



REPORT

ILO-EU Project “Improving Social Protection and Promoting Employment” Tripartite Consultative Group Meeting Cambodiana Hotel, Phnom Penh, Cambodia

31 January 2012

I Introduction

The Third Tripartite Consultative Group/ Steering Committee Meeting of ILO-EU Project “Improving Social Protection and Promoting Employment” in Cambodia was held on 31 January 2012 in Phnom Penh, Cambodia. The Meeting was organized by the ILO-EU Project in collaboration with the General Department of Labour, Ministry of Labour and Vocational Training (MoLVT).

The Ministerial regulation, PRAKAS No. 190, of Ministry of Labour dated 23 August 2011 and signed by the minister of Labour, officially appointed 18 officials as the Tripartite Consultative Group (TCG) of the ILO-EU Project. This includes 10 members from government line ministries: the Department of Labour and the Department of Technical Vocational Education Training (TVET) both of the Ministry of Labour and Vocational Training, the National Social Security Fund (NSSF), the Ministry of Social Affairs, Veterans and Youth Rehabilitation (MoSVY), the Council for Agricultural and Rural Development (CARD), the National Employment Agency (NEA), the Supreme National Economic Council (SNEC). It also comprises 4 members from the employer associations: the Cambodian Federation of Employers and Business Associations (CAMFEBA) and the Association of Cambodian Recruitment Agency (ACRA) and 4 representatives from the trade unions: the Cambodian Labour Confederation (CLC), the National Union Alliance Chamber of Cambodia (NACC), the Building and Wood Workers Trade Union Federation of Cambodia (BWTUC) and the Independent Democratic of Informal Economic Association (IDEA). The TCG is chaired by H.E Seng Sakda, Director General of the MoLVT.

II. Objective

This meeting was organized to consult with the project tripartite steering committee members on future steps of the project and seek comments and inputs to validate the below draft of two ILO-EU studies:

- The 2nd draft of the Social Protection Expenditure and Performance Review (SPER)
- The 1st draft paper on “Cambodia: an integrated Social Protection and Employment Strategy”.

A third study which has been produced with funds from other sources but presents strong synergies with the ILO-EU project outputs and will contribute to the national tripartite dialogue has also been presented:

- Preliminary finding of the Assessment and Research on PEOPLE Service (Single Window Service initiative).

III. Agenda of the meeting: The meeting agenda was composed by 4 main topics :

- Session 1: Presentation of the 2nd draft of the Social Protection Expenditure and Performance Review (SPER);
- Session 2: Presentation of the 1st draft of “Cambodia: an integrated Social Protection and Employment Strategy”;
- Session 3: Preliminary findings of the Assessment and Research on PEOPLE Service;
- Session 4: Discussion on ILO-EU Project activities in 2012.

III. Participants

There were 21 participants who were members of the tripartite consultative group and their representatives including 14 from government, 2 employers and 5 trade union members. Additionally resource persons and ILO colleagues from the Phnom Penh office attended. The EU Delegation representative, Mr. Vincent Vire, Attaché for Social Protection, Education and Health also attended as an observer. (See list of participants in annex 1)

IV. Facilitator and Resource Persons

One full day meeting was organized in English with simultaneous translation. There were 2 facilitators and 4 international resource persons.

- Mr. Hou Vudthy, Deputy Director General of MoLVT
- Ms. Ok Malika, National Programme Officer, ILO-EU Project
- Ms. Valérie Schmitt-Diabate, Social Security Specialist of ILO Decent Work Team in Bangkok
- Ms. Diane Taieb, Consultant
- Mr. Jean-Claude Hennicot, Consultant
- Mr. Arthur van de Meerendonk, Consultant

V. Proceeding of the meeting

The third Tripartite Consultative Group/Steering committee meeting was held on 31 January 2012, chaired by Mr. Hou Vudthy, the Deputy Director General of MoLVT, on behalf of H. E. Dr. Seng Sakda, Director-General of the General Department of Labour and chairman of the ILO-EU Tripartite Consultative Group who had another urgent commitment. The chairman gave an opening remark by stressing the importance of the ILO-EU Project's work and the need to develop an employment policy for Cambodia. He requested the EU to continue supporting either through the current ILO-EU project or a new one the Ministry of Labour in developing a national employment policy for Cambodia. This employment policy would use the results of the current ILO-EU project, especially the studies and expand the role of the current Tripartite Consultative Group under the lead of Ministry of Labour in collaboration with ILO.

After the brief remarks of the chairman, consultants provided presentations as follows:

Session 1: Second Draft of the Social Protection Expenditure and Performance Review (SPER): by Mr. Jean Claude Hennicot, Actuary Consultant

Mr. Hennicot explained the definition of SPER, shared the challenges of the study focused on 2 main issues, the unavailability of data & schemes, new provisions where the policy implementation is still going on and the timeframe for implementation is not clear. The study reviewed social protection coverage in the public and private sectors, to own account workers, to the poor and assessed the current state of social protection programmes in the country such as the National Social Security Fund for Civil Servants (NSSFC), the National Fund for Veterans (NFV), the National Social Security Fund (NSSF), social assistance and social safety net programmes, health care and health financing systems. Some recommendations were provided: 1) to continue efforts to implement Social Protection through the National Health Financing Strategy (2008 – 2015) and the National Social Protection Strategy (2011-2015), 2) to continue the development of institutionalized arrangements and programmes in order to gradually shift from ODA-funded projects to national systems and allocate funding through national budget, 3) to consider universal cash transfer schemes, 4) to strengthen the social protection institutions by developing more human and institutional capacity and 5) to ensure that policies are well coordinated and coherent.

The meeting allowed reasonable time to participants to ask questions and comments to the study. The group expressed its appreciation regarding the results. However, there were some recommendations were raised:

- A request to translate the whole SPER Document into Khmer (Cambodian language) given that most of the participants have limited capacity in understanding English;

- A request to make sure that the consultant used the updated information and cited from reliable sources.
- A request to deepen information on TVET and on the National Employment Agency's services since their activities to the social safety net, skills training, employment services to the poor students, etc., are seen as very important.

The ILO would include the translation of the SPER within its activities for 2012 and the consultant would pay even more importance to the data in general. He would also prepare a final version with more space dedicated to TVET and NEA, as requested.

**Session 2: 1st draft of “Cambodia: an integrated Social Protection and Employment Strategy”
By Mr. Arthur van de Meerendonk, Consultant**

Mr. Meerendonk briefly presented the first draft of an integrated approach to the participants for their feedback and comments. Some key messages were provided such as: a) despite the sound economic performance of the past, there is the need of a social agenda such as expanding social protection and decent work standards; b) the recently launched National Social Protection Strategy (NSPS) needs to be complemented by a National Employment Strategy (NES); c) the implementation of both (NSPS + NES) needs to be embedded in a sound governance framework; d) a set of basic principles of sound governance was presented; and e) when these conditions are not in place, markets will fail to work in the benefit of the vulnerable.

The consultant explained that some important issues for the NES had already been tackled by the NSPS. He also proposed that Cambodia looked for “growth diamond”, i.e. sectors which could lead future growth, and in each of the growth diamonds it would be necessary to develop action on 5 vectors such as social dialogue, tax incentive, investment regime, infrastructure and technological innovative, TVET Education and Active Labour Market Policies (ALMPs). Mr. Meerendonk also suggested that social protection reform focused on extending coverage through an horizontal and vertical approach, paying attention to delivery and governance issues.

Similar general comments were raised by the committee on the need to translate the document into Khmer to bring it to a larger audience. Some comments were also raised on the challenges on the field of technical training in Cambodia: there is a mismatching in academic degrees, with 70-80% of students registered at university for administrative careers, but only 20-30% registered with TVET programmes for engineering and technical skill development. Then, in line to the recommendation of Cambodia's Prime Minister that the MoLVT should not only promote international migration to neighboring countries but also promote local jobs it was requested that

private and public sectors linkages to promote employment were analyzed. Furthermore, it was mentioned that the dropout rate of secondary school students is very high and constitutes a problem that needs more attention and proper strategy. The proposal to create a social security institution which puts the NSSF and NSSFC under one umbrella was also raised for discussion.

The committee also showed interest on the growth diamond with 5 pillars which seems an inspiring idea. MoLVT representatives recommended that employers should cooperate with TVET programmes to train students to fit their needs and make the programme more effective; a possible request to the ILO or other development partners to provide technical assistance to develop a TVET law for Cambodia was also raised in the meeting. At the same time, the committee showed concern on the free employment flow policy of ASEAN to be applied from 2015 onwards which would provide fewer opportunities to the unskilled and low skilled Cambodian workers to access the labour market in the country and in the region. There was also a suggestion to consider introducing unemployment insurance. Finally, the MoLVT stated that linking Social Protection and Employment Strategies are a very important concept to be considered.

In response to all comments, Mr. Arthur van de Meerendonk will review and incorporate those comments for a second version of the study and suggested the participants to take the questions raised in his presentation to discussion within their respective line ministries and provide more comments after this meeting, either through email or other communication channels.

There was a very active discussion within the committee and, therefore, a group work which had been planned to provide more opportunities to the participants to share their opinions didn't need to be done, because the general discussion had already covered the proposed questions of the presenter. In addition to the discussion, the MoLVT suggested that ILO and other development partners consider if there is a need to promulgate a specific TVET Law in Cambodia.

Session 3: Preliminary findings of the Assessment and research on “PEOPLE Service”: by Ms. Diane Taieb and Ms. Valérie Schmitt

Ms. Diane Taieb presented the concept, the objectives and the feasibility study done during the previous two months on the best practices of the Single Window Service programme, linking social protection and employment benefits and services, in some countries around the world such as India, Brazil, Chile, etc. Ms. Valérie Schmitt presented the institutional arrangement, information system and M&E mechanisms preliminarily envisaged for the case of Cambodia (where it will be called “PEOPLE Service”).

Ms. Diane highlighted the PEOPLE Service programme which is a programme to facilitate the flows between social protection and employment services, line ministries and CARD. She also briefed on several functions of the programme such as to increase the outreach, develop the linkages, empower the sub-national level, and facilitate coordination and harmonization among institutions. The international experiences presented were the “Samajik Suvidha Sangam” in Delhi/India, the “Programa Bolsa Família” and “Cadastro Único” in Brazil, the “Chile Solidario” in Chile and the Labour Net in Bangalore, which are considered to be good practices and which can deliver lessons for the implementation of PEOPLE Services in Cambodia. After this presentation, some questions were raised such as to discuss on the role of NGOs for the management of the office to ensure effective coordination, how to use the services, to develop a single data base on beneficiaries, and how to empower and build capacities of the sub-national level. The working plan comprising design and implementation of the PEOPLE Service was presented to all committee members covering the period until June 2012. The committee agreed that it is a good initiative and innovative project. However, it reminded some challenges, especially regarding the information management system, M&E mechanism and harmonization process.

Session 4: Next Steps of the ILO-EU project, by Ms. Malika Ok, National Programme Officer

Regarding the last agenda item of the meeting, Ms. Malika Ok, the national programme officer of the project briefly presented the outcomes of the project since November 2009 to January 2012 and the activity plan of the project until 30 June 2012, when it is scheduled to finish country level activities in Cambodia. The immediately next activity of the project is the organization of a National Social Dialogue Forum to validate the Draft Action Plan for Integrated Social Protection and Employment Strategies in Cambodia, which is planned to take 2-3 days in the week of 26 March 2012. After the national dialogue, the activities planned comprise finalizing documents resulting from the dialogue, preparing the publication of the two studies in English and Khmer (Cambodian language) on “Cambodia: Toward A National Employment Strategy for Sustained Poverty Reduction” and “Cambodia: Social Protection Expenditure and Performance Review (SPER)” and launching all documents in Cambodia, preparing a presentation of the Cambodian experiences for a global conference EU/ILO in Brussels, scheduled for September 2012 and linking the results to the support of the single window service pilot project as an implementation response of the National Social Protection Strategy.

MoLVT and CARD representatives said they would discuss with their respective supervisors on the ownership of the studies. However, both CARD and MoLVT suggested ILO to own the SPER study, whereas MoLVT would like to co-publish the Employment Study and CARD would like to co-publish the Costing of the National Social Protection Strategy. The committee agreed in principle to

organize the National Policy Dialogue Forum on 26-28 March 2012 and it can be revised according to the real situation but no later than April 2012.

There were some suggestions raised regarding the organization of the national dialogue:

- to develop 1-2 page policy briefs on SPER and employment study in English and Khmer to be distributed;
 - to translate the studies into Khmer and invite all relevant institutions to have a final review before it is finalized for publication.
 - to organize a separate event (half-day or one day) to official launching and dissemination the studies to at least 100 institutions or more.
 - in case of joint publications, to use the logo of the Royal Government of Cambodia and the specific logo of MoLVT and CARD, according to the case, together with the ILO and EU logos.
- This suggestion needs to be confirmed by CARD and MoLVT.

Before closing remarks, Ms. Malika informed the committee that Mr. Jean Claude Hennicot and Ms. Diane Taieb will share the results of the SPER, the PEOPLE Service initiative and decisions of this discussion to the Interim Working Group on Social Protection on 2 February 2012 to Development Partners and more than 10 line ministries and CARD, to seek their comments and input to the finalization of the documents.

Closing session

Mr. Hou Vudthy, Deputy Director General of MoLVT provided closing remarks on behalf of the Chairman of the ILO-EU Tripartite Consultative Group and expressed his gratitude to all members of the tripartite consultative group who actively participated and provided excellent inputs to the studies. He suggested the consultants consolidate those inputs to the development of their studies and the national project officer follows up with all stakeholders in organizing the next activities. He noted that MoLVT is willing to continue their strong support and close cooperation with the project to achieve the outputs. Finally, he expressed his thanks to the ILO and the EU for their technical and financial assistance in the past and the current contributions to these studies, which will support the development of social and employment policies in Cambodia.

Annex 1: List of participants

Tripartite Consultative Group Meeting

ILO-EU Project “Improving Social Protection and Promoting Employment”

31 January 2012

Cambodiana Hotel, Phnom Penh, Cambodia

No.	Title	Name in English	Position	Organization	Telephone	Email
1	Mr.	Van Thol	Vice-President	BWTUC	012 752617	thol_vankhmer@yahoo.com
2	Mr.	Leng Sarim		MoLVT	012 965 828	sarimleng@yahoo.com
3	Ms.	Ok Malika	National Prog. officer	ILO-EU	016 872 703	malika@ilo.org
4	Mr.	Arthur van de Meerendonk	Consultant	ILO	+31 6 250 585 35	meerendonk@m13.nl
5	Mr.	Sim Hong	Dep. Director of Employment	MoLVT	012 90 95 53	
6	Mr.	Theng Vibol	Interpreter		077 867 707	
7	Mr.	Tep Oeun	Deputy Director	TVET, MoLVT		
8	Mr.	Cheav Bunrith	Director of Policy Division	NSSF	012 579 411	cheav-bunrith2009@yahoo.com
9	Mr.	Ly Vanna	Officer	NSSF	016 36 66 35	vannaly_vn@yahoo.com
10	Mr.	Vincent Vire	Education Advisor	EU	023 216 996	vincent-vire@eeas.europa.eu
11	Ms.	Dong Leakna	Admin Manager	ACRA	097 37 38 037	ACRAmanpower@gmail.com
12	Mr.	Huon Sokpheaneath	Legal Officer	CAMFEBA	012 295 531	legal@camfeba.com
13	Mr.	Chea Sophal	NPC	MDG-F/BFC	017 717 007	sophal@ilo.org
14	Mr.	Kong Chanthy	CARD-SPCU Officer	CARD	099 79 89 99	
15	Mr.	Ouk Ravuth	Officer	MoLVT	012 28 98 61	ouk.ravuth@yahoo.com
16	Mr.	Meas Vou	Deputy Director	NSSFC	012 78 73 45	voumeas@yahoo.com
17	Mr.	Hay Sovuthea	Researcher	SNEC	017 27 27 97	sovuthea@gmail.com
18	Mr.	Ath Thorn	President	CLC		

19	Mr.	Heng Sam Orn	General Secretary	IDEA	015 770 120	orn_idea@yahoo.com
20	Mr.	Som Aun	President	NACC	012 866 682	som_aun@gmail.com
21	Ms.	Valérie Schmitt	Social Security Specialist	ILO-DWT		schmittv@ilo.org
22	Mr.	Jean Claude Hennicot	Consultant	ILO		jchennicot@gmail.com
23	Mr.	Hou Vudthy	Deputy Director	MoLVT	012 911 695	
24	Mr.	Sokhon David	Deputy Director	NEA	012 990 690	
25	Mr.	Chen Yansotha	Deputy Director	MoLVT	011 971 254	
26	Mr.	Chuop Narath	Deputy Director	MoLVT	012 218 789	
27	Ms.	Por Chuong	HIV/AIDs Focal Point	ILO		chuong@ilo.org
28	Mr.	Horn Vanna		MoLVT		
29	Mr.	Diane Taieb	Consultant	ILO		Diane Taieb@essec.edu
30	Ms.	Ouch Vannak	Meeting Assistant	ILO	011 74 57 41	ouchvannak@yahoo.com

Annex 2: Agenda of the meeting



**ILO-EU Project on Improving Social Protection and Promoting Employment
Tripartite Consultative Group Meeting
Cambodiana Hotel
31 January 2012**

AGENDA

- 08:00-08:30** Registration
- 08:30 – 08:45** Opening addressed by **Mr. Hou Vudthy**, Deputy Director General of MoLVT, on behalf of the Chairman of the ILO-EU Tripartite Consultative Group
- 08:45-10:00** Presentation of the 2nd draft of Social Protection Expenditure and Performance Review (SPER)
- Discussion and comments*
- Resource person:** Mr. Jean-Claude Hennicot
- 10:00-10:20** Break
- 10:20-12:00** Presentation of the 1st draft of “Cambodia: an integrated Social Protection and Employment Strategy.
- Discussion and comments*
- Resource person:** Mr. Arthur van de Meerendonk
- 12:00 – 13:30** Lunch break
- 13:30 – 15:00** Preliminary findings of the Assessment and research on PEOPLE Service
- Discussion and comments*
- Resource person:** Ms. Valérie Schmitt-Diabate and Ms. Diane Taieb
- 15:00 – 15:20** Break
- 15:20-15:35** Continue discussion on all presentations (if necessary)
- 15:35-15:50** Discussion: ILO-EU Project activities in 2012
Ms. Malika Ok (ILO-EU National Project Coordinator)
- 15:50-16:00** Conclusion and closing remarks by **Mr. Hou Vudthy**, Deputy Director General of MoLVT, on behalf of the Chairman of the ILO-EU Tripartite Consultative Group