaging US\$ 40-60 with monthly interest rates ranging from 1 to 5 percent, these informal lenders can offer only very-short term loans (on a daily, weekly, or monthly basis) at high interest rates, typically from 10 to 30 percent. The banks that operate in the rural areas are few and their activities are mostly limited to recovery of bad debts and deposit taking.<sup>18</sup>

Housing and shelter are other essential economic assets. The home is commonly where the microentrepreneur starts a business. As in other developing countries, the vast majority of people in Cambodia live in their own (as opposed to rented) homes. However, the amount of housing space available to each person varies significantly across rural and urban areas and across economic groups. In addition, most dwellings are traditional and made of materials that are not very lasting. For instance, only 30 percent of the rural population (and 45 percent of the urban population) resides in houses that have a tiled or galvanised roof.<sup>19</sup>

In turn, poor housing is often connected with poor access to safe water and sanitation. Piped water or water from public taps is a luxury for a very small segment of the population. Nearly one-third of all Cambodians obtains water from unprotected wells and another one-third from ponds, rivers or streams. The situation with respect to sanitation facilities is even worse. Close to three-quarters of the overall population, and 37 percent of the urban population, report having no toilet facilities at all.<sup>20</sup>

The worst conditions in terms of housing and sanitation are often to be found in the squatter communities of Phnom Penh, where, in the absence of land tenure, many people also live with continuous fear of forced eviction. Numerous violent human rights abuses occur in connection with eviction. The court system is insufficiently developed to deal either with land ownership issues on their merits, or to obtain justice for the victims of violence.

## **Conclusion**

---

<sup>17</sup> One exception is ACLEDA, a national NGO for micro and small enterprise development and credit, providing loans up to US\$ 290 for micro business, US\$ 4,000 for small business, and US\$ 70,000 for medium-scale enterprises.

<sup>18</sup> Llanto (1998)

<sup>19</sup> UNDP (1997a)

<sup>20</sup> *ibid.*

Cambodia faces enormous challenges with regard to employment generation. In the short term, jobs have to be created for the backlog of the previously unemployed, refugees, demobilised soldiers, internally displaced persons and people with disabilities. In addition, the yearly 135,000 new entrants to the labour market have to be accommodated. In the long run, efforts must be made to expand the depleted human resource base. Specific priorities include the:

- Creation and preservation of an enabling economic and political environment conducive to the increase of domestic and foreign investment and the continued growth of business, in particular small and micro enterprises;
- Adoption of policies to foster agricultural and rural development. Given the overwhelming importance of agriculture in the economy, agricultural growth is critical to employment generation and the reduction of underemployment;
- Increase of access to micro-finance services and vocational training to promote self-employment and small business. Evidence suggests that the lack of credit is the most important constraint to start and expand a business;
- Development of special employment creation schemes to target the hard core poor and vulnerable groups. These can combine short term wage employment creation in infrastructure, skills training and microfinance; and
- Upgrading of housing, safe water and sanitation facilities in poor communities and the development of participatory approaches to relocating people living in squatter areas.

### 3.2 Personal security

One of the less quantifiable aspects of deprivation, but one felt strongly in poor communities, is a lack of personal security.

In Cambodia, the legacy of war is real and heavy. Fear, violence, banditry, mines, and physical displacement have emerged as direct consequences of the war and impede the Cambodian people in their efforts to overcome poverty.

An immediate threat to the lives of many Cambodians is the prevalence of land mines and unexploded ordnance (UXO), estimated at a magnitude of 4-6 million.<sup>21</sup> Every month, land mines and UXO claim on average 110-130 victims,<sup>22</sup> giving Cambodia one of the highest proportions of people with amputations in the world. The fact that many injuries occur even though the victim is aware that he or she is walking on dangerous ground adds a further dimension to the continuing mine tragedy. Poverty leaves no alternative but to plough, to enter the forest to fetch fuel wood, cut wood, hunt or forage plants, or to take cattle to graze. In addition, land mines are responsible for a large number of livestock deaths. Since livestock is a major income-producing asset in the rural areas, livestock deaths add to the impoverishment of rural households.

---

<sup>21</sup> UNDP (1997c)

<sup>22</sup> Mine Incidents Database, compiled by the Cambodian Red Cross.

The long period of conflict has taken its toll also on the individual psyches and coping strategies of Cambodians. Despite the slow but steady reestablishment of a social fabric, many people believe that they have few means other than violence to resolve a conflict, be it about distribution of individual resources, common domestic problems or any other aspect of life. Even close families are easily ripped apart by simple disputes. Pressure to keep out of other people's problems, so as to avoid being caught up in them, tends to lead to a lack of public condemnation of wrongdoing. Thus, even heinous crimes committed by one's neighbours may go unreported and unpunished. Moreover, this situation is compounded by the widespread availability of weapons, openly sold in markets, and the poorly functioning judicial system. Contacting the police, whether to report a crime or to seek protection, is regarded by many people as opening the door to extortion or other forms of pressure.

The lack of "law and order" is particularly evident in the rural areas, where the violence is not only a threat to physical security, but also a major obstacle to economic activities. Typically road tolls, protection money and "rent" has to be paid by people living or moving about in the countryside. Soldiers, or former soldiers, knowing no other way of living and having no means to sustain themselves are quick to turn to banditry and other extortionary activities. The military are not likely to be contradicted by ordinary people, who know that the likelihood of soldiers being prosecuted for criminal behaviour is virtually nil. The court system itself is often subjected to threats from the military, backed up where necessary by violence.

BOX 3

**International commitments to promote the human rights of women**

The 1995 Fourth World Conference on Women – held in 1995 in Beijing - reaffirmed the fundamental principle adopted by the World Conference on Human Rights that the human rights of women and of the girl child are an inalienable, integral and indivisible part of universal human rights. To this end, in the Beijing Declaration world governments made commitments to:

- Promote and protect the human rights of women through the full implementation of all human rights instruments, especially the Convention on the Elimination of All Forms of Discrimination against Women;
- Take integrated measures to prevent and eliminate violence against women; and
- Eliminate trafficking in women and assist victims of violence due to prostitution and trafficking.

Women are often subject to the worst threats of violence. According to a 1996 statistical study conducted by the Ministry of Women's Affairs and the NGO Project Against Domestic Violence, one in every six women is physically abused by their spouse and half of the cases of abuse cause injuries. Reports of rapes of women and children are increasingly frequent, but few if any perpetrators are brought to justice.<sup>23</sup> Much also remains to be done to combat growing prostitution, and abduction and trafficking in women and children. It is estimated that there are over 14,000 women working as prostitutes in brothels throughout the country.<sup>24</sup> Many of the prostitutes are trafficked to

<sup>23</sup> Ministry of Women's Affairs and Project Against Domestic Violence (1996)

<sup>24</sup> National Assembly (1997)

brothels through networks that reach the villages, exploiting the situation of poverty. Many brothels seem to enjoy official protection, and sporadic attempts to close them have mainly been ineffective.

Children, who should be most protected in any society, are also the victims of many abuses. Although the Cambodian government has subscribed to the declaration and plan of action of the 1990 World Summit for Children, the national capacity to implement the global goals and strategies has been very limited. As a consequence, the international commitments continue to be overruled by the widespread use and existence of child labour, child prostitution and trafficking, child soldiers, and other forms of exploitation of children.

### **Conclusion**

Cambodia has been plagued by political turmoil and armed conflict for the better part of the last three decades. The enormous and complex challenges facing the country in re-establishing conditions conducive to the establishment of social cohesion and sustainable development calls for:

- A comprehensive national effort to demilitarise all sectors of society and to promote a culture of tolerance, non-violence and respect for human rights;
- The development of innovative and cost-effective approaches to de-mining, the further enhancement of public awareness of mines and UXO, and the establishment of measures of accountability for ensuring that de-mined lands are properly titled and released to the intended beneficiaries; and
- The creation and enforcement of policies and legal instruments for promoting and safeguarding women's rights and the rights of the child.

### 3.3. Literacy and schooling

Literacy and schooling are key components of a poverty eradication strategy. Not only do literacy and schooling open up new cultural and social vistas; they also allow individuals to realise their full potential. In addition, schooling has strong economic returns in the form of higher earnings for wage employees

and greater productivity of farmers.

BOX 4

#### **Education for All**

In 1990, at the World Conference on Education for All, held in Jomtien, Thailand, participants from 155 countries pledged to take the necessary steps to provide primary education for all children and to massively reduce illiteracy. In particular, the Jomtien conference pointed to the urgent need to raise the quality and relevance of schooling, to increase literacy and non-formal education and to allocate more resources to basic education. This pledge was reiterated by the 1995 Social Summit, which set the following specific goals for governments to attain:

- By 2000, universal access to basic education and the completion of primary education by at least 80 percent of primary-school-age children; and by 2015, universal primary education in all countries;
- By 2005, closing the gender gap in primary and secondary school education; and

No point was more stressed at the 1990 World Conference on Education for All than the urgent need to close the gender gap in education.

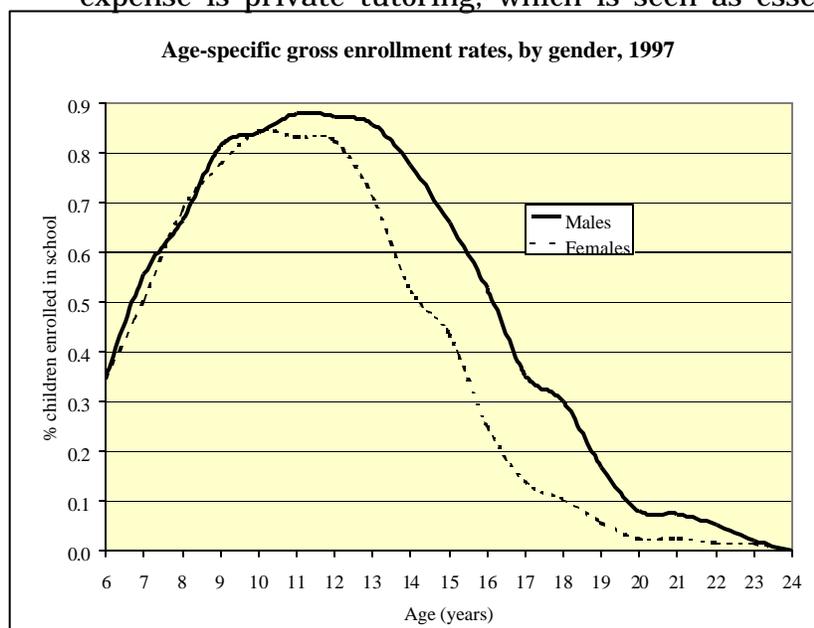
In Cambodia, while overall enrolment rates have increased impressively during the 1990s, low school enrolment rates of

girls is a major concern. At the primary level, boys and girls appear to have equal schooling opportunities. However, around the age of 11-12, girls start lagging behind boys. The gender difference in enrolment rates widens in upper secondary school and even more in tertiary education. At the same time, girls have higher labour force participation rates than boys during their teenage years. This suggests that parents do not send girls to secondary school at the same rate as boys because they need them to work and bring in income into the household and/or due to the perception that secondary education for girls is less likely to pay off in terms of higher future earnings. In reality, however, the evidence seems to indicate that the economic returns to female education are higher than those to male education.

There are also large economic disparities in schooling opportunities. In the rural areas, the poorest 20 percent of the population are observed to have a net primary enrolment rate of only 50 percent, to be compared with a rate of 76 percent of the richest 20 percent. At higher schooling levels, the disparity between economic groups is even greater.<sup>25</sup>

There are several reasons, all of which spring from the general weaknesses of the education sector, to explain the lower rates of enrolment of the poor.

Firstly, the poor are much less likely to be able to bear the burden of schooling expenses. Even if education is officially free in Cambodia, parents typically have to pay significant amounts for their children's primary schooling. In addition to expenditure on school uniforms and textbooks, there are admission charges and various kinds of miscellaneous supplements. Another major expense is private tutoring, which is seen as essential because of the poor



Source: CSES 1997

quality of teaching in schools. Finally, students and their families have to contribute almost entirely toward the construction costs of school buildings, equipment and furniture and their maintenance.<sup>26</sup>

Secondly, while nearly 62 percent of the population at large have an operational primary school in their village of residence, available data clearly

show that the poor face significantly longer distances to secondary schools

<sup>25</sup> UNDP (1997a)

<sup>26</sup> Cambodia Socio-Economic Survey (CSES) 1997, raw data files

than the better off when no such school is available in the village. This effectively results in virtually no students from the poorest quintile attending upper secondary schools.<sup>27</sup>

Thirdly, combined with the high costs, the poor quality of education and schools in Cambodia must act as a strong deterrent to the demand for schooling among the poor. Although concrete indicators of schooling quality are difficult to come by, the high rate of grade repetition and drop out give a clear indication of the poor state of education and school facilities in Cambodia. On average, 19 percent of all students enrolled in urban areas are repeaters, while the rate is as high as 26 percent in the rural areas. Meanwhile drop-out rates in grades 5, 8 and 11 are extraordinarily high, viz. 19, 38, and 51 percent respectively. Although efforts have been made to improve the quality of education during the last few years, wastage is still very high when measured by the rate of completion in primary and lower secondary levels - out of 1,000 pupils who enter primary school, only 277 reach grade six.<sup>28</sup>

Compounded by the fact that many students resort to cheating and bribing their teachers to pass examinations, the low completion rates also mean that many students leave school unable to read or write. Each year, this large flow of illiterate or marginally literate youth swells the country's large pool of illiterate adults, estimated to make up between 31 and 35 percent of the population. While this group is considerably smaller than what was thought earlier, there are still major discrepancies across urban and rural areas, regions, gender and economic groups. In addition, as average schooling among adults is not more than 3,5 years, one may question whether many allegedly-literate adults are in fact functionally literate.<sup>29</sup>

Despite the challenges facing elementary schools, formal basic education is guided by a structure and a vision. Two national conferences on Education for All have been organised and a priority action plan for rebuilding quality education and training in Cambodia (1994) and a Basic Education Investment Framework (1995) have been produced. In comparison, the non-formal education sector has no collective vision and only fragments of infrastructure.<sup>30</sup>

### **Conclusion**

Expansion of quality education is the most effective way of simultaneously upgrading the skills level of the labour force, lowering fertility and population growth, and reducing poverty. So far, however, the realisation of the ambitious goals set forth by the government has been slow and problematic. As a consequence, the education sector is still replete with serious problems. To assure continued progress towards the goals of the 1990 World Conference on Education for All, there is a need to:

---

<sup>27</sup> *ibid.*

<sup>28</sup> UNDP (1997)

<sup>29</sup> *ibid.*

<sup>30</sup> UNESCO (1997)

- Improve the management capacity and efficiency of basic education from central to local levels. With better trained administrators as well as teachers, enrolment will increase and wastage will be reduced;
- Expand schooling opportunities, especially for girls, bridging the gender gap in post-primary schooling. This will have a major impact on wages and earnings;
- Create an enabling environment for learning by providing quality books and education supplies to all children, and, at the same time;
- Introduce non-formal education for school drop-outs, out-of-school children and those who seek to continue their primary, secondary and skills training.

### 3.4 Health

Health improvement of the poor and poverty reduction are two sides of the same coin. Better health makes it more likely that the poor can take advantage of economic opportunities. And improvements in the standard of living of the poor will contribute to better health.

As with education, deprivation in health starts with lack of access to health care and other services. Due to the limitations of the public health system in Cambodia, only one-fifth of the population have an operational health clinic in their village, and another fifth have to travel more than five kilometres to reach the nearest health facility.<sup>31</sup> When no health facility is available in the village, available data clearly indicates that the poor face significantly longer distances to all types of health facilities than the better-off. In turn, the larger distances raise the opportunity cost of seeking treatment and thereby act as a deterrent to utilisation. The utilisation of health services is also highly influenced by quality and price.<sup>32</sup>

The full private cost of health services

#### BOX 5

##### **International commitments to Health**

Reiterating the commitments of the 1990 World Summit for Children and the 1992 International Conference on Nutrition, the International Conference on Population and Development, held in Cairo in 1994, called upon all countries to reduce mortality and morbidity and seek to make primary health care available universally by the end of the current decade. Specific health targets adopted by international UN conferences during the 1990s include:

- By 2000, reach a life expectancy at birth of not less than 60 years in every country, by 2005, a life expectancy greater than 70 years and by 2015, life expectancy greater than 75 years;
- By 2000, reduce under-five child mortality by a third from the 1990 level or to 70 per 1,000 live births, and by 2015, to less than 45 per 1,000 live births;
- By 2000, reduce maternal mortality by half from the 1990 level, and by 2015, by another half;
- By 2000, achieve universal access to high-quality and affordable primary health care, removing all programme-related barriers to use of family planning by 2005. Eliminate polio, guinea worm disease, iodine deficiency disorders and vitamin A deficiency; and
- By 2000, reduce severe and moderate malnutrition among children under age of five by half from the 1990 level, giving special attention to the gender gap in nutrition.

<sup>31</sup> UNDP (1997a)

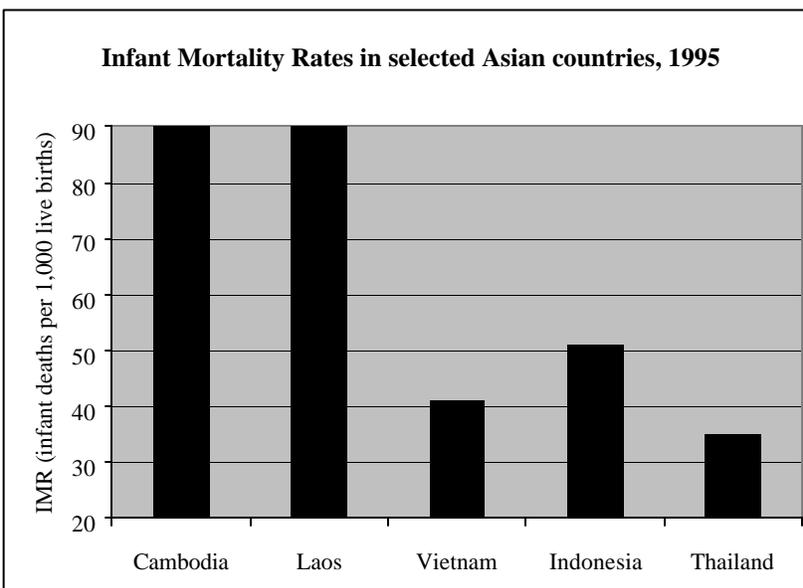
<sup>32</sup> CSES 1997, raw data files

includes not only the official fees that may be charged by health centres and hospitals, but also costs of drugs, medical supplies, transportation and informal payments charged by paramedics and doctors. It is estimated that urban households spend more than 61 percent more on health than on education (as a proportion of their total consumption expenditure).

In the rural areas, the difference is as high as 180 percent, and health expenses constitute nearly 11 percent of the total monthly household expenditure.<sup>33</sup> Not surprisingly, the burden of public health care expenses, as measured by the ratio of average health service contact to household non-food expenditure per capita, is much greater for the poor than for the non-poor. As a consequence, a large proportion of the poor bypass the public health system altogether and treat their own illnesses by obtaining medicines directly from private drug vendors and/or resorting to traditional medicine.<sup>34</sup>

The low utilisation of health services, combined with the low quality of these services, has a strong bearing on the poor health outcomes for the Cambodian population. The infant mortality rate (IMR) is currently estimated at 90-115 per 1,000 live births and the under-five mortality rate at 181 per 1,000 live births.<sup>35</sup> Leading causes of childhood morbidity and mortality are associated with adverse environmental living conditions and include acute respiratory infections, diarrhoeal diseases, vaccine preventable diseases and, more recently, dengue haemorrhagic fever. Such conditions are exacerbated by malnutrition. In addition, maternal mortality and preventable morbidity associated with childbearing are unacceptably prevalent. Cambodia has a maternal mortality rate of approximately 473 deaths per 100,000 live births,<sup>36</sup> with deaths attributed to haemorrhage, induced abortion, obstructed labour, hypertension, and sepsis.

A major cause of morbidity and mortality in Cambodia is malaria. It is estimated that 500,000 cases and 5,000 deaths occur annually due to malaria. Those at high risk are forest and fringe-forest dwellers, people who travel to forested areas to cut wood, and internally displaced persons moving back into malaria-endemic areas. Another major health problem is tuberculosis, with an estimated prevalence of 4,5 per 1,000,



Source: UNDP (1997a)

<sup>33</sup> UNDP (1997)

<sup>34</sup> CSES 1997, raw data files

<sup>35</sup> Ministry of Planning (1997b)

<sup>36</sup> National Mother and Child Health Centre (1996)

resulting in a total caseload of more than 40,000, and 15,000 additional new cases occurring annually. Due to the high rates of HIV infection in the country (see below), the number of cases of tuberculosis are projected to increase by 20 percent before the year 2000.<sup>37</sup> Meanwhile, land mines and road accidents are likely to continue to take a heavy toll.

A rapidly emerging public health problem is HIV/AIDS. The increase in HIV positive blood donors has jumped from 0.1 percent in 1991 to nearly 4 percent in 1996.<sup>38</sup> Meanwhile, results of sero-prevalence surveys showed rates of infection increase from 9 percent in 1992 to 40 percent in 1996 among commercial sex workers tested. Moreover, 1.7 percent of pregnant women tested in 1996 were HIV positive - the second-highest rate (after Thailand) in the region.<sup>39</sup> Based on these findings it is estimated that there are 100,000-120,000 HIV infected people in Cambodia and, at current rates, anywhere from one-half to one million Cambodians will be infected with the virus by the year 2006. Apart from the human cost in terms of suffering and loss, the economic cost will be sizeable. It is estimated that between now and 2006, at least US\$ 2,8 billion of GDP will be foregone, in that affected people will cease to be productive. This figure does *not* include the cost of care and treatment.<sup>40</sup>

### **Conclusion**

The interrelationships between poverty and ill health mean that working with other sectors to reduce poverty should help to lower the prevalence of illness among the poor. Meanwhile, there is an urgent need to improve both access to and quality of basic health services. To this end, the ambitious plans of the Ministry of Health needs to be accompanied by increased government spending on health and a reform of civil salary conditions and salary scales (as discussed earlier). In addition, while supporting the implementation of the health coverage plan and the district health system, efforts should be accelerated to:

- Expand education for health staff as the primary means to improving the quality of health care;
- Monitor the management of health financing schemes and their impact on equity;
- Increase government capacity to regulate and engage the private sector as a partner in the delivery of basic health services;
- Lower the proportion of household expenditure that is spent on health by the lowest income quintiles of the population.;
- Improve efforts to address specific causes of morbidity and mortality such as acute respiratory tract infection, diarrhoea, malaria, and dengue haemorrhagic fever; and
- Continue to expand reproductive health and birth spacing services.

### 3.5 Food Security and nutrition

<sup>37</sup> Ministry of Planning (1997b)

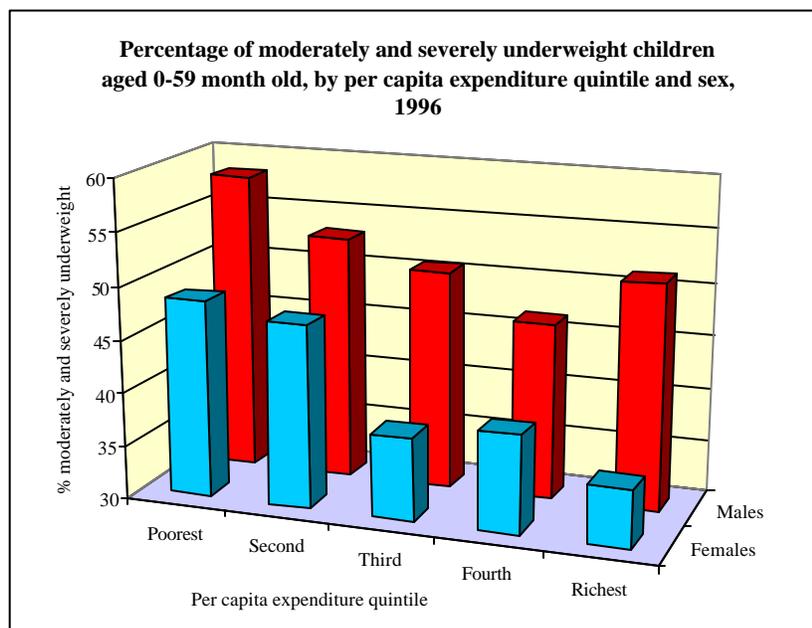
<sup>38</sup> UNAIDS (1996)

<sup>39</sup> Ministry of Health (1997a)

<sup>40</sup> Myers, Sotharith and Calabria (1997)

Poverty is a major cause of food insecurity and sustainable progress in poverty eradication is critical to improve access to food.

In Cambodia, the production of rice, the most important crop, has been steadily increasing during the last three years, and in 1995/96 the country experienced its first surplus production for over 20 years. In 1996/97, with a total paddy production estimated as 3,39 million tons, the rice surplus reached about 127,000 tons.<sup>41</sup> However, the steady growth in paddy production has recently been put at risk – especially following the drought spells of late 1997 and 1998.



Source: NIS (1997)

Nevertheless, while the overall production of rice is adequate, large numbers of Cambodians and a number of provinces remain food insecure owing to lack of access to food that is available in the country.

Part of this problem could be explained by rigidities inherent in the systems that prevent the rapid movement of food from food surplus to food deficit regions. There are provinces in the country that consistently run surpluses of rice, such as Prey Veng, while there are other provinces, like Kompong Cham, with rice deficits.

In the past, restrictions on private trade effectively meant that there was little movement of rice (or other foods) from surplus to deficit areas to reduce food in-security in the deficit regions. Since the introduction of market liberalising reforms, all regulatory constraints affecting private trade and movements of goods within the country as well as across borders have been removed. However, both the movement of food within the country and export of food are still constrained by a very poor transport and marketing system. The transport and marketing bottlenecks effectively isolate some parts of the country and compound the problem of access to food for people living in those regions.

There are also wide fluctuations in the supply of food, depending on the weather (including natural calamities by drought) and the flood regime from the major rivers. The reason for this is that there are very few irrigation facilities in Cambodia and much of paddy production comes from wet season rain-fed areas. Almost all of the other crops, with the exception of vegetables,

<sup>41</sup> FAO/WFP (1997)

are also grown without irrigation and therefore subject to the same wide fluctuations. In the absence of good buffer stocks at the regional level, these fluctuations create periods of food insecurity for people in certain regions.

In addition, according to numerous recent participatory rural appraisals in Pursat, Kratie, Kampong Cham, Stung Treng and Svay Rieng, the question of access to food is equally related to rapid transitions occurring in land ownership, decline of foraging opportunities, and declines in household fishing resources

An issue clearly related to food security is nutrition. In Cambodia, the average energy intake per person is 2,300 calories per day in the rural areas and 2,150 calories per day in the urban areas. The poorest 20 percent in the urban areas consume, on average, only 1,900 calories per person per day – 200 fewer calories than the daily caloric requirement proposed by FAO.<sup>42</sup>

As much as 53 percent of Cambodian children between 6 and 60 months of age are underweight (out of which 17 percent are severely underweight). A similar high level of stunting, coupled with a low level of wasting, suggest that Cambodian children are suffering from long term chronic under-nutrition.

Typically, the poor in the rural areas of Cambodia show the highest rates of malnutrition.<sup>43</sup> The prevalence of moderate stunting is as high as 61 percent, and that of moderate underweight is 54.4 percent, among the poorest 20 percent of the rural population. However, what is unusual is that even among the richest 20 percent of the urban population - a group that must be considered well-off - the rates of child malnutrition rates are relatively large.

Nearly 34 percent of the children aged 0-5 in this economic group are moderately underweight and 21 percent are severely stunted. This suggests that the reasons for child malnutrition may have more to do with cultural and social factors than with economic status and income.

Nevertheless, the relationships between nutritional status and income or economic status are extremely unclear as the first nutritional survey including anthropometric in Cambodia was conducted as recently as 1997, and the first adult nutritional survey in

Box 6

**The World Food Summit**

Reaffirming the right of everyone to have access to safe and nutritious food, 186 governments at the 1996 World Food Summit made the commitment to achieving food security for all. To this end, the summit emphasised the essential role of poverty eradication and access to productive resources such as land, water, improved seeds and plants, appropriate technology and farm credit. Specific pledges included to:

- Achieve food security for all with a view to reducing the number of undernourished people to half their present level no later than 2015; and
- Enable food insecure households, families and individuals to meet their food and nutritional requirements and to seek to assist those who are unable to do so; and
- Pursue sustainable, intensified and diversified food production.

<sup>42</sup> UNDP (1997a)

<sup>43</sup> Ministry of Health (1996)

1998. For instance, it is unknown whether Cambodian children are undergoing a negative trend in nutrition, or positive.

In addition to child malnutrition, there are widespread deficiencies in several essential micronutrients in Cambodia. The predominance of rice in the Cambodian diet, combined with the fact that rice is deficient in several important nutrients (such as iron, thiamine, Vitamin A and fats (lipids)), means that women and young children are especially susceptible to diseases associated with these deficiencies, such as anaemia, beriberi, and xerophthalmia (which can ultimately lead to blindness). Surveys of pregnant women visiting health clinics in some provinces suggest that as many as one-half of pregnant women may suffer from nutritional anaemia, also caused by an inadequate intake of foods rich in Vitamin C and iron.

### **Conclusion**

Despite the steady growth in rice production, many Cambodian households remain food-insecure. The realisation of the government's international commitment to guarantee food security for all citizens will require a conscious effort to reduce poverty through employment generation, improving transportation and reducing market constraints. In particular, continued efforts are needed to:

- Improve systems of irrigation and water control, which will contribute directly to enhanced production;
- Increase dry-season yields by improving seed quality, training and the application of fertiliser;
- Invest in infrastructure, especially rural roads, which will increase marketing opportunities, promote agricultural diversification and improve access to extension and veterinary services. A smooth flow of agricultural inputs through the country is also an important prerequisite for promoting export of agricultural products;
- Promote private sector investment and activities to increase productivity. The government's rural development policy stresses that intensification of agricultural production through sound and modern techniques will enhance food production; and
- Develop a nutritional monitoring programme to determine nutritional trends and causes of malnutrition.

#### **4. Population and poverty**

Population issues have significant implications for the prevalence and eradication of poverty. Sustainable development and poverty eradication can only be successful if the country's population is growing in balance with its economy and natural resources.

According to the preliminary results of the General Population Census of March 1998, the current annual population growth in Cambodia is 2.4 percent, implying that, even if fertility declines substantially in the future, the present population of approximately 11,4 million will grow to more than 20 million over the next 25 years. Likewise, between 1995 and 2020 it is projected that the number of children aged under 15 will surge from 4,9 million to 6,9 million – raising dramatically the demands on the Cambodian education system. Over the same period, the number of adults in the economically active age group 15 to 49 is expected to increase from 4,8 million to 9,7 million. This means that the demand for employment would almost double in a 25 year period.

Unbalanced population growth contributes to environmental degradation, unsustainable use of natural resources and urbanisation. The problems of the Tonle Sap lake are illustrations of the threat unbalanced population growth can pose to natural resources (see section 5). While the majority of the Cambodian population is still rural, the rapid growth of the urban population is a cause for concern. The population density in Phnom Penh is estimated at 3,441 people per km<sup>2</sup>, to be compared to 64 persons per km<sup>2</sup> for Cambodia as a whole. Continued rapid urbanisation will add to the already large burden on urban infrastructure, including sanitation and solid waste management. This will affect disproportionately the needs and welfare of poor urban dwellers.

With a total fertility rate of 5.2 – the second highest in East and Southeast Asia - it is clear that Cambodia faces formidable challenges in the field of reproductive health. A 1995 survey on fertility and Knowledge, Attitude and Practice (KAP) related to contraception found that only 13 percent of married women were using contraception, and only 7 percent were using a modern method of contraception.<sup>44</sup> All in all, there is an enormous unmet need for contraception - estimated at 78 percent of couples of reproductive age. In addition, the incidence of STDs is high and aggravated by lack of access to diagnosis and treatment. Official figures suggest that in 1997 the morbidity rate from STDs was 197 for every 100,000 people in the population.<sup>45</sup> As well as posing a serious health hazard in themselves, STDs increase the probability of HIV infection. In addition, maternal mortality and preventable morbidity associated with childbearing are unacceptably prevalent. (see section 3.4).

As emphasised by the 1994 International Conference on Population and Development in Cairo, young people have specific reproductive health needs, as they are particularly vulnerable to HIV/AIDS,<sup>46</sup> STDs and sexual

---

<sup>44</sup> Ministry of Health (1995)

<sup>45</sup> Ministry of Health (1997b)

<sup>46</sup> More than 50 percent of the 100,000 – 120,000 people thought to be infected with HIV are aged under 29, most of whom are in their twenties and were infected as teenagers.

exploitation, and generally have less knowledge of birth spacing than their elders. In Cambodia, more than half of the population is under 20 years of age, reaching reproductive age over the next few years. The ability of these young people to exercise their reproductive rights will shape the future population of Cambodia and determine the sustainability of the country's socio-economic development. Above all, the key to enhancing individual reproductive rights lies in the advancement and empowerment of women, in the family as well as the society at large.

### **Conclusion**

Reproductive health refers to a broad range of issues affecting sexual well-being, including STDs and HIV/AIDS, birth spacing, abortion, mother and child health and gender equality. Addressing these issues is essential for poverty eradication and sustainable development, including a balanced population growth. In Cambodia, continued efforts should be undertaken to:

- Expand the reproductive health and birth spacing services, improving the distribution of contraceptives and increasing the variety of contraceptive methods available to couples;
- Enlarge information, education and communication activities related to reproductive health, including birth spacing and retraining health workers in newer birth spacing methods as these methods become available in the country;
- Empower women and providing them with more choices through expanded access to education and reproductive health services, and promoting skill development and employment;
- Develop management information systems for collecting and monitoring the progress of reproductive health and birth spacing efforts;
- Addressing the special needs of young people for reproductive health information and services; and
- Develop a multi-sectoral population policy to address the issue of population growth and sustainable economic and social development.

## 5. Natural resources and poverty

Poor people depend on natural resources for their livelihood. Downward spirals of poverty frequently mean environmental degradation, and environmental shocks can heighten poverty.

In the spirit of the Rio Declaration, The First Socio-economic Development Plan 1996-200 of Cambodia states that the government “considers that environmental considerations are critical in Cambodia if the country is to prevent the types of degradation that have occurred in neighbouring countries as a result of natural resource exploitation to drive economic development”. In early 1998, building on the Law of Environmental Protection and Natural Resource Management (enacted in 1996) and the Convention on Biological Diversity (ratified by Cambodia in 1995), the first National Environment Action Plan (NEAP) 1998-2002 was finalised and approved.

BOX 7

### **The 1992 Earth Summit**

The UN Conference on Environment and Development (UNCED), commonly known as the Earth Summit, was held in Rio de Janeiro in 1992. The summit, attended by government representative from 178 countries, produced the Rio Declaration on Environment and Development, an action plan, a statement on forest principles, and two conventions: one on climate and another on biodiversity.

The action plan, *Agenda 21*, explicitly states the need for environmental protection to become integrated into national development policies. Agenda 21 also underlines the complex and close relationship between environmental degradation and poverty, resulting in a vicious circle in which poverty causes environmental stress and, in turn, perpetuates more poverty. To combat continued environmental degradation and poverty, the plan calls for the development of national action programs for sustainable forestry development and strategies to conserve biological diversity, preserving ecological systems, landscapes and wildlife habitat.

As highlighted in the NEAP, the large-scale destruction of Cambodia’s forests is a matter of great concern. The forest cover has been reduced from 73 percent of the country’s land area in 1969, to 58 percent in 1997,<sup>47</sup> and foreign and national commercial interest in the forest lands of Cambodia is intense, with vast concessions having been granted for timber and oil palm production. According to the NEAP, the government has entered into agreements

with about 20 forest companies, covering more than 6 million hectares of forests. However, as details of agreements are generally not public, there is some uncertainty on the areas and number of recent concessions.<sup>48</sup>

In the beginning of 1995, the government issued a ban on the cutting of fresh timber, followed by a total ban of timber exports in 1996. However, these bans have been ineffective and several international NGOs have alleged that the government has continued to award new concessions even after the ban. In addition, imposition of log export bans has been followed by exemption allowing exports by special interests. These exemptions encouraged continued illegal logging.

<sup>47</sup> Associates in Rural Development (1998)

<sup>48</sup> Ministry of Environment (1998)

Due to the lack of scientific analysis, it is difficult to provide a full account of the impact of deforestation in Cambodia. One of the immediate consequences is a dramatic increase in the rate of soil erosion on deforested slopes, but this does not automatically result in higher sediment concentrations in rivers or lakes.

Nevertheless, the increased land pressure caused by the logging has led to shorter fallow periods between farming cycles and the consequent loss of soil fertility and yields. In many cases, farmers have been pushed deeper and deeper into the forest to open new land for cultivation.

The large-scale logging have reportedly also caused significant degradation of forest biodiversity. In 1993, to protect fragile and critical habitats, such as evergreen, deciduous and edaphic forests, Cambodia established a National Protected Area System consisting of a total of 23 national parks, wildlife sanctuaries, protected landscapes, or multiple use areas. The protected areas cover 3,3 million hectares or roughly 18 percent of the country's total area. However, reports claim that illegal logging is taking place within the boundaries of protected areas. This is an issue that is difficult to bring clarity to as none of the areas have been fully surveyed or clearly demarcated.<sup>49</sup>

Of course, the human costs of deforestation in Cambodia are also very large. For many Cambodians, with intensified logging, the ability to forage for non-timber products has declined, while other sources of income have not increased. This is a disturbing trend for basic food security of poor families. Some of the most vulnerable groups are the many highlander tribes and ethnic minorities, who have made their living in and around the forest for centuries, clearing the forest for farming and collecting subsistence products such as fuel wood, medicinal herbs, food, and construction materials for their homes from the forest. Although these groups have resided in the forests for many generations, they are never consulted by the government in the awarding of logging concessions, nor do they receive any proceeds from timber logging.<sup>50</sup> Logging does not only affect the food supply of these minority groups, but, if unchecked, will progressively destroy their traditional culture and their unique way of life.

Another focus of environmental concerns in Cambodia is the multi-factored degradation of the Tonle Sap ecosystem. The Tonle Sap lake and river are amongst the richest freshwater fishing grounds in the world, and provides about 40 percent of the country's inland fish. Fish account for an average of about 75 percent of the animal protein intake of the population and about 1,2 million Cambodians depend directly on the lake's fisheries for their livelihood.<sup>51</sup>

Furthermore, the Tonle Sap area has a unique biodiversity. More than 400 fish species, of which 215 are known to originate in the lake, have been identified in the Mekong River and its tributaries. In addition, approximately 70 percent

---

<sup>49</sup> *ibid.*

<sup>50</sup> Horvath (1998)

<sup>51</sup> Mekong River Commission Secretariat (1998)

of the plain surrounding the Tonle Sap river consists of inundated forest, supporting a rich diversity of other flora and fauna adapted to the wide seasonal fluctuations in water depth and temperature.<sup>52</sup>

The increasing population pressure is a major threat to the lake's ecosystems. The advance of agriculture, including the increasing use of chemical fertilisers and pesticides, in the flooded plain, and the introduction of more efficient and destructive fishing methods, could have major adverse impacts on biodiversity. Commercial logging in the catchment and harvesting of trees for firewood and charcoal in the inundated forest around the lake have reportedly resulted in increased sedimentation and a decline in species diversity and fish populations in the lake. However, current data are insufficient to assess the real impact of these developments. The dire prediction that the lake could silt up within the next few years is unlikely to become true.<sup>53</sup>

The biodiversity of the lake's ecosystem is also dependent on seasonal fluctuations in water flow and volume from the Mekong River. Any substantial development in the upper Mekong River which reduces those floodwaters will have an adverse impact on the lake.

Potential future areas of environmental concern include the biodiversity of coastal wetland areas, which will undoubtedly be threatened as the number and size of industrial and other development activities increase along the coast. Another major environmental challenge is municipal waste disposal, though the scale of the problem is relatively small compared with cities in most neighbouring countries. During the 1990s, urban centres in Cambodia have been experiencing a rapid increase in the volume of solid waste (mainly organic matter) and special waste (toxic waste).<sup>54</sup>

### **Conclusion**

The natural resources of Cambodia could contribute significantly to the development of the country, and assist in poverty eradication, rural development, and employment generation, if they are managed on a sustainable basis. To this end, a concerted effort is needed to ensure the:

- Establishment of transparent and predictable systems of forest management, reflecting the scarcity and true value of forest resources and biodiversity;
- Development of legal, administrative or technical frameworks or procedures to ensure land tenure for Highland Peoples that are in accordance with their way of living;
- Development of an integrated approach for sustainable management of the Tonle Sap area, ensuring the improvement of the standard of living of people and the protection of critical habitats in the area; and
- Building of institutional capacity to implement the Convention on Biodiversity, including efforts to strengthen the design and management of protected areas.

<sup>52</sup> Ministry of Environment (1998)

<sup>53</sup> Mekong River Commission Secretariat (1998)

<sup>54</sup> Ministry of Environment (1998)

## REFERENCES

- Asian Development Bank, 1996, *Cambodia: Education Sector Strategy Study*, Manila.
- Associates in Rural Development, 1998, *Forest Policy Transition Paper for Cambodia*, Final draft, Forest Policy Reform Project, Phnom Penh.
- Bann, C., ed., 1997, *An Economic Analysis of Tropical Forest Land Use Options, Rattanakiri Province*, Economy and Environment Program for Southeast Asia, Singapore.
- Bray, M., 1996, *Counting the Full Cost: Parental and Community Financing of Education in East Asia*, World Bank, Washington D.C.
- Cambodia IRRI Australia Project (CIAP), 1997, *Land Mines Do Not Significantly Limit Rice Production in Cambodia*, CIAP Bulletin, Vol. 2, No. 2, April.
- Council for the Development of Cambodia, 1998, *Development Co-operation Report - 1997/1998*, Main Report, Phnom Penh.
- Desbarats, J., 1995, *Prolific Survivors: Population Change in Cambodia, 1975-93*, Arizona State University, Arizona.
- Economic and Social Council, 1998, *Situation of human rights in Cambodia: Report of the Special Representative of the Secretary-General for Human Rights in Cambodia*, the Commission on Human Rights, Geneva.
- FAO/WFP, 1997, *Special Report of the FAO/WFP Crop and Food Supply Assessment Mission to Cambodia - 17 February 1997*, Rome, Italy.
- Godfrey, M., 1997, *Cambodia: Skill Development for Sustainable and Competitive Livelihoods*, UNDP, Phnom Penh.
- Horvath, C., 1998, *Indigenous Peoples of Northeast Cambodia*, Indigenous Affairs, No. 2 April-May-June.
- Huguet, J. W., 1997, *The Population of Cambodia, 1986-96, and Projected to 2020*. National Institute of Statistics, Ministry of Planning, Phnom Penh.
- Llanto, G.M., 1998, *Microfinance in Cambodia: A Review of Policy and Regulatory Issues*, report prepared for Catholic Relief Services Cambodia Program and USAID, Phnom Penh.
- Mekong River Commission Secretariat, 1998, *Natural Resource-Based Development Strategy for the Tonle Sap Area, Cambodia*, Final Report, CMB/95/003, UNDP and the Cambodian National Mekong Committee, Phnom Penh.

Ministry of Agriculture, 1996, *Food Security in Cambodia: A Country Position Paper*, presented at the World Food Summit, Rome.

Ministry of Education, Youth and Sports, 1998, *Education Indicators 1997/1998*, supported by UNESCO/UNDP and UNICERF/Sida, Phnom Penh.

Ministry of Environment, 1998, *National Environmental Action Plan 1998-20002*, Phnom Penh.

Ministry of Health, 1994, *National Health Development Plan 1994-96*, Phnom Penh.

\_\_\_\_\_, 1995, *Survey on Fertility and Knowledge, Attitude and Practice related to Contraception*, Phnom Penh.

\_\_\_\_\_, 1996, *National Health Statistics Report 1996*, Planning and Statistics Unit, Phnom Penh.

\_\_\_\_\_, 1997a, *National Review of the HIV/AIDS Response in Cambodia*, Phnom Penh, Cambodia.

\_\_\_\_\_, 1997b, *Report of the Annual National Health Congress*, Phnom Penh.

Ministry of Planning, 1996, *First Socio-economic Development Plan*, Phnom Penh.

\_\_\_\_\_, 1997a, *Investing in Nutrition in Cambodia*, Report of a RETA Study on Reducing Child Malnutrition, Phnom Penh.

\_\_\_\_\_, 1997b, *Public Investment Programme 1997-1999*, P.I.P. Unit, Phnom Penh.

\_\_\_\_\_, 1998a, *A Poverty Profile of Cambodia – 1997*, Phnom Penh.

Ministry of Women's Affairs and Project Against Domestic Violence, 1996, *Household Survey on Domestic Violence in Cambodia*, Phnom Penh.

Myers, C. N., Sotharith, C., and Calabria, M., 1997, *Economic Costs of AIDS in Cambodia: Some Preliminary Estimates*, Paper prepared for UNAIDS, Phnom Penh, Cambodia.

National Assembly, 1997, *Report on the Problem of Sexual Exploitation and Trafficking in Cambodia*, Commission of Human Rights and Reception of Complaints, Phnom Penh.

National Institute of Public Health, 1996, *The demand for health care*, Phnom Penh.

- National Institute of Statistics, 1994, *Socio-Economic Survey – 1993/1994, Cambodia*, Ministry of Planning, Phnom Penh.
- \_\_\_\_\_, 1996, *Demographic Survey of Cambodia 1996: General Report*, Ministry of Planning, Phnom Penh.
- \_\_\_\_\_, 1997, *Socio-Economic Survey of Cambodia 1996: Summary Results*, sponsored by ADB, Ministry of Planning, Phnom Penh.
- \_\_\_\_\_, 1998a, *General Population Census of Cambodia 1998: Provisional Population Totals*, Ministry of Planning, Phnom Penh.
- \_\_\_\_\_, 1998b, *Report on the Cambodia Socio-Economic Survey 1997*, Ministry of Planning, Phnom Penh.
- National MCH Centre, 1993, *Summary of Maternal and Child Health Statistics 1993*, Ministry of Health, Phnom Penh.
- \_\_\_\_\_, 1996, *Estimating the Magnitude of Maternal Mortality in Cambodia: An Application of the Sisterhood Method*, Ministry of Health, Phnom Penh.
- Ovesen, J., Trankell, I., Ojendal, J., 1996, *When Every Household is an Island: Social Organisation and Power Structures in Rural Cambodia*, Uppsala Research Reports in Cultural Anthropology, No. 15, Stockholm.
- Prescott, N., and Pradhan, M., 1997, *A Poverty Profile of Cambodia*, World Bank Discussion Paper No. 373, Washington, D.C.
- Rajalakshmi, R., and Zaan, B., 1997, *An Analysis of Female-Headed Households in Cambodia*, National Institute of Statistics, Phnom Penh.
- Royal Government of Cambodia, 1998, *Cambodia Nutrition Investment Plan (1999-2008)*, Phnom Penh.
- Shawcross, W., 1994, *Cambodia's New Deal*, Carnegie Endowment for International Peace, Washington, D.C.
- Tickner, V., 1996, *Food Security in Cambodia: A Preliminary Assessment*, United Nations Research Institute for Social Development, Geneva.
- Tilak, J.B.G., 1994, *Financing Education in Cambodia: Education Sector Study*, Asian Development Bank, Manila.
- UNAIDS, 1996, *UNAIDS Cambodia: Semi-annual report (July-December 1996)*, prepared by UNAIDS Country Programme Advisor, Phnom Penh.
- UNDP, 1997a, *Cambodia Human Development Report 1997*, Phnom Penh.
- UNDP, 1997b, *Human Development Report 1997*, New York.

- UNDP, 1997c, *Assistance to Demining Programmes Phase III*, UNDP Project Document, Phnom Penh.
- UNDP, 1998, *Human Development Report 1998*, New York.
- UNESCO, 1997, *Education as a Tool for Poverty Alleviation: Special Focus on Non-Formal Education*, A Discussion Paper for the UN Working Group on Poverty, Phnom Penh.
- UNFPA, 1998, *The State of the World Population 1998*, New York.
- UNICEF, 1994, *Nutritional Status and Food Practices in Rural Areas: Food and Nutrition Surveys in 12 Villages of 4 Provinces in 1993-94*, Phnom Penh.
- \_\_\_\_\_, 1995, *The Trafficking and Prostitution of Children in Cambodia: A Situation Report*, Report prepared for the Regional Workshop on Trafficking of Children for Sexual Purposes, Phnom Penh.
- \_\_\_\_\_, 1996, *Towards a Better Future: An Analysis of the Situation of Children and Women in Cambodia*, Phnom Penh.
- World Bank, 1992, *Vietnam: Population, Health and Nutrition Sector Review*, Report No. 10289-VN.
- \_\_\_\_\_, 1994, *Vietnam: Poverty Assessment*. East Asia and Pacific Region, Washington, D.C.
- \_\_\_\_\_, 1995, *Laos: Poverty Assessment*, East Asia and Pacific Region, Washington, D.C.
- \_\_\_\_\_, 1997a, *Cambodia: Progress in Recovery and Reform*, East Asia and Pacific Region, Washington, D.C.
- \_\_\_\_\_, 1997b, *World Development Report 1997*, Oxford University Press for the World Bank.
- World Bank, UNDP and FAO, 1996, *Forest Policy Assessment – Cambodia*, East Asia Pacific External Affairs, World Bank, Washington, D.C.
- WHO, 1998, *Poverty and health: aligning sectoral programmes with national health policies*, WHO/ICO Policy Paper Number 29.

**ANNEX:**

**BASIC DATA ON CAMBODIA**

## Macroeconomic indicators

Indicator	Year	Value	Source of Value
Nominal GDP (US\$ millions)	1998*	2973	Ministry of Economy & Finance
	1997	3033	Ministry of Economy & Finance
	1996	3121	Ministry of Economy & Finance
	1995	2923	Ministry of Economy & Finance
Real GDP growth (%)	1998*	3	Ministry of Economy & Finance
	1997	1	Ministry of Economy & Finance
	1996	7	Ministry of Economy & Finance
	1995	7.6	Ministry of Economy & Finance
Per Capita GDP (US\$)	1997	276	Ministry of Economy & Finance
	1996	292	Ministry of Economy & Finance
	1995	284	Ministry of Economy & Finance
GDP by sector			
Agriculture	1997	40.6	Ministry of Economy & Finance
Services	1997	42.5	Ministry of Economy & Finance
Industry	1997	16.9	Ministry of Economy & Finance
Average annual rate of inflation (%)	1997	8	Ministry of Economy & Finance
	1996	7.1	Ministry of Economy & Finance
	1995	7.8	Ministry of Economy & Finance
Exports (as % of GDP)	1997	25.8	Ministry of Economy & Finance
Imports (as % of GDP)	1997	37.9	Ministry of Economy & Finance
Total domestic revenue (as % of GDP)	1997	9.7	CDC (1998)
from which tax revenue (as % of GDP)	1997	6.6	CDC (1998)
Government expenditure (as % of GDP)	1997	13.9	CDC (1998)
Total investment (% of GDP)	1997	28.2	CDC (1998)
Private investment (% of GDP)	1997	22.9	CDC (1998)
Public investment (as % of GDP)	1997	5.4	CDC (1998)
	1996	7.6	CDC (1998)
	1995	7.1	CDC (1998)
Overall budget deficit (as % of GDP)	1997	4.2	CDC (1998)
Current budgetary exp. on basic social services (% of total exp.)	1997	16	CDC (1998)
	1996	15	CDC (1998)
	1995	14.5	CDC (1998)

Total budgetary expenditure on basic social services (% of GDP)	1997	4.2	CDC (1998)
	1996	4.7	CDC (1998)
	1995	4.3	CDC (1998)
Total net official ODA disbursements (US\$ millions)	1997	375	CDC (1998)
	1995	513	CDC (1998)
	1993	322	CDC (1998)
Total net official ODA disbursements per capita (US\$)	1997	35	CDC (1998)
Exchange rate Riel/US\$	1997	3000	Ministry of Economy & Finance
	1996	2543	Ministry of Economy & Finance
	1995	2463	Ministry of Economy & Finance
Balance of payment current account deficit (% of GDP)	1997	14	National Bank of Cambodia
	1996	16.9	National Bank of Cambodia
	1995	15.6	National Bank of Cambodia

\* = projection

## Demographic profile

Indicator	Year	Value	Source of value
Estimated population (millions)	1998	11.4	NIS (1998a)
Annual population growth rate (%)	1998	2.4	NIS (1998a)
Population density (number of persons/km <sup>2</sup> )	1998	64	NIS (1998a)
Sex ratio (males per 100 females)	1998	93.1	NIS (1998a)
	1996	91.7	NIS (1996)
Average size of household (number of persons)	1998	5.2	NIS (1998a)
Urban population (%)	1998	15.7	NIS (1998a)
Crude birth rate	1995	36	UNDP (1998)
Crude death rate	1995	13.1	UNDP (1998)
Dependency ratio (%)		95	
	1995	83.5	UNDP (1998)
Total fertility rate (per woman)	1996	5.2	NIS (1996)
Contraceptive prevalence rate, modern method (%)	1995	6.9	MoH (1995)

## Employment

Indicator	Year	Value	Source of value
Labor force participation rate (as % of total population)	1997	65.8	NIS (1998b)
Female	1997	65.4	NIS (1998b)
Male	1997	66.2	NIS (1998b)
Women's share of adult labor force (% aged 15 and above)			
Employment status (% of total employed population)			
Paid employee	1997	9.9	NIS (1998b)
Female	1997	5.4	NIS (1998b)
Male	1997	14.9	NIS (1998b)
Own-account worker/self-employed	1997	44.7	NIS (1998b)
Female	1997	36.1	NIS (1998b)
Male	1997	54.5	NIS (1998b)
Unpaid family worker	1997	30.3	NIS (1998b)
Female	1997	42.2	NIS (1998b)
Male	1997	16.7	NIS (1998b)
Occupational distribution (% of total employed population)			
Agriculture, hunting and forestry	1997	75.4	NIS (1998b)
Wholesale and retail trade	1997	7.7	NIS (1998b)
Industry	1997	6	NIS (1998b)
Public administration and defence	1997	3.1	NIS (1998b)
Average urban unskilled wage		n.a.	

## Food security and nutrition

Indicator	Year	Value	Source of value
Agricultural production (as % of GDP)	1996	42.7	World Bank (1997a)
Food imports (as % of merchandise imports)	1994	9	UNDP (1997b)
Daily calorie supply (per capita)	1995	1.996	UNDP (1998)
Children aged 0-59 months moderately & severely underweight (%)	1996	49.3	NIS (1997)
Children aged 0-59 months moderately & severely stunted (%)	1996	56.1	NIS (1997)
Children aged 0-59 months moderately & severely wasted (%)	1996	12.2	NIS (1997)
Population below consumption-based poverty line (%)	1997	36	MoP (1998a)

## Literacy and schooling

Indicator	Year	Value	Source of value
Adult literacy rate	1997	67.8	NIS (1998b)
Female	1997	57.7	NIS (1998b)
Male	1997	80.0	NIS (1998b)
Net primary enrollment rate	1997/98	77.8	MoEYS (1998)
Female	1997/98	72.4	MoEYS (1998)
Net lower secondary enrollment rate	1997/98	16.6	MoEYS (1998)
Female	1997/98	12.4	MoEYS (1998)
Net upper secondary enrollment rate	1997/98	6.8	MoEYS (1998)
Female	1997/98	5	MoEYS (1998)
Net tertiary enrollment rate	1996/97	1.3	CSES 1997
Female	1996/97	0.3	CSES 1997
Male	1996/97	1.1	CSES 1997
Household expenditure on education (as % of total expenditure)	1997	3.2	NIS (1998b)
Budgetary expenditure on education (as % of total expenditure)	1997	12.6	Ministry of Economy & Finance
Budgetary expenditure on education (as % of GDP)	1997	1.8	Ministry of Economy & Finance

## Health

Indicator	Year	Value	Source of value
Average life expectancy at birth (years)	1997	54,4	NIS (1998b)
Infant mortality rate (per 1,000 live births)	1997	90-115	MoP (1997b)
Under-five mortality rate (per 1,000 live births)	1997	181	MoP (1997b)
Maternal mortality rate (per 100,000)	1996	473	NMCHC (1996)
Total fertility rate (per woman)	1996	5.2	NIS (1996)
Contraceptive prevalence rate, modern method (%)	1995	6.9	MoH (1995)
Births attended by trained health personnel (%)	1996	31	NIS (1997)
Deliveries taking place at home (%)	1996	89.9	NIPH (1996)
AIDS cases (per 100,000 people)	1996	2.9	UNDP (1998)
Tuberculosis cases (per 100,000 people)	1995	146	UNDP (1998)

Malaria cases (per 100,000 people)	1994	870	UNDP (1998)
People with disabilities (%)	1997	2.2	NIS (1998b)
BCG vaccine coverage (%)	1996	90	MoH (1996)
Polio vaccine coverage (%)	1996	76	MoH (1996)
DPT vaccine coverage (%)	1996	75	MoH (1996)
Measles vaccine coverage (%)	1996	72	MoH (1996)
Population with access to health services (%)			
Population with access to safe water (%)	1990-96	36	UNDP (1998)
Population with access to sanitation (%)	1990-96	14	UNDP (1998)
Outpatient consultations in all health facilities (per capita)		0.35	
Budgetary expenditure on health (as % of total expenditure)	1997	7.9	Ministry of Economy & Finance
Budgetary expenditure on health (as % of GDP)	1997	1.1	Ministry of Economy & Finance

## Environment and natural resources

Indicator	Year	Value	Source of value
Land area (1,000 ha)	1995	17.7	UNDP (1998)
Irrigated land (as % of arable land areas)	1993	3.9	UNDP (1997b)
Forest and woodlands (as % of total land area)	1997	58	ARD (1998)
	1969	73	ARD (1998)
Log production (millions of m3)	1997	4.3	ARD (1998)
Annual rate of reforestation (%)		n.a.	
Loss of mangroves (%)	1980-1990	5	UNDP (1998)
Internal renewable water resources per capita (cubic meter per year)	1998	8.2	UNDP (1998)
Annual marine fishery harvest (in tons)	1995	30,500	MoE (1998)
	1990	39,900	MoE (1998)