

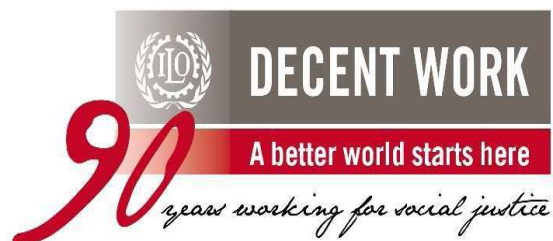


International
Labour
Office

Decent Work Country Programme

Cambodia

DECENT
WORK
COUNTRY
PROGRAMME



CAMBODIA

DECENT WORK COUNTRY PROGRAMME 2008 – 2010

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January 2010

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Abbreviations

ADB	Asian Development Bank.
AFD	Agence Francaise de Developpement
CAMFEBA	Cambodian Federation of Employers and Business Associations
CBA	Collective Bargaining Agreements
CMDGs	Cambodia Millennium Development Goals
DANIDA	Danish Development Agency.
DFID	Department for International Development (UK).
DWCP	Decent Work Country Programme.
EIIP	Employment Intensive Investment Programme
LBT	Labour Based Infrastructure Development.
IFC	International Financial Cooperation.
IOM	International Organization for Migration.
OSH	Occupational Safety and Health.
ILO	International Labour Organization.
IRAP	Integrated rural accessibility planning.
MFA	Multi Fibre Arrangement
MOC	Ministry of Commerce.
MIME	Ministry of Industry, Mines and Energy.
MOLVT	Ministry of Labour and Vocational Training.
MOSVY	Ministry of Social Affairs and Veterans and Youth Rehabilitation.
MOWA	Ministry of Women Affairs.
MOEYS	Ministry of Education, Youth and Sports.
NIS	National Institute of Statistics.
NPRS	National Poverty Reduction Strategy.
NSDP	National Strategic Development Plan.
NTVET	National Technical and Vocational Education and Training Development Plan
RGC	Royal Government of Cambodia.
SME	Small and Medium Enterprises.
UNAIDS	The UN Programme on HIV/AIDS
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNICEF	United Nation Children's Fund
UNIFEM	United Nations Women's Fund

USDOL	United States Department of Labour
WHO	World Health Organization
WISCON	Work Improvement in Small Construction Sites
WISH	Work Improvement for Safe Home

DECENT WORK COUNTRY PROGRAMME (DWCP) FOR CAMBODIA

Preface

The ILO has been a partner in Cambodia's economic and democratic recovery since the early 1990s. It supports the efforts of its tripartite constituents – Government, Workers' Organizations and Employers' Organizations – to expand opportunities for good quality employment, to improve the effectiveness of social dialogue between employers and workers, and to improve social protection and equity for all Cambodians in a growing economy.

*The ILO works in Cambodia and around the world to promote **Decent Work** - productive work in conditions of freedom, equity, security and human dignity – in order to reduce poverty and secure social justice. Decent Work comprises four mutually-supporting components:*

- *upholding fundamental **rights** at work, meaning freedom to join representative workers' and employers' associations, freedom to engage in collective bargaining and freedom from child labour, forced labour, and discrimination;*
- *ensuring adequate **livelihoods**, and creating more and better jobs for women and men;*
- *providing social **protection**, including the right to a safe work environment and support to cope with illness, injury, old age, economic crises and other risk factors; and*
- *promoting social **dialogue** at the enterprise level and between employers, workers and government at the national level as a framework for good governance and a means to advance the Decent Work agenda according to national needs.*

The ILO partnership with the Cambodian Government, Workers' Organizations and Employers-Organizations for 2008-2010 focuses on poverty reduction through boosting jobs and livelihoods, on contributing to good governance by strengthening labour institutions and the protection of fundamental rights at work, and on extending basic social protection to some of Cambodia's most vulnerable workers. The programme in 2009 and 2010 is also adjusted to reflect an action plan to mitigate the impact of the financial crisis in the country.

I. CAMBODIA COUNTRY CONTEXT

Cambodia has been enjoying peace and restoration of macroeconomic stability after almost three decades of wars which ended in 1993, having destroyed much of the country's physical and social infrastructure. Cambodia is one of the least developed countries in Asia now progressing towards further development.

Despite progress in establishing a stable macroeconomic environment and a welcoming investment climate, economic growth remains narrowly based and poverty rates remain high, with 35 percent of the population living below the poverty line, including 15 percent in extreme poverty¹. Extensive poverty persists due to insufficient opportunities for productive employment and the limited access to land, markets, social services, and appropriate skills development.

There is no official definition for informal employment in Cambodia but it is believed to be around 85 percent of total employment if agriculture is included. Informal workers are largely employed in the agriculture, forestry, and fishing sectors and in small and micro enterprises. The formal sectors, most significantly the garment manufacturing and tourism industries, are the main engines of growth, with garment manufactures accounting for 94% percent of Cambodia's exports and employing some 353,000 employees in September 2008, 95 percent of whom are women. However, the current global economic

¹ United Nations Development Assistance Framework 2006-2010

crisis has had a negative impact on exports and foreign direct investment, both of which have slowed in 2009. The garment and construction industries, which together account for nearly a quarter of Cambodia's GDP, have been hardest hit. Exports may contract by at least 2.5% in 2009. There was a significant job loss in the garment sector and the vast majority of the jobless were young women.²

Prevailing social attitudes and traditions tend to place women at a lower status to men, a situation which often leaves them with unequal or inadequate legal protection. While there has been progress in formulating policies to promote gender equality, serious gaps remain and mainstreaming gender is a major challenge. Women and children from poor and disadvantaged backgrounds remain vulnerable to trafficking, domestic violence and forced labour. Gender Mainstreaming and gender-responsive programmes remain a major priority of the government and UN development framework in addressing poverty reduction in the country. The financial crisis has had –and continues to have– a particularly severe impact on working women.

Concerns remain high about the extent of protection of human rights, freedom of association and the right to collective bargaining, the independence and neutrality of Cambodian legal and judicial processes, and land rights and protection of natural resources especially for rural populations and indigenous tribal groups. It is concerned with the situation that the economic crisis undermines the implementation of the labour code and labour standards. Cambodia has ratified the six main international human rights treaties and incorporated them in the Constitution, but implementation has been weak. Good governance has been continuously strengthened through a number of reforms in key sectors, including fighting corruption, legal and judicial reforms, public administration reform.³

II. DWCP LINKS TO NATIONAL DEVELOPMENT FRAMEWORK AND UNDAF

The *Rectangular Strategy for Growth, Employment, Equity and Efficiency* was articulated in July 2004; and its phase II in September 2008 to set out the government's development priorities and strategy for meeting the Cambodia Millennium Development Goals (CMDGs) and the National Poverty Reduction Strategy (NPRS). *Good Governance* was placed at the centre of this strategy, identified as a prerequisite to sustainable development. The *Rectangular Strategy* identifies the following four priorities of the strategy to achieve economic and social development: 1) Promotion of agriculture sector; 2) Continued rehabilitation and construction of physical infrastructure; 3) Private sector growth and employment development; and 4) Capacity building and human resource development⁴.

The *National Strategic Development Plan (NSDP) 2006-2010*⁵ draws on all government ministries and agencies to implement the Government's Rectangular Strategy and meet the NPRS goals and CMDGs targets for 2010.

In response to the economic crisis which began in Cambodia in late 2008, the Government has taken a number of steps to mitigate its impacts and to help laid-off

² Rapid assessment of the impact of the financial crisis in Cambodia, ILO Asia-Pacific Working Paper Series, March 2009.

³ Rectangular Strategy for Growth, Employment, Equity and Efficiency Phase II - an address by Somdech Akka Moha Sena Padei Techo Hun Sen to the First Cabinet Meeting on the Fourth Legislature of the National Assembly, Phnom Penh, 26 September 2008

⁴ *Ibid*

⁵ National Strategic Development Plan 2006 – 2010

workers to cope and find new employment. In this regard it has requested its development partners, including the ILO, to provide technical and financial assistance to the country in mitigating the impact of this crisis⁶.

The United Nations Development Assistance Framework (UNDAF) for 2006-2010 sets out the commitment by all UN agencies working in Cambodia to support the Government in implementing the Rectangular Strategy, and thereby achieve the CMDGs. The UNDAF builds on a joint analysis of development issues made by the World Bank, ADB and DFID and on an assessment of gender issues in the country (in lieu of a separate Common Country Assessment).

The UN Country Team identified four areas of interventions where the UN can collectively make a difference in enabling the Government and Cambodian society achieve the CMDGs: 1) Good governance and the promotion/protection of human rights; 2) Agriculture and rural poverty; 3) Capacity building and human resources development; and 4) Support for implementing the National Strategic Development Plan⁷

In addition, in response to the economic crisis, and taking into account its comparative advantage in the multilateral system on issues relating to the world of work, the ILO has taken the lead in the UN system in developing immediate and medium term interventions to help both better understand the multiple dynamics of the crisis and to alleviate some of the new hardships vulnerable groups are facing. Accordingly, the ILO in early 2009 developed a portfolio of responses in the country, including multi-tiered analysis of the garment sector (including worker and firm-level surveys), qualitative analyses of former garment workers in the sex industry, and the experiences of returning migrants in the provinces, as well as more practical interventions such as labour based community infrastructure works and (technical assistance in) the establishment of two pilot job centres in Phnom Penh and Battambang. As part of this plan, but in response to longer term imperatives for a stronger qualitative base for lab mkt data the ILO is also

Also under this plan is a technical assistance assignment to help the government's statistical office to design a survey tool for a 2009/2010 labour force survey (the data from which will also capture some of the emerging real economy trends from the current crisis).

The DWCP thus provides the framework of the ILO comparative advantage and its contribution to the Governments Rectangular Strategy and NSDP. The DWCP three priority areas reflect ILO's commitment to the UNDAF and UN joint programme development. The present DWCP is designed for a period of three years i.e. 2008-2010 to correspond to the NSDP and UNDAF both of which will be in operation until 2010. The definition and indicators of decent work need to be defined in the Cambodian context in order to properly measure the progress of DWCP.

⁶ Speech of H.E. Vong Sauth, Minister of Labour and Vocational Training, during the High-Level Meeting in celebration of the ILO90th Anniversary in Cambodia, 27 April 2009.

⁷ United Nations Development Assistance Framework 2006 - 2010

Government Rectangular strategy	UN UNDAF Priorities	ILO Decent Work Priorities
Continued rehabilitation and construction of infrastructure Private sector growth and employment development	Agriculture and rural poverty, to include improved productivity.	Employment and Skill Development Strategies for Productive Employment
Good governance, as prerequisite of socio-economic development and social justice	Good governance and the promotion of human rights	Labour Market Governance and Rights
Capacity building and human resource development, including health services; creation of social safety net	Capacity building and human resources development for the social sectors, including improved access to quality health and education systems.	Social protection enhanced for targeted groups.

Annex 1 provides a detailed description of the linkage between the DWCP, UNDAF and Rectangular Strategy

III. WORKING WITH TRIPARTITE CONSTITUTENTS

In Cambodia, the ILO ensures that the main concerns of the Royal Government of Cambodia and of the employers' and workers' organizations are addressed in the main areas of intervention of country programme and outcomes – all of which implementation rely on the involvement of and partnership with the ILO constituents and other development partners.

Ministry of Labour and Vocational Training (MOLVT) as the line ministry of DWCP focuses its work on the measures to tackle the negative impact of the financial crisis, improving industrial relations, including through a revised trade union law, linking vocational and entrepreneurship training to job growth, and action against child labour and development of employment and migration policy.

The ILO also works with a number of other ministries in carrying out its mandate, such as Ministry of Commerce(MOC) , Ministry of Women Affairs (MOWA) , Ministry of Rural Development (MRD), the Ministry of Social Affairs and Veterans And Youth rehabilitation (MOSVY), Ministry of Industry, Mines and Energy (MIME) and Ministry of Education, Youth and Sport (MOEYS), Ministry of Public Works and Transport (MOPWT), Ministry of Tourism (MOT), Ministry of Interior (MOI), Ministry of Planning (MOP).

The Cambodian Federation of Employers and Business Associations (CAMFEBA) and the national trade union confederation groups are the social partners that the ILO has collaborated,

CAMFEBA was inaugurated in July 2000 and has grown to an organization representing employers in Cambodia. As of November 2009, CAMFEBA membership comprises of 10 key industry/business associations plus 96 individual employer members, and 7 non-profit organizations and individuals as Associate members. These members make up a total of more than 1,000 individual enterprises in cross sectors of activity. The ILO works with CAMFEBA to build and enhance its capacity to represent its members in a variety of tripartite forums and to be an effective advocate for employer interests. The main concerns of CAMFEBA are improving industrial relations, labour law reform and trade union law, international competitiveness of Cambodia industries particularly garment exports and measures to tackle impact of the crisis especially in the garment sector.

The first trade unions in Cambodia were set up in 1996. and labour law was enacted in 1997. Since then, a number of trade unions and federations have been established, representing a wide range of industries, including garment, tourism and hotels, construction and the informal sector. Around 40 national trade union centres are recognized and they are federated into the following groups, i.e. CLC, CCTU, NACC, CNC, and CCU. The main concerns of trade unions are restrictive union activities and weak compliance with labour standards and labour laws, retrenchment resulted from the economic downturn and low wages below living standards. The ILO technical cooperation addresses these challenges and helps trade unions better engage in social dialogue with the Government and the employers and ensure the better protection of workers' rights and interests.

IV. DECENT WORK PRIORITIES AND OUTCOMES

The DWCP reflects the priorities of the tripartite constituents in the country. Social dialogue is a key tool to achieve the formulation of DWCP for Cambodia and is a cross-cutting theme in all areas of DWCP. Consultations with tripartite constituents have been made extensively since the development of DWCP of the last biennium (2006-2007) which received written endorsement from each of the constituents, i.e. from MOLVT⁸, CAMFEBA⁹ and trade unions representatives¹⁰. In November 2007, the Biennial Country Programme Review was conducted to review the DWCP of 2006-2007. During the stakeholders consultation workshop on 12 November 2007 to present the findings of the review, the tripartite constituents and the participants appreciated the DWCP of 2006-2007 and its impacts and reconfirmed the three priority areas of ILO' country programme to continue for the period of 2008-2010¹¹:

- Productive employment opportunities:
- Good governance
- Rights and social protection

The DWCP 2008-2010 has been developed taking into account the three priorities and the recommendations from this stakeholder's consultation workshop. With the impact of the global financial crisis, and taking into account the ILO comparative advantage vis-à-vis other agencies, the DWCP was adjusted to help the government and social partners mitigate the negative impact of the crisis under these priorities areas.

⁸ Letter dated 27 November 2006 from H.E. Vong Sauth, Minister of MOLVT

⁹ Letter dated 18 May 2007 from Mr Van Sou Ieng, President of CAMFEBA

¹⁰ Letter dated 30 May 2007 from the Trade Union Representatives

¹¹ Biennial Country Programme Review (2006-2007), 30 November 2007

A. Employment and Skill Development Strategies for Productive Employment

1. *Increased productive employment opportunities of women and men, youth and people with disabilities particularly in the rural areas*

B. Labour Governance and Rights

1. *Improved respect for the rule of law, more effective labour laws, and labour market institutions and practices that comply with international labour standards.*
2. *Government and social partners adopt and implement policies to improve and protect the rights of children, women, migrant workers and indigenous peoples.*

C. Social Protection Enhanced for Targeted Groups

1. *Increased social protection coverage to men and women workers in formal and informal sectors.*

A. EMPLOYMENT AND SKILL DEVELOPMENT STRATEGIES FOR PRODUCTIVE EMPLOYMENT

1. *Increased productive employment opportunities of women and men, youth and people with disabilities, particularly in the rural areas.*

The creation of sustainable opportunities for productive employment is vital for the social and economic development of Cambodia, and as such it is necessary for employment to form the centerpiece of national social and economic policies. In this regard, policies should not only address issues of employment *quantity* (i.e. how many jobs are created) but also of employment *quality* (whether these jobs provide for an acceptable standard of living, in conditions of human respect and decency). In developing countries like Cambodia, where large sections of society are considered “working poor,” the key issue is not simply one of access to employment, but of access to employment that is productive and remunerative, and accompanied by basic rights and benefits.

Workers in Cambodia face many constraints to the attainment of decent, productive employment. One of the most critical of these derives from deficits in access to education, training, and skills development opportunities, particularly those that are market –or “demand”- driven. The widespread lack of such access across Cambodia continues to leave large numbers of workers with few or no skills, leaving them tied to low-earning occupations with little hope of material progress. Groups most vulnerable to these kinds of deficits include:

- young people, who form the bulk of new entrants to the labour force,
- women, who continue to be disadvantaged by traditional attitudes and poor education levels,
- workers laid off during the economic crisis and willing to seek alternative employment,
- persons with disabilities, and
- women and men in rural areas where basic infrastructure is inadequate and productive job opportunities are scarce.

Policies and programmes to increase employment opportunities for the aforementioned groups are of utmost importance in the coming years, however the challenges that lie in the way are substantial. A large majority -85 percent¹²- of the Cambodian workforce live in rural areas and are engaged in agriculture, however much of this work yields insufficient income to pull households out of poverty. Of this 85 percent, women make up a slight majority and they are voiceless due to lack of unionization. Gender inequalities are endemic in the Cambodian labour market –a product in large part of traditional attitudes towards girls' education and entrenched views on 'appropriate' occupations for women and men. Having shaped existing inequalities in Cambodian society, these factors continue to perpetuate disparities in employment across the country –disparities which see women overwhelmingly concentrated in unpaid family work and/or low skilled, low income occupations. The challenges of achieving greater gender equality are also exacerbated by other factors, including the rapid transition to a market-economy and the combination of a fast-growing labour force and comparatively slower rate of new job creation.

Amid this dramatic –and worsening- mismatch (between labour-force growth and new job growth), it is important to highlight the disproportionate burden that this places on youth. Cambodia is an overwhelmingly a young population, with the bulk of its new labour market entrants falling into the 15-24 age range. This, combined with the fact many young people lack the education and skills to improve their employability and earnings, indicates a significant and growing challenge for labour market efficiency and sustainable development in the coming years. The ILO will continue to work with partners in Cambodia to develop productive employment opportunities for young people and other target groups by developing national policies and strategies and by piloting locally initiated projects.

On top of existing concerns over the employment availability (particularly of “productive” employment), the onset of the global economic crisis has since late 2008 exacerbated some of the underlying structural weaknesses in the Cambodian economy and labour market.

Being a small, open, and export-dependent economy with a narrow economic base, this crisis has had an understandably severe impact on the Cambodian real economy. Leading economic sectors like garments and construction, as well as tourism, employ hundreds of thousands of low-income workers, and it is within these sectors –reliant on FDI and/or exports- that the bulk of the job losses have occurred in recent months. The garment sector alone has, by some indications lost 10 to 15 percent of its total workforce since mid-2008 (net of new job creation). For the vast majority working in these sectors, incomes are low and access to formal safety nets non-existent. Coping mechanisms in times of job loss and/or economic hardship are therefore often limited to what the family can offer: typically, a roof over one's head and work in the agricultural –often subsistence - economy. Even though research has revealed such measures to be the “last resort” among many displaced workers¹³, it is expected that a lack of other options will force some, if not the majority, into such decisions.

The aforementioned problems are likely to prevail in Cambodia for at least the short to medium run, since it is generally accepted that even when the global economy emerges from the worst the downturn (which may well come in 2009), recovery in terms of employment will probably lag quite significantly behind.

¹² World Bank, 2006, Cambodia: Poverty Assessment

¹³ See ILO-CIDS (2009) *Rapid Assessment on the Impact of the Financial Crisis on Cambodia*, March 2009.

Strategies

ILO will provide assistance to the development, implementation and necessary capacity building for a national strategy on employment, which shall comprise four major dimensions:

- **Centralising employment in economic and social policy;**
- **Training and skills development for enhanced employability;**
- **Support to micro-and small enterprise development; and**
- **Promoting labour intensive infrastructure development.**

These strategies shall reflect the structure of the Cambodian economy and labour market in that they will demonstrate an underlying focus on low-income groups in rural areas, where some of the greatest decent work challenges lie. As the following paragraphs outline, the strategies shall also combine **upstream policy development work** (national level) with sub-national and grassroots interventions, namely **projects and demonstration works** in selected locations. In line with the ILO's national plan of action for responding to the economic crisis in Cambodia, each strategy will also demonstrate an immediate term aim to address the challenges of the current economic crisis, to work alongside and complimentary to longer term priorities outlined in the DWCP and the government's national development plans.

1. Centralising Employment

Strategy one is by implication a policy-oriented strategy. In this regard, ILO has been working with the MOLVT to develop a national strategy for employment that incorporates gender equality, addresses the needs of specific vulnerable groups (as mentioned on page 10), and pays particular attention to the needs of rural workers. Tripartite constituents in Cambodia, including the government, CAMFEB and trade unions, have at two national seminars (October 2005 and May 2007) discussed policies for employment and training and suggested key priorities for action under the National Strategic Development Plan for 2006-2010. In the coming years, ILO will provide assistance to MOLVT, MOWA and MIME, along with its social partners, to finalise and adopt a national employment strategy, as well as to implement the identified national policy priorities and strengthen the MOLVT's capacity to develop pro-poor employment policies for sustainable and productive job growth.

Although Cambodia has ratified Employment Policy Convention, 1964 (No. 122), it has not filed any reports on this since 1999. Another key target for ILO-government collaboration will therefore be to provide the necessary assistance to the government so that it resumes regular reporting on this Convention.

2. Training and Skills Development

In March 2006, the National Training Board endorsed a National Technical and Vocational Education and Training Development Plan (NTVET), which sets out a twenty five year horizon for development (from 1995 to 2020). ILO will provide technical support in the implementation of the NTVET development plan, and the GMAP (Gender Mainstreaming Action Plan) of MOLVT and MIME, and promote the linking of training to industry and employers' needs, and work towards improved skills policies and systems through a progressive skills certification process adapted to Cambodia's needs and situation. In response to the financial crisis, technical assistance will also be provided to MOLVT in the complimentary areas of training and employment needs assessment (TENA) for staff and the establishment of a network of regional job centres.

3. Support to micro and small enterprise (MSME) development

Most people in Cambodia live and work in the rural and informal economy, where productivity is low, market access is narrow, and voice in public policy is weak. Furthermore, in terms of business structure, the vast majority of enterprises (96 percent¹⁴) are “micro” in size, comprising fewer than ten employees. For more than two thirds, the owner is the single employee.¹⁵

In light of these conditions, and taking the government’s SME Development Framework as the main point of departure, ILO will assist with the development and implementation of national policies and strategies on micro and small enterprise development, with a dual focus on reducing the barriers to formal economy entry (for MSMEs) and access to micro finance. Necessarily, the latter shall also be accompanied with strengthened provisions for financial education and literacy.

Such priorities, which ultimately aim to strengthen efforts at poverty reduction and productive employment creation nationally, will be combined with downstream, grassroots levels interventions, namely sub-national and local projects and pilots covering a range of practical areas, including:

- Market access facilitation (through MSME promotion days, business climate surveys and trade fairs, for example);
- Strengthening small business groups and associations;
- Improving access to business development services for women and men entrepreneurs (linked to above), including the disabled.

For all interventions, the ILO will involve local government and social partners, so as to strengthen local capacities to facilitate and sustain local economic development. Where possible, these efforts will also be linked to integrated and participatory rural access planning procedures, which shall employ participatory techniques and employment-centric processes to enhance access-related needs in poor communities (such as potable water supplies, primary health care, education, land, markets and roads).

4. Promoting labour intensive infrastructure development

The Cambodian government is a long standing advocate of ILO labour based methodologies for infrastructure development, having seen them successfully implemented through a range of projects dating back to 1992. More recently, the Ministry of Rural Development (MRD) and the Ministry of Public Works and Transportation (MOPWT) have adopted these methodologies into ADB and World Bank-funded rural infrastructure development programmes. Reflecting the level of support these methods enjoy at policy level, the country’s new Strategic Plan for Rural Roads, prepared by the Ministry of Rural Development (MRD), notes that “The policy of MRD is to use labour-based appropriate technology (LBAT) in the construction and maintenance of rural roads...and gradual phasing out of the involvement of the public sector from rural road works with the progressive development of private sector capacity”. The ILO supports this strategy, and will continue to provide technical assistance to the Royal Government in the practical implementation of this document in the coming years.

The ILO has, through its various projects and pilots, effectively demonstrated the income-generating potential of labour-based methods for the construction and maintenance of rural roads, as well as the poverty reduction impact of integrated and participatory rural

¹⁴ International Finance Corporation & Asia Foundation (2009) *The Provincial Business Environment Scorecard in Cambodia*, April 2009.

¹⁵ Ibid.

access planning procedures (mentioned above). In three north-western provinces, for example, thousands of people have gained jobs and skills by improving and maintaining some 600 km of rural roads and building schools and markets through small scale contractors. The new and improved assets created provide much-needed additional employment and incomes to poor men and women, whilst at the same time contributing to the provision of sustainable long term assets on which local economic development can continue and thrive.

In the forthcoming DWCP, the ILO shall also focus on assisting the Ministries of Rural Development and Public Works and Transportation to institutionalize participatory planning procedures for infrastructure programmes, train local government bodies in labour-based methods and community-based planning and train small contractors in the rural infrastructure maintenance system so that such infrastructure is sustained to support local employment and livelihoods. These efforts will be particularly valuable in the immediate term as Cambodia looks to infrastructure investment –particularly through donor-funded initiatives- as a means to provide a safety net for unemployed and vulnerable workers and as a spur to the economy during the current economic downturn.

Response to the Financial Crisis

In the wake of the global economic downturn, which has hit Cambodia particularly hard, the DWCP will include activities that shall support the efforts of the RGC to mitigate the negative impact of the crisis. These will include activities relating to:

- The Garment sector, which is the largest export earner and formal employer Cambodia, but has been severely affected by the downturn in export demand during the economic downturn. These activities will include a comprehensive three-tiered research study to gather information on how garment firms, workers, and the industry as a whole have been impacted, and what mechanisms they have adopted to manage and cope with the downturn. The worker study will be conducted as a six-month tracking exercise, to gauge changes in worker conditions over time. Guidance will also be provided to firms on “socially responsible transitions” (i.e. closures, suspensions, layoffs and the like) to minimise the disruption these measures have on factory workforces, and new initiatives will also be piloted to address the ever-more important issue of energy efficiency and environmental management within factories.
- Training and skills development for vulnerable workers, particularly those in the garment sector (specific programmes built in partnership with garment employers and international buyers), and improved public employment services for these and other groups.
- The Royal Government’s forthcoming Social Protection Strategy, which is being designed in consultation with a range of major stakeholders and development partners (including the ILO). A core component of this strategy will be employment-intensive public works programmes, an issue which owing to the ILO’s familiarity with in Cambodia (it has a long and successful history of this kind of work since the end of the war), the government has requested support on. In this regard the ILO is currently providing policy advice, technical assistance and training to MPW, MRD and MOI, on labour-based techniques for infrastructure development and job creation (particularly important during the current “jobs” crisis), as well as more practical demonstration works in Battambang, employing local citizens in the development of sustainable community infrastructure like access roads and improved drainage systems.

- Identification and assessment of the training and employment needs of workers displaced by the crisis, and assistance to tailor employment services and training support accordingly. As part of this work the ILO will also provide technical support to the MOLVT on the establishment of a network of Regional Job Centers around the country.
- Enterprise development promotion in rural and urban areas for low-skilled, low income workers made unemployed by the crisis, employing existing ILO programmes on enterprise development and micro finance, particularly for women.
- Enhanced livelihoods through increased wages in the garment sector, by improving productivity and promoting gain-sharing between trade unions and the employers.
- ILO support to the UN Inter-Agency Project (UNIAP) on Human Trafficking to “put into action immediate interventions to measure and address increases in human trafficking and exploitation in Cambodia as a result of the financial crisis.” This will include in-depth investigations and analysis on the impact of the crisis on factors like unsafe migration, remittances, school dropouts and child labour. The ILO will play an active role from this point forth in the development and review process of the activities undertaken for this initiative, providing technical inputs and guidance wherever necessary.
- Improving preparedness for migrants and returnees and the undertaking of a Rapid Assessment of the impact of the crisis on workers returning from Phnom Penh and overseas to rural villages (three selected provinces).

PROGRAMME STRATEGY:

- (a) Assist MOLVT, MOWVA and MIME, and social partners to develop and finalise a gender-responsive employment strategy, with a focus on rural areas and facilitate MOLVT consultations with national and local stakeholders to help implement the strategy. Support the collection and use of labour market information for development of policies.
- (b) Support the development of skills and employability policies/strategies and build capacity to implement strategies to increase employment opportunities for young women and men in wage and self employment, with a focus on disabled people.
- (c) Improve representation of and service delivery to women and men entrepreneurs, including people with disabilities.
- (d) Assist the Ministries of Rural Development and Public Works and Transportation to institutionalize participatory planning procedures of local infrastructure and labour-based maintenance systems and train local government bodies in labour-based methods and community-based planning.
- (e) Assist the government in its efforts to mitigate the negative impact of the crisis with a focus on managing lay offs and closures in the garment sector, devising social protection measures for those losing their jobs (particularly through labour intensive infrastructure development), identifying skill needs and skill development for alternative employment, and providing opportunities for migrant workers as demand in destination countries decline.

Performance Indicators	Targets
Comprehensive plans developed and implemented for response to the financial crisis as follows: A Tracking study completed to provide comprehensive information on developments in the garments sector by end 2010.	One three-stage tracking study

<p>A plan for responsible closures adopted and implemented in the garment sector by end 2009.</p> <p>A series of Training and Employment Needs Assessment (TENA) TOTs conducted for MOLVT Technical Vocational Education and Training staff (TVET)</p> <p>Technical assistance provided to MOLVT in the strategic and logistical planning for upcoming regional job centre initiative and establishment of National Employment Agency (two work months for two consultants to work with MOLVT);</p> <p>Number of Regional Job Centres established and operational by 2010 with active linkages and information flows between employers, training providers and job seekers</p> <p>Numbers of garment worker provided with direct garment industry skills enhancement training</p> <p>Numbers of workers reached with induction and life skills training</p> <p>A social protection strategy that includes an integrated local development component, including employment intensive public works, cash transfer programmes such as those to promote better nutrition or education or to prevent child labour, as well as long term social security system components</p> <p>Technical assistance to effectively review the minimum wage linked to the productivity rise and inflation</p> <p>A number of women workers who have lost their jobs as a result of the crisis to initiate their enterprises with ILO support.</p> <p>A pilot programme for labour intensive infrastructure development for those losing their jobs in the crisis completed by 2010.</p> <p>A study on the impact of the crisis on child labour completed by mid 2010.</p> <p>A Rapid Assessment on the impact of the economic crisis on returned Cambodian migrants and the possibilities for alternative employment – both in country and overseas completed by 2010.</p> <p>A Workshop on preparing return migrants to deal with the crisis held in 2009.</p>	<p>One plan for responsible closures</p> <p>Three training needs assessment workshop completed by 2009</p> <p>One International consultants and one national consultants to work with MOLVT by 2009</p> <p>5 Job Centres</p> <p>3,000 garment workers</p> <p>30,000 workers</p> <p>One integrated social protection strategy</p> <p>One workshop held</p> <p>7,500 women workers</p> <p>One pilot programme</p> <p>One study completed</p> <p>One rapid assessment</p> <p>One workshop held</p>
<p>Prerequisite institutional structures for the development of the National Employment Strategy supported</p> <p>Reporting process on C122 by 2010 undertaken.</p> <p>Inter-ministerial steering committee for the NES established</p>	<p>Government commitment to incorporate the National Employment Strategy into the next NSDP in 2011</p> <p>One report document produced.</p> <p>One committee established</p>
<p>Capacity for Collection, compilation and analysis of labour market data and information strengthened</p>	<p>1 x Labour and Social Trends Report produced (by NIS)</p> <p>LFS Questionnaire 2009/ 2010 designed</p>
<p>Skills standards developed and pilot-tested</p> <p>Skills testing and certification system developed</p>	<p>1-2 sectors</p> <p>1-2 sectors</p>

Trainees trained using the new standards.	300 trainees
Trainers' skills upgraded.	20 trainers of vocational training centres
A number of partner organisations including government, incorporate ILO tools for enterprise development and microfinance.	24 partner organizations
A number of provinces and programmes integrate Labour Based Infrastructure Development (LBT) and Employment Intensive Investment Programme (EIIP) tools, approaches and methodologies into infrastructure development policies, strategies, development projects.	Ministry of Rural Development and 3 provinces.
Number of workdays created from sustainable road maintenance through LBT and EIIP in 3 provinces.	100,000 Work-Days through routine maintenance of 60 0km of roads in 3 provinces. 600 km of rural roads developed and maintained through LBT/EIIP methodologies.
Labour based methodologies integrated into a government social safety net strategy as an effective mechanism for employment creation by 2010	The strategy
Technical Cooperation Projects	
<p>Ongoing:</p> <ul style="list-style-type: none"> (i) <i>Women Entrepreneurship Development and Gender Equality Project (WEDGE) – Ireland</i> (ii) <i>Alleviating Poverty through Peer Training (APPT) – FIN/AGFUND (ended in 2008)</i> (iii) <i>Expansion of Employment Opportunities for Women (EEOW) –Japan (ended in 2008).</i> (iv) <i>Mainstreaming Labour Based Road Maintenance to the National Road Network – ADB (ended in 2008)</i> (v) <i>Creative Industries Support Programme (CISP)- MDG/Spanish Funds</i> (v) <i>A technical supervision of demonstration of works in a peri-urban community in Battambang</i> (vi) <i>ILO technical assistance provided to National Institute of Statistics (NIS) In the development of a questionnaire/survey tool for use in a 2009-2010 labour force survey (with specific reference to the impact of the financial crisis in 2009)</i> (vii) <i>RBSA for Local Development through Infrastructure in Cambodia</i> (viii) <i>RBSA for Equality and Decent Work Promotion in Asia</i> (IX) <i>ILO/ACTEMP/CAMFEBA Norwegian Funded Project on Social Dialogue and Youth Employment</i> <p>Pipeline:</p> <ul style="list-style-type: none"> (i) <i>Finalize proposals and explore funding options for recommencement of recently completed ILO work in the field of community slum upgrading and labour-based rural road maintenance.</i> (ii) <i>Provide policy advice and assistance to key government ministries, with particular emphasis on mainstreaming ILO labour-based methodologies into current and planned infrastructure investments.</i> (iii) <i>Proposal on regional job centre initiative designed, planned and budgeted with ILO technical and advisory support</i> (iv) <i>ILO-UNDP funded project on addressing the economic crisis in the garment sector – tracking and confidence</i> (v) <i>Proposal Project “Implementing the Global Job Pact in Cambodia”</i> 	

B. LABOUR MARKET GOVERNANCE AND HUMAN RIGHTS AT WORK

1. Improved respect for the rule of law, more effective labour laws, and labour market institutions and practices that comply with international labour standards.

Better governance is at the core of Cambodia's development strategy and, as such it is also the first priority of the UNDAF. The ILO's role in this commitment is to promote a

labour market that is governed by institutions and standards that promote decent work for women and men. Promotion of decent work is founded upon respect for fundamental human rights at work¹⁶ and international labour standards, in particular those ratified by Cambodia;¹⁷ genuine representation and effective social dialogue among workers, employers and government, strengthening workplace and national mechanisms to ensure compliance with national and international labour standards and facilitating industrial peace by preventing and resolving industrial disputes.

Promoting Industrial peace through revision of laws and strengthened institutions.

The current Labour Law was adopted in 1997, at a time when there were no worker's and employers' organizations with whom to undertake wide-ranging and meaningful consultations on the envisaged contents of the Law. As a result, some of its provisions give rise to recurrent labour disputes and industrial action. The Labour Law needs to be gradually revised so that it can continue to support the country's expanding industrial activity and growing formal sector. ILO will provide policy advice and technical assistance in drafting a revised "trade union" law which may also cover major areas of industrial relations, and facilitating tripartite consultation processes to ensure that the changes in the labour legislation reflect the views and experiences of the employers' and workers' organizations and receive their support in the interest of smooth application.

As Cambodia has raised its profile as an attractive foreign investment destination and new industries have grown, so has the concern about labour disputes involving demonstrations, strikes and work interruptions that do not follow the procedures provided in the law. Industrial peace is to a large extent dependent on respect for the rule of law on all sides. Trade unions can only fulfill their representative role if governments secure the life and safety of their leaders and members, and prevent a climate of impunity by swiftly investigating and prosecuting any offenses in this regard. Employers legitimately expect a predictable business climate with trade unions as reliable negotiating partners. Many trade unions and employers are still in the process of acquiring the skills needed to reach collective agreements that can project industrial peace over a period of at least several years. Government plays a crucial role in helping employers and trade unions to gradually reach higher quality agreements. Investments in labour inspection services and institutions for labour dispute settlement should improve a shared understanding of the law; enhance legal remedies for employers and workers; and hence reduce incentives to rely on extra-legal remedies

¹⁶ Fundamental human rights at work include the right to freedom of association and collective bargaining (i.e. the right of workers and employers to organize themselves independently with a view to defending their interests and freely negotiating conditions of work); the right to be free from forced labour (i.e. the right not to be forced to work nor to be subject to slave-like conditions of work); the right to equality of opportunity and treatment at work (i.e. the right of employed and self-employed workers not to be discriminated against for reasons unrelated to objective requirements of the job such as their race, sex, political opinion etc.); and the right to be free from child labour (i.e. the right of children below a certain age not to see full-time work stand in the way of their personal development).

¹⁷ Cambodia has currently ratified 13 international labour Conventions, including all 8 fundamental Conventions, and 1 governance Convention (i.e. the Employment Policy Convention, 1964 (No. 122). Considering the growing relevance of tripartite consultations to Cambodia's labour market governance, Cambodia will initiate the ratification process for the Tripartite Consultation. (International Labour standards) Convention, 1976 (No. 144) within the period covered by the DWCP.

Young women constitute the majority of workers in the (formal) garment sector. A labour law amendment settling a long-running dispute on compensation for night work has paved the way for more night-shift work, and thus employment opportunities for women. Cambodia should, however, denounce the Night Work (Women) Convention, 1919 (No. 4) and ratify the Night Work Convention, 1991 (No. 171) to reflect current-day realities in the garment sector, and protect both men and women workers' health and safety against the negative effects of night work. Impending amendments limiting employers' recourse to fixed-term employment contracts should enhance maternity protection for women workers. Last but not least, a correct reflection in the Labour Law of the principle of equal pay for men and women workers for work of equal value – in line with Cambodia's ratification of the Equal Remuneration Convention, 1951 (No. 100) and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111) could pave the way for more widespread recognition of and the development of measures to start addressing the segregation of women workers in certain economic activities and at lower levels of responsibility.

The ILO works with employers and trade unions to reduce labour disputes and resolve them constructively. Educating employers and workers about labour law and dispute resolution procedures in itself serves to relieve tensions. Another lesson is that independent and tripartite institutions are needed to help resolve disputes. The ILO's *Labour Dispute Resolution Project* has directly supported the creation of an independent tripartite **Arbitration Council** to help settle collective labour disputes. Since its creation in May 2003, the Council has become a landmark in the development of good industrial relations and statutory decision-making bodies of all kinds.

Currently the Arbitration Council functions well in serving the needs of employers and workers in terms of resolving industrial disputes. However, there is a need to further improve government conciliation and mediation services to relieve the burden on arbitration; the capacity of the social partners' to engage in collective bargaining constructively if the entire industrial relations system is to function harmoniously; and the State must expand its capacity to settle individual rights disputes (i.e. disputes between an individual worker and individual employer about respect for labour law or labour contracts) by establishing institutions such as labour courts. More generally, measures are needed to ensure the independence and effectiveness of the judicial system, including capacity-building measures and the institution of safeguards against corruption, so that violence and failure to see justice rendered do not tarnish Cambodia's positive image as an exporter compliant with international labour standards.

A focus of the DWCP will be training of workers' and employers' representatives to ensure that grievance procedures are more widely adopted and collective bargaining is more widely practiced at the enterprise level and upgrading the skills of government conciliators to ensure that grievances and disputes are settled before they are referred to arbitration.

Compliance and competitiveness

The Cambodian Government, garment manufacturers and labour unions have proven that their strategy to win and retain export markets by demonstrating **compliance with national labour law and international labour standards** can be successful. The ILO's *Better Factories Cambodia* project has helped establish a credible, transparent and independent monitoring system of all garment-exporting factories by providing information to international buyers about the observance of core labour standards and Cambodian labour law. The Cambodian Ministry of Commerce requires all factories with export licenses to register themselves for independent monitoring by the ILO project. A World Bank survey of international buyers has cited compliance with labour standards in

Cambodia as the most important element in their decision to source their product from Cambodia and attributed this to the independent monitoring system developed and implemented by the *Better Factories Cambodia* (BFC) project. The drastic fall in exports and employment predicted to result from the end of the Multi Fibre Arrangement (MFA), has not occurred and there is a need to sustain the initiatives.

ILO will continue to improve the monitoring and training methods and services developed and adopted by the BFC programme, and provide technical assistance in capacity building of local stakeholders. ILO will also facilitate the transitioning of the BFC project into an independent entity by 2010 as agreed by the programme partners and will document this process and the lessons learned for potential replication of the model in other countries. An independent BFC programme is expected to help to maintain the competitiveness of Cambodian garment industries and translate the international garment buyer's principles of "Corporate Social Responsibility" into practice.

PROGRAMME STRATEGY:	
<p>(a) Technically support advisory committees on the revision of the Labour Law (including the revision of legislation governing trade unions) such as the Ministerial Working Group or the Prime Minister's 8th Working Group on Labour and Industrial Relations of the Government - Private Sector Forum; offer drafting advice regarding proposed amendments based on international best practice and consistency with international labour standards; facilitate tripartite consultations on proposed amendments.</p> <p>(b) Provide technical support and capacity building of conciliation and mediation services capable of handling disputes more effectively; strengthen the infrastructure of the Arbitration Council Foundation and enable it to become self-sustaining.</p> <p>(c) Implement the sustainability strategy agreed with the Cambodian government, employers' organisation, trade unions and international buyers build local capacity to transfer responsibilities under the Better Factories Cambodia programme to local stakeholders for monitoring and improving working condition in Cambodian garment exporting factories.</p> <p>(d) Support and advise employers' organisations and trade unions to increase membership to build capacity to foster industrial peace through mature collective bargaining and social dialogue.</p> <p>(e) Facilitate reporting on ratified Conventions to the ILO supervisory bodies. Facilitate the submission of newly adopted international labour standards to the National Assembly for information and action. Advise the Government on the effect to be given to comments of the ILO supervisory bodies regarding the climate of violence and impunity, in particular independent inquiries, as a matter of urgency, into the murders of trade union leaders Chea Vichea, Ros Sovannareth and Hy Vuthy. Foster the initiation of the ratification process for 1 Convention.</p>	
Performance Indicators	Targets
Labour laws and regulations amended or adopted following tripartite consultations	Law amended in 1 area and amendments under discussion or consultation in 2 other areas
Arbitration Council/Foundation sustained as an independent, credible and effective dispute resolution body	increased number of cases resolved by AC
Number of enterprises adopt high quality collective bargaining agreements	CBA's increased by 10 among the following sectors: garment, food and beverage, hotel and tourism, and service sectors.
Local tripartite institution/s takes over monitoring role of BFC project	Well functioning local institution established with buyers presenting over 50% of the export volume using its services.
Working conditions in Cambodian factories are improved through monitoring and documenting	Average compliance levels recorded by summary synthesis reports in 2007 are maintained or improved.

compliance with national labour laws and International standards through remedial training.	
Capacity of trade unions and employers' organisations to serve constituents is improved through better management and democratic practices.	Progress toward a joint council of Trade Unions 1,000 new union members increased in construction, entertainment, and financial and banking sector
Reports on the application of international labour standards and submission to the competent authorities sent to the ILO supervisory bodies.	1) All reports on ratified Conventions due by 1 September 2010 submitted to the ILO; 2) 80 international labour Conventions and Recommendations translated and submitted to the National Assembly by 1 September 2010.
Cases of progress or interest noted by the ILO supervisory bodies.	One case of progress or interest noted by the Committee of Experts.
Number of Conventions for which ratification process has been initiated	One - Tripartite Consultation (international Labour Standards) Convention, 1976 (No. 144)
Technical Cooperation Projects	
<p><i>Ongoing :</i></p> <p>(i) <i>Workers' Education Project - funded by Norway</i></p> <p>(ii) <i>Labour Dispute Resolution Project - funded by US DOL, NZAID, USAID</i></p> <p>(iii) <i>Better Factories Cambodia Project funded by AFD, DUTCH, USAID, NZAID, GOVT, GMAC, TU and by the World Bank.</i></p> <p><i>Pipeline:</i></p> <p>(i) <i>ILO-UNDP funded project on addressing the economic crisis in the garment sector – tracking and confidence</i></p> <p>(ii) <i>MDG Spanish funded Joint Programme on Children, Nutrition and Food Security (CMB/09/</i></p>	

2. Government and social partners adopt and implement policies to improve and protect the rights of children, women, domestic workers, migrant workers, and indigenous peoples

Elimination of Child Labour

One of the most fundamental of human rights is the right to childhood. Children in many communities in Cambodia are vulnerable to the worst forms of child labour and trafficking due to severe poverty and limited access to education, especially for girls. These children need to be withdrawn from work and provided with education – including support for reintegrating in schools. Families with children at risk of trafficking and child labour need adequate information and sustainable alternative for preventing them to enter the worst forms of child labour and for investing in their futures.

Cambodia has committed itself to reducing the number of working children from 16.5% in 1999 to 8% in 2015 under the CMDGs. The ILO's technical assistance and advocacy helped the Government ratify the international labour conventions on the elimination of child labour, and translate these commitments into law through *Prakas* on hazardous child labour and on light work permitted for children below the legal minimum age. ILO IPEC programmes in Cambodia has also resulted in the rehabilitation and prevention from the worst forms of child labour of over 16,000 children involved in the fishing industry, salt sector, domestic work, rubber plantations, brick making and portering. This has been done through the provision of education and non-educational services, such as non- formal or

basic literacy education, vocational and skills training and referrals to the formal education system, income generation activities for poor families – with the support of the WEDGE project, provision of shelter or other support services, community mobilization, awareness raising, alternative livelihoods. Beneficiaries have been involved in area-based development projects. The programme has also worked very closely with employers' and workers' organisations in the country mobilizing them and building up their capacity for the elimination of child labour.

National plans of action to combat trafficking and sexual exploitation and the worst forms of child labour have been completed but national capacity to coordinate policy and programme implementation, needs further strengthening. Equally important is the mobilization of line Ministries, workers' and employers' organizations and civil society to support the implementation of national policies.

The ILO will continue to provide policy advisory services and technical assistance to the government so that national plans of action on child labour and child trafficking are implemented; help make national and provincial level coordinating mechanisms operational; advocate for safe migration as a means to prevent trafficking. It will support the Government efforts towards achieving the Child Labour goals contained in its MDG and in its Rectangular Strategy. At the same time, the ILO will also support the government in achieving the ILO goal of eliminating the Worst Forms of Child Labour in the country by 2016.

Trafficking of children and women

In the absence of job opportunities in Cambodia, people are forced to look for work in neighbouring countries. Most of these migrants use irregular means to migrate as the cost of regular migration is very high. Most migrants – especially women - work in low level and poorly paid jobs without legal or social protection. Women and children, bear the brunt of irregular migration as they are most vulnerable to exploitation and abuse.

ILO experience demonstrates the value of promoting regular forms of labour migration through cooperation between sending and receiving countries, based on sound labour migration policies, respect for migrant workers' rights and effective legal frameworks. This helps provide additional employment opportunities for Cambodians in neighbouring countries while working to ensure that their rights are protected. A well-managed **labour migration policy** is not only a means of reducing exploitation but also an important employment promotion tool.

Realizing the complexity in labour migration management, the MOLVT issued an official notification in January 2007 creating the **Labour Migration Taskforce** headed by the General Department of Labour to be responsible for coordinating the implementation of the activities relating to labour migration in collaboration with the ILO and the donor agencies. The ILO together with other agencies such as IOM and UNIFEM will assist the government in developing and implementing a labour migration policy being a rights-based approach.

Promotion of rights and respect for indigenous peoples

Indigenous peoples in Cambodia are mostly unaware of their rights (such as those under the Land Law of 2001 or – at the international level – the Indigenous and Tribal Peoples Convention, 1989 (No. 169)) and are under-represented in national, provincial and local decision-making bodies. They are threatened to erode their land rights and jeopardize their culture and means of livelihood. Poverty levels are consequently very high.

ILO will continue to support the Cambodian government to improve legislation and protection of the rights of indigenous peoples, including greater consultation and their inclusion in decision-making, and support capacity building for their representative institutions, and strengthens rights advocacy and legal protection mechanisms as well as extend awareness-raising training on rights and representation.

Promotion of women workers' rights and gender equality

Gender equality is a fundamental human and workers' rights and an essential condition for achieving decent work for women and men. Although more and more women are working outside the home, discrimination based on gender in the labour market – wage gap and occupational segregation – remains a major obstacle in the achievement of equality between men and women in the workplace. Women compared to men continue to be disadvantaged and vulnerable to exploitation; they usually lack adequate representation – especially at decision making and managerial level – have limited bargain power and social protection. Despite the increasing participation of women in the labour force and the fact that they constitute most of the new members of Trade Unions, apart from the garment sector, women are still under-represented in unions¹⁸, and they are seriously under-represented in trade union leadership.

ILO will continue to support the Cambodian government and social partners with including a gender perspective in their policies and programmes and promote the rights of women workers in specific sectors (for example, domestic workers) through organizing, advocacy and training.

PROGRAMME STRATEGY:	
<p>(a) Continue to provide policy advisory services and technical assistance to the government and social partners so that national plans of action on child labour and child trafficking are implemented; help make national and provincial level coordinating mechanisms operational;</p> <p>(b) Promote safe migration as a means to prevent trafficking of women and children through a well managed labour migration policy and regulation framework.</p> <p>(c) Support Cambodian government policy to create more opportunities for consultation and participation of disabled persons and indigenous peoples in the policy and legislative process concerning them;</p> <p>(d) Support constituents in mainstreaming gender in their policies and programmes and redress gender inequalities.</p>	
Performance Indicators	Targets
<i>National Plan of Action on Child Labour adopted and implemented</i>	1 plan
Numbers of provinces incorporate elimination of Child Labour into their Plan of Action and implement programmes to prevent child labour and withdraw children from exploitative work.	7 provinces
Incidence of child labour reduced	Child labour reduced to 10.6 % nationally (in accordance with targets of the National Strategic Development Plan 2006-2010)
Percentage increase in regular migration – compared to 2007 figures	20 percent increase in regular migration (compared to 2007 figures)

¹⁸ Promoting Gender Equality: A Resource Kit for Trade Unions, ILO, 2001

Initiatives undertaken by concerned agencies vis-à-vis legislative and policy to support the indigenous people's entitlement to landownership.	10 number of initiatives/community registration
Numbers of indigenous communities have obtained deeds to land.	3 communities/ 3 land titles
Initiatives undertaken by concerned agencies to mainstream gender in their policies and programme and carry out gender-specific action.	5 initiatives
Technical Cooperation Projects	
<p>Ongoing :</p> <p>(i) <i>Time Bound Programme to Support to Cambodian National Plan of Action on the Elimination of the Worst Forms of Child Labour – Phase I and Phase II funded by USDOL.</i></p> <p>(ii) <i>.Mekong Sub regional Project to Combat Trafficking in Children and Women at Risk – funded by DFID –SEA. (ended in 2008)</i></p> <p>(iii) <i>Support to Indigenous and Tribal Peoples – Phase I and Phase II funded by DANIDA</i></p> <p>(iv) <i>ILO/JAPAN Management of Cross Border of Movement of Labour in SEA</i></p> <p>(v) <i>ILO/JAPAN Expansion of Employment Opportunities for Women (EEOW) Cambodia (ended 2008)</i></p> <p>(vi) <i>Gender and Migration RBSA funded project</i></p>	

C. SOCIAL PROTECTION ENHANCED FOR TARGETED GROUPS

1. Increased social protection coverage for working women and men in formal and informal sectors

Institutional capacity for extension of social security

Cambodia has already promulgated the social security law for private-sector workers in 2002 and plans to introduce a contributory social security scheme for civil servants instead of the present direct payments of social security benefits to civil servants. Further development of a legislative base for social security is necessary since there are no regulations for implementing social security law for civil servants, nor any health insurance laws. There are two community based health insurance schemes which are presently expanding, which need eventually to be linked to future national schemes to ensure its sustainability. The ILO has assisted the MOLVT through ILO regular budget activities and ILO/Korea Programme in drafting legislation and designing the management and administrative structures for the establishment of an employment injury insurance scheme which has started its operation since November 2008.

It was further requested by the. MOLVT, MOSVY and MOPH, to assist in the development of social security schemes including draft legislation, financial studies and support in the implementation of such schemes, especially health insurance schemes, which has been done in collaboration with other relevant international agencies, such as WHO, GTZ and AFD. Capacity building of the government staff is a prerequisite for the implementation of the new schemes.

In response to the financial crisis, development of a sound Social Safety Nets (SSN) including social security for the poor as the first stage in building a sustainable social protection system has become a high priority of the Royal Government of Cambodia. A national forum on Social Safety Nets was organized in July 2009 by the Council for Agricultural and Rural Development (CARD) supported by the World Bank in collaboration

with WFP, UNICEF, WHO, UNDP, ILO, GTZ, ADB, DFID and various government ministries responsible on social safety nets including MOLVT and MOSVY. The forum showed the strong determination of the Prime Minister and the Government to develop an integrated, effective and efficient social safety nets strategy with a finalized comprehensive policy option paper by the end of December 2009. MOSVY in charge of a number of SSN programme as well as social insurance benefits for civil servants and informal sector workers, has formally required the ILO in July 2009 to provide a wide range of technical assistance, while MOLVT through NSSF requested the ILO for IT-related assistance on employment injury insurance. In response to these, the ILO will engage a Social Security Policy Adviser to help the government, social partners and other national stakeholders with a wide range of policy advices both on social safety nets and social insurance benefits in line with related ILO Conventions and policies.

Safety and health at work especially in the informal sector

The Cambodian national Occupational Safety and Health (OSH) system is under development in terms of legislation, inspection, advocacy and training. National OSH capacities need to be strengthened through the effective planning and development of a national OSH programme. The Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) and Recommendation (No. 197) have been specifically adopted to help countries at Cambodia's level of development identify and put in place the essential building blocks of OSH policy; give OSH the prominent position on the political agenda it deserves; and stimulate a preventative safety and health culture

Hazardous work in the informal economy is very difficult to address through laws and inspections alone. But workers and employers in small construction sites have learned to **improve safety and health** in their workplaces through participatory training workshops using the *Work Improvement in Small Construction Sites (WISCON)* programme. Geared to very small worksites, this training helps workers and employers come up with their own proposals for practical safety and health improvement measures which use only low-cost locally-available materials. And more than 200 home workers in the informal economy were trained under the *Work Improvement for Safe Homes (WISH)* programme. In both cases, outreach has been successful because of the focus on training local trainers and using simple, action-oriented checklists and good example photo sheets. Referring to these achievements, national policy workshops were held to discuss the workable ways to expand the coverage.

Existing Cambodian good OSH practices will be used as a practical means to expand OSH protection. A broader programme of action could be supported as part of a national social security and protection project.

Protection against HIV-AIDS

The HIV prevalence in Cambodia is one of the highest in Asia and, despite recent declines in prevalence among high risk groups; it remains higher than in a number of neighbouring countries. The worst-affected population category of 15-49 year-olds is also the working and economically-active segment of society. There is also special concern about the growing "feminization" of the epidemic, given indications that married women may now be more vulnerable to HIV transmission.

The ILO works with the government, workers and employers to reduce levels of HIV-risk behaviour by workers in the formal and informal economy, counters discrimination against people living with HIV, and promotes confidential testing and counselling, treatment, and

information services on HIV-AIDS. The ILO's ***HIV-AIDS workplace education programme*** generated HIV workplace policies, conducted surveys on risk behaviour and changes in attitudes and knowledge as well as trained trainers to promote HIV awareness at the workplace and held seminars for employers and workers. It also supported the development of national policy and enterprise-level interventions to prevent the spread of HIV and to prevent discrimination in formal enterprises. (This included the Implementing Guidelines (Prakas) "On the Creation of the HIV/AIDS Committee in Enterprises and Establishments and Managing HIV/AIDS in the Workplace" and two trade union policies.)

There have been requests from the social partners as well as the government to continue with the work that this project initiated and ensure the prevention of the spread of HIV and discrimination against those living with HIV and AIDS. The Tripartite Partners, via the recently-created Tripartite Coordination Committee on HIV/AIDS and the Workplace (TCC), have been consulted in setting these targets.

PROGRAMME STRATEGY:	
<p>(a) Provide technical assistance and policy advice to government and social partners on the legislative framework for the establishment of social security schemes; and enhancing capacities of government officials for future implementation of the schemes;</p> <p>(b) Provide technical assistance in finalizing and implementing national OSH programmes in consultation with social partners and based on ILO Global OSH strategy and promotional framework convention; and strengthen national OSH capacities</p> <p>(c) Strengthen the capacity of the tripartite constituents to implement existing policies and strategies to prevent discrimination against people living with HIV, particularly implementation of <i>Prakas#86</i> on the creation of HIV/AIDS Working Groups or HIV/AIDS Committees.</p>	
Performance Indicators	Targets
Percentage of employment injury insurance scheme coverage for private formal sector workers.	50 % of formal sector women and men workers in Phnom Penh working for enterprises with more than 10 workers covered by employment injury insurance scheme.
The extent of policies for wider social security coverage	One decree, regulation and implementation plan drafted for new benefits and wider coverage, for example, on wider geographical coverage of employment injury insurance and on health insurance for formal-sector workers
A policy option paper on social safety nets and social insurance benefits	One policy option
The degree to which tripartite agreement and views are reflected in the First OSH Master Plan	The First OSH Master Plan will be implemented in cooperation with workers and employers by the end of 2010.
<i>Number of informal economy workplaces with improved OSH measures</i>	100 women and men workers in informal economy workplaces trained by WISH and related programmes by the end of 2010.
Numbers of factories provided with in-depth technical assistance to integrate HIV issues into their work plans and to establish HIV/AIDS committees by end of 2010.	30 factories

<p>An operational guideline on HIV/OSH and the workplace developed and applied by first half of 2010.</p> <p>Number of enterprises sensitized on key principles of the ILO <i>Code of Practice on HIV/AIDS and the World of Work</i> in furtherance of <i>Prakas</i> #086.</p> <p>The degree to which tripartite partners are addressing HIV vulnerabilities of female entertainment sector workers.</p>	<p>One guideline</p> <p>250 workplaces reached by HIV/AIDS sensitization by end of 2010.</p> <p>HIV vulnerabilities of female entertainment sector workers are being addressed by the tripartite members in their workplace programming.</p>
Technical Cooperation Projects	
<p>Ongoing:</p> <p>(1) <i>UNAIDS/PAF Project on integrated HIV/AIDS into Garment Factory Occupational Safety and Health Committees: Workplace Sensitization</i></p> <p>Pipeline:</p> <p>(1) <i>ILO/EU Centralized project on improving social protection and promoting employment</i></p> <p>(2) <i>Proposal Project "Implementing the Global Job Pact in Cambodia"</i></p> <p>(3) <i>ILO/Spanish funded project on improving Cambodian garment workers access to health & social protection services, their pre- & post garment life skills and economic opportunities</i></p>	

Gender Mainstreaming

Gender will be effectively mainstreamed into all programmes and policies developed within the framework of the DWCP. The support of the Senior Gender Specialist in SRO-Bangkok and HQs will be used to build gender mainstreaming capacity in programme managers. Special consideration will be given to training techniques and schedules to ensure women participate in every stage of the process. The management information system and performance reports will consistently provide sex disaggregated data. Indicators have been engendered to also facilitate gender sensitive monitoring and evaluation.

V. MANAGEMENT AND IMPLEMENTATION FRAMEWORK

As a framework to support and assist the Government of Cambodia in its development objectives, the achievements of the outcomes of the DWCP requires at a very minimum coordination; effective cooperation; commitment and full participation of ILO constituents at national and local levels. They need to support and promote the decent work approach and actions in fora and platforms where they are active.

In addition to being beneficiaries of programmes the ILO constituents will be implementing partners in all priority areas, and will participate in governance mechanisms such as Project Advisory Committees.

Institutional capacity-building of the ILO partners for project implementation and research, will also be extended through partnerships on specific work items with NGOs, human rights organizations, and local research institutions.

In addition to gender, social dialogue and tripartism will be mainstreamed across all interventions and programmes.

It is recognized that the programme priorities and technical support outlined above represent joint commitments of the Cambodian partners and the ILO and that the ILO is not a funding agency. The ILO will work in collaboration with the MOLVT, other government ministries, the workers and employers organisations to mobilize resources from financial partners for the implementation of actions outlined in the DWCP. Some of the indicators mentioned above, presently receive financial resources and in-kind support from the Government, the trade unions, and the Employers' Organization.

All technical cooperation projects include agreements with the Government and social partners on their role in project steering committees and set time tables and allocate funds for appropriate mid-term reviews and evaluations and will influence future policy, advocacy and project formulation in the country and throughout the ILO's global work.

The Governance structure of the ILO entails reporting on both the implementation of the DWCP as well as an assessment of its impact. ILO commitments for the DWCP in Cambodia will be monitored as part of the ILO's biannual programming and budgeting process. Semi annual tripartite consultations will also contribute to this process. In order to enhance the coordination among the constituents and effectively monitor the progress to be made, a tripartite advisory body constituted by representatives of trade unions, the employers' organizations and the government will be formed.

The ILO is also increasingly assessed on its efforts and contribution towards the national development initiatives and activities with other UN agencies under a common development framework. Some of the activities in the DWCP are carried out jointly with other UN agencies, and substantial partnerships are maintained with UNDP, UNICEF, the Office of the UN High Commissioner for Human Rights, UNAIDS, WHO, UNIFEM, UNESCO, IOM and the World Bank. The ILO commitments to the UNDAF are measured by its own contributions as well as its joint commitments in support of UN-wide goals and are subject to annual review and reporting to the government.

VI PERFORMANCE MONITORING AND EVALUATION ARRANGEMENTS

Performance monitoring and evaluation arrangements will be established and will be inline with the ILO's practice requiring bi-annual reports, mid- and end-of-programme evaluations. The monitoring and evaluation of the DWCP provides a means of assessing the extent of ILO's contribution towards supporting national development initiatives and the UNDAF. It also serves to draw attention to where potential for improvements exist, and further actions need to be taken. The DWCP is a living process – lessons learned and good practices will feed into refining the future planning and programming process. Mechanisms such as periodic tripartite consultations, progress reports and independent country programme review will serve as constructive monitoring and evaluation tools.

Annex 1

Programmatic relationship between DWCP, UNDAF and Rectangular Strategy

DWCP Outcome	UNDAF Outcome	Rectangular Strategy	Programmatic relation
1. Increased productive employment opportunities of women and men, youth and people with disabilities, particularly in the rural areas	<p>2.2 Increased and equitable access to and utilization of land, natural resources, markets, and basic services to enhance livelihood.</p> <p>2.3 The rural poor and vulnerable using their enhanced skills, abilities and rights to increase productivity</p>	<p>Rectangle 2: Further Rehabilitation and Construction of the Physical Infrastructure</p> <p>Rectangular 3: Private Sector Development and Employment</p>	<p>The DWCP supports the UNDAF and Rectangular Strategy through providing technical assistance and necessary capacity building on employment strategy with a focus on rural areas on Training and skills development for enhanced employability; Support to micro-and small enterprise development; and Promoting labour intensive infrastructure development.</p> <p>The ILO also develops an action plan to help the country mitigate the negative impact of the financial crisis.</p>
2. Improved respect of the rule of law, more effective labour laws and labour market institutions and practices that comply with international labour standards	<p>1.1 Increased participation of civil society and citizens in decision making for the development, implementation and monitoring of public policies</p> <p>1.2 Improved public access to information related to management of public resources, judicial decision and laws rights</p> <p>1.3 Effective, independent and impartial justice system set up and equal access increased</p> <p>1.5 Increased efficiency and effectiveness of the public administration and decentralized</p>	<p>Good governance as prerequisite of socio-economic development and social justice focused on fighting corruption, legal and judicial reform, public administration reform including decentralization and deconcentration, and reform of the Royal Cambodian armed forces</p>	<p>The DWCP ILO supports the UNDAF and the Rectangular Strategy through promoting industrial peace through revision of laws and strengthened labour institutions, demonstrating compliance with national labour law and international labour standards, promotion of collective bargaining and social dialogue between employers and workers organizations.</p>

DWCP Outcome	UNDAF Outcome	Rectangular Strategy	Programmatic relation
	governance structure to deliver basic services		
3. Government and social partners adopt and implement policies to improve and protect the rights of children, women and migrant workers and indigenous peoples.	<p>1.1 Increased participation of civil society and citizens in decision making for the development, implementation and monitoring of public policies</p> <p>1.5 Increased efficiency and effectiveness of the public administration and decentralized governance structure to deliver basic services</p> <p>3.3 Significant reduction in all forms of violence against and trafficking of women and children</p>	Good governance as the core focused on fighting corruption, legal and judicial reform, public administration reform including decentralization and deconcentration, and reform of the Royal Cambodian armed forces	The DWCP supports the UNDAF and the Rectangular Strategy through providing policy advisory services to the government and social partners on the national plan of action against the worst forms of child labour, prevention of trafficking of women and children through a well managed labour migration regulatory framework and promotion of the rights and participation of disabled, indigenous peoples and women workers in policy and legislative process concerning them.
4. Increased social protection coverage for working women and men in formal and informal sectors	<p>3.1 Increased equitable access to and utilization of quality social services</p> <p>3.2 Increased awareness and empowerment of the population particularly women, children and youth, to their rights to social services</p>	Rectangular 4: Capacity Building and Human Resource Development including enhancing health services	The DWCP supports the UNDAF and the Rectangular Strategy through providing technical assistance to government and social partners on the legislative framework for the establishment and implementation of social security schemes, finalizing and implementing national OSH programmes and strengthening national OSH capacities; and strengthening capacity of tripartite constituents to implement policies and strategies to prevent discrimination against people living with HIV and on the creation of HIV/AIDS working groups or committees.

Joint Statement
on
Decent Work Country Programme of Cambodia
(2008 - 2010)

The International Labour Organization (ILO) is a specialized United Nations agency devoted to advancing opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. Its main aims are to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue in handling work-related issues. The ILO is the only “tripartite” United Nations agency in that it brings together representatives of governments, employers and workers to jointly shape policies and programmes.

Cambodia has been a Member Country of the ILO since 1969. Cambodia’s tripartite delegation consisting of Representatives of its Royal Government of Cambodia through Ministry of Labour and Vocational Training (MOLVT), Cambodian Federation of Employers and Business Associations (CAMFEBA), and Trade Union Federations, have been participating in the International Labour Conference of the ILO held in its headquarters in Geneva each year.

Decent Work Country Programmes are the main cooperation framework through which the ILO provides support to its member countries. They allow the ILO’s strategic goal – the promotion of Decent Work for All – to be aligned with the national social and economic development of different countries. Decent Work Country Programme of Cambodia (2008-2010) has been prepared in close consultation with Ministry of Labour and Vocational Training and the national employers’ and workers’ organizations in defining the priorities and targets within national development framework.

The tripartite constituents expressed their agreement on the document at the workshop on 26 November 2009 which was the year when the ILO and its members were celebrating the 90th anniversary of the Organization’s formation in 1919 and its 90 years of promoting social justice for everyone engaged in the world of work. The year also was an important year as Cambodia was also celebrating its 40th Anniversary of its membership with the ILO. The tripartite signing ceremony of the document today is thus remarkable to mark this important collaboration in achieving Decent Work in Cambodia.

We, the undersigned, support the Decent Work Country Programme for Cambodia and will work together to operationalize the programme. We shall constantly seek assistance from all the stakeholders and the donor community towards achieving this shared vision for Decent Work in the world of work.

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The Royal Government of Cambodia

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14th January 2010
Phnom Penh, Cambodia