

MAKING THE CASE

Cambodia

Case Studies on Inclusive Economic Development



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1.0

Background:



1.1 Context of the Area and Its Approach to Building More Equitable Economies

Cambodia is one of the fastest growing economies within the past 20 years (IMF, 2017) and has experienced steady economic growth with a GDP of USD 29.96 billion in 2022 (World Bank, 2022). Over the last two decades, “Cambodia’s consumption inequality and poverty have declined. However, income inequality is higher, and large gaps remain between urban and rural residents” (IMF, 2019). It is currently considered a lower-middle income country with a very young population of which 65% are under 30 years old (IMF, 2017). Despite this, Cambodia has been striving to achieve higher educational and health standards to ensure that their citizens can compete with youth around the world (IMF, 2017).

Challenges

Cambodia currently lacks a crosscutting or multidimensional approach when addressing inequality. The main players driving inclusive growth and decentralization in Cambodia include the government, international development organizations, and local NGOs. While international development organizations provide financial and technical support, the government plays a pivotal role in policy formulation and implementation.

Cambodia struggles with three main challenges in terms of growth:

1. Lack of Infrastructure
2. Underdeveloped Financial System
3. Lack of a Business-Friendly Environment

Like many developing countries, Cambodia’s electricity and transport networks are still largely inefficient (IMF, 2017). Furthermore, the government’s complex procedures create barriers to doing business because of the increased associated costs compared to other Southeast Asian countries (IMF, 2017). Finally, the country’s financial system lacks stability which is largely due to an “over-reliance on foreign borrowing, and the rapid expansion of microfinance institutions” (IMF, 2017).

National Strategic Plans in Cambodia

The Rectangular Strategy for Growth, Employment, Equity, and Efficiency (Rectangular Strategy) is a pivotal policy framework that was introduced in Cambodia in 2004. It has evolved through multiple phases and continues to guide the country's development and poverty reduction efforts. The strategy tackles

pressing challenges impacting economic growth, employment generation, reducing inequalities, improving administrative efficiency, and Cambodia's quest for inclusive and sustainable development. Importantly, Phase IV (2018) has a particular emphasis on rural development and a focus on bridging the urban-rural gap.

Cross-sectoral government initiatives attempt to bridge different inequality gaps in the country. The [National Financial Inclusion Strategy 2019 - 2025](#) guides action plans for achieving the vision of the Royal Government in enhancing financial inclusion in the country. Cambodia adopted its first [Social Protection Policy Framework in 2017](#), laying the foundation for an integrated social protection system to ensure social inclusion of all citizens.

The [National Strategic Plan for Gender Equality and Women's Empowerment 2019-2023](#) is the five-year overarching policy to promote gender equality and women's empowerment across government. The [Second National Strategy for Food Security and Nutrition \(2019-2023\)](#) attempts to reduce inequalities in access to sufficient, nutritious, and diverse foods among vulnerable and marginalized populations.

The following section will look into the [Education Strategic Plan \(ESP, 2019-2023\)](#) of Cambodia and its approaches to fostering an inclusive education system in the country. With support from its development partners and [The Ministry of Education, Youth & Sports \(MoEYS\)](#) laid out a comprehensive plan in 2019 to ensure equitable and quality access to education throughout Cambodia.



2.0

Built For All: Applied



2.1 Pillar One: Equitable Access to Resources and Opportunities

The Ministry's strategy produces the following possible outcomes under the pillar for equitable access to resources and opportunities:

1. Education and training prepare everyone to participate meaningfully in civic and economic life

The ESP outlines its first pillar as, “Ensure inclusive and equitable quality education and promote life-long learning opportunities for all” (Ministry of Education, 2017, p.1). Through various education policy reforms and teachers training and management reforms, the MoEYS made several achievements indicating progress towards this goal. In order to address inequalities affecting student enrolment, attendance, and graduation, the MoEYS engaged in multiple methods of community and youth engagement in addition to pursuing efforts to remove barriers affecting access to education. For instance, scholarship programs and accessible dormitories for students were expanded to target the poorest and those in rural communities (Ministry of Education, 2019).

2. Social capital builds communities and a sense of belonging, and supports strong families in all places

Additionally, the education plan aims to engage with the community and include youth perspectives in the National Youth Development Plan through more stakeholder engagement of youth councils and networks at national and sub-national levels (Ministry of Education, 2019). Each of the aforementioned objectives or methods seek to address Cambodian education through various demographics, and to be inclusive of age, location (rural/urban), gender, and socioeconomic status. By ensuring and measuring for inclusivity, the program can more effectively accommodate vulnerable populations (usually poorer communities or ethnic minorities) and engage diverse community groups to ensure that education is informed by barriers these communities experience.

Opportunities

The ESP draws a strong outline that aims to foster an inclusive education system in the country. However, as observed in the ESP 2022 report, the country lacks considerable progress in improving learning outcomes. By practicing modern

pedagogy and adopting best teaching practices, the education system can further push for improving quality education for all students. The mid-term review of the ESP report also recognizes that there needs to be further efforts in improving the retention rates of students and bridging the gap between wealthy and poorer students. Previous focus had been on increasing enrolment of all groups, but there was less research done regarding which groups are more at risk for dropping out. Thus, the MoEYS needs to learn how to better identify these groups and plan strategically.

2.2 Pillar Two: A Level Playing Field for Work and Competition

The Ministry's strategy produces the following possible outcomes under the pillar addressing a level playing field for work and competition:

1. Build Partnerships across sectors to provide opportunities for continuous learning

The **non-formal education (NFE)** sub-sector aims to reduce illiteracy in the country by providing education for children, youth, and adults who missed out on basic education. The **Basic Education Equivalency Programme (BEEP)** is a flagship collaborative initiative between the MoEYS and other local partners to address the issue of high dropout rates and promote lifelong learning opportunities for out-of-school children and adults. In 2020-2021, BEEP enrolment has slightly declined mainly due to insufficient resources to support the program which was made worse by lack of equitable internet access, monitoring, and program implementation (ESP, 2021). Promoting partnerships with the private sector, development partners, and NGOs is crucial for expanding the NFE sub-sector. Fortunately, the target set for 2020-2021 of 3 signed memorandums of understanding for public-private partnerships has been met with potential to provide student internships, as well as trainers from the private sector to teach technical skills in school (ESP, 2021).

2. Invest in workers by providing training and development opportunities for all levels of workers

A Joint Education Needs Assessment revealed that only 13% of teachers and school directors felt prepared for their roles during pandemic-related school closures, and that these closures prevented 77% of teachers from accessing professional

development within the past 18 months at the time of reporting (ESP, 2021). Stakeholders agreed that teacher's continuous training (particularly in distance and digital education) should be prioritized in the remaining years of the ESP. Online/blended teacher development programs are a cost-effective approach to adapt to reforms in education and mitigate potential learning losses (ESP, 2021). This approach is expected to enhance teachers' ICT skills and digital learning competencies closing the gap between workers and the changing working environment resulting in a net benefit to education outcomes (ESP, 2021).

2.3 Pillar Three: Collective Stewardship of Shared Resources for Future Generations

The Ministry's strategy produces the following possible outcomes under the pillar for collective stewardship which focuses on building opportunities for future generations:

1. Enacting mission-oriented policy that focuses on problem-specific societal challenges (i.e., achieving SDGs)

The ESP attempts to achieve SDG 4 goals by improving equitable access to quality education and providing an opportunity to promote lifelong learning opportunities for all. In addition, it addresses SDGs 3 and 6 by improving Water, Sanitation and Health infrastructure across schools in the country. By bridging the gaps between gender/location/wealth/ethnicity and disability in education, the ESP attempts to achieve SDGs 5 and 10. Furthermore, it attempts to foster a competitive job market by partnering with the development actors and external stakeholders (SDGs 17 and 8).

2. Providing adequate and equitable investment in public goods and services, such as infrastructure, internet access, and health care

Development and expansion of physical infrastructure and facilities for incomplete and disadvantaged schools has attempted to provide clean and safe learning environments to all students. Improving electricity connections and attempting to ensure all schools have digital tools to facilitate ICT teaching are all long-term efforts adopted to ensure long-term sustainable infrastructure for schools.

3. Building knowledge networks to generate consensus and share best practices across stakeholders

Expansion of partnerships between development partners, schools, and the private sector allows for greater collaboration on technical education so as to better prepare graduates according to private sector skills and knowledge requirements, while additionally facilitating effective learning opportunities for students through promoting implementation of apprenticeships and internships with relevant stakeholders.

4. Aligning short- and long-term R&D efforts to continuously expand the frontiers of knowledge, innovation, and technology to improve people's well-being

Digital systems produce efficiency and capacity for evidence-based decisionmaking and knowledge-sharing through systematic use and transfer of information, while also improving capacities in administration, operations, and data collection. By integrating ICT into a tool for teaching and learning, these benefits are progressively applied and leveraged within the education system whilst also equipping students with the information and skills necessary to better transition into full-time employment.



3.0

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