

FACING A COMPLEX EMERGENCY

*An Evaluation of Swedish Support
to Emergency Aid to Cambodia*



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energies manifest in the bustle of commerce, the constant movement of people and goods in the capital and provincial towns, hold promise for a future in which the people, through enterprise and resourcefulness, will finally shape a peaceful and better destiny.

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LIST OF ABBREVIATIONS

ADB	Asian Development Bank
AFSC	American Friends Services Committee
AIDAB	Australian International Development Assistance Bureau
ASEAN	Association of South-East Asian Nations
CARERE	Cambodia Resettlement and Reintegration Programme
CCC	Cooperation Committee for Cambodia
CDC	Council for Development of Cambodia
CDRI	Cambodia Development Resources Institute
CMAC	Cambodia Mine Action Centre
CMEA	Council of Foreign Economic Relations
CPP	Cambodian Peoples Party
CRC	Cambodian Red Cross
FAO	Food and Agricultural Organization of the United Nations
FFP	Family Food Production
FFW	Food-for-Work
FUNCINPEC	United Front for an Independent, Prosperous and Cooperative Cambodia
ICORC	International Committee for the Reconstruction of Cambodia
ICRC	International Committee of the Red Cross
IDP	Internally Displaced People
IFRC	International Federation of Red Cross/Red Crescent Societies
IMF	International Monetary Fund
KPNLF	Kampuchea Peoples National Liberation Front
PRK	Peoples Republic of Kampuchea
QIP	Quick Impact Project
SOC	State of Cambodia
SNC	Supreme National Council
UNICEF	United Nations Children Fund
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNTAC	United Nations Transitional Administration in Cambodia

USAID	US Agency for International Development
WFP	World Food Programme
WID	Women in Development

EXECUTIVE SUMMARY

The present report reviews Swedish assistance to Cambodia for emergency and rehabilitation during the period 1989-94 and attempts to assess the methods and impact of interventions supported by SIDA. The evaluation is part of an overall assessment of Swedish emergency assistance, and focusses in particular on its relative effectiveness, the implementing arrangements used, and the degree of "additionality" achieved by this support.

Politically the "odd man out", Sweden was one of the very few western donor countries *to provide aid inside Cambodia* in the 1980's, rather than to relief operations for refugees in Thailand. Though significantly enlarged, its assistance is now increasingly integrated in that of the international community to a country that has suffered unprecedented man-made calamities, producing the complex emergency most of this aid is meant to remedy.

Over time, Swedish assistance has moved from direct emergency relief in 1979-81 to supporting rehabilitation and development initiatives, attempting to respond to the country's needs as these evolved and the situation stabilized. Over the years SIDA has made allocations for a large number of economic and social sectors and sub-sectors. Grants have been made for relatively few interventions each year, but in toto these represent a complex and ambitious programme, implemented by proxy through various multilateral organizations and NGO's.

Within this contextual framework, decisions by SIDA to support particular programmes do not appear to result from the articulation of any specific programme strategy for Cambodia. In practice, as with several other agencies present, there has been an effort *to direct assistance towards the rural poor* and to improving food security, in view of the nexus perceived between the genesis of the complex emergency and the widespread rural poverty.

Few interventions fall within any single disaster relief category, and most are multi-purpose in character. *The flexibility* with which SIDA has used funds for disaster relief is thus fully consistent with requirements on the ground. With time, however, reconstruction work has increasingly overlapped with activities designed for development. As the latter also serve the purpose of improving disaster preparedness, the use of allocations earmarked for "Emergency and reconstruction" can theoretically be prolonged indefinitely.

Although the civil war has not ended, and the complex emergency is far from defeated, the Mission believes that *a time limit* should be set for "emergency and rehabilitation" operations. There is no single answer as to when there should be a switch in the source of funding, as each complex emergency is one of a kind, and donors will adopt different solutions in line with their aid objectives. After having provided aid for disaster relief to Cambodia for 15 years, it is certainly appropriate for SIDA to review this matter, but the issue also applies to similar situations elsewhere.

As regards SIDA's *programme choices*, while lacking an explicit programme formula allowing a judgement as to whether a specific funding decision was sound, the Mission has tried to evaluate the different programmes from the point of view of their *effectiveness* in terms of reaching stated goals and target groups. A second issue of interest is the degree to which Swedish funding actually *made a difference*. Manifestly, some programmes would have gone forward regardless of whether a SIDA contribution was forthcoming; Swedish funds in such a situation have little additionality, and might well have been devoted to other ends.

Programmes supported by SIDA responded well to overall needs, as documented by numerous assessment missions carried out by UN agencies and the World Bank, and brought together in the United Nations consolidated appeal launched in April 1992. With respect to effectiveness and additionality, the picture is mixed. In the case of SIDA grants to the World Bank and ADB for technical assistance, which amounts to 25 percent of total Swedish aid during the period, the Mission holds that these programmes would have gone forward, irrespective of Swedish support, and that little additionality is gained.

A substantial part of total SIDA contributions has been devoted to the *repatriation and reintegration* of refugees. The UNHCR operation in Cambodia offers several lessons for the future in the way programme expenditures were apportioned between the different phases of the operation. Less than 10 percent of funds available to UNHCR was applied to the reintegration phase proper, mostly in the form of quick impact projects involving village infrastructure. The logistics of moving a large refugee population used up disproportionate resources at the expense of reintegration.

The Mission also believes that, rather than resisting *spontaneous repatriation* (the way incidentally that countless refugees returned home in the early 1980's), UNHCR could have done more to encourage refugee families to organize their own return, by including the appropriate incentives into its reintegration package. To a large extent, reintegration plans were in practice compromised by the lack of access to land, a constraint originally not foreseen.

Reintegration support was also held up by the administrative delays experienced by UNDP and UNHCR in operationalizing their assistance, which was not well synchronized with the return of the refugees. This is a *structural problem* resulting from the fact that donor financing is normally not available to these

agencies sufficiently ahead of time. While UNDP and UNHCR should be encouraged to plan and carry out reintegration operations jointly, donors will for their part need to find a way of resolving the funding issue.

SIDA assistance in *the social sectors* has mainly been channelled through UNICEF, which operates an impressive and complex programme in health, education, water supply, and rural development. A full 25 percent of UNICEF's budget in Cambodia has been met by SIDA. In contrast to many other agencies, which have focussed on the north-western part of the country, on refugees and internally displaced, UNICEF has taken a nation-wide approach, making the transition to a more development-oriented programme.

Its family food production programme is of particular interest in enhancing *food security*. This is a well-regarded programme, with an extensive outreach, which started already in the mid-1980's. In view of its strong development content, the Mission believes the stage has been reached when a more detailed cost/benefit analysis of the programme would be desirable to verify current assumptions regarding its impact.

Also to improve food security, in the general area of agricultural production, SIDA has allocated SEK 26 million in *commodity aid*, through FAO, for the procurement and distribution of fertilizer. The programme has experienced serious difficulty in ensuring that the proceeds of the sale of fertilizer are credited to the state treasury. As an activity that properly belongs in the private sector, recent initiatives to move fertilizer distribution away from government administrative control should be supported.

After a slow start, the work on *clearing land mines* has now started in earnest. With the help of UNTAC and a number of donors, Cambodia has established a functioning organization for demining, the first of its kind instituted by the international community, which has every prospect of becoming permanent, provided external funding is made available.

A particular SIDA concern has been for its assistance to target the rural poor. With an abnormal male/female ratio in Cambodia, family economic burdens and indeed poverty furthermore tend to fall on women. Most organizations engaged in programmes aiming at *poverty alleviation* have experienced difficulty in reaching the most disadvantaged in the communities where they work. Members of the community possessing some skills and resources are quicker to take advantage of the opportunities that programmes for betterment afford. The indigent having no resources whatsoever, especially women-headed households, tend to be sidelined. Food for work programmes, while automatically targetting the deprived, have also experienced difficulty in reaching the poorest of the poor. Methods of selecting beneficiaries have so far been unable to overcome this impediment. Moves by various programmes, such as the UNDP-sponsored CARERE, to secure genuine village participation in this regard has not yet met with success.

The fact that SIDA inserts most of its support into programmes prepared and

operated by other agencies places special demands on the *management and oversight of the programme*. As this programme spans over a remarkably wide range, it is not always easy to ensure that specific SIDA aid objectives are observed. The Mission noted in this connection that most of the reporting from implementing agencies consists of output reports and does not permit detailed analysis of programme impact and cost-effectiveness.

To try to correct this, SIDA should, as a provision of its funding agreements with the agencies concerned, require that increased attention be given to the development of internal monitoring systems and to impact and cost aspects of their operations.

Taking into account that SIDA has only indirect links with the beneficiaries of its aid, periodic *independent assessments* are essential for updating information on the general situation and on the performance of the implementing agencies. A way of gaining more in-depth knowledge of the Cambodian situation and increased leverage with intermediary aid organizations, might be to establish more formal or systematic cooperative arrangements with one or two other like-minded donors.

Although Cambodia has gone some way in stabilizing its economy, it still has to deal with the basic problem of an over-size civil service and military establishment. The *current inability* of the government to meet essential expenditures for social services and basic maintenance cannot be remedied without far-reaching administrative reform. In the meantime the donor community is taking responsibility for virtually all local programme costs. In the view of the Mission, the present widespread donor practice of paying salary supplements to government officials is uncoordinated and unregulated, and hardly conducive to sound capacity-building. It is proposed that the system be reviewed within the framework of ICORC.

Political developments in the last five years, the presence of UNTAC, as well as a depleted treasury, have produced a situation where the government cannot be said to have even attempted to exercise any *real coordination*. A beginning towards recapturing responsibility for coordination has been made with the creation of the Council for Development of Cambodia. Neither centrally, nor at the provincial level, has the government however been in a position to contribute meaningfully to donor-funded activity, in terms of inputs, except with technical and managerial personnel in those instances where salaries of key officials are paid by donors.

INTRODUCTION

Emergency or reconstruction? In a sense the suggested sub-title of this report "Evaluation of Swedish Support to Emergency Aid to Cambodia" is somewhat off the mark. Multilateral and bilateral assistance to Cambodia since 1989 has, with the exception of the repatriation of refugees from Thailand, primarily focussed on *rehabilitation and reconstruction*. This applies to support provided by multilateral agencies and NGO's in the final years of the Peoples Republic of Kampuchea, and even more so following the Paris peace agreement and the subsequent general elections.

Not that the last five years have not seen *emergency action* in response to disasters, both natural and man-made. Localized flooding and droughts are endemic in the part of the monsoon belt in which most of Cambodia is situated, and severe floods struck large areas in 1991. In the domain of man-made disasters, the buried land mines still threaten innocent civilians and the frequent dislocation of rural populations as a result of armed conflict has persisted to the present day. The survival needs of the victims of civil strife could not be ignored.

If the zigzag path from emergency to development is described as a continuum, there is accordingly constant movement forward and backwards along the line, interrupted by stops and at times by hiatus. Experience tells us that this reality is the general pattern in countries emerging from turmoil and civil war, and Cambodia conforms to the rule. As far as Swedish assistance to programmes on the continuum is concerned, there is however no contradiction in terms or intent. SIDA allocations are from funds labelled for "Emergency and reconstruction" in recognition of the basic need for flexibility.

In Cambodia the emphasis of multilateral agencies and several bilateral donors has been on rehabilitation and the restoration of services to populations that had either been entirely deprived of them for long periods or assisted poorly. The goal has furthermore been to reach the most disadvantaged groups, irrespective of the origin of their distress, and to assist vulnerable *rural communities as a whole*, rather than distinctive groups.

This is relevant when evaluating how well the programmes have succeeded. In many cases the needs of specific categories such as returning refugees and people

displaced within the country were singled out and highlighted at the time programmes were planned and this served as a powerful rationale in the quest for resources and donations. If the distinction between categories was held to be secondary, the Mission has attempted to establish what the situation was on the ground.

In dealing with the effects of the "complex emergency" in Cambodia, and in accenting rehabilitation and reconstruction, programmes have thus gone beyond the mitigation of the disaster that enveloped the nation. This being the case, it is reasonable to expect that special attention would be paid to future *disaster preparedness* and to the development linkage. The Mission has therefore reviewed this particular aspect of project activities.

When launching the appeal for resources to fund relief and reconstruction in Cambodia, the Secretary-General of the United Nations stressed that the economic and technical support of the world community should act to *cement the peace* through genuine reconciliation. It is accordingly pertinent to examine how this principle worked out in practice.

In recent years, the international community has been confronted with massive flights of refugees seeking asylum in countries neighbouring their own. The numbers of displaced are of such magnitude that organized repatriation is put in question as standard operating procedure, costs being increasingly seen as prohibitive. The Mission has reviewed the history of the repatriation in Cambodia, in part with a view to forming an opinion whether *spontaneous repatriation* could or should have been encouraged more actively.

Having no country representation, SIDA has made the deliberate policy choice of working primarily through organizations of *the United Nations system*. An evaluation of the Swedish contribution is therefore at the same time a pronouncement on how these organizations have acquitted themselves of the task. The Mission has looked into some of the implications of this policy and how it compares with the more normal SIDA procedure of working predominantly through NGO's in providing disaster relief.

In most instances several donors subscribe to the same programme as SIDA, and like SIDA at times earmark their support for discrete project elements. This begs the question as to whether the particular programme segment for which funding is provided would otherwise have suffered, been held in abeyance or received funds from another source. In general the Mission has tried to look at this issue in a pragmatic way, making a judgment as to the likelihood of *alternative funding*; should other funds have been available, earmarking and even support of an entire programme appears questionable, as funds could have been applied differently or devoted to other ends.

The issue as to what extent aid programmes foster *growing dependencies* on the part of the recipient is also of considerable interest in Cambodia. Dependency and capacity creation are often two sides of the same coin when programmes of

national scope and impact are designed. Where programmes address rural communities and vulnerable groups, the reverse side of the coin turns into a question of future preparedness and ability to cope with the next emergency.

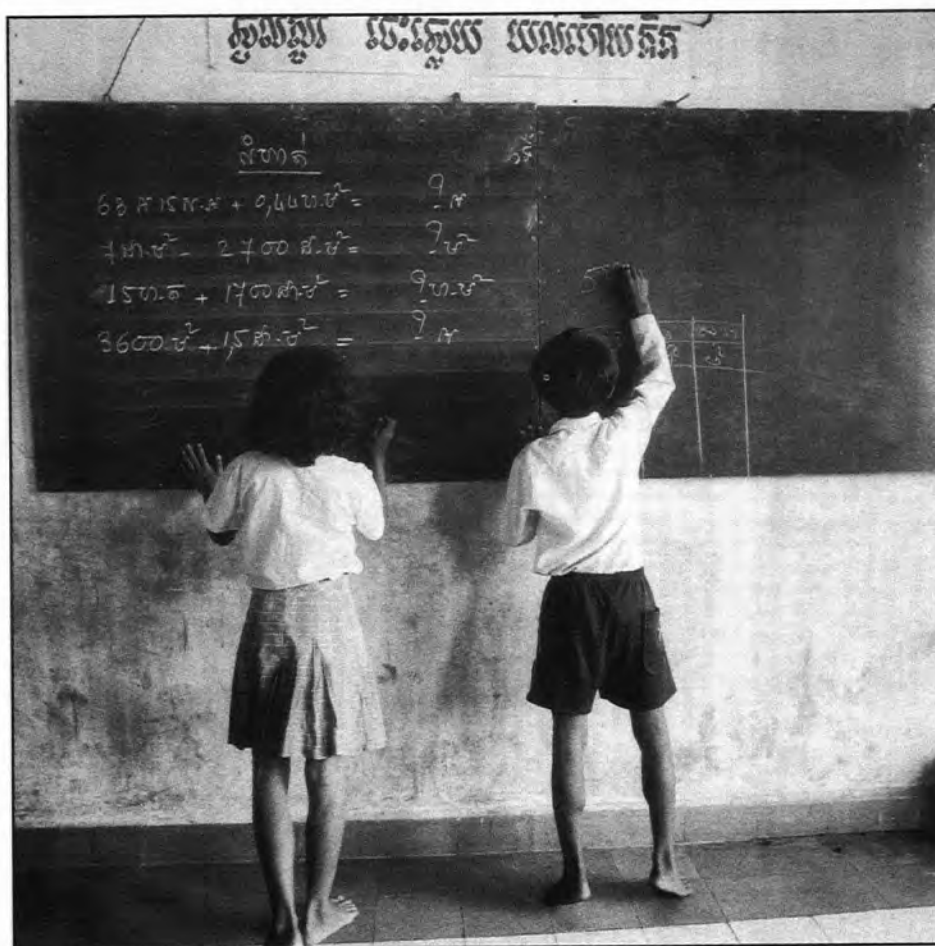


PHOTO: TINA GUE/BAZAAR

Children are taught mathematics in a school in Pnom Penh. Support to the education system has been important in restoring the basic services in Cambodia.

THE SETTING

a) Antecedents

The Khmer Rouge who took power in Cambodia in 1975 and ruled for almost four years stand out among revolutionary movements of the 20th century for the sheer ruthlessness with which they acted on the logic of their analysis of Cambodia's fundamental problems. In their view poverty in Cambodia resulted from the exploitation of the peasantry by the city people and the rural merchant class. They rejected

Buddhism, the ancient Khmer monarchy and other parts of Cambodian culture as nefarious and exploitative; they added a racial dimension to their analysis, pointing out that the merchant class tended to be Vietnamese or Sino-khmer, and thus fundamentally alien.

Their model was the Angkor Wat civilization, based on irrigation works in the rice plains of northwestern Cambodia. The base of society was the pure Khmer peasant, untainted by foreign influences. Under the Khmer Rouge the peasantry would regain their proper place at the heart of Cambodian power, which would eventually reach the glory of Angkorian times.

From these analytical premises, the entire structure of suffering which the Khmer Rouge created has a certain logic. They abolished money and commerce. They emptied the cities and forced their inhabitants to work as slaves constructing irrigation works and growing rice. The city people received limited rations and thousands died from exhaustion and disease. Except for the Khmer Rouge elite, schools and hospitals were eliminated. They mobilized the peasants and armed them with racial appeals to Khmer strength and hatred for the Vietnamese.

Cross-border raids into Vietnam, and acute divisions within the Khmer Rouge, led to the Vietnamese invasion in December 1978 and to their downfall. By early 1979 the Khmer Rouge were swept from Cambodia into Thai border areas. The Vietnamese established the People's Republic of Kampuchea, which governed Cambodia as the PRK and after 1989 as the State of Cambodia until the Paris peace accords were signed two years later.

The Vietnamese attacked at the time of the 1978 main season rice harvest. The timing of their attack, coupled with the weakness of a population debilitated by

Khmer Rouge rule, led to the Cambodia famine. In September 1979 eyewitness accounts of human suffering on an enormous scale triggered a massive public response to NGO emergency appeals in Western countries.

The response of the UN system was at first reluctant, as the new PRK government was initially only recognized by Soviet bloc countries. International agencies with clear humanitarian mandates, i. e. UNICEF and the ICRC, however led the way in taking up the relief effort, with NGOs playing a prominent role. For their part, Vietnam and CMEA countries looked more to mid-term capacity-building, concentrating on political support, military assistance, commodity aid, training, and infrastructure development.

In the chaos of 1979 and early 1980 there were massive population movements across Cambodia as people looked for relatives and tried to locate emergency relief and a safe haven. Hundreds of thousands of people fled the Vietnamese invasion into Thailand. The majority consisted either of people who opted to return to Cambodia after a brief period at the border or refugees who hoped to emigrate permanently; the border population also included the base people of the Khmer Rouge and other groups prepared to support resistance to the PRK.

By the end of 1981, after two successful rice harvests, the framework of the political and humanitarian stalemate of the 1980's was in place. The PRK, supported by 180,000 Vietnamese troops and the Soviet bloc, but shunned by the rest of the world, controlled 90 percent of the territory and population of Cambodia. At the Thai border, displaced Cambodians, who numbered 375,000 by the middle of decade, provided the support base for what in early 1982 became the Coalition Government of Democratic Kampuchea, a forced partnership of the Khmer Rouge and two non-communist resistance movements, the republicans (KPNLF) and the royalists (FUNCINPEC). This coalition, though dominated by the Khmer Rouge, enjoyed wide diplomatic recognition and represented Cambodia in the United Nations.

Entering the period under review for this evaluation, it would be difficult to imagine a less conducive context for implementing a reconstruction programme in partnership with Cambodian people and institutions. While the basic humanitarian situation had stabilized, and emergency conditions had not prevailed for some time, the impact of the national and human trauma of the past was profound.

Beyond the obvious impact of the human and material destruction, three points need to be emphasized:

- Even in the 1960's the Cambodian government was a weak institution. Government officials lacked commitment to involve the poor in their own development. Development was perceived as an act of royal beneficence.
- Living with profound insecurity for so long, Cambodians have developed an understandable propensity to think for the short term, an attitude that has constricted the planning perspectives in the government service.

- Community cohesion was severely damaged. Labour-sharing for rice production tasks was traditional in Cambodian villages before the war. These villages suffered tremendous stress: first from the war, which drove many people into Phnom Penh; then from the Khmer Rouge, who moved villages and destroyed the temples as the centre of village life; finally from the forced attempts by PRK cadre to form "solidarity groups" and village cooperatives.

b) Political developments 1989-1994

The first signs that the cold-war induced stalemate in Cambodia might be broken occurred in 1986 when the Soviet Union announced that it no longer was in the position to provide unconditional support to states that had become dependent on its aid. Vietnam began a process of economic liberalization in 1986. In Cambodia, the ruling party quietly reached out to Prince Sihanouk, who has remained the symbol of Cambodia's sovereignty and independence. A period of negotiation began at the end of 1987 which ultimately led to the signing, in October 1991 in Paris, of the Agreements on a Comprehensive Political Settlement of the Cambodian Conflict.

Even before reaching that point, the PRK leadership had nourished hopes that a solution lay in the formation of a government with the Sihanouk royalists. To prepare for this solution, the PRK in 1989 made changes to improve its image with the outside world, changing the country's name to the State of Cambodia (SOC), promulgating a liberal foreign investment law, and allowing private ownership of property. In the same year the Vietnamese unilaterally withdrew their troops from Cambodian soil. While some countries (Sweden among them) responded to these changes with increased assistance, the international community, led by the United States and China, did not accept anything less than an agreement which would neutralize the SOC administration in favour of a four-party coalition government of national reconciliation. The SOC however refused to countenance any power-sharing with the Khmer Rouge. In 1990, finally, cracks began to appear in the Western position as public doubts were expressed more vocally about the wisdom of possibly reimposing Khmer Rouge rule on the Cambodian people.¹⁾

The formula that ended the Cambodia stalemate was for the United Nations to take over the administration of the country for a fifteen-month period prior to national parliamentary elections. Cambodia's sovereignty would be embodied in a Supreme National Council, chaired by Prince Sihanouk, and including representatives of the four factions, but with equal balance between the SOC on the one

¹⁾ It is interesting in retrospect to speculate on what a more far-sighted diplomacy might have achieved at that juncture. The net political result of the UN operation in Cambodia was the creation of a legitimate and recognized government in Phnom Penh. The same outcome might well have been obtained by a US rapprochement with the PRK government in 1989-90, a policy option that, in the opinion of many, was feasible at the time; this in turn would have obviated a costly peace-keeping operation, and considerably reduced the costs of repatriation.

hand and the coalition parties on the other. The SOC administration would continue to manage the day-to-day affairs of the country and the resistance movements would continue to govern their respective zones.

The United Nations Transitional Authority in Cambodia (UNTAC) would exercise control over the Cambodian parties, especially in the areas of foreign affairs, communications, finance, interior, and defense. Upon the arrival of UNTAC's military arm, the parties would group their forces and disarm 70 percent of them. This would create the peaceful environment necessary to return the refugees from Thailand and to hold free and fair elections for the first time in Cambodian history.

The peace accords allowed Prince Sihanouk to return to his native land for the first time since 1978, the refugees to be repatriated, and free and fair elections to be held in May 1993. Almost everything else in the accords, however, was undermined by the lack of commitment to reconciliation by the Cambodian parties to the conflict, a lack of commitment matched at times by some members of the very world community which had staked so much on the accords.

The fundamental breach of the agreement occurred in June 1992 when the Khmer Rouge refused to meet the first deadline for the initial cantonment of their forces and to grant UNTAC troops open access to their zones of control. The Khmer Rouge were refusing to disarm on the spurious grounds that there had still been no independent verification of the Vietnamese troop withdrawal. Their defiance of the Paris agreements created an atmosphere of instability around the entire pre-election process. The Khmer Rouge declined to stand for election; in the countryside, the SOC security apparatus intimidated and occasionally killed opposition political leaders and their supporters.

Despite the odds, general elections took place on schedule in May 1993, yielding a new political configuration, at least at the national level. FUNCINPEC scored a plurality of the vote at 43 percent, the Cambodian People's Party (CPP) tallied 38 percent, with only tiny percentages of the vote going to the other parties. After an abortive coup by elements within the CPP, Prince Sihanouk formed a provisional government, which gave FUNCINPEC and CPP virtually equal power, to manage the post-UNTAC transition.

The two-party coalition government which emerged after the promulgation of the constitution in September 1993 varied little from the provisional government. The portfolio of Prime Minister is shared, and there is an equal balance of the two parties within the central departments of the national government. At the provincial level, while the governors have been chosen based on provincial voting patterns in elections, the CPP structure of the 1980's is still largely intact at district and commune levels.

Thus, even allowing for the possibility that party affiliation by now means less, the CPP has been able to maintain significant executive power throughout the country. The CPP cadre is more experienced in governing than FUNCINPEC,

which has far fewer people with actual experience in government or, for that matter, with recent experience in Cambodia. Military and security affairs are still virtually controlled by the CPP. However, the civil administration exercises little sway over the military; there are serious problems of over-staffing and corruption at the command level, and soldiers often engage in banditry against civilians.

The twin Prime Ministership appears to work, but ministries are often divided within themselves with the most senior member of each party surrounding himself with adherents who are reluctant to work and share information with the colleagues of the rival party. For the same reason cooperation across ministries is hesitant at best.

The continued threat of the Khmer Rouge is perhaps the greatest failure of the peace process. The security situation in the front-line provinces of Battambang and Banteay Meanchey is now as poor as when UNTAC troops entered the country in 1992. The Khmer Rouge control little territory, though economically important, and retains the capacity to harass and destabilize the daily life of civilians in the northwestern and southwestern provinces.

One notable political benefit of the UNTAC intervention is the development of civil society. Numerous local NGOs, self-help organizations, and professional associations have established themselves in recent years. There is an active and vibrant local press, which is now under threat from a government backlash. Two outspoken journalists have been murdered in 1994. There is also greater access to independent foreign news outlets. There are a number of Cambodian human rights organizations. These developments are welcome after decades of suppression of the right of assembly and information.

c) Economic and social developments

As already noted, 1989 was a landmark year for changes in Cambodia's economy as the SOC issued a new liberal foreign investment code and legalized private property ownership. In the cities, the latter change meant a windfall for otherwise struggling civil servants who suddenly owned the housing that they had been allocated during the 1980's. In the countryside, the introduction of private land tenure had the effect of putting even more power in the hands of village and commune leaders. They could suddenly allocate land, not just user rights. In the absence of any central capacity to conduct cadastral surveys and control abuses, peasants were at the mercy of local leaders, who saw a good opportunity to increase their own holdings. Uncertainty and disputes over land have been common, and relatively few land titles have been issued.

The opening of the economy coincided with the end in 1990 of Soviet assistance to Cambodia. The latter, estimated at USD 120 million per year ²⁾, had kept the

²⁾ Economist Intelligence Unit: Cambodia Country Profile, 1993/94.

Cambodian government and economy functioning in the 1980's, but was not replaced by increases in outside aid from Western countries.³⁾ The Vietnamese troop withdrawal forced the government to expand military spending even further. It already levied few taxes on the population, did not raise tax rates or add new taxes for fear of undermining its already tenuous political position. The extraordinary deficit spending was accordingly financed by printing money.

Already in 1989 the SOC budget was financed 30 percent from taxes, 40 percent from non-tax revenues (transfers from state industries and foreign assistance), and 30 percent from the issue of currency. By 1992 the budget deficit had reached 51 percent of expenditure. After a decade of moderate inflation, the going inflation rate reached about 200 percent annually, and the value of the Cambodian currency plunged from Riel 178 to the US dollar in March 1989 to Riel 2,310 by the end of 1992.⁴⁾

Economic liberalization, coupled with the massive UNTAC presence, produced unbalanced growth in the Cambodian economy. Outside investors and Cambodians with access to assets or hard currency were well-positioned to take advantage of the new boom. The Phnom Penh-based service economy flourished as entrepreneurs and government officials invested in hotels, refurbished villas and office blocks, and started restaurants and other services. UNTAC local expenditures amounted to 10 percent of Cambodia's GDP, which expanded at an annual rate of about 7 percent over the 1991-93 period, with industry and services showing handsome growth. Agriculture, however, the backbone of the Cambodian economy and the employer of 80 percent of Cambodia's work force, grew at a much slower pace: only 1.9 percent in 1992 and an estimated 3.2 percent in 1993.

The World Bank accordingly cautions that it would be a mistake to infer that the stage has been set for strong economic growth in future. It draws attention to the fact that growth is unbalanced and its overall impact shallow, its benefits being unevenly spread throughout society and concentrated in Phnom Penh, which represents only 15 percent of the population.⁴⁾

The main challenge facing the new Royal Government is how to generate internal revenue to lessen the dependence on foreign aid and increase social expenditure. Its fiscal policies have been sound; inflation has slowed and the riel has traded within a narrow range for more than one year. For 1993, however, internal revenues still account for only 47 percent of budget expenditure, with foreign financing accounting for 82 percent of the deficit. Furthermore, the deficit spending, far from being invested in key development sectors, is funding the military, which accounts for 50 percent of budget outlays, and salaries for the civil

³⁾ Total ODA from Western countries and the multilateral agencies grew from USD 18.5 million in 1988 to USD 41.6 million in 1990 and USD 90.9 million in 1991. Compared to Soviet assistance, however, much less of this aid would have gone directly to the government, as donors mainly channelled their funds through NGOs.

⁴⁾ Cambodia: From Rehabilitation to Reconstruction, World Bank (February 1994).

service. This leaves precious few resources for investment in social services. In 1993 total government spending in the health sector was USD 7 million, less than one dollar per capita. Only four percent of the 1994 budget is devoted to education.

With scant resources at its command, the government is unlikely to impact on current socio-economic indicators which appear to have changed little since the late 1980's. One in five Cambodian children still dies before reaching the age of five. Life expectancy is 50 years. Only 37 percent of the population has access to clean water, and the percentage in rural areas is certainly even lower. Adult literacy rate is 38 percent, with a literacy rate for women of only 24 percent. The younger generation is showing little sign of making better progress than their parents. Only 15 percent of Cambodia's children complete primary school and continue to lower secondary level; 3.6 percent start upper secondary level and less than 1 percent are enrolled at tertiary level. Yet even these students enter university so ill-prepared that the entire first year of education in tertiary institutions is devoted to remedial instruction.

For those with resources, the end of Cambodia's isolation has however meant a tremendous increase in social opportunities. Private educational institutions abound. The quality of medical care available to those with means is better than at any time since 1975. Contact with foreigners is unrestricted. Travel inside and outside the country is easier. Cambodians who chose to stay in the country receive visits and remittances from their relatives abroad. The benefits of these changes tend to accrue to middle class city dwellers rather than to the peasant majority.

The macro-economic framework for 1994-96 agreed between the government and the IMF/World Bank calls for maintaining average real growth at 7-8 percent per year; reducing the inflation rate to 5 percent; and cutting the external account deficit to 9 percent of GDP by the end of the period. The private sector is counted on to help stimulate this growth. To realize these objectives, however, the government has to simultaneously exercise tight fiscal controls while substantially increasing capital investment and investment in basic social services.



PHOTO: TINA GUE/BAZAAR

Women fetching water from a pump in Kampong Speu. Providing clean water is a key factor in disaster relief.

EXTERNAL ASSISTANCE PROVIDED TO CAMBODIA

a) Assistance prior to 1989

The chaotic conditions inside the country and the reluctance of the PRK government to accept a presence of foreign aid agencies delayed the international response to the 1979 famine until September. Then, after brief assessment missions by UNICEF, ICRC, and Oxfam, the PRK signed working agreements with these and other agencies for emergency programmes. At the same time a large-scale relief effort was set in motion to meet the needs of the hundreds of thousands of Cambodians who had fled into Thailand.

This relief was highly politicized. Because only the Soviet bloc recognized the PRK, Western donors tried to limit the emergency programme inside the country to only the essential materials required to meet the food and medical needs of the Cambodian people. In practice it was impossible to draw neat distinctions between emergency aid, which could be provided, and rehabilitation assistance, which was frowned upon. Faced with the extent of the destruction, donors however gave generously during this period to a broad range of emergency programmes which included essential rehabilitation components. The ICRC, UNICEF, WFP, FAO and the major NGO consortia provided a wide range of supplies from basic agricultural inputs to tractors, spare parts for industry to transport equipment, basic medical supplies to hospital equipment, pens and school notebooks to Khmer typewriters.

Rarely has the world community been called upon to support nationwide rehabilitation on this scale in the name of meeting "emergency needs." From 1979 to 1981 official bilateral and multilateral emergency programmes provided USD 370 million in assistance to Cambodia. The Soviet Union alone provided another USD 300 million.⁵⁾ NGO programmes contributed more than USD 100 million.

With the second post-famine rice harvest in 1981, the international community declared the Cambodia emergency over. From then on until 1989, aid policies reflected the prevailing political stalemate, with the Soviet bloc providing substantial reconstruction assistance, military aid, and concessional loans in budget support to the PRK. This assistance ranged from the equivalent of USD 85 million

⁵⁾ Economist Intelligence unit: Cambodia Country Profile, 1993/94.

in 1983 to USD 120 million by the end of the decade. The assistance from UN agencies shrank dramatically, with programmes in the mid-1980's totalling about USD 7 million. NGO's were the principal vehicle for bilateral support from Western countries in the reconstruction phase that was commencing. A UN report estimates NGO expenditure by a dozen agencies at USD 2 million in 1984; while probably on the low side, this estimate gives a sense of the huge drop-off in support after the emergency period. By the end of the decade approximately 25 NGOs were programming about USD 15 million annually in Cambodia.⁶⁾

Western donors, Japan, China, and the ASEAN countries complemented their policy of isolating Cambodia by offering to resettle Cambodian refugees in third countries and, once resettlement was closed as an option, by meeting the basic needs of 375,000 Cambodians in camps along the Thai-Cambodian border.

b) Needs assessment work 1989-92

The prospect of the Cambodian factions reaching agreement to end their fighting and the military withdrawal of Vietnam cleared the way for several countries and international organizations to establish an official presence in Phnom Penh. Thus, for instance, UNDP opened a liaison office in 1989, and bilateral agencies progressively entered the scene with varying forms of representation falling short of diplomatic recognition.

As little detailed knowledge of prevailing conditions in the country existed within most of the agencies concerned, there was an immediate need for undertaking a more systematic assessment of requirements. Over the next two years a plethora of technical and programming missions visited Cambodia.

Bilateral missions were fielded by Australia, Japan, as well as by other countries, including Sweden which commissioned a special base-line study of conditions in the country. UNDP alone sent seven technical missions to Cambodia during this period, three of which were devoted to the country's failing infrastructure. The UN agencies that had been designated to play a role in implementing the future peace agreement, led by the Office of the Special Representative of the Secretary-General for Cambodia, and other multilateral institutions wishing to get in on the act, moved in with deliberate speed. The number of NGO's seeking to establish themselves kept swelling.

UNHCR focussed on preparations for receiving refugees from across the border, UNDP on the state of the infrastructure and on how refugee reintegration could be accelerated and linked to more lasting development concerns; WFP studied the predicament of the internally displaced; and the ADB came in to lay the groundwork for an emergency rehabilitation loan. The list of missions fielded by various bodies reviewing Cambodia's needs from their own particular vantage points is indeed extensive: about 50 programming missions, if individual consult-

⁶⁾ Grant Curtis: Cambodia: A Country Profile, SIDA (August 1989).

ant visits are included, flew in and out of Phnom Penh in the space of two years.

It was an influx with which the de facto SOC government was hardly able to cope, let alone advise on any regime of priorities for action. NGO's staked out positions in different parts of the country without much consideration being given to the need for ensuring that their presence in the rural areas was evenly spread. With a government whose authority was on the wane, it was left to the United Nations – after the peace agreement had been signed – to take on a coordinating role within the UNTAC framework.

c) The United Nations appeal and ICORC

In April 1992 the Secretary-General issued a consolidated appeal for funds to cover Cambodia's immediate needs and national rehabilitation. It requested the international community to provide resources to the tune of USD 595 million, through bilateral or multilateral channels, for a coordinated set of measures designed to strengthen the peace process and launch Cambodia on the path of economic recovery.

In part the appeal was based on the findings of a UNDP mission in early 1992 which attempted to structure the full inventory of needs that had emerged in the course of the earlier special missions and to draw together their diverse recommendations. A second important input was the review being carried out by the so-called UN Mission on Economics and Finance, on which the World Bank was strongly represented, a participation that was financed by SIDA through a special allocation to the Bank.

The Secretary-General's request included a provision of USD 116 million to repatriate all refugees. Their resettlement and reintegration at home, together with the requirements of internally displaced persons and demobilized soldiers, was estimated to cost another USD 82.7 million. This, coupled with the need to maintain and restore essential services in the rural areas, principally in the fields of health, education, water supply and agriculture, costed at USD 119 million, were over-arching requirements, amounting to 35 percent of stated needs. USD 150 million were devoted to major infrastructural works, and capacity building absorbed USD 14.5 million. A further USD 111.8 million was sought in commodity aid and balance of payments support to avert a total breakdown of the civil service and to put a break on run-away inflation.

To give political expression to the commitment of the international community, a ministerial conference on rehabilitation and reconstruction of Cambodia was convened in Tokyo in mid-1992 by the Government of Japan, providing the occasion to raise resources for the effort in Cambodia. In terms of ongoing contributions and new pledges of support, the meeting tallied up resources exceeding the stated needs by about USD 200 million, a most successful outcome. Despite this, some items in the UN appeal were not adequately covered, while

others were over-subscribed. For the two-year period 1992/93, pledges totalling USD 880 million were announced.⁷⁾

As called for in the Peace accords, the Tokyo meeting also decided to establish a more permanent coordinating mechanism, named the International Committee for the Reconstruction of Cambodia (ICORC), which was to provide continuity beyond the end of the UNTAC mandate. ICORC has held two meetings, the first in September 1993 in Paris, when further contributions were recorded raising total pledges to the level of USD 1 billion. In March 1994 members of the aid consortium met again to consider the National Programme to Rehabilitate and Develop Cambodia presented by the new government, and a further amount of USD 780 million was pledged by the donor community. Given the nature of its current functions, it is anticipated that ICORC will evolve into a regular Consultative Group on Cambodia, similar to the others serviced by the World Bank.

Apart from serving as a forum for fund-raising and exchange of information, ICORC has made little effort to coordinate programme content or donor policies. As regards implementation, disbursements lag as usual well behind commitments, but overall the results are creditable. According to data assembled by UNDP, total disbursements in 1992 amounted to USD 255 million for 1992 and reached USD 323 million in 1993, or 65 percent of the Tokyo pledges.⁸⁾ In terms of the use of funds, it is interesting to note that the social sectors, including relief (food aid alone represented over USD 63 million) and the restoration of services in rural areas, absorbed about 57 percent of disbursements. This result is very consistent with the Secretary-General's appeal which had sought 53 per cent of all funds for the corresponding sectors two years earlier.

Analysing disbursements by type of support, it is worth noting that a full 20 per cent of expenditures represent technical assistance, with 17 percent going into investment projects. Programme aid and balance of payments support accounted for 16 percent of disbursements, including the settling of Cambodia's arrears to the IMF, in which Sweden participated to the tune of USD 2 million.

While it is encouraging to see that the social sectors received favoured treatment, the above figures also indicate that the first international assistance to Cambodia, voluminous as it was, paid little attention to improving absorptive capacity in key areas and to reinforcing the government's ability to manage the process of administrative reform. The linkages between external aid and the cardinal strategies outlined in current planning documents, such as the need to create a basis for a buoyant market economy, without indulging in *laissez-faire*, to

⁷⁾ In commitment terms, about 10 percent of the total pledge referred to time periods outside the 1992-93 biennium.

⁸⁾ Annual Development Cooperation Report, Cambodia 1992/1993, UNDP (November 1994). The figures for 1993 are substantially larger than those given in the February 1994 World Bank Report, which as far as Sweden is concerned only provides the total of disbursements made in the 1992/93 budget year. The UNDP figures are based on calendar years.

rationalize the public service and to enhance the productive potential of agriculture, industry and tourism, are tenuous and tentative.

The reasons for this are obvious. Work to plan for sectoral development over the longer term was discouraged by UNTAC in favour of more immediate rehabilitation action. Government departments were furthermore still in the hands of SOC. Uncertain of what government configuration would emerge from the elections, donors were non-committal about the type of interventions they could support. As this constraint is no longer present, multilateral donors, such as the World Bank, ADB and UNDP are already moving strongly into the area of trying to build up management capacity and begin the process of civil service reform, which have been given high priority in the government's new plan.

d) Impact of external aid on peace process

The signatories to the Paris agreement recognized the importance of external aid to achieve peace and reconciliation. The Declaration on the Rehabilitation and Reconstruction of Cambodia formed an integral part of the Agreements on a Comprehensive Political Settlement of the Cambodian Conflict. It defined the parameters and the principles for humanitarian action after the peace agreement, and mandated the following key sectors for immediate attention: food security, health, housing, training, education, the transport network, and the restoration of basic infrastructure and public utilities.

As important are the principles which were to underlie the international effort to rebuild Cambodia:

- *Sovereignty*: the Declaration states explicitly that the Cambodian people and the government formed after free and fair elections should be primarily responsible for determining reconstruction needs.
- *Respect for local capacity*: assistance to Cambodia should "complement and supplement local resources."
- *Balance*: assistance to Cambodia should benefit all areas, "especially the more disadvantaged."

The accords thus laid a sound foundation for emergency and rehabilitation assistance to give impetus to the peace process. The actual implementation of the aid effort contributed to this in a number of ways. First, the survival needs of the returnees and internally displaced were met, primarily through the provision of food rations by WFP and the Cambodian Red Cross. Second, some essential infrastructure was restored, especially in areas expected to receive the majority of the returning refugees, with the upgrading of secondary and tertiary roads, and the construction of village schools, clinics, and wells. The latter were partially intended to make local populations feel well disposed towards the returnees in offering them homes, land, and other resources. Third, the large-scale international aid presence contributed to the sense, especially in the initial period, that a new era was dawning

in Cambodia when it might be possible to collaborate in peace for the reconstruction of the country.

At the political level, however, the offer of *foreign aid ultimately had little impact* on the peace process. In order to secure the participation of the four Cambodian factions in the aid process, UNTAC made special efforts to negotiate programmes and programme delivery with the different factions. The Khmer Rouge consistently obstructed any attempt to focus meaningfully on the priority needs in government-controlled areas; nor did it allow international agencies to work with the populations in their own zones, thus blocking the people under their control from needed assistance and outside contacts, which the Khmer Rouge perceived as a threat to their control.

In general the four factions weighed outside assistance purely in terms of how it might impinge on their electoral prospects. As the SOC administration still exercised substantial control in rural areas, a dominant concern of local officials was how the peace process would affect their political power. Humanitarian concerns were secondary. They allocated resources to the returnees reluctantly and tended to view them with suspicion. The allocation of 400 days of free food to the returnees, however necessary, promoted the view that the returnees were pampered, and was to a degree non-conducive to reconciliation.

In one respect, leading members of the international community also failed to abide by the spirit of the peace accords. They especially were not overly preoccupied with the principle of balance, by excessively targetting assistance to the wealthier western provinces to which the refugees planned to return. The more disadvantaged areas of Cambodia, the eastern and central provinces, were largely excluded from direct assistance during the pre-election period.

In the event, assistance was delivered in *patterns already established*, some of it confined to areas controlled by a particular faction. The Khmer Rouge opposition to budget support served to delay the implementation of such programmes. This exacerbated tensions and also suggested that leading donors were consciously weakening the position of the CPP in advance of the electoral campaign, impeding reconciliation.

For many years emergency and rehabilitation assistance had been provided in a highly polarized and political context. Undoubtedly, it was expecting too much that external support provided during the formal peace process would decisively contribute to undoing the consequences of 20 years of war.

A reasonable conclusion is that emergency aid is only able to make a positive contribution if there is a genuine will within the recipient society to overcome past divisions. At the time, and when pledging their support, donors had legitimate grounds to believe that this was the case.

The UNTAC period ended however with the country still at war. As long as war lasts, the *complex emergency* cannot be declared at an end, nor can a decisive switch be made from emergency to development aid. This aid should serve the purposes

of political stability; economic growth with social justice are in the final analysis the only solvents to existing tensions and the only means of attaining a modicum of political harmony.

In terms of political stability, the Cambodian government currently faces two major threats, continued insurrection by the Khmer Rouge and publicly glaring corruption. From the perspective of aid donors, the menace of prolonged revolt can only be tackled through a genuine attempt at developing the rural areas, and the menace of corruption through the systematic strengthening of civil society.

While acknowledging that these are complex processes, it is possible to identify a number of interventions working in this direction. For rural development, these would include programmes for small and medium scale irrigation, community development, and the regulation of land ownership. For strengthening civil society, measures deserving of support call for the respect for human rights, educational improvement, the restoration of a credible legal system, and promoting the creation of national NGO's.



PHOTO: ANDERS GUNNARSTZ/BAZAR

Construction workers in the United Nations Refugee center in Otaki, Battambang.

SIDA EMERGENCY AID TO CAMBODIA 1989-94

The nature and composition of SIDA's assistance to Cambodia during the past five years were largely determined in the preceding decade. As already noted, once the Cambodian emergency in 1979-81 was over, virtually all international support was directed to providing relief to the refugee settlements in Thailand. In contrast to most other western donors, as it appears following a deliberate decision, Sweden elected to provide *most of its assistance within Cambodia*.

Although the volume of this assistance was relatively modest, it was a policy line that was consistently maintained in the ensuing years. Thus, between 1983 and 1988, SIDA allocated a total of SEK 102 million for its Cambodia operations, of which only SEK 15 million was directed to the relief work in the refugee camps.

SIDA support inside Cambodia was channelled through those UN organizations that had established a presence there, and in particular UNICEF whose programmes in the country benefitted to the extent of SEK 36 million over this six-year period. Apart from WFP, FAO and UNHCR, SIDA also routed its assistance through two Swedish NGO's, Diakonia and the Swedish Red Cross.

The UNICEF link served to give Swedish aid an *early focus on reconstruction* and development, rather than on emergency relief, as UNICEF developed more comprehensive sector programmes in health, education and water supply, in line with its operations world-wide. Assistance through FAO had the dual purpose of providing budget support and of augmenting farm yields. Funds channelled through WFP were explicitly destined for food-for-work schemes to repair and maintain rural infrastructure, at a time when free food distributions were still very frequent.

Thus the foundations had already been laid when the entire "aid scenario" in Cambodia changed in 1989. A Swedish delegation had visited the country in March 1988, and concluded that in general the SIDA assistance was well balanced. The delegation found that UNICEF in particular appeared to be carrying out a successful programme despite the many administrative constraints it was facing, and recommended increased support for UNICEF's operations. It was somewhat critical of FAO's handling of fertilizer and other agricultural inputs channelled through this organization.⁹⁾

⁹⁾ B. Ljunggren, SIDA memorandum, 1988

As a result of the mission, there was a shift in the pattern of allocation, with further resources made available to UNICEF. The intent was also expressed to support measures designed to "pave the way for considerable international aid, the day this would be possible".¹⁰⁾ As a step in that direction SIDA commissioned a base-line report,¹¹⁾ which has been an important background document for the many assessment missions that have visited the country since then.

After the peace agreement in October 1991, Swedish assistance changed both in magnitude and content. At the Tokyo pledging conference in June 1992, Sweden announced a commitment of USD 38 million, or 4 percent of total pledges. Essentially, the pledge consisted of allocations made in fiscal 1991/92 and those planned in fiscal 1992/93, which together trebled the grants made in the previous two-year period.

The level and direction of SIDA allocations for emergency and reconstruction in Cambodia is given in the table below:

Allocation of Swedish Emergency Aid to Cambodia 1989/90-93/94						
(in SEK million)						
AGENCY	89/90	90/91	91/92	92/93	93/94	TOTAL
UNICEF	13.0	20.0		25.0	25.0	83.0
UNHCR	1.5	1.5	30.0	7.0		40.0
UNBRO	1.5					1.5
WFP		4.0	5.0	5.0		14.0
FAO			10.0		20.0	30.0
UNDP/OPS			30.0			30.0
UNDP/CARERE					20.0	20.0
UNDP/CMAC					20.0	20.0
ADB				43.0		43.0
World Bank				16.0		16.0 ¹²⁾
SRK ¹³⁾	2.3	5.2	10.4			17.9
Diakonia	7.9					7.9
Consultant fund		5.0		5.0		10.0
TOTAL	26.2	35.7	85.4	101.0	85.0	333.3
(Source: SIDA)						

The repatriation of 362,000 refugees to Cambodia absorbed SEK 37 million, or approximately 4 percent of the UNHCR budget for the operation, set at USD 116.3 million. Commitments were also made to initiate emergency rehabilitation of

¹⁰⁾ SIDA memorandum, 1990.06.28

¹¹⁾ Grant Curtis: Cambodia, A Country Profile, SIDA (August 1989)

¹²⁾ In effecting the related disbursements, the contribution was subsequently adjusted to reach the amount of USD 19.3 million.

¹³⁾ Including allocations to ICRC and IFRC. After fiscal 1992/93 SIDA grants to SRK and Diakonia are drawn from a different budget, and not included in the table above. The support, however, continues.

infrastructure through UNDP, to WFP for the FFW programme and to FAO, for more supplies of fertilizer.

Allocations to finance technical assistance activities of ADB and the World Bank were a novel feature. This was ostensibly for the purpose of setting the stage for large scale flows of concessional credit to Cambodia, by ensuring that these flows were underpinned by prior economic analysis, sectoral studies and detailed project plans.

With the substantially increased level of aid, Sweden has maintained its position as one of Cambodia's main donors. Japan is clearly the largest donor (disbursements in 1993 of USD 150 million), followed by the United States (USD 90 million), EU and France (each with disbursements in 1993 of USD 50 million). Sweden, together with the Netherlands and Australia, form a third ranking donor group, with disbursements in the order of USD 25-30 million per annum.¹⁴⁾

Taking the aid portfolio as a whole, SIDA has been supporting a *complex set of programmes* mainly devoted to national reconstruction. The composition of the present programme however gives the impression of being "historical" and the result of incremental decisions taken over an extended period. Whilst allocations have been made following general emergency criteria, programmes having a development content have increasingly been sought out, as a response to peace initiatives and the perception that the situation was progressively being normalized. Within this broad definition, it is however difficult to find a cardinal principle underlying programme choices. As a result the Mission has fallen back on using additionality and effectiveness as criteria in considering whether the decision to fund a given programme appears well-founded.

Effectiveness. The impact and effectiveness of the various programmes supported by SIDA are reviewed in Chapter 7. By effectiveness is meant the degree to which the programme has reached its stated goals or target groups, fulfilled criteria of sustainability, cost/benefit or capacity-building. In general these assessments are qualitative in character, and as the discussion shows, information systems that would permit substantiating the impact of these programmes in quantitative terms do not exist.

Because few baseline data have been assembled, and as the collection of current statistical information is deficient, the overall impact of the aid programme is equally difficult to measure in the aggregate. The Mission believes however that, collectively, the programmes of the agencies concerned amount to a significant contribution towards rebuilding the Cambodian nation.

An impact assessment of the particular interventions supported by Swedish contributions is also rendered difficult because of the disparate nature of these interventions. As noted above, a compounding factor is that the record of SIDA's decisions does not make clear what *overarching criterion or criteria* dictated the

¹⁴⁾ UNDP: Annual Development Cooperation Report 1992/93 (November 1994)

programme choices made. Hence an essential yardstick for qualifying the SIDA contribution is lacking.

Optimizing the use of funds. In the 1980's, with few other donors on the scene, SIDA could be assured that its funds were "additional". After the peace agreement UNICEF, the principal channel for Swedish aid and the leading (western) aid organization in Cambodia, saw its role change dramatically. In volume terms, its contribution shrank to about 5 percent of aid flows, and leadership in emergency and reconstruction aid shifted to other actors.

Also, more resources seemed available than there was capacity to implement and absorb projects. Hence, SIDA programme allocations risked being "substitutional", i.e. the bills would have been picked up by another donor, if SIDA decided not to make a grant.

To optimize the "value of the aid money", effective programmes for which no other donors come forward would obviously be *the best strategy*. In this regard, SIDA's choice to finance World Bank studies as well as a series of ADB-sponsored technical assistance projects is questionable, and its rationale difficult to find. Its decisions to repeatedly finance the FAO fertilizer programme (however laudable commodity aid is in theory) are in the same category, as discussed in Section 7 b) below.

On the other hand, SIDA support for WFP's Food for Work programme was clearly a good strategic choice, as the funds served both to initiate a novel type of intervention (additionality) and to support what has turned out to be an effective aid programme.¹⁵⁾ The same argument can be made for UNICEF, although its programme is more diverse and less easy to define in terms of effectiveness. The early and continued support for the CDRI also appears an appropriate choice for long-term institution building. For its part, UNHCR undertook a successful, albeit costly, repatriation operation, but it was probably overfunded and the additionality of SIDA funding minimal; CARERE, a rural development programme which has clear potential for success has had difficulties in raising funds, and hence SIDA support has good strategic value for the time being. A similar conclusion can be reached as far as CMAC is concerned.

The *issue of additionality* is not advanced as an argument against co-financing per se. After all, a number of donors are routinely addressed in appeals for funds by international organizations, and multiple donor funding is the expected outcome. The fungible nature of contributions, whether earmarked or not, is the accepted order.

Clearly also, as this evaluation purports to show, additionality has little bearing on whether or not the assistance provided is effective. The impact and usefulness of the World Bank reports in terms of establishing the macro-economic setting for national reconstruction in Cambodia is for instance beyond question.

¹⁵⁾ The World Food Programme, initially somewhat reserved as regards the organization of relatively simple FFW projects that are not underpinned with technical assistance, have now decided to augment the scope of the Cambodia programme with funding from its general resources.

Thus, additionality may not be at issue when a donor considers requests for funding, nor would it necessarily be in the minds of those responsible for coordinating the aid effort, whether this be a central national agency or the United Nations when cast in the role of emergency coordinator as in Cambodia.

At the same time, and given programme choices, the concept of additionality permits a donor such as SIDA to *promote its own specific programme objectives* by weighing in at the crucial initial stage when financing for the undertaking is assembled. This is particularly so when there are indications that other or adequate resources are not readily forthcoming for the activity considered. An example of this would be the UNDP-sponsored CARERE programme.

The successive grants made by SIDA to the Swedish Red Cross in favour of mother and child health care in the province of Kompong Chhnang, and subsequently to the IFRC, illustrate the same consideration but at the tail end of a programme. SIDA was very much identified with this activity throughout the 1980's; additionality and effectiveness were good. According to SIDA, support continued when in 1993 grants were channelled through the IFRC, in support of its general programme in Cambodia. This programme component is however being phased out by IFRC; in reality, an earmarking of this kind makes little sense as part of a multidonor effort.

Disaster relief. With the signature of the peace agreement, it was natural that international assistance would be oriented towards rehabilitation, reconstruction and recovery. In Section 8 a) below, the report discusses in more detail the way in which this programme interrelates with the need to deal with the consequences of a complex emergency and the specific elements that stake out the continuum between emergency relief and development.

While ideally emergency relief operations should accommodate a development perspective and build in improved disaster preparedness, the reverse also applies: the reconstruction effort should incorporate elements of prevention and preparedness. All projects may not live up to that ambition, but in a large number of cases they contain features designed to mitigate the damage from future disasters and to generate resources which can help people cope better.

The small irrigation project in Kompong Chhnang Province illustrates this well. Rehabilitated by the provincial department of hydrology, with SIDA funding through Diakonia, the hydraulic structure now provides a secure water supply to 110 ha of paddy fields. Yields are estimated to have increased by 30-50 percent. Apart from increasing production and income, this type of small-scale irrigation projects has the advantage of insuring villagers against drought and local harvest failure.

No national programme has been established in Cambodia for disaster prevention and mitigation. The FAO global early warning system does not operate in the country due to the lack of reliable statistics on precipitation and cultivated area. UNDP has recently organized courses in disaster management,¹⁶⁾ and offered the government to operationalize the concept in Cambodia. An important aspect of

disaster management is that emergencies are mostly local in nature and thus need a lower level response than through a country-wide national programme. Taking the Cambodia experience, the Mission holds that each project can, in a limited fashion, contribute in this regard.

Regional imbalances. The Mission wishes to make a general point in regard to the impact of international politics on relief and reconstruction assistance to Cambodia, which is also referred to in Chapter 4 and 5. In brief, major Western donors imposed an embargo on assistance to the country from 1982 onwards, while simultaneously underwriting a large-scale feeding programme for the refugees across the border in Thailand. The 7-8 million Cambodians inside the country were virtually cut off from official Western aid.

This imbalance in the dispensation of aid was supposed to end with the peace accords in October 1991, but in fact continued, with most donors concentrating their assistance on the western parts of Cambodia, and areas where most of the refugees planned to resettle. As little aid as possible was channelled through the State of Cambodia and to areas under its control.

Even after the signing of the peace accords, which called for balanced assistance to those most in need throughout the country, these imbalances continue, carried forward by their own momentum. They are less likely however to be driven by politics; rather they are inherent in the provision of international development assistance as a whole: favouring urban areas over rural, for example, or funding tertiary educational institutions over primary schools.¹⁷⁾

Compared to the major donors, *SIDA's performance* on the question of balance is commendable. Although coverage has been uneven, largely as a result of the sparse presence of NGO's in the north and north-east, it has provided significant support to programmes working either nationally or in central and eastern provinces, through UNICEF, WFP, UNDP, FAO, the Swedish Red Cross and Diakonia.

Redressing the balance, these organizations have been working in close cooperation with Cambodian institutions inside the country: provincial agriculture and hydrology offices; the Secretariat for Women's Affairs; province and district level health services; the Cambodian Red Cross. SIDA began providing this funding at a time when very few donors were willing to work inside Cambodia, and has maintained a reasonable balance in the allocation of its funds throughout the period under review.

¹⁶⁾ A "Disaster Management Training Programme Country Workshop" was held in July 1994. This is a programme worked out by UNDP for global application. It was attended by government officials, international and local NGO's, and representatives from the UN system.

¹⁷⁾ The World Bank notes, for example, that in 1994, 43 per cent of donor assistance in the health sector was to be spent in Phnom Penh. Per capita health spending in the capital is USD 36, compared to USD 5 in the province surrounding Phnom Penh (Kandal) and the western provinces of Battambang and Banteay Meanchey. In the rest of the country donor spending in the health sector is less than USD 2 per capita. Twice as much international assistance in the education sector is going to tertiary education compared to allocations for primary education, with the secondary level virtually untouched. (World Bank, 1994)

ACHIEVEMENTS

For the purpose of analysis, the Swedish aid to Cambodia after 1989 is divided in the following three main categories, which to some extent overlap:

- (i) restoration and development of basic services, food security and infrastructure; in terms of disaster relief, interventions are directed to correct fundamental effects of a complex emergency and to ensure better preparedness.

SIDA contributions to UNICEF programmes in education, health, water supply, family food production, and rural credit are the mainstay of such assistance; similarly the support of FAO's fertilizer programme falls in this category, as well as aid through Diakonia (irrigation) and SRK (health). Community development under the aegis of CARERE, village infrastructure work through WFP's Food for Work programmes are also part of this group of activities, as is road rehabilitation through UNDP. In all, these programmes absorb the lion's share of SIDA assistance, or about SEK 185 million (55 percent) over the period 1989-94.

- (ii) special efforts for the repatriation of the refugees, their reintegration in Cambodian society, and means to resolve problems created by the civil war.

The support of UNHCR and UNBRO are in this category; also support to CARERE for reintegration, and to CMAC, would fall in this group. About SEK 100 million has been allocated to activities in this category, or 24 percent of SIDA aid.

- (iii) capacity building in central government for managing the national recovery.

Support to facilitate the work of the multilateral financial institutions in the reconstruction process falls in this category. SIDA's consultancy fund (used to support CDRI) is another example, as are the various technical assistance projects of the World Bank and ADB. This type of assistance has absorbed about SEK 70 million, or 21 percent of SIDA grants.

The achievements, impact and issues for these categories of Swedish aid are discussed below.

a) Services focussing on basic social services

Jointly with Australia and the Netherlands, Sweden has been the main contributor

to UNICEF's operations in Cambodia since 1982.¹⁸⁾ SIDA has provided general programme support, without specific earmarkings. The actual allocation of funds towards specific programme items thus reflects UNICEF's own budgetary decisions, based on resources made available by other donors.¹⁹⁾ This review, therefore, looks at UNICEF's entire programme in Cambodia, reflecting the fact that SIDA has financed on the average 25 percent of the UNICEF budget.

Building on the experience over the past decade, UNICEF has gradually moved towards a more development-oriented programme, in line with its global mandate, distancing itself from relief and rehabilitation. Whereas it has helped in assisting returnees and displaced people, through for instance a special essential drug distribution programme, UNICEF has taken a nation-wide approach, attempting to redress some of the imbalances resulting from the priority attention given by donors to the returnees and the internally displaced.

UNICEF's assistance to Cambodia (as outlined in its master plan for 1992-95) is divided in seven separate programmes, each with several sub-programmes, as indicated in the table below.²⁰⁾

Ongoing UNICEF programmes in Cambodia	
MAIN PROGRAMME	SUB-PROGRAMME
Health (USD 3.5 mn)	1. Extended programme of immunization 2. Mother and child health care 3. Essential drugs 3. Strengthen provincial health services 4. Health information
Education (USD 2.0 mn)	1. Capacity building in primary education 2. Teachers training 3. Textbook printing 4. Curriculum development
Water & Sanitation (USD 2.6 mn)	1. Rural water supply 2. Sanitation and environmental health
Family Food Security (USD 2.5 mn)	1. Family food production (households) 2. Family food production (schools)
Women in Development (USD 1.0 mn)	1. Income generation (loan scheme) 2. Non-formal education
Children in Especially Difficult Circumstances (USD 0.4 mn)	1. Protection of orphans and mine victims 2. Protection of street children and women in difficult circumstances 3. Advocacy of children's rights
Social Mobilization, and Advocacy (USD 0.2 mn)	1. Advocacy and social mobilization 2. Communication

¹⁸⁾ The account of SIDA's cooperation with UNICEF in providing basic social services, summarizes a more extensive review of UNICEF programmes in Annex E.

¹⁹⁾ The Swedish contributions for the period 1989-93 of USD 13,2 million has been distributed by UNICEF

UNICEF has built up a solid reputation in Cambodia. The organization is perceived to have good know-how and to run generally well conceived programmes. As an aid organization it enjoys an excellent working relationship with the government, especially at the provincial and district level, involving a large number of departments and officials.

UNICEF remains the leading aid agency in the health sector, in primary education, for rural water supply, in rural small-scale credit; it is also a major actor in rural development through its family food production programme (FFP).²¹⁾ This role is reinforced by the fact that the Khmer Rouge period and the war of the 1970's has left a society where a quarter of all households are headed by women.

In a highly difficult political context where security problems have caused frequent disruptions, UNICEF can point to an impressive record of achievements over the years. For example:

- building some 8,000 rural wells, providing safe water to about 2 million people, or 25 percent of the rural population;
- distributing essential drugs to some 175 provincial and district hospitals and 1,000 commune infirmaries on a regular basis;
- securing a 50 percent immunization coverage through its EPI programme, which has operated since the mid-1980's;
- producing some 2,5 million textbooks yearly for primary school children - the only source available;
- upgrading the teachers colleges, and constructing or rehabilitating a number of primary schools;
- distributing 20,000 booklets for post-literacy training.

The above amounts to an *ambitious aid programme*. To a large extent, programmes are implemented independently, often in different locations. Some of the programmes focus on central institutions and capacity-building; others are geographically widely dispersed, as far as possible striving for national coverage. Counterpart agencies differ according to programme, and different counterpart arrangements are often at hand. Several of the programmes run through the whole gamut of government administration: central, provincial, district, as well as village committees. To translate the programme into action, UNICEF cooperates with over 50 NGOs.

It is a programme that an external evaluation over a period of a few weeks can only touch upon, giving only bare hints of what it has achieved, and what

as follows: health (USD 1,8 million); education (USD 3,8 million), water and sanitation (USD 2,3 million); household food security and nutrition (USD 3,1 million); women in development (USD 1,1 million), and general administrative support (USD 1,1 million)

²⁰⁾ Programme expenditures for 1993 are given in brackets, excluding overheads and administrative costs.

²¹⁾ A lead role in rural development has been assumed by CARERE, see below Section 7.e).

weaknesses it might have. Sub-programmes and interventions are so dispersed that the programme as a whole is not only hard to evaluate, but also to manage effectively. Moreover, UNICEF is attempting *a very difficult task*: addressing problems of the most vulnerable segments of a poor population, entrenched in an intricate web of cultural, social and economic dependencies. The nature of interventions is such that each requires considerable management effort, and especially an effective information system to regularly assess results and effectiveness. This, however, UNICEF lacks.

UNICEF has an elaborate system for planning and reporting, with three-year master plans, annual plans of operation, progress reports, mid-term reviews, plans of action, in addition to progress and final reporting to donors. What it lacks however is an adequate internal system *to monitor the impact* and the effectiveness of its programmes. Baselines are not established, and there is no systematic effort to examine whether programmes in fact have the effects intended, even for time-honoured operations that have become routine in character. To some extent this may be explained by the fact that the Cambodia operations were in the past emergency-related, but this is hardly the case anymore.

The lack of an operational system to assess impact and effectiveness must be considered a critical weakness of UNICEF's operations: for its own management purposes, for supporting donors, and not least for evaluations of UNICEF's effectiveness as a development agency.

Like other UN agencies, UNICEF requires that *periodic evaluations* be undertaken of its programmes. There is also an agreement between SIDA and UNICEF in 1991 specifying that "UNICEF shall undertake an evaluation of the projects supported by Sweden up to 1990 ...Reports from such evaluations shall be presented to SIDA before the end of 1991." Such evaluations have only partially been carried out, and none within the agreed time frame.²²⁾

While such external evaluations are useful, they run the ever-present risk of becoming overly accommodating – methodological problems for a thorough assessment become overwhelming, and the lack of baseline data makes accurate observations impossible. The task resembles that of an auditor having to audit an organization without accounting system.

Impact issues. The lack of an effective management information system leaves the field open for many questions concerning impact, some based on impressions, others on more substantiated evidence. Below are some examples, which are also discussed in more detail in Annex E:

- While UNICEF has developed an efficient system for printing and distribut-

²²⁾ The mission was provided with three external evaluations:

- Family Food Production programme, (1992)
- Extended Programme for Immunization, (1992),
- Water and Sanitation, jointly with OXFAM, (ICR 1992).

ing textbooks for primary schools, there are serious questions as to what extent these books actually reach the school pupils. Books end up in the Phnom Penh markets, in closed cup-boards in headmasters offices, in unused libraries, etc. Field-visits and interviews indicate that textbooks in fact are rarely used by the pupils.

- While UNICEF has an extensive programme for the distribution of essential drugs, there is evidence that these drugs often do not reach the communal health posts, but are diverted en route and sold in the market or by practitioners in an increasingly unregulated market for pharmaceuticals.
- While UNICEF has drilled wells for a quarter of the rural population to reduce the high prevalence of water-borne diseases, infant mortality and morbidity rates, there are questions to what extent these wells actually are used for drinking water. Villagers tend to prefer other sources of drinking water for reasons of taste and cultural habit; deep wells are a last resort. Health is rarely a consideration; hence, the main objective is defeated.

Building institutional capacity, *in the interest of sustainability*, has been a major objective for UNICEF, and an increasing share of the budget is spent on training. Interesting methods of capacity building were observed by the Mission in the education sector. Work to train teachers and develop school curricula using local resources in a process approach, with UNICEF Khmer-speaking consultants as facilitators, are models of technical assistance worth emulating.

Assessment. The above review is probing in character, noting some weaknesses in the UNICEF programme, as seen by the Mission. This should not obscure the overall impression of UNICEF as a well-run organisation, engaged in an ambitious development programme addressing profound and essential needs of the country: to re-establish the human resource base, so callously destroyed in the 1970's. For the bulk of its programme UNICEF has adopted a true "process orientation", designed to build local capacity and focus on the poor, however difficult it is to reach the poorest in that group, as discussed in section 8 e).

In the education sector, the rehabilitation process that took place in the 1980's led to the rapid creation of a cadre of teachers with low qualification; on-the-job training and upgrading of skills are hence the focus of present development efforts. The UNICEF programme provides a solid foundation for future development, given that the advancement of primary education is of the highest relevance for Cambodia.

The Mission noted however the diverging views as to what approaches should be adopted in this field. In the event SIDA would concentrate support on education, it should undertake a special sector review to improve its understanding of the issues at hand. The ADB education study described in Annex F provides an excellent basis for such an exercise, as does the proposed UNICEF evaluation of its education programme. This evaluation furthermore offers an opportunity for

UNICEF to overhaul its textbook publishing, and take action to correct deficiencies.

In the area of water supply, a likely core activity also in the future, UNICEF is in a position to apply not only its extensive world-wide experience but also considerable local knowledge. The programme can no doubt be made more effective, especially in its health aspects, through targetted health education, and stronger community involvement is needed to address the potential negative effects of the existing village power structure.

b) Improving food security

Cambodia's economy is based on agriculture, and rice is grown on over 90 percent of the cropped area. Rice yields are low by south-east Asian standards, but comparable to other areas countries with similar climatic and soil conditions. There are several reasons for the low, and also unstable production: limited land under irrigation (10-15 percent of cropped land), low natural fertility of the soils, frequent flooding and droughts, and little use fertilizer and high yielding varieties. In addition, it is estimated that as much as 30 percent of land cultivated in the 1960's is not in use today due to security problems and prevalence of mines.

Cambodia, once an exporter of rice, has managed to regain the level of production which existed in 1970. A fast growing population, combined with man-made or natural calamities, continue however to result in rice deficiencies, with production on the average falling short of consumption by about 10 percent. The outlook in this respect for 1994, with apparent crop failures in many areas, is particularly bad.

Support of agriculture and food self-sufficiency has been an important element of SIDA's assistance to Cambodia. About 20 percent of total allocations in 1989-94 has been devoted to increasing food production. This assistance has been provided in the following manner:

- UNICEF's household food security programme (FFP) centered on homestead gardens for vegetables and fruit trees, small livestock and fishponds, using close to 25 percent of SIDA allocations to UNICEF, or about SEK 20 million.
- Rehabilitation of minor irrigation structures through Diakonia's cooperation with AFSC. The level of support has been small in financial terms.
- FAO's fertilizer programme, providing fertilizer and technical assistance to expand fertilizer use. Sweden has financed some 10,000 tons of fertilizers as commodity aid, with SEK 30 million in SIDA grants.

Household food security. UNICEF's family food production programme (FFP) is described in detail in Annex E. It started in response to drought in 1986 and a subsequent food shortage, with the aim of improving health and nutrition among children and mothers through the products of homestead gardening and animal

husbandry. The programme basically consists of the free distribution of agricultural inputs (tools, vegetable seeds and fruit tree seedlings, small livestock and occasionally fish fry), and as the essential element the digging of a pond of prescribed size for irrigation purposes. The ponds, for single or more families, are dug using family labour and financed under WFP's food for work programme which pays 500 kg of rice per family for each pond approved.

Households are mainly selected following poverty criteria, the indicators being single-headed households, family size, land holding, and level of income. By the end of 1994 some 80,000 poor rural households have been assisted under the FFP programme; jointly with WFP about 18,000 ponds and 3,000 shallow wells have been constructed, theoretically affecting half a million inhabitants.

Over time the programme has shifted focus, becoming less supply-driven, and is now increasingly seen as a rural development programme. It was evaluated by UNICEF in 1992, *the main findings* being that the programme has "been rather successful in increasing access to food" through increased consumption and availability of cash, as a result of new income generating opportunities, "especially for families already self-sufficient or near self-sufficient in rice". In terms of poverty alleviation, targeting on the poor was judged generally good, although 20-30 percent of potential beneficiaries "were too poor to participate". As regards nutritional impact, the evaluation held that this objective had been overstated and that nutritional status was a more complex matter than a matter of keeping a home garden.

In the view of the Mission, an internal monitoring system (base-line surveys and follow-up surveys on a sample basis) however needs to be developed in order to form a reliable judgement as to the effectiveness of FFP. Without such a system, little is known of the success ratio among the 80,000 supported households; of the incremental production/income after a few years; the survival rate of chicken and duck supplied; whether investments (including for pond excavation and institutional overheads) make the programme economically viable; social impact within the village and possible dependency effects.

It has been argued that FFP is a way of rehabilitating the old culture of ponds and home gardening that prevailed earlier but was destroyed by the recent turmoil. The programme would act to revive these vanished traditions, demonstrating their value. It is however unlikely that such a tradition would have been eradicated to the extent that a change agent like UNICEF would be needed to "demonstrate" it anew. The Mission in fact saw little demonstration effect from the programme. Rather resource constraints (possibly combined with intuitive cost/benefit and risk analysis by the households) seem to be the main reason why villagers do not undertake household gardening on a wider scale by themselves. Essentially, therefore, FFP should be judged as a development programme.

Assessment. While FFP is highly regarded as a rural development programme, with an extensive reach, several important questions cannot readily be answered.

There is little hard evidence of its ultimate impact. Although FFP has operated for 8 years, it is thus still an open question whether the incremental benefits, in terms of increased production of vegetables, fruits, and small livestock, are such that they justify a grant per household which exceeds its per capita annual income.

In disaster relief terms, FFP has been labour-intensive and consequently slow in expansion, with limited short-term effects in terms of enhancing food production and generating income; the programme is rather developmental in character, and as such a potentially effective means of improving the situation among poor rural households over the longer term. By the same token, better disaster preparedness is created over time.

As a solidly established programme, FFP will need to systematically verify the assumptions forming the basis for its work. Organizationally, counterpart arrangements should be streamlined placing programme responsibility in a single government structure. At the beneficiary level, increased cost-sharing should be promoted to reduce inequities and improve sustainability. FFP can be made more targetted towards households with the best opportunities to take advantage of the programme, devising other forms of intervention in respect of the very poor, who already have been sidelined as beneficiaries.

Small-scale irrigation. As irrigation developments go, the project in the commune of Role Bien is small stuff. It consists of an hydraulic structure, about 10 m wide, allowing villagers to regulate the flow of a water course and irrigate 110 ha of paddy fields. It is part of a system of eight river gates built during Khmer Rouge times, most of which are now in disuse, but which could theoretically irrigate by gravity about 1,100 ha.

SIDA's contribution to restoring the Role Bien scheme is commensurate with the size of the project, a full USD 16,000 (excluding technical assistance), made available through Diakonia/AFSC. According to the villagers, the project has allowed them to save crops that were, at the time of the Mission's visit, threatened by a dry spell and to be reasonably certain of a yield in the order of 1.5 tons of paddy/ha, well above the national average.

There are, in the estimation of a study carried out under the auspices of the Interim Mekong Committee, between 800 and 900 small-scale irrigation schemes of this kind.²³) The study concludes that, were viable schemes to be rehabilitated, they would increase national production of rice by 11 percent, and accordingly does not recommend systematic reconstruction in view of the major effort involved. Instead, it singles out 9 schemes, which would justify the proposed investments by virtue of the acreage covered and the cost/benefit to the national economy.

Although a minor project, the Mission believes it has especial interest as it

²³) Irrigation rehabilitation study in Cambodia, Final Report (Sir John Halcrow & Partners), Interim Mekong Committee (June 1994)

provides a vivid illustration of a common approach in assessing project feasibility. Feasibility investigations most often take a comprehensive or large-scale view, using the national benefit as their frame of reference and unit of comparison. It is hardly surprising that feasibility may then appear doubtful. At the same time it is obvious that the true frame of reference is not necessarily the national economy as a whole, but the more limited economic perspective of commune and village populations. National cost/benefit may thus spurn initiatives that over time will increase national rice production and market supply by 10 percent, in favour of other solutions, and at the same time discard interventions that would insure harvests against local drought and yield 50 percent crop increases for the people of a particular commune or village.

Feasibility investigations thus risk being trapped in constantly applying a national perspective, instead of relating to the regional or local interest. The Mission is aware of the fact that there are many other issues that need to be explored in this connection, but holds that there is *prima facie* an inherent distortion in ignoring the possible benefits that might accrue to the province, the commune, or the village, as the case may be. It is a line of inquiry that that the Mission would hope can be pursued.

Fertilizer distribution. As a legacy of the socialist era, fertilizer is distributed and marketed through a state monopoly, COCMA (Compagnie Centrale des Matériels Agricoles), a public company under the Ministry of Agriculture. COCMA today sells the fertilizer (on credit) to provincial or district authorities for resale to farmers or private retail outlets. Prices are set administratively by the government and by and large reflect market prices. The distribution to provinces and districts is based on a general allocation plan prepared by the government in the light of their respective "needs".

A private sector trade in fertilizers has emerged in recent years, but this appears small. There is, on the other hand, considerable unregistered cross-border trade in fertilizers with Thailand and Vietnam.

With no revolving funds of its own, COCMA has for many years been almost entirely dependent on commodity aid, running at a level of 30,000 - 35,000 tons in recent years. The major providers are Japan, Germany, the Netherlands and Sweden. The three latter donors use FAO as an intermediary, whilst Japan consigns its fertilizer grants directly to COCMA. The ADB also included fertilizer imports (18,000 tons) as a component of its first loan to Cambodia, using COCMA as the distribution channel.

COCMA handles about half of estimated fertilizer imports. The balance is from official private trade and unofficial cross-border trade. For example, in 1993 Vietnam dumped large quantities of fertilizers in Cambodia.²⁴⁾ An inefficient

²⁴⁾ There is a dearth of reliable data. Figures are broad estimates provided by advisors working in the sector. Notably, the major FAO sector review in 1994 omitted any quantification of input supplies to the country.

distribution system, as well as security considerations, make the supply, and hence prices, fluctuate considerably from place to place.

SIDA commodity aid via FAO has had twin objectives:

- In agriculture: a) to increase the supply of fertilizers in the country, b) to improve distribution through technical assistance to COCMA, and c) to expand the use of fertilizers at farm level through field trials and demonstration.
- Financial: to provide budget support. Fertilizers are sold to farmers at market price and the revenues accrue to a special government account, for use by the government as approved by FAO. Under the FAO programme (as well as ADB scheme) the proceeds from fertilizer sales also cover COCMA overheads and transportation costs, calculated at 16 percent of the CIF price.

The recovery of proceeds from the sale of fertilizer under the FAO programme works poorly. While FAO states that payment recovery was as high as 80 percent for fertilizers distributed in 1992, the recovery for more recent distributions are difficult to establish, because of the prevailing credit system. (The ADB project has similar problems and recovery is still quite low - unofficially stated to be below 5 percent at this stage).

According to advisers familiar with the issue, fertilizer distribution in Cambodia is riddled with corruption. Efforts to investigate the system have resulted in open threats towards the investigators. FAO and Germany, Cambodia's largest supplier at 24,000 tons of fertilizers, have proposed to distribute the fertilizers through the private sector, by auctioning off consignments at the port, an approach initially supported by the Ministry of Finance. Opposition from within the government, however, made one donor drop the proposal, at least for the coming year. It was also reported that COCMA has been under investigation by the government, but charges of misappropriating funds have been held in abeyance.

Increased use of fertilizers is held to be the most efficient means of increasing rice production in the short term, and farmers are said to be well aware of the benefits of fertilizer application. Irregular demand, prices out of reach of poor farmers, and the marketing of adulterated products, however, prevent more widespread application. Latent demand is currently estimated to be in the order of 100,000 - 120,000 tons (i.e. twice the present level).

Fertilizer distribution through COCMA continues to be a *questionable form of assistance*, because of the inability to institute adequate controls. At the same time, the private sector is prevented from playing a more active role, due to formal and informal constraints imposed by Government. Private traders wishing to enter the fertilizer market are already beset with real problems: the security situation (making investments in distribution a high risk venture), the poor state of the road network, lack of credit and bank offices in rural areas, all add to the difficulties with which the private sector has to contend.

c) Food for Work

During the period under review, Sweden contributed SEK 17 million, the equivalent of 8,175 tons of rice, to the World Food Programme in Cambodia. With the exception of 1990, when 509 tons were used to provide food rations for 30 days to 50,900 internally displaced people in Battambang and Banteay Meanchey provinces, the Swedish contributions were earmarked for Food for Work (FFW) activities. WFP placed a *high priority on developing FFW* as its primary rehabilitation programme strategy for Cambodia, even though it had to devote most of its food resources to providing emergency rations to displaced people and meeting the food needs of the returning refugees.²⁵⁾

There was a distinct evolution of WFP's strategy and capacity to carry out FFW activities during this period. Initiated in 1989, the FFW programme was intended to move the organization beyond providing free food to vulnerable groups, which had earlier been its primary strategy. For much of the period under review, the UNICEF family food production (FFP) programme was the primary recipient of FFW resources, mainly for digging the ponds which are at the heart of the FFP methodology. International NGO's also received FFW resources, mostly for rehabilitating dikes, canals, and irrigation structures in cooperation with national and local government hydrology staff. WFP staff readily admit that they were largely reactive in designing this programme, making it known that food for work was available and then reviewing and approving applications as they were submitted.

In the early 1990's the Cambodian Red Cross (CRC) became WFP's primary local counterpart in implementing the emergency food programme for the internally displaced and later for the returning refugees. WFP invested significant time and resources in training and building up the technical and managerial capacity within the CRC to carry out this programme. CRC now maintains a fleet of trucks seconded by WFP and is primarily responsible, with WFP oversight, for maintaining food distributions throughout Cambodia.

WFP is not limiting the CRC to an emergency distribution role. CRC is now the developer and counterpart agency for 65 percent of WFP's FFW activities. Their staff, who are present in 16 provinces, conduct on-going surveys on economic conditions and food availability; with WFP staff, identify a list of priority districts and villages for FFW programmes; and in cooperation with local village committees plan and implement FFW activities in the selected villages. CRC has become, in essence, the local operating arm of WFP's FFW programme, allowing WFP to concentrate on planning and monitoring aspects of its implementation.

The twin objectives of the FFW programme have been identified by WFP as:

²⁵⁾ The following figures help to put Food for Work in perspective: In 1992-93 FFW programmes represented only 5 percent of WFP expenditure in Cambodia, compared to 51 percent for repatriation and 22 percent for IDP's. Sweden's contribution in 1992-93 accounted for only 2.6 percent of all rice donations, but represented 43 percent of the FFW effort. Three other donors contributed to FFW in that period, but Sweden was the only country to earmark its entire contribution to FFW.

- to rehabilitate rural infrastructure and
- to alleviate rural poverty and improve household food security.

In the space of five years the FFW programme has made *a substantial contribution* to meeting the first objective. If one accepts the exact WFP earmarking of Swedish assistance, Sweden's support alone has contributed to digging almost 10,000 family ponds, rehabilitating 140 kms of irrigation canals, and building 86 kms of rural secondary and tertiary roads. An estimated 100,000 people have participated in the projects supported by Sweden's contribution.

Time did not permit the Mission to assess the extent to which the rehabilitation of rural infrastructure has lasting impact. In the hydrology and road rehabilitation components, for instance, this impact depends on the technical soundness of the construction and the degree of community commitment to maintenance. The Mission's experience raised doubts on both counts. A current project to repair a dike, in Sdao in Battambang province, appeared to be receiving no technical support from the provincial hydrology office; soil compacting was rudimentary and did not make proper use of the impermeable clay soils available on the work site. Many of recently constructed secondary roads are already seriously rutted due to use by heavy vehicles during the rainy season, but no community maintenance is usually planned.

In the view of the Mission, the second objective of the FFW programme – *poverty alleviation* – is not achievable through FFW. Because wages are low and the work temporary, FFW is in the nature of a stop-gap measure. Successful infrastructure programmes may initiate village-level development, but can hardly be seen as a development interventions on their own. Long-term development work has barely begun in Cambodia, due to the civil war, lack of government resources, and the tendency of donor agencies to focus on quick-impact infrastructure projects at the expense of community development for which there are now new opportunities.

The FFW programme makes a serious attempt to reach the most vulnerable members of the community. The argument is that FFW is in this sense self-targetting, as only the poorest members of a community would avail themselves of the opportunity to work for food. As the capacity to organize FFW projects has increased, WFP is making a renewed effort, through "poverty surveys" conducted province by province, to target the programme not just to the poorest in a given community, but to the poorest communities in Cambodia. A recent WFP evaluation mission (1994), however, raised doubts about the possibility of reaching the most vulnerable members of the community. The mission found that community members who lacked labour in their families, especially widows with small children, were less likely to take advantage of food for work, and suggested that fresh efforts were needed to ensure that FFW really is available to the most needy.

Assessment. Like other aid agencies, WFP faces a dilemma in its approach to capacity-building. In CRC, it has built up a *credible operational entity*, whose profes-

sionalism and honesty are widely acknowledged in the donor community. This was achieved through management and technical assistance inputs by WFP, but essentially by paying salary supplements to CRC officers engaged in FFW programmes. As noted in Section 8 d), however, the payment of salary supplements and honoraria is a general issue, in the way it affects sustainability and creates dependencies.

The WFP *relationship with the government* is ambiguous. Initially, WFP made the pragmatic choice of directing its FFW programme towards the family food production programme, nominally implemented by the government, but in reality by UNICEF. Hydrology programmes were carried out by NGO's. Aside from CRC, a quasi-governmental agency, national institutions are notably absent. As WFP has never really had a counterpart agency, even at the provincial level, it has had more freedom of action than might be warranted in selecting priority programme areas. As planned, WFP should address this issue at an early stage, having in view the newly formed Ministry of Rural Development as a ready, principal government counterpart. This could materially help in overcoming the lack of technical support for infrastructure projects, which could be provided from the relevant technical departments of the government, even at the cost of salary supplements.

Interesting operational relationships have been developed with *national NGO's*. The Mission believes that this approach can be intensified, with WFP expanding the support for local NGO's, while reducing and eventually eliminating the funding of international NGO's.

SIDA's earmarking of its contribution to WFP for FFW programmes is judged by the Mission to have been an effective strategy, providing enhanced opportunities for monitoring, leverage and programme leadership. There can be little doubt that in this case SIDA funding has been truly additional and was far more meaningful to WFP than providing a small portion of its overall food aid programme in Cambodia.

d) Rehabilitation of infrastructure

There are few countries in the world where the existing transport infrastructure, ports, railways, roads and bridges, has reached the same state of general degradation as in Cambodia. The construction of present port facilities and railway tracks, as well as network of trunk and secondary roads, dates back to the 1960's and early 1970's. Efforts since then to keep up with normal maintenance requirements have invariably been one step behind and failed to stem what amounts to a seemingly inexorable process of capital destruction.

As a result, the United Nations appeal made a special case for contributions to rehabilitate the national transport infrastructure. Sweden responded by allocating SEK 30 million to this end, by way of an emergency allocation to UNDP, to be used in the most effective manner possible.

Based on the *preliminary inventory* of the most urgent needs for infrastructural repair, UNDP decided in mid-1992 to apply the Swedish grant to emergency maintenance and rehabilitation work on Route No 5, which connects Phnom Penh with Battambang, a 300 km central stretch of the trunk road network forming a vital communications axis between the north-western region and the south of the country. The rehabilitation was a joint donor effort, with contributions by the Netherlands and the USA, and parallel financing from Australia. Sweden was the principal contributor, providing over 50 per cent of the estimated funds required, total resources available being in the order of USD 8 million.

As no detailed survey of the required road works had been carried out, there was neither the time nor the basis for tendering for contract work. Instead it was carried out on force account by the then Department of Roads and Bridges. New and reconditioned machinery, trucks and vehicles were purchased in the amount of USD 1,140,000. The continuous repair programme on Route No 5 came to an end in the first quarter of 1994, some eighteen months after its inception, when the allotted funds had largely been expended and proceeds of the ADB rehabilitation loan became available.

On the asphalt stretches, potholes were filled and shoulders trimmed over a length of 193 kms; laterite surfaces were rebuilt on 62 kms, six new bridges erected with a total span of 334 meters, 37 wooden bridges repaired, and 270 drainage culverts replaced. In addition, 69 kms of secondary earth roads linking up with national route No 5 were restored for use.

The *achievements were twofold*. In the first place the road was kept open to traffic; without the repair intervention, it is likely that this vital communications axis would have been cut for extended periods, as had already happened in 1991. At the road's best, travel time to Battambang was cut by half, but the density of traffic (1,150 vehicles per day) and the passage of overloaded heavy duty vehicles are such that many stretches are again under severe stress.

Secondly, the work provided valuable experience in how to deal with the problems of road deterioration in Cambodia, serving as a practical starting point for the elaboration of the repair, rehabilitation and reconstruction strategy recommended in the master plan for the rehabilitation of the transport sector, which has been financed by SIDA through the ADB. In terms of cost/benefit, the margins are very comfortable; the ADB study estimates the internal rate of return for this type of intervention (costed at USD 30,000/km) to be 120 percent.

As is the case in most programmes in Cambodia, the involvement and cooperation of the Public Works Department were secured through the payment of salary supplements to key officials. Thus, engineers attached to the department received a monthly pay of USD 300 for the duration of the project. Although the department does not enjoy a reputation for high standards of integrity, UNDP states that it was able to retain control of financial transactions and all disbursement records held in the UNDP office are said to be auditable.

In this sense, a by-product of the project may be to have shown that it is possible to provide direct support to a government department without letting financial control slip out of the implementing agency's hands. The work performed has certainly added to the organizational capacity of the department, in technical and management terms, to handle projects on force account. Whether the systems of accountability used in maintaining and rehabilitating National Route No 5 are always replicable in other situations, is of course less certain.

Assessment. The SIDA allocation for infrastructure was made without the benefit of the detailed surveys and studies that normally accompany such investments. While it is conceivable that the use of these funds could have been optimized differently, this should be traded off against the inevitable *cost of time delays* in initiating the repair work. Providing the wherewithal for taking immediate action to meet a recognized urgent need was, in the view of the Mission, appropriate under the circumstances.

Allocations for the improvement of major infrastructure, even in emergency situations, are unusual for SIDA. The grant for this purpose in Cambodia appears in retrospect to have been a one-shot effort and can hardly be seen as part of a structured rehabilitation programme. Rather, its value lies in the *flexibility and impetus* it provided at a crucial juncture, permitting an early start to the rehabilitation programme. From this point of view, the contribution is judged to have had a positive impact.

e) Repatriation and reintegration of refugees

Three dimensions defined the repatriation operation, its logistics, the direct assistance on arrival and help with reintegration. Each was planned and implemented as separate process elements, but all were conditioned by the principle that the repatriation should be voluntary, conducted in safety and dignity and to final destinations of the refugees' own choice. The whole operation was budgeted at USD 92.6 million, excluding the food assistance provided in the first 400 days of resettlement. The SIDA contribution was SEK 40 million, including 3 million for the preparatory phase.

While the outcome of the operation was important for national political reconciliation, and also in terms of UNHCR's more general policy concerns, consideration here will focus on the welfare of the refugees, the ultimate yardstick by which the success of any repatriation programme must be judged. The task laid down for UNHCR in the Paris agreements, namely to ensure the "harmonious reintegration" of the refugees is also intimately linked with a UNDP programme initiative, called CARERE (Cambodian Resettlement and Reintegration), which was to integrate a development perspective in the reintegration work.

Preparations began already in 1989, with a survey of the populations in the border camps and an assessment of the absorptive capacity in Cambodia. Information

campaigns were conducted in the camps concerning the situation in Cambodia; all returnees were registered and their choice of destination recorded. Surveys were also carried out to determine the number of "extremely vulnerable individuals" (EVI), whose physical, mental or social condition required special support on arrival.

Repatriation: The logistics of repatriation received the main emphasis, both in terms of organisation and money spent. Services and facilities, exceptional for UNHCR, were provided. It deployed large numbers of staff and relief items, constructed six reception centres, did repair work on roads and railways, and procured a fleet of trucks to take the refugees from the reception centers to their final destinations. Using other UN agencies and NGO's as implementing partners, UNHCR completed the actual movement of 362,000 refugees by May 1993, in time for them to participate in the elections.

As an organized movement of thousands of people, safely and voluntarily, within the set time frame, it was a highly successful exercise in logistics, carried out without major accidents or security incidents. The priority on logistics and tight control of repatriation was largely dictated by the political process and discouraged the significant potential for spontaneous returns which existed at the time.

Direct assistance: Assistance to the returnees on arrival was also more comprehensive than for similar operations elsewhere. UNHCR and WFP were jointly responsible for providing food rations at reception centres and for 400 days after arrival at the point of destination. An effective distribution system ensured that food reached the beneficiaries without major problems at the distribution points; the operation benefitted from the experience of WFP in assisting internally displaced people, in a successful partnership with the CRC. As a vital safety net during the transition to self-sufficiency, it might however have been delivered on a sliding scale, over a longer period of time. As it turned out, when the 400 days of rations ended, many had not begun farming, still waiting for land to be allocated, or had outstayed their welcome with relatives. A significant number of returnees was still qualified as "needy" or "at risk".

Reintegration: Work to reintegrate the refugees in their home communities focussed on quick impact projects (QIPs), many of them carried out in cooperation with a number of NGO's and the CARERE programme of UNDP. QIPs, 80 in all at a total cost of USD 9.5 million, were aimed at increasing the capacity of receiving communities to accommodate returnees and to create an amicable climate for their reception, including readiness to make land available.

QIPs were designed to produce rapid, visible and hopefully sustainable results. As a result they focussed on restoring infrastructure and services within the community, such as the building or repair of roads, schools, and health centres. A smaller part (about USD 1.2 million) was allocated to land clearing and agricultural inputs.²⁶⁾ QIPs also assisted some 10,000 vulnerable families, and

²⁶⁾ A UNDP mission in March 1992 formulating a much more comprehensive QIP package as part of a rural development strategy, recognized the importance of land for reintegration.

overall must be seen as a highly relevant response to the need for early reintegration assistance, in particular in remote locations where detailed project preparation was not feasible. As sustainable interventions aiming at development, they however suffered from the limited capacity of Cambodian institutions to maintain them (e.g. schools must also have teachers and materials) and were not always followed up by more long-term development efforts on the part of other agencies such as CARERE.

The issue of land. The ability of refugees to resettle and become self-sufficient cannot be reviewed without reference to the land issue. UNHCR promises to the camp populations to provide 2 ha of land to each family was based on flawed assumptions about the availability of land for cultivation, drawn from aerial surveys.

When repatriation had started and it became obvious that safe and available land was scarce, UNHCR rapidly changed course and introduced a range of other options, of which the cash grant option was eventually chosen by 87 percent of the returnees. The revised strategy gave priority to those returning to their native villages, except to areas declared out of bounds due to security risks, considerably restricting the unqualified freedom of choice of final destination.

Land for cultivation has become the most critical issue for a large proportion of rural returnees and is as yet largely unresolved. This is particularly true for the Battambang province, which received the largest number of returnees. With the advent of private land tenure, land allocation to returnees has been a slow process; a valuable commodity, not willingly given out, land is often in the control of local authorities. Most promised land is still confined to unsafe or remote areas. UNHCR has had to rely on the willingness of provincial and communal authorities to make land available.²⁷⁾ However, the case may also be made that, by not pressing the land issue, UNHCR may have avoided creating a large number of settlement sites, which have continued to experience difficulty in becoming an organic part of rural society.

The new emphasis on refugees returning to their native villages, as a way of resolving the land scarcity issue, however did not constitute a long-term reintegration solution. The Mission's field visits indicate that whilst relatives provide an important safety net in a transition period after arrival, they cannot compensate for the lack of other livelihood solutions in the long-term.

CAREERE: The CAREERE programme was instituted by UNDP on the model of similar undertakings in Central America for the purpose of giving a development dimension to the reintegration of not only refugees returning from Thailand but also of the large numbers of displaced persons within the country. An amount of SEK 20 million has been allocated by SIDA for CAREERE in fiscal 1993/94.

Its main function was to provide an organizational framework for a decentral-

²⁷⁾ In an open letter to the refugee camps in January 1992, the then Deputy Governor of Battambang, Tes Heanh, made clear that there was little surplus land in the Province for distribution.

ized *area development* programme. Because of resource constraints, it was first established only in the three provinces of Battambang, Banteay Meanchay and Pursat, and somewhat later in Siem Reap (July, 1994), the four provinces to which the vast majority of refugees had opted to return.

Within each province, the programme is organized along geographically defined areas called target zones. The criteria for choosing target zones are rural poverty, social and economic potential, possibility for government cooperation, and relative absence of other aid projects.²⁸) The target zone approach is not the exclusive rule; some activities are of province-wide concern and operate from the provincial centre.

With work divided along sectoral lines, the programme seeks to secure *community participation* as a basis for sustainability and long-term development. Gender-sensitivity is a stated priority. An underlying assumption is that reintegration is best served by targetting the whole community, as opposed to just the returnees and other displaced people.

As of 1994, the bulk of available funds has been allocated to infrastructural projects, such as rural roads (23 percent) and schools (21 percent), and agricultural activities, which have been angled towards land clearing, planting, provision of improved seeds, and assisting returnees with land tenure arrangements (24 percent). Only a minor part of its funds has been geared to what are intrinsic aspects of the CAREERE programme; income generation (5 percent) and community development (5 percent).

Project expenditures over the same period amount to USD 9.1 million, with over half of disbursements going to the province of Banteay Meanchey and 25 percent to Battambang. The number of indirect beneficiaries is crudely estimated at almost two million, taking into account the high proportion of infrastructural projects; direct beneficiaries are of course considerably lower in number.

These were to include the *vulnerable segments* of the population as well as returnees. A common criticism of CAREERE is that it reaches neither. It is true that the poorest are often missed out; credit schemes and income generating activities both require a degree of competence, and as remarked by some village chiefs and group leaders, the poor people who are included in the programmes are those that most often fail.

As noted above, arable land is crucial to achieving a permanent reintegration of the refugees. Little land is available in safe areas, but in the north-western provinces generally (although less so in Battambang province) it is a matter of clearing new land or activating fallow land, and of titling this land. CAREERE has

²⁸) There are six criteria stated for defining the target zones. They are: a) economically and socially disadvantaged persons, b) presence of a minimal long term resource base, c) possible partnership with the reform plan of the Royal Government, d) minimal potential for success, e) relative absence of international aid projects, and f) sufficient infrastructure already in place (UNDP: CMB/92/006 Cambodia Reintegration and Resettlement Programme – CAREERE)

assisted in clearing close to 18,000 ha affecting some 70,000 people. The programme focus on infrastructure is partly explained by the need to create access to water, roads and markets for the newly cleared agricultural areas.

What CARERE is asked to perform is operationally difficult: to move from emergency assistance to development aid, targetting the community as a whole. Returnees will have different needs depending on where in the process of reintegration they are placed. Working at both ends of the emergency/development continuum is also likely to reduce operational efficiency, as there are "invisible" prerequisites such as confidence-building and awareness which first have to be achieved. CARERE has to be simultaneously goal-oriented (when dealing with relief) and process-oriented (when engaged in development change).

The possibility that the community development approach would create friction with established provincial authorities - by intruding on the hierarchical chain - does not seem to have materialized. On the contrary, relations with authorities appeared uniformly good and contacts frequent. In villages and projects visited by the Mission there was no evidence suggesting otherwise.

Assessment. The repatriation movement has been referred to by UNHCR as one of its "largest and most complex operations ever undertaken", and its *effectiveness* has been widely recognized. It was highly successful in moving 362,000 refugees on schedule and without major incident, and has been hailed as a model of its kind.

As a highly organized operation, with unusually generous support from donors, both costs and quality standards were high. However, costs were unevenly distributed over the different phases of the operation, a disproportionate amount being allocated to the actual movement of the refugees. Their protection was obviously a major concern of UNHCR, but considering the strong UN presence in the country and the relatively short distances involved, a fully organized movement may be seen as over-protective and not particularly cost-effective. Moreover, the tightly controlled operation provided little room for the priorities of the returnees themselves as well as their competence in organizing their movement and devising their own livelihood strategies.

The studies of the *post-repatriation problems* the refugees are facing point to the critical importance of the land issue and the value of support systems that kinship provides in the first resettlement phase. In promising land to the returnees and by not pressing them, in the name of unrestricted freedom of choice, to return to their places of origin and as far as possible to locate relatives, UNHCR contributed to altering the premises for the subsequent reintegration.

While the actual movement of the refugees was managed successfully, other facets of the repatriation point to the difficulties in designing and planning the return of refugees in general. Safety principles and detailed advance plans are important, but do not always fit comfortably with a reality where the necessary information may not be available and absolute security cannot be guaranteed. The vast numbers of refugees seeking asylum in the world and the enormous costs

involved in arranging for organized repatriation call for a new approach in dealing with a problem of increasing urgency. Most voluntary repatriation occurs under conditions of conflict, without assistance and without tight protection guarantees,²⁹⁾ and millions who have done so have managed to resettle at home. Hundreds of thousands of displaced Cambodians moved across the borders with Thailand and Vietnam and repatriated spontaneously in the period 1979-84, and there was significant potential for spontaneous return prior to the 1992 operation.³⁰⁾ In particular, only short distances were involved and there was a relatively large UN presence in the country at the time of repatriation. Creating *incentives for spontaneous repatriation*, rather than vigorously resisting it, and reinforcing support measures on arrival in Cambodia, should have been given serious consideration, in the interest of the beneficiaries.

Comparatively *less attention and resources* were devoted to the reintegration effort. The planning of QIPs, as a joint venture with UNDP, was launched only a few months before the start-up of the repatriation operation, and implementation was correspondingly delayed by the usual organizational and administrative time lags.³¹⁾

Reintegration work was hence *not well synchronized* with the repatriation effort as a whole. Reintegration being the more complex facet of the operation, it is clear that planning should start well in advance of the actual movement of the refugees so that the agencies involved are organizationally present and able to commence work when the refugees arrive.

The above suggests that *a structural impediment* is present in terms of the availability of funding. Both UNHCR and UNDP raise the funds for an operation of this kind through extra-budgetary contributions. Without funds, plans will remain on paper. It would be unusual for donors however to commit funds well in advance of a repatriation exercise that is moreover susceptible of hitting political snags or running into delays. UNHCR and UNDP, planning and acting in tandem, would need to persuade donors of the necessity to remove this resource constraint.

The difficulty hitherto experienced by UNHCR and UNDP in working out a rational *division of labour* in respect of reintegration is a long standing one. In part this is due to their different vantage points. In the view of UNHCR, it is the task of CARERE to continue the reintegration work that UNHCR has started; the needs

²⁹⁾ As Stein and Cuny point out: "the fact that large numbers of refugees choose to return without international 'protection' tells us something about the efficacy of the repatriation process and the fact that many are willing to forego assistance, indicates how aid is regarded at this point in a refugee's exile." Repatriation in a civil war/conflict situation. Paper presented at Round Table Consultation at UNHCR, Geneva, June 1993. (Barry N. Stein and Fred C. Cuny.)

³⁰⁾ C. Robinson: Something Like Home Again. The Repatriation of Cambodian Refugees. US Committee for Refugees, 1994

³¹⁾ Large and administratively simple QIPs projects were for instance more easily approved. UNDP had field presence only six months after repatriation had started; HCR lacked field officers with exclusive responsibility for reintegration work, and were too busy receiving returnees.

of the returnees have been somewhat marginalized in the CARERE programme, the argument goes, whereas UNDP believes CARERE should cast its nets wider.

As for CARERE, its impact is limited having only started during the second half of 1992; in addition pledged funds have not been received in a timely fashion. Yet, the large number of schools and many kilometers of village roads, built with community labour, are an impressive sight. While possibly lacking sustainability in many cases, they have strong visibility and no doubt provide impetus and incentives to the communities to make a collective effort.

The *decentralization* attempted by CARERE is commendable, as is the involvement of Cambodian staff. While genuine village participation has not yet been achieved, the fact that most project staff are Cambodian nationals, including staff in senior positions, may be one of its major results to date. They work in close cooperation with village counterparts, trained and paid by CARERE, village chiefs and development committees. It is planned to go further: from 1995 onwards staff working as a community developer will be required to actually live in the village.

For reasons already mentioned, it is difficult to make a *definitive assessment* of CARERE. It has been criticized because of high overhead costs, and its starting stretch has admittedly been long. There would not appear to exist however any structural reason why implementation would not be successful. Provided adequate funding is on hand, there is little doubt that CARERE-type interventions constitute an appropriate aid approach in Cambodia.

f) Demining operations

There is probably no more long-lasting consequence of human conflict than the misery, maiming and death caused by the placement of landmines. Paradoxically, of all man-made disasters, the laying of mines is also the most deliberate of actions and its effects ought therefore to be avoidable. It is a scourge created wilfully and carelessly, and in disregard of the fact that its victims are rarely the intended foes, but innocent civilians in peaceful pursuit of their livelihood long after hostilities have ended.

The painstaking work involved in removing mines is *not always well understood*. Blueprints for rehabilitation usually confine themselves to bland statements regarding the need to clear minefields as if removal is something readily achievable in the near term. The plans for the repatriation of refugees from Thailand is a case in point. Their return was made conditional on the clearing of mines from routes along which they would travel, and the promises of plots of land on their arrival for cultivation were predicated on the removal of mines from large acreages. In the event, little could be accomplished.

Glib optimism is often added to by private companies eager to cash in on a new industry seen as offering easy profits, and blandishing mechanical and miracle technologies that on closer scrutiny have severe limitations in their application. At

the end of the day, no new technique has emerged that can replace the careful manual prodding of soil, square metre by square metre. And to certify as cleared an area suspected of being mined, although there were no mines, is as time-consuming as when 100 mines are found.

Mine-clearing personnel have to be trained, supervisors gain experience on the job, management procedures instituted and financing secured. This takes time and it has taken the *best part of two years* for Cambodia and the international community, initially mobilized by UNTAC, to establish a credible organization, the Cambodian Mine Action Centre (CMAC), to begin mine clearance in earnest.

Yet it is only a start. In the past year, 600 hectares have been cleared of about 25,000 anti-personnel mines and 200 anti-tank mines, a minute fraction of what reportedly remains hidden in the ground. To gauge the enormity of the future task: the CMAC data base has records of 1,900 marked and unmarked mine fields, containing an estimated 8-10 million mines underground. Mine clearance is likely to go on for decades.

CMAC *inspires confidence* in its organization and operations. It now has in action 41 demining platoons of 30 men each currently deployed in five provinces, 16 mine field marking teams, 10 explosive ordnance disposal crews, central and regional headquarters establishments in three locations with about 100 staff, including mine awareness personnel and instructor staff for the CMAC training centre outside Phnom Penh. Cambodian staff are assisted by a team of 42 expatriate advisers, providing technical and management support under a UNDP-sponsored trust fund and under non-reimbursable loan arrangements with seven countries.

The programme of clearance, marking, awareness and training has been budgeted at over USD 50 million over the next five years, and approximately 13.9 million have been secured for the first two years' operations; this figure includes the pledged Swedish contribution of SEK 20 million, but excludes the costs of the 36-man strong technical advisory team, which is slated to be phased out after two years.

Translated into unit costs, expenditures over the past year amount to about USD 10,000 per hectare of cleared ground. Taking by analogy acceptable investment parameters for, say, irrigation development of agricultural land, such costs appear almost prohibitive. However, mine clearance is not just a matter of putting agricultural land under cultivation, although settlement sites for internally displaced persons and land with agricultural potential have been given priority in CMAC's programme.

The gravity of the *humanitarian problem* may be measured by the fact that 150 mine accidents are reported every month, to which number an equal toll of unreported injuries and deaths is estimated to have occurred. Cambodia is reputed to have the highest proportion of amputees in the world, at present estimated to number some 36,000, or one amputee for every 244 inhabitants.

The stark fact remains that about 3,500 mines are "cleared" through accidents

annually, with the rural poor, and the children among them, being particularly exposed. The Mission was vividly reminded of this in the province of Battambang. A 50 metre wide mine belt that once had formed a circular defensive perimeter was being cleared and was yielding an abundant crop of mines, 600 in the space of ten days; at the particular location visited, the mined area was immediately adjacent to two homesteads, where children were playing, separating the houses from the rice fields. To till the fields, passage had to be negotiated daily.

Mine clearance in Cambodia was specifically mandated in the Paris peace agreements. UNTAC was assigned the task of making the necessary arrangements for training Cambodian mine-clearing personnel and establishing an appropriate organization for a long-term demining operation. From its inception demining was seen as a *Cambodian responsibility*, and any mine clearance by military personnel sent to Cambodia by countries contributing to the UNTAC effort was resisted. A primary goal was accordingly to create a national capacity to confront an awesome long-range problem.

The work currently performed by CMAC is convincing evidence that this capacity is well under way of being achieved. Additional capacity is being created by five non-governmental groups, that between them have mobilized some 500 more deminers, under financing from different sources. There is close programme coordination on the part of the NGO's with CMAC, which maintains the central data base covering the whole country. CMAC has also made provision to contract out their services at cost to entities engaged in development or investment projects and wishing to clear a particular area, by reserving 1-2 platoons for such purposes.

There is at present therefore good grounds to believe that the operation can be made sustainable, with the obvious caveat that its financing cannot be borne by the Cambodian government alone. For the foreseeable future, the international community will need to ensure that the programme is endowed with adequate resources.

Regrettably, on the negative side, the *laying of land mines has not ceased* in areas of intermittent conflict and military stand-off. Strategic objectives also dictate that certain perimeters cannot yet be cleared. Circumspection will need to be exercised in the proximity of the frontlines of conflict and where there is a risk that cleared ground might be mined anew. For obvious reasons, the conditions under which CMAC is operating will change over time and the priorities set for mine clearance will need to be adjusted in the light of developments.

Assessment. Given the substantial cost of clearing land for potential cultivation, some of which may in any event be marginal and of difficult access, the Mission believes that clearance for humanitarian purposes, i.e. the reduction of casualties, should take precedence over any other objective. While recognizing that objectives overlap in most situations, humanitarian considerations should certainly override any need for expanding arable land.

The mine clearance initiated in Cambodia is the *first purposeful attempt* by the international community to come to grips with the aftermath of military tactics that can at best be described as expedient but cruel. A phenomenon of our times, it has been favoured and practiced increasingly. There is presently no other rational approach to a solution of the problem but for the international community to work towards adopting a convention regulating this type of warfare.

Eminently, it is a case of disaster prevention being better than the cure. What is more, the route to prevention is staked out and action clearly feasible. To say this is not to underestimate the obstacles that lie in the path of convention-making, but rather to highlight the fact that, in the context of demining, prevention cannot be narrowly interpreted as meaning merely marking the borders of mined areas and making rural communities aware of the existence of a deadly hazard. As for the past, the Mission sees little alternative but for mine-producing countries, especially those reaping benefits from the export of mines, to assume part of the financial obligation for removing them.

g) Preparing for rehabilitation and reconstruction

With the launching of the peace process, SIDA began to fund activities aimed at strengthening the government's capacity to reconstruct the Cambodian nation. The following inputs were provided during the period 1989-94:

- Support of Cambodia Development Research Institute (CDRI), an NGO set up to assist the Government in economic and social analysis, research as well as training in language and computer skills, through a "Consultancy fund";
- Under the CDRI umbrella, provision of a long-term adviser to the National Bank of Cambodia (NBC), including a training programme for bank staff;
- Financing of a World Bank country report;
- Financing of a technical assistance component as part of the World Bank's Emergency Rehabilitation Loan, its first credit to Cambodia;
- Grant contribution of SEK 43 million to ADB for technical assistance projects linked to its lending.

The assistance labelled "preparing for reconstruction" in this report accounted for altogether SEK 70 million in 1989-94, or about 21 percent of total Swedish aid in that period.

Achievements. SIDA has been the main contributor to CDRI since its inception 1990. Aid has been given in the form of a general budget support. An external evaluation of its operations was undertaken in 1994. The evaluators were highly complimentary, pointing out that CDRI has achieved "both an impeccable reputation for providing quality services and access to and recognition from the highest level of the Cambodian government. CDRI has set the standards for institutional

development in Cambodia".³²) The Mission has no reason to question the evaluators' judgement.

The advisory services to the NBC are administered by CDRI, and constitutes, in the view of the Mission, a valuable contribution at a time when Cambodia is undergoing a difficult transition in the area of economic management.

SIDA contributed to the the first of the World Bank's two country reports, which appeared in 1992 and 1994. These excellent reports are used as major reference documents by most missions and donors active in Cambodia. The question however arises to what extent SIDA funds were instrumental in the first report actually being produced. It was prepared at the behest of the United Nations, and the World Bank would no doubt in any event have undertaken a fresh country assessment as a basis for resuming its activities in Cambodia.

Similar considerations apply to the SIDA technical assistance grant for the implementation of the World Bank's USD 63 million Emergency Rehabilitation Credit, approved in late 1993. While it is too early to assess the project, the credit has reportedly run into various problems. Rather than provide emergency procurement for selected inputs in sectors such as agriculture and education, the credit appears to have functioned as general budget and balance of payments support, thus indirectly financing for example the government's over-sized military apparatus. This said, the Mission has no reason to believe that the Technical Assistance Unit for Procurement financed by the SIDA grant is not doing qualified work.

SIDA's support to ADB has been for a series of technical assistance projects:

- three implementation units for ADB's first loan to Cambodia, the USD 67,7 million Special Rehabilitation Assistance Loan. The SIDA grant of USD 3,2 million has been used for the power sector (Japanese consultants); education (Australian/British consultants), and a central implementation unit in the Ministry of Planning (Finnish/Burmese consultants).
- an education sector review costing USD 1,3 million (Australian/British consultants);
- a transport sector study, costing USD 0,7 million (Swedish consultants);
- an energy supply study (not yet awarded)

The Mission has no basis for questioning the quality of the consultants in any of the technical assistance project components. The education sector review, for example, is considered to be a high quality study among education professionals working in Cambodia. Both this review and the Transport Sector Study will serve as useful planning tools in the coming years and in relation to future donor support.

Questions rather arise as to the choice of ADB as a channel for a substantial share of the Swedish aid to Cambodia. Most of the funds were used for supporting

³²) The Cambodia Development Resources Institute, an Evaluation, J. Charny and P. Ronnäs (April 1994)

the implementation of ADB's first credit to Cambodia, a four-sector loan in power, agriculture, transportation and education. The technical assistance elements are to a large extent designed to ensure that the project adheres to ADB's requirements. It may be argued that the sectors selected were not well attuned to SIDA broad development objectives or target groups (urban power supply, higher education), and that SIDA's intervention was hardly decisive for ADB in making the loan. Furthermore, the application of funds in the education component took quite a different direction from that recommended in ADB's own sector study, also financed by SIDA, leading to some awkward conflicting priorities (see further Annex F).

Assessment. SIDA took commendable early initiatives to strengthen the Cambodian government's capacity in critical areas, such as central banking, and to promote the development of an institution as a training ground for central government staff and eventually as a research resource. These efforts appear in general to have been effective.

SIDA has also allocated considerable funds in support of the World Bank and ADB. In retrospect it is difficult to see that SIDA's support has made a difference as to whether or not these activities were carried out. While economic analysis and sector work were necessary for the donor community to enter Cambodia on a large scale, the question must be raised whether allocation of SIDA funds for this purpose was the best possible use of money. In the area of project design and implementation, doubts can moreover be advanced concerning ADB's and the World Bank's first credits to Cambodia. Although it is not the mandate of Mission to assess these credits, SIDA grants for technical assistance should be seen in that perspective. During the first years of operation, SIDA was ADB's largest grant financier for technical assistance, raising the issue of the profile of the Swedish aid.

GENERAL ISSUES

a) Coping with complex emergency

The nature of the Cambodian "complex emergency" has been described in Chapter 4. In terms of disaster categories it decidedly belongs to the group of long term man-made disasters having their origin in civil strife and international war, causing extended disruptions in every sphere of national life and massive dislocations of populations outside and inside the country's borders.

Cambodia now faces the aftermath of the social and economic upheaval that followed, but it would not be true to say that the genesis of the complex emergency is a matter of history. The country now has an internationally recognized government and the isolation in which it found itself throughout the 1980's has been broken. Cambodia has thus been able to pursue the process of economic stabilization and begin to function in a context of normalized relations with its neighbours and with donors of development assistance. At the same time, it remains beset by the same armed conflict that was at the root of the emergency, and widespread insecurity continues to hamper the reconstruction effort.

In responding to Cambodia's predicament, many donor agencies have accordingly sensed that no lasting remedy can ignore attempting to come to grips with the poverty in the rural areas, which was the breeding ground for the civil conflict. This is the implicit, if often unstated, rationale of programmes that started already in the 1980's, once the 1979-81 emergency phase was over, and have since been expanded as additional resources became available. This applies to the UNICEF programmes, for instance, and the various activities undertaken by NGO's. It also helps to explain the concern underlying the aim of making the reintegration of refugees and IDP's as smooth as possible under the circumstances.

Indeed, the National Programme to Rehabilitate and Develop Cambodia, which was prepared and presented to donors in 1994, makes rural development a corner-stone of its objective to establish "a basis for sustainable and equitable growth for sectors with high development potential"; the linkage between efforts in this area and social peace is recognized in numerous official statements.

There is no dearth of reasons why the Royal Government places this emphasis in its planning documents on developing the country's rural areas: the need to

reduce the disparities in income and employment opportunities between urban and rural areas, to boost agricultural production, to enhance household food security and expand domestic markets and exports, to ensure environmental regeneration, and to strengthen national reconciliation and improve national security.³³)

The official emphasis on a rural development strategy, and donor interest in supporting rural and community-based projects, are perhaps the only expressions of the existence of a direct relationship between the complex emergency and present disaster relief assistance, focussing as it does on rehabilitation and reconstruction.

Multi-purpose disaster relief. Although the civil war has simmered on, no nationwide calamity has struck since 1979. More limited, sudden natural disasters however occur frequently in different parts of the country, mostly in the form of localized flooding and drought. Emergency relief provided in the last five years, principally by WFP, has thus mainly been confined to addressing the immediate survival needs of people displaced by the intermittent fighting, or whose harvests have been destroyed or severely reduced.

Whatever the cause of the emergency, disaster relief normally distinguishes between the categories of 1) emergency relief, 2) disaster prevention, 3) disaster preparedness, and 4) rehabilitation/reconstruction. In reality, and as the following discussion will show, few interventions fall into any single category.

Even where emergency relief is concerned, perhaps the most easily defined category, difficulties arise. In its analysis of 1992-93 aid disbursements, UNDP concludes that more than 30 percent of expenditures were for "Humanitarian/Relief Activities". These disbursements however not only include assistance to internally displaced and flood/drought victims, but also the costs to UNHCR for the repatriation and reintegration of the refugees. While certainly "humanitarian" in character, UNHCR's disbursements were for a variety of purposes, and included rehabilitation (QIP's) and disaster prevention (food rations for 400 days). The repatriation of refugees was furthermore part of the process of political stabilization and would thus contribute to long-term recovery.

The latter example provides a good illustration of how the objectives of the various aspects of disaster relief interrelate. If WFP's food rations were designed to provide for the refugees until they could harvest their own crops (disaster prevention), a major but not expressly intended result of this operation was to transform the Cambodian Red Cross into a reasonably effective organization for the delivery of relief (disaster preparedness).

³³) Even allowing for customary political rhetoric, this strategy permeates such documents as the Socio-economic Rehabilitation Plan 1994-1995, adopted by the National Assembly at its 2nd Meeting, which allocates 26 percent of public investment to agriculture and rural development. In the words of the Minister of Planning, the "Royal Government will spare no effort in order to get our poorest people out of poverty".

As the bulk of the Cambodian aid programme supported by SIDA falls in the reconstruction category, many instances can be offered in support of the fact that these programmes simultaneously address the goals of the other disaster relief categories. One or two such examples will suffice.

- Depending on the context, Food for Work programmes serve primarily the purpose of meeting immediate emergency needs, providing temporary employment and income (in the form of food); the justification of the particular village improvement project is usually of secondary importance. However, to the extent that such projects have a more lasting impact, they have "rehabilitation" value and can possibly lead to development change. They also serve a wider purpose when organized for the benefit of settlements of internally displaced; rather than a passive reception of free food rations, a quantum of work is being demanded, so as to prevent attitudes of dependency from taking root, an important facet of disaster preparedness.
- By marking minefields and creating mine awareness, the demining programme works towards disaster prevention; second, it serves the purposes of disaster preparedness by creating a national capacity for clearing mines, and third, it meets the needs of reconstruction by making more land available for cultivation.

The main point of interest is that while programmes dealing with the sequels of the complex emergency in Cambodia have tended to fall within the rehabilitation/reconstruction category, they simultaneously address the objectives of immediate relief, prevention or preparedness, and that they are mutually reinforcing.

The continuum – both ways. To say this is perhaps no more than highlighting once more the nature of the continuum from emergency relief to development, which has frequently been held up as offering opportunities for incorporating a medium or long term perspective into disaster relief.³⁴⁾ Aid agencies providing emergency relief, should not lose sight of rehabilitation needs and aim at long-term development.

It is however not only a case of looking forward from the perspective of emergency relief. Programmes also have to cover the contingency of relapses. The ability to move to and fro along the continuum is in practice often ensured, even if fortuitously. In April 1994, for instance, a sudden influx of displaced people in the Province of Battambang gathered at a site without access to water. CARERE happened to be best equipped to truck water and took on this task. While outside its mandated business, CARERE had to respond to the sudden emergency.

The UNICEF family food production programme also *stretches in both directions* of the relief/development continuum. It was designed in response to an expected food crisis and aims at increasing food security and the nutritional status among

³⁴⁾ Katastrofbistånd för Utveckling, S. Linnér, 1986 and Katastrofbiståndsutredningen: Fallstudie Etiopien, A. Wilkens, 1986.

women and children. It is also meant to work as a development catalyst. While one may question the economic viability of the programme, family ponds and home gardens are not only productive in economic terms, but provide a safety net during dry spells. The programme constitutes a good example of the trade-off that may be present between cost-effective production and disaster preparedness.

Conflicting objectives. The observation that programmes operationally tend to overlap, combining emergency and development, is frequently obscured by the fact that the desired goals, impact and other features are seen or expressed in conflicting terms.

CARERE, working at both ends of the continuum, provides an example. Having engaged in quick impact infrastructural assistance at the village level – to promote the reintegration of refugees – it next launched a package of long term initiatives devoted to income generation, community development and credit schemes for self-employment, aiming at better preparedness, sustainability and local participation.

Thus, in a village outside Battambang, a functioning rice bank was established, in theory relieving the village of the yearly, and normal, rice deficit in October/November and securing seeds for the next harvest. In late 1994, however, as it became obvious that the coming harvest would fail, the rice bank was quickly depleted of its reserves. The rice bank's activity may now be disrupted for a long time, while having provided a welcome, if inadequate, relief at a time of acute food shortage.

Another instance, at the micro-level: under the WID programme, a woman head of household obtained a loan to start a vending activity. This was however cut short by a family emergency, necessitating the prolonged hospitalization of a daughter, which consumed the entire proceeds of the loan.

Like the proverbial circle, the continuum can therefore also become "vicious". Demining operations provide a striking example. At the same time as ground is cleared of mines, there is evidence that new mines are laid as defensive perimeters in front-line, insecure zones.

In many cases, goal formulation is thus conflicting; an emergency intervention may be justified purely by the intent of saving lives, and considerations of sustainability or cost-effectiveness do not apply. As the UNICEF example illustrates, there may however be trade-offs in the manner the objectives of emergency and development interventions are reconciled. On the one hand, emergency relief can easily create dependency rather than a basis for economic and social change, and development-oriented activities are often terminally disrupted when new emergencies occur. On the other, as noted above, a particular intervention can simultaneously serve the dual objective of safeguarding a community from future adversity and of paving the way for development change.

Assessment. The interaction between relief and development is important to understanding ongoing aid interventions in Cambodia. A donor wishing to make

a contribution cannot be dogmatic in interpreting the disaster categories involved. Flexibility in making decisions on emergency allocations is essential, which is recognized by SIDA in naming the relevant budget heading "Emergency and reconstruction".

Despite this, the labelling of different emergency interventions is the customary approach, as it has implications for what can be demanded or expected by donors from implementing agencies, in terms of goals and achievements. Categorization is an understandable attempt to structure and rationalize an often bewildering mix of situations. Although it serves as a general framework and tool for analysis, such categories may not fully capture the complexity of reality they are meant to reflect; they are therefore not always helpful in predicting the outcomes.³⁵⁾

Short-term relief operations however clearly differ from more long-term development interventions in terms of what they require, when assessing needs and appraising programme options, as well as in making implementation arrangements (e.g. central control versus local participation), in reporting and impact monitoring (e.g. sustainability, cost-effectiveness, etc.)

This raises the question as to when a donor should call off emergency/reconstruction operations in favour of more long-term development undertakings, as aid would be better served by more thorough preparation by donors and programme intermediaries. There is probably no single answer to this issue, as each complex emergency is one of a kind, and various donors will adopt different approaches depending on the objectives of their aid. In the case of Cambodia, some of SIDA's cooperating partners have already moved in this direction (UNICEF, UNDP), and others are in the process of doing so (WFP).

b) Implementation channels and mechanisms

After 1989 SIDA faced a new set of options in providing assistance to Cambodia. During the 1980's the option of establishing a bilateral presence in Cambodia did not really exist. Few aid agencies were present in the country; among them UNICEF was a natural first choice as a vehicle for Swedish aid.

In contrast to many other countries where SIDA provides emergency assistance, there were no Swedish NGO's already present at the time of the 1979 emergency.³⁶⁾ Given the circumstances of the 1980's, the strategy for implementing aid was clearly a matter of course, once the policy had been adopted to provide support inside Cambodia rather than to the refugee population at the border.

The scenario changed radically when Cambodia embarked on the peace

³⁵⁾ While there exists an abundant literature on the methodology for evaluating development assistance, and methods of assessing emergency relief are being elaborated (e.g. *Rising from the Ashes*, Mary Andersen/Peter Woodrow, UNESCO, 1989), standard reference works on complex emergencies are lacking.

³⁶⁾ Perhaps to strike more of a balance, an arrangement emerged with Diakonia as the intermediary between SIDA and an American NGO that was early on the scene, AFSC; in addition SIDA funded the Swedish Red Cross which took up work in the emergency 1979.

process. The number of *potential implementation channels* grew significantly within a year or two. Cambodia, something of a pariah to Western donors in the 1980's, suddenly became their favourite. The UN family of agencies and multilateral financial institutions rapidly established themselves, and international NGO's mushroomed to reach about 150 in number.

The donor community effectively took possession of the stage. Implementing agencies, which in the past had been strictly controlled by the PRK government, were to all intents and purposes free to take up projects of their choice in just about any part of the country. An abundant "aid market" emerged, fuelled with aid flows in the order of USD 200 million per annum, as compared to the petty USD 10-15 million available in the mid-1980's.

A country-wide *network system of sub-contracting* between major aid agencies and the NGO's developed. Aid became "competitive" as new donors and implementing agencies entered the scene, carving out their particular niche, at a time when Government counterpart organizations were extremely short of skilled personnel, and absorptive capacity at an ebb.

The strategic choice for SIDA in the new scenario was more difficult: whether to establish a bilateral presence, to participate in the aid rush, to support which sectors, and through which implementing agencies. Sweden elected not to be present, in the physical sense of establishing an office, but to maintain a high profile by increasing its aid and by distributing funds over a wide range of activities and implementing organizations, with the "old" cooperating partners as a core.

Over the period under review, SIDA has maintained or entered into new cooperating agreements with ten programming agencies, that in turn use *over hundred NGO's to implement* their projects. SIDA support is for a wide spectrum of sectors such as primary, secondary, and tertiary education (UNICEF, ADB), primary and secondary health (UNICEF, SRK), rehabilitation of handicapped (Diakonia), water and sanitation (UNICEF, WFP), power (ADB), roads (UNDP, ADB, WFP), area-based development (UNDP/CARERE, UNICEF), rural banking (UNICEF, UNDP/CARERE), irrigation (DIAKONIA, WFP), animal husbandry (DIAKONIA, UNICEF), fertilizer distribution (FAO), demining (UNDP/CMAC), children's welfare, human rights (UNICEF), public administration (CDRI, ADB, WB), central banking (CDRI), rural infrastructure (UNDP/CARERE, WFP), culture (UNESCO), as well as refugee operations through UNHCR and UNBRO.

The Mission does not underestimate the effort inherent in managing such a complex enterprise or in keeping continuously informed on its effectiveness and impact. Merely to remain assured that the assistance provided is always in line with broad SIDA objectives, is an invidious task. It is hardly surprising that, unintentionally, SIDA in one instance finds itself feeding a process of conflicting approaches by different agencies, in relation to primary education through UNICEF and ADB, as described in Annex F, pp 5-6.

The *general performance* of the various organizations which SIDA has used to

channel its assistance is described in Chapter 7. As one might expect, the picture is mixed, whether looked at by agency or project. On the whole their performance is however judged satisfactory.

A reservation should be expressed as regards their reporting. This tends to be abundant and output oriented, but does not provide information that is necessary for measuring impact. Issues and problems are rarely discussed, even if well-known to the agencies, and internal evaluation reports are at times not distributed. Upbeat progress and completion reports are instead geared to attract further funding, and hence of limited value for management decisions by donors.

Ninety percent or so of moneys granted to Cambodia in the past five years has been channelled through UN organizations. In this, the ratio of allocations between UN agencies and NGO's does not conform to the overall pattern of the distribution of Swedish disaster relief funds, where the use of the NGO channel is predominant.

Whether the strong tilt towards UN agencies over NGO's was in the best interests of Swedish aid is of course a hypothetical issue. In the view of the Mission, the anomaly is not necessarily significant. As mentioned earlier, international organizations using SIDA funds are associated with a host of NGO's performing as sub-contractors or implementing agents. If the peculiar quality of closeness to the community that NGO's can provide is what is being sought, the current arrangement should, at least in theory, amply satisfy SIDA's requirement.

When arriving on the scene, UN agencies were aware that they would need to draw on the experience accumulated by the NGO's over the preceding decade. UNDP for instance prepared a special report on the role played by the NGO community in the country and organized a joint workshop with NGO representatives in October 1989. UNTAC, for its part, made a point of bringing the NGO coordinating body (CCC) into the ambit of the formal coordinating arrangements that it instituted, when creating technical sub-committees of donors and implementing agencies to facilitate policy discussion and the continuous exchange of information.

These *coordination arrangements* have continued on an informal basis; in particular they seem to have been effective in outposts, such as Battambang. UN agencies, NGO's and Cambodian provincial authorities all appeared satisfied with the present coordination efforts of UNDP/CARERE, which has been able to motivate provincial government departments, and to develop partner relationships with other organizations so as to reap mutual benefit from each others' projects. This informal lead role is a necessary but time-consuming task for which credit is not always properly attributed. Nation-wide, the picture is very much similar to that prevailing in other countries, where UNDP is entrusted with the coordination of UN operational activities, and where the representatives of member countries of coordinating committees like ICORC meet on an ad hoc basis to exchange information on current activities and plans.

A qualification may be in order regarding the NGO role. Although NGO's in effect have carried out much of the UN agency programme (including SIDA's), this – in and of itself – is not an assurance of quality implementation. In Cambodia, the difficulty is precisely that the range of NGO action has been constrained, in part by Cambodian government policies, in part by the donors and UN agencies that supported their work, and in part by the deliberate choices of the NGO's themselves. They have tended to function more as contract agents for larger funders than as independent actors supporting community development and institution-building activities at the local level.

Thus, while NGO's were involved in SIDA's Cambodia programme almost by accident, they were constrained by their technical, project implementation role. Assuming that *NGO strengths lie elsewhere* – in community organization, training, local level capacity building – then the SIDA funding through the UN agencies did not reinforce the traditional strengths of the NGO's. The deliberate funding of NGO work through Diakonia was a relatively marginal component of the SIDA programme.

From 1992 onwards it was possible to begin support for Cambodian NGO's. WFP has been the one channel for SIDA grants which has actively sought partnerships with local organizations. From SIDA's perspective this was however an unplanned, inadvertent outcome of its support for food for work. In retrospect, SIDA could have moved sooner to direct funding to the fledgling national NGO community, either through Diakonia or other agencies in close touch with the local NGO sector.

Assessment. In order to overcome the internal monitoring and management difficulty, which derives from the fact that SIDA enacts its assistance through third parties, SIDA would need to put more emphasis on the *quality of the reporting* from the agencies supported, UN agencies and NGO's alike.

Sweden makes large voluntary contributions to the regular activities of the UN agencies operating in Cambodia. It therefore has an additional interest in forming a view on how core resources are deployed and managed in their country programmes. By bringing its bilateral aid under the ambit of the same organizations, SIDA is entitled to insist on improved internal monitoring systems for the analysis of impact and cost-effectiveness. Only in that way can SIDA gain better insight into the operations of these agencies, influence programme decisions and reinforce the scope and effectiveness of their work.

For reasons explained in the next section, the involvement of government agencies and officials in the implementation of projects and programmes has been remarkably weak. International agencies and NGO's are so dominant that efforts towards local empowerment and capacity-building are either lost or negated. Opportunities to work with national NGO's, as attempted by WFP, therefore deserve to be carefully nurtured, even at the cost of inefficiencies and failures that will inevitably be part of the picture.

c) Role of Cambodian government agencies

Several observers of the Cambodian scene have remarked on the seeming passivity of national officials, and willingness to cede to outsiders aspects of programme management and administration that customarily fall on the shoulders of national authorities. It was of course not always so, and such attitudes seem to be of a relatively recent date.

While emergency activities carried out by UNICEF, WFP and a number of NGO's in the early 1980's were welcomed by the PRK government, these organizations operated in a controlled environment. The government was watchful of their work, regulating movement and contacts, and the presence of advisors and monitors from western organizations was discouraged.

With the help of the Soviet bloc countries, the PRK government succeeded in rebuilding an entire administration virtually from scratch. In the space of a decade, the educational system, with a salaried corps of teachers, if inadequately trained, was progressively restored, as was the health delivery system in its essential features. Absorptive capacity was on the mend.

As the assistance from the CMEA countries dried up at the end of the 1980's, the government began to confront unmanageable budget deficits and inflation. Vital social services came under increasing strain, and in many cases crumbled altogether. Civil servants, including teachers and health workers, received their pay only after long delays and sometimes not at all. Absenteeism was the order of the day, affecting adversely many of the externally funded programmes.

The UNTAC interregnum. UNTAC was unable to arrest this process of deterioration. Although the Paris agreements stipulated that existing administrative structures would be kept in place, the SOC was reduced from the status of de facto government to that of a political party.

As far as coordination of external assistance was concerned, this was deemed to be a function of the Supreme National Council (SNC) assisted by UNTAC. In the early stages, an attempt was made to secure coordination of the surging aid programmes by setting up a mechanism for consultation with the four Cambodian factions on all new programmes and projects. A Technical Committee on Rehabilitation was established, reporting to the SNC, which gave final approval to aid schemes and programming initiatives submitted by donor agencies.

In the main, programme proposals had been prepared in consultation with the technical ministries of the SOC, which continued to function. In terms of substance, and in the absence of specific policy guidance from the SNC, programme coordination was based on the United Nations consolidated appeal; valid for the duration of UNTAC, the appeal gained wide acceptance and served as a useful guide for donor programming.

The *machinery for consultation* with the political factions however did not prove viable. The Khmer Rouge, or the Party of Democratic Kampuchea (PDK), as it was

d) Dependency creation and capacity-building

Various forms of dependency become inevitable in a situation where a country covers almost half of its budget expenditures from external financing. In the case of Cambodia, foreign aid represented all of the government's capital expenditures in 1993. As mentioned above, such a state of affairs will obviously interfere in important ways with the simultaneous goal of donor agencies to involve as far as possible the Cambodians themselves in the planning and implementation of the reconstruction programme.

In addition to budget support and generous local cost financing, there is a concealed form of budget subsidy pervading practically all aid programmes. This is the widespread practice of paying salary supplements, honoraria, training allowances and per diems to officials engaged in programmes supported by a particular donor, to ensure that its programmes and projects are given adequate attention by the sponsoring ministry or department.

For such is the meagre remuneration civil servants receive that they have to seek outside employment and other sources of incomes in order to provide for their families. *Moonlighting is on a grand scale.* Indeed, with the average salary level at USD 20 per month, well below subsistence requirements, it is difficult to imagine a different result. Teachers, doctors, nurses and other social service personnel have little choice but to take on jobs in the private sector, while nominally maintaining their place in the civil service and lifting their token monthly emoluments.

It also leads to *corruptive practices* and to officials charging for services that should be provided free of charge. Government doctors become private practitioners within state hospitals, selling drugs from the hospital pharmacies. Teachers become private tutors raising fees from students in public schools. It is easy to see in this process a de facto privatization of social services which will tend to leave out the poor who are most in need of these services.

The Mission heard many instances in evidence of the fact that corruption is rife in Cambodian officialdom. One such instance may serve by way of example. A senior official in one Ministry, earning a monthly salary of USD 25 equivalent, at the same time acts as the appointed agent of a foreign trading company, dealing with heavy equipment and doing business with the Ministry, inter alia submitting bids on contracts financed against ADB loans and adjudicated by the Ministry. The same official is also the designated liaison officer of the Ministry for part of the World Bank credit used to import equipment. Conflicts of interest of this kind probably defy any form of control.

In institutions, scattered throughout the country, where UN agencies and NGO's provide a steady flow of materials, management oversight as well as salary stipends, civil servants are able to perform their professional duties. But this coverage is partial and leaves countless hospitals, clinics and schools non-functional for lack of support.

There is therefore a basic inequity in the way the system operates, both generally and within departments, as all employees in a given ministry are not in a position to benefit from such arrangements. Not only are the basic pay scales demotivating staff, but jealousies will necessarily also have a demoralizing effect.

The compensation given varies among different agencies, and there may even be competition among them for the services of particular officials. The Cooperation Committee for Cambodia (CCC), an association of NGO's, has made a first attempt to issue recommendations on the subject of per diems for officials of the Department of Education, but this only touches the tip of the iceberg.

Another type of dependency may be expected among the groups targetted by the special support provided to returning refugees, internally displaced persons or other vulnerable communities. Here the picture is rather mixed. According to some persons interviewed, the rural poor continue to demonstrate considerable resilience and resourcefulness in coping with hardship conditions. Many of the refugee returnees who had little or no land to provide for their sustenance, saw themselves take up other occupations, such as cutting fuel wood, petty vending or taking jobs on construction sites.

The Mission however also heard evidence of *continuing dependency* among refugees and displaced people that had been accommodated in special settlements and had not permanently reintegrated in village settings. The continued presence of aid workers moreover stimulate attitudes of expectation that foreign agencies will still be there, if people again face shortages with which they are unable to cope.

Assessment. While very conscious of the negative effects of topping up salaries, donors appear unable to devise a strategy to deal with them. In the words of one observer, it is perhaps "the most vexing issue" confronting the donor community. Although they see the system as being in nobody's interest over the long haul, whether on the part of donor or recipient, donor agencies and NGO's have not even attempted to assess the scale of such practices and what they represent in dollar terms relative to the pay bill for senior civil servants.

Most agencies believe that, unless salaries are topped up, often by two-digit multiples of the official work compensation, programmes risk coming to a dead halt. Where an agency, such as the multilateral financial institutions, requires that actions and decisions are taken in the name of the government, a common device is to create ad hoc project implementation units, or PIU, staffed up with expatriate technical or management experts and varying numbers of national officials chosen from among the ministry's personnel.

In the eyes of most donors, it is an ill that can *only be cured over the long term*, as part of the reform of public administration and the reduction of the civil service and the military establishment. In the meantime, international organizations and NGO's will have to live with an unsatisfactory situation, where there is little genuine participation by the government in the delivery of aid, except on the part of officials beholden to the munificence of the aid agencies.

e) Targetting rural poverty

Swedish assistance to Cambodia reflects a concern with the conditions of pervasive rural poverty and attempts to target the rural population through programmes in agriculture, health and education. How these programmes select their beneficiaries and actually meet the needs of vulnerable groups is then of particular interest.

A major constraint, for the selection of target groups and impact assessment, is lack of reliable demographic and social statistics, and of baseline data. Methodological problems are compounded by the absence of effective internal impact monitoring systems among the agencies concerned, in particular UNICEF, reflecting the emergency approach of past operations, stop-gap rehabilitation programmes (WFP) and the relatively new presence of long-term development programmes such as CARERE. Moreover, insufficient in-depth knowledge of socio-economic and cultural realities at community and household levels (e.g. formal and informal systems of authority, control and distribution of resources), including local perceptions of poverty and its remedies, hamper the understanding of vulnerabilities and coping strategies and the extent to which programmes are relevant and effective from the point of view of the beneficiaries.

Poverty is the *principal cause of vulnerability* among the rural population in Cambodia, with the large majority of households suffering at least seasonal food shortages. An ILO estimate cites a food deficit of four months per year or more for all families farming non-irrigated land. WFP, targetting the poorest communities, identify as food deficit areas those with an average family rice deficit of six months or more. There are thus degrees of vulnerability, between and within communities.

Key factors for household subsistence cultivation are access to fertile land, water and labour, but informal networks of assistance, often kinship-based, are also vital, especially in critical periods. Land scarcity is an acute problem in some areas affecting many households, as a result of war, unclear land tenure and general population pressure on already unproductive land. Equipment and other input costs must now be paid for, costs having increased with privatization. Disruption of networks and households due to war and displacement has further reduced the availability of labour.

The social turmoil of the past has also affected adversely community cohesion and village support systems, which are unlikely to be restored as a result of the increasing commercialization of land and labour.

A large *majority of peasants* can thus be qualified as poor suffering basic food insecurity; they have few margins and are exposed to sudden disasters such as flooding, accidents or illness. In the poorest households, typically lacking the essentials for subsistence, physical and material vulnerabilities are exacerbated by social dimensions such as large families, lack of male labour power and/or support networks. Having no access to land and kinship networks is a particular problem for many *returnees and IDPs*. Some of these are young families with many children, or

households headed by women, but have few skills in agriculture. In lacking male labour, *women-headed households* often fall into the most vulnerable category; with small children and without support networks they do not have time to participate in day labour or other income-generating activities. They make up over 20 percent of the rural population, with large local variations. Amputees or aged without relatives to support them also fall into the category of most vulnerable households³⁷).

It is legitimate to ask to what extent programmes focussing on rural poverty in fact address these realities and to what effect.

In Cambodia, perhaps more so than elsewhere, poverty is also a *gender issue*. In general gender-sensitive approaches to development attempt to integrate women into the mainstream of economic life and public affairs, eschewing special income-generating activities at the margins, which tend to sideline women. On the other hand, it is necessary to take into account the realities of the complex emergency which has altered the normal ratio between men and women, substantially augmenting the economic role and responsibilities of women as a result of the large numbers of women-headed households.

Thus, women make up the greater part of the agricultural work force today (60-65 percent)³⁸. Widowed or abandoned women also tend to have fewer relatives to count on, as they often lose the support of the husband's relatives as well. The instability of households, with women abandoned by men, may in itself be an expression of poverty and reflect attempts on the part of men to cope, with negative effects on women. In households with drinking or abusive husbands, said by one project staff to be increasing problem, women in reality however suffer more insecurity both in terms of food and physical safety. Whereas the solidarity group production system (*krom samakí*) in the 1980's eased the unequal distribution of male labour among households, the traditional labour exchange has now reappeared. Half a day's hire of labour and equipment to plough is repaid by two-three days of transplanting or harvesting work by women.

Through poverty surveys in 16 provinces, WFP is making a serious attempt to reach the most vulnerable communities, and through food for work to reach the poorest within those communities. The activities are said to be self-targetting in the sense that only the poor, in need of rice, will have an interest in participating. Food for Work projects include a high proportion of women. However, as pointed out in a WFP evaluation in 1994, projects do tend to exclude households lacking labour or time to participate, such as elderly or widows with small children. Thus, if work is located far from the village and the children are not old enough to help out, women are not as likely to participate. The evaluation also points out that while women and men receive the same remuneration, women may risk discrimination

³⁷) Age-disaggregated analysis is not feasible due to lack of data. Indications from field visits were however that the aged are cared for within existing households or informal welfare systems within the community.

³⁸) It is estimated to be higher in some areas. See Sonnois: Women in Cambodia, Consultant report. Redd Barna, 1990

when piece rates are applied, that efforts should be made to ensure higher participation by women-headed households and that women are consulted in the choice of project activities. However in terms of improving the capacities of the targetted population towards self-sustaining food security, the Mission's overall assessment is that FFW is a stop-gap measure (and vital as such), but that it cannot be said to alleviate rural poverty.

Of special interest are UNICEF's community-based programmes involving family food production (FFP) and other income generating activities of poor rural households (Women in Development, WID). The particular concern of UNICEF is with improving the conditions of women and children. FFP purports to target the "most disadvantaged families, many headed by women". In practice, however, the programme tends to *exclude the most vulnerable households* without the necessary resources to benefit – FFP requires that participants have land and labour to dig the family pond – in favour of those that have some basic potential of success. Indeed, about 25 percent of the beneficiaries are not selected on poverty criteria at all, but to act as "model FFP households" to obtain a demonstration effect.

In general, beneficiaries in the target group are selected in consultation with provincial officials who survey communities with the support of project staff. Although attempts are made to increase community participation in selecting households, by consulting with village leadership and forming village development committees, local involvement is still weak; initiatives, priorities and decisions still largely reflect those of the organisation and authorities.

The *loan schemes* and income-generating activities of WID or CARERE reflect a concern with the situation of women, aiming to support and reinforce the traditional economic roles of women. In Cambodia, women are integral actors of the rural economy, in agriculture and other income-generating activities. They are also small-scale traders and run other micro-enterprises, reflecting their customary role as keepers of the family finance, making decisions on expenditures, borrowing and loan schemes.³⁹⁾

UNICEF has provided small credit to an impressive number of loan-takers, responding to a significant need for rural credit. Indebtedness and exorbitant interest rates by private lenders is a major problem for many households. While repayment records are excellent, the extent to which loans accomplish their purpose of enhancing women's incomes has yet to be systematically assessed. Field interviews give the impression that loans are often used to meet survival needs in an insecure rural environment (illness, attacks, flooding, etc), disqualifying or making loan-takers reluctant to participate in another loan cycle. Constraints of the rural economy also puts in question the sustainability and potential growth of many small rural businesses; they should increasingly be linked to technical and

³⁹⁾ J. Ledgerwood: Analysis of the Situation of Women in Cambodia, Consultant report, UNICEF, 1992.

entrepreneurial training. Better knowledge is also required of the complex factors affecting rural household economy and village structure, including the informal interdependencies of patron-client relations.

Again, field visits indicate that the credit schemes of UNICEF and CARERE tend to favour households with existing basic resources to benefit, such as male labour or those already involved in some small-scale business, some of which require male skills, (such as climbing sugar palm-trees). The marketing of products is also limited by the fact that women's activities are traditionally village-based (it is also unsafe to travel long distances) and the link to more distant markets will in general require a middleman.

Although the case can be made that improved household economy will strengthen household stability and thus women's security, the most vulnerable women, with small children and without adult males in the household or kin network, are often missed out by these schemes.

The WID programme, designed to empower women, includes a literacy programme for women in 120 villages, to be expanded in 1995. It is a small but important step in reducing the gender gap in literacy and addressing women's disadvantage. Interviews revealed a strong interest in the programme, but it so far lacks systematic follow-up to maintain the reading skills of participants. More attention must also be paid to the education of girls, who tend to drop out more than boys at levels above primary school, especially in rural areas. Aid focussing on higher education may inadvertently reinforce this gender inequality. CARERE's rural vocational training programmes, functional literacy and technical training is still on a small scale, but the majority of participants are women.

Support for the *reintegration of returnees* has been channelled mainly through UNHCR and CARERE. In the repatriation programme UNHCR identified extremely vulnerable individuals (EVI's) among returnees; as a result of their physical, mental or social condition about 6,500 individuals qualified for special support during repatriation and continued social services on arrival. The principle governing CARERE interventions is not to distinguish between residents and returnees in target zones, which are selected on the basis of socio-economic disadvantage, the presence of returnees, but also in the light of the potential for success in terms of the existing resource base. Target communities are often identified with the help of NGO's working in the area.

The vulnerability of returnees is often assumed to be transitory and the relevance of distinguishing between returnees and local residents over time was a point of much debate between the organizations concerned. Successful reintegration is loosely defined as a returnee becoming economically on par with locals, but the end point of the process or the level of acceptable poverty are not made clear. Whether special attention to returnees is warranted or not, CARERE's selection of households for participation in community development also seems to miss out the most vulnerable. These include specifically women-headed house-

holds but also returnees who remain without land and have run out of food rations as well as the support of relatives.

With respect to the *internally displaced*, WFP policy holds that assistance is only justified to the extent that it would not exceed food and other resources available to the resident population. While not specifically targeting IDP's as part of their regular programmes, other agencies have responded on an ad hoc basis to the needs of IDPs in the provision of non-food support. UNHCR's continued involvement is the result of the fact that a number of returnees (estimated at more than 25 percent of IDP's) are still displaced.

Assessment. In general, programmes targeting the most disadvantaged categories, in particular women-headed households, do not seem to reach them to an appreciable extent. Another particularly vulnerable category, returnees who lack land and relatives' support, are often considered "unstable" by local residents and also tend to be excluded from programme participation. Neither category are seen to have the necessary potential for success on a sustainable basis.

The involvement of villagers and local government counterparts in selecting beneficiaries are important, but criteria still need to be clearly defined and the effects monitored. To be effective, these should take into account villagers' own assessments of poverty and household condition, including the most effective methods of assisting the poorest households. Consulting women in selecting project activities and household participants, and ensuring their presence in village development committees is particularly important.

To be effective, *local participation* and community development presupposes more knowledge of local coping strategies, in particular the context of formal and informal decision-making processes and other structures that affect the distribution of resources between households. Here, CARERE's community development approach and plans to increase presence and involvement at the village level are commendable. Community development activities such as pig or cow banks, rice banks, village credit schemes, with literacy, technical and other related training, are vital not only for increasing the local resource base; they also have the potential to reinforce social integration and to promote more cooperative efforts, including existing but weak internal support systems in favour of the most vulnerable categories. This applies equally to loan schemes, if more firmly anchored as an independent village affair.

In the selection of participants, development-oriented activities (as opposed to time-limited relief operations) face the well-known dilemma of priorities, the choice between the most vulnerable and needy households or those with larger potential to become self-sufficient on a sustainable basis. In practice, actual selections seem to favour the latter, reflecting a "trickle down" approach. The unintended effects may be that social differentiation in the community is increased; an effect exacerbated by a possible increase in the concentration of land and other production resources in the future.

CONCLUSIONS AND RECOMMENDATIONS

Addressing the complex emergency

Sweden's assistance to Cambodia over the past fifteen years to help its people cope with the consequences of a complex emergency has grown over the years into a multi-faceted effort, embracing a wide range of sectors, programmes and sub-programmes. From having been concerned exclusively with emergency relief in the immediate aftermath of the demise of the Khmer Rouge, it has become increasingly concerned with reconstruction and development, with the ambition to reach vulnerable groups in society and to impact on socio-economic change.

The shift in SIDA's response to Cambodia's needs began during the decade of the country's political ostracism. Rather than focus on the needs of the Cambodian refugees in Thailand, Sweden broke ranks with most other western donors to fund, on a modest scale, activities carried out by UN agencies and NGO's. Politically, this assistance was important as it was perceived as "a window to the West" and helped the organizations involved gain a thorough knowledge of the local situation, from which the subsequent "aid explosion" has been able to benefit.

Swedish assistance was reinforced and expanded as the peace process got under way, addressing structural causes. As argued in Chapter 8 a), much of this assistance is aimed at the rural areas and the social sectors, in an attempt to *tackle a root cause* of the complex emergency, seen to have had its main-spring in rural poverty and despair. In terms of disaster relief, such assistance has in general served composite goals, attempting to meet simultaneously the contingencies of people struck by local floods or drought, disaster prevention and preparedness, as well as rehabilitation and reconstruction.

Thus, with Cambodia launched on the path of normalization, aid activities occupy diverse segments along the continuum between emergency and development. Many emergency interventions incorporate rehabilitation or development elements, and development projects include features relating to disaster preparedness and prevention.

Combining emergency and development interventions is often difficult, as goals and other elements can often be expressed in contradictory terms. There is a trade-off between the fulfillment of objectives of emergency aid and development

work. The Mission found that most organizations have tried to resolve the issue in a pragmatic way. Programmes usually contain a variety of elements designed both to provide succour in times of shortage and set up a springboard for development change.

In practice, *few interventions* fall in any single disaster relief category. What is more, reconstruction work overlaps with activities designed purely for development. Confusion is natural, since development should by definition reduce people's vulnerabilities, both as potential victims of natural disasters as of economic distress, a central goal of disaster relief.

In brief, the work is unfinished and the complex emergency far from defeated. A final judgement as to what extent the various interventions have been productive can therefore not be rendered at this time. This raises the issue of *whether a time limit* should be set for emergency and rehabilitation operations, as reconstruction, recovery and development merge almost imperceptibly and work can be prolonged indefinitely. Because the budgetary heading is labelled "Emergency and reconstruction", there is an in-built temptation when making allocations to prolong the use of this facility for as long as possible, bearing in mind that less rigorous requirements apply in terms of project preparation and appraisal, including reporting.

The history of Swedish emergency aid to Cambodia, which has lasted for over 15 years, bears out this risk. Many of the programmes now supported by SIDA from emergency funds, such as community development by CARERE or rural credit by UNICEF, are complex undertakings which have a strong development content and should accordingly require more stringent appraisal.

The cut-off point for emergency and reconstruction assistance is not only a technical matter as to where a specific intervention is situated on the relief to development continuum. As the Cambodia example shows, it is also a function of the political context. The allocation of development aid is difficult when the established authorities in the recipient country lack recognized legitimacy and there is little certainty of what government configuration will emerge following a peace-process. Emergency aid on the other hand lends itself to by-pass operations which can afford to pay less heed to the views and priorities of the existing administration.

No clear rule can be laid down for every complex emergency, and any decision of this kind will be contingent on the objectives a donor has for its assistance. In the case of SIDA, however, where much of its aid to Cambodia is directed to the social sectors, at the community level, it would seem that switching to development criteria when allocating aid could have been done much earlier, in step for instance with the "development graduation" of UNICEF's emergency interventions. The Mission learnt that initiatives in this regard were only taken by SIDA once the UN operation had been launched in 1992, and that it has taken the best part of three years to arrive at a decision to maintain Swedish assistance to

Cambodia. In its opinion, the switch from emergency relief to development aid has accordingly been unduly delayed by overall government policy with respect to Cambodia.

Recommendation: It follows from the discussion of the disaster relief programmes supported by SIDA that flexibility is eminently desirable. The Mission accordingly reaffirms the importance of including rehabilitation and reconstruction in the allocation for emergency aid, as is the case at present.

At the same time the Mission believes that subsequent undertakings of a marked development character need more rigorous methods of appraisal. Funding from the allocation for "Emergency and reconstruction" should not be a matter of convenience, and follow an established time-frame. Early reviews of the situation in the recipient country should enable SIDA to reach a decision as to whether it is appropriate to transfer support to another category of aid.

Programme selection

The interrelationship between relief and development described in Chapter 8 a) reflects the dynamics of a complex reality. It is with this reality that disaster relief programmes attempt to deal. Programme selection therefore needs to be founded on an intimate knowledge of the local environment and on local conditions. The Mission is aware that the necessary tools have not been developed for a structured response to complex emergencies. A tentative criterion however suggests itself as a result of the Mission's observations, i.e. that the more complex the emergency, the more basic the intervention should be. This may appear paradoxical and perhaps simplistic, but should be interpreted as striving to direct aid as far as possible to meeting the basic needs of those exposed. In Cambodia, this means in particular all practical and feasible measures to improve food security.

Looking at the aid portfolio as a whole, SIDA has been financing a complex series of programmes devoted to national reconstruction, in cooperation with eight multilateral agencies and five NGO's. Within the framework of supporting initiatives responding to the general perception that the situation was progressively being normalized, with greater accent on development needs, many funding decisions appear to be made without an overarching rationale and tend to extend ongoing cooperative arrangements. This being the case the Mission has fallen back on using additionality and effectiveness as yardsticks in considering whether the decision to support a given programme appears well-founded.

Whereas effectiveness is largely a matter of an organization or programme reaching its stated goals or target groups, additionality touches on the question whether SIDA financing was in fact a determinant in undertaking a particular activity. In other words, absent a SIDA allocation, would another donor or the government automatically have come in SIDA's place.

Recommendation: A comprehensive analysis is needed, focussing on the development of a clear strategy to guide SIDA's management in making programme

decisions, and on the capacities of the various agencies present in the country to deliver results in accordance with that strategy.

Despite the scaling up of SIDA assistance to Cambodia, its funding is likely to be increasingly peripheral in the context of aid flows in the order of USD 250 million per year, dominated by the World Bank and ADB. It is therefore a case of determining, through an ongoing analysis, where and how contributions by Sweden have a comparative advantage and make a difference. In sectoral terms, it would furthermore be desirable to give this assistance a clearer focus.

In the following, some of the current programmes supported by SIDA are briefly reviewed and corresponding recommendations made.

Repatriation and reintegration: In terms of additionality the repatriation operation is given a low rating; this is without prejudice to SIDA's declared policy of supporting entire programmes, rather than selecting only the attractive components of a programme for funding.

While recognizing that UNHCR policy is outside SIDA's immediate purview, the Mission recommends that careful consideration be given to the way in which costs are allocated between repatriation operations and the subsequent reintegration of refugees in their home community.

This is not a new issue for UNHCR, which has for long wrestled with the difficulties inherent in reintegration. Judging from the Cambodian experience, a better balance should be struck, with greater effort and expenditure devoted to planning and organizing the reinsertion phase. Given the *potential for spontaneous return* at the time and the short distances involved, greater reliance could have been placed on refugees making their own decisions and organizing their own return, while reinforcing measures to support them on arrival.

The Mission believes that the above qualifications need to be made in assessing the effectiveness of an operation, which after all succeeded in repatriating 362,000 refugees on schedule and without major incident, and which has been hailed as a model of its kind.

The record also indicates that *a structural problem* exists in achieving successful reintegration. Although UNHCR and UNDP had entered into an agreement, well in advance, specifying the respective roles of each agency in relation to reintegration work, they were unable to launch operations in a timely manner, i.e. by the time the repatriation operation was scheduled to begin.

The reintegration of refugees being recognized as complicated, it needs as much or even more preparation than the actual repatriation. Since both agencies rely on voluntary contributions for this purpose, they face the difficulty of not having at their disposal the resources required when these are needed. For their part, donors are unlikely to make contributions for an operation of this kind well ahead of its commencement.

At the same time as UNDP and UNHCR should be encouraged to continue joint planning and implementation of reintegration work, donors must realize

that the agencies concerned can hardly be expected to synchronize such work with the movement of the refugees unless resources are provided beforehand.

Rural development: With respect to CARERE, it has yet to put in practice its formula for active community participation. The Mission wishes however to make the point that, as a novel and possibly ground-breaking attempt to come to grips with deep-seated development issues at the community level, and currently experiencing funding problems, SIDA support of CARERE's operations would have considerable additionality.

While not yet having proved itself, CARERE is thus in the view of the Mission deserving of continued support. The same applies to UNICEF's household food security programme. The Mission further finds merit in initiatives devoted to small-scale irrigation development, which tends to be diminished by the emphasis given in feasibility reports to the national, rather than the local, perspective.

Despite official statements of intent to favour rural areas, economic development tends to be centered around the urban areas. Aside from its economic importance, rural development of the type supported has an obvious political role to play in addressing the needs of the poorer strata of society, in linking remote areas to the Cambodian mainstream and in serving the dual purposes of disaster preparedness and social well-being.

Social sector programmes: The UNICEF programmes in education, health and water supply score well on both counts of effectiveness and additionality. The record of achievement, particularly in quantitative terms, is impressive.

There is nevertheless a down-side to several sub-programmes such as the distribution of school textbooks, essential drugs and to the installation of wells for drinking water. The Mission took note of the fact that in many cases textbooks are not available in the class-rooms, that drugs are diverted to the market, and that the preventive health objective of providing safe drinking water is often defeated by cultural habit. UNICEF reporting procedure is not geared to bringing such problems into the open, or to following up the programmes it has undertaken with a searching analysis of cost-effectiveness and qualitative impact.

Notwithstanding the above, and given SIDA's interest in the social sectors, the Mission endorses the choice of UNICEF as its principal cooperating partner. UNICEF has a distinct focus on target groups of interest to SIDA; its approach to development emphasizes processes as distinct from specific end results, particularly in the sphere of education, a sector of great relevance in Cambodia, and which SIDA reportedly intends to single out for special attention.

Production, employment and income generation: These programmes carried out by FAO, WFP, UNICEF, UNDP/CARERE and Diakonia/AFSC have good additionality; as far as results and impact are concerned, the picture is mixed.

Two aspects of WFP's Food for Work programmes stand out; first, the fact that they substitute income from employment, even if only temporarily, for free food distribution, and second, that they are able to target a wide segment of the poor in

a community. The programme has also created a capacity within the CRC to run a major programme with a satisfactory degree of accountability and oversight, and initiated cooperation with local NGO's. There is doubt however that in general the community infrastructure work performed is of sufficient quality to meet sustainability criteria.

Commodity aid involving fertilizer has the twin objectives of generating budget revenue, as well as augmenting rice production. It can plausibly be assumed that most of this fertilizer ultimately finds its way into the fields, as farmers are well aware of its benefits, and therefore meets the second objective. As for producing counterpart funds, the record is poor; FAO and others are looking to privatizing this activity, and vested interests within the government should not be allowed to preserve the status quo. Current arrangements have in fact been counterproductive for the transition to a market system.

The Mission believes that this form of grant assistance should be predicated on the ability of the agencies involved, national or international, to ensure that sale proceeds are properly credited to the state treasury. It accordingly endorses SIDA's intention to withdraw from the FAO-sponsored fertilizer programme, at least until such a time as responsibility for the distribution and sale of fertilizer has effectively been passed on to the private sector.

The production of improved seed by farmers contracted for this purpose by CARERE is an interesting initiative, which however has yet to prove itself as an embryonic seed industry. This and the project-sponsored rice banks have potential in expanding the use of improved seed, a vital development requirement for Cambodia. The restoration of small-scale irrigation schemes undertaken by AFSC is also a good example of what can be accomplished at little cost.

The UNICEF family food production programme, designed to improve household food security, has had an extensive outreach; reputed to be effective, few hard data however exist to demonstrate beyond doubt its development impact. Similar considerations apply to the UNICEF-sponsored rural credit scheme for women. The basic economic assumptions on which these activities are based need to be verified.

Infrastructure and demining: The emergency infrastructure intervention financed by SIDA ranks high on the additionality scale, as a stop-gap measure in anticipation of ADB funding. Its principal effectiveness lies in the likelihood that a trunk road, of great economic importance to Cambodia, would have been cut for long periods if maintenance work had not been assured.

In Cambodia, the international community has launched what amounts to its first systematic effort to free a country from anti-personnel mines, said to number about 10 percent of all such devices laid in war zones across the globe. The mine clearance operations of CMAC are increasingly effective but necessarily slow. SIDA funding has good additionality, as CMAC has experienced funding problems and as there is a natural tendency for donor interest in this grievous problem to flag with the passage of time.

In the context of mine clearance, preparedness and prevention are not only a matter of marking existing mine fields and creating awareness of the dangers they pose. Prevention must be viewed in the wider perspective of the need to work unremittingly towards an international convention, banning or regulating the manufacture and use of a type of weaponry that exacts its principal toll among civilians unconcerned with the original conflict, long after it has ended.

Macro-economic planning and capacity-building: About 25 percent of SIDA allocations during the 1989-94 period has been devoted to preparing Cambodian institutions for national reconstruction and economic recovery. While the World Bank and the ADB, as channels for this assistance, have implemented the projects in their traditional manner, the Mission has reached the conclusion that there is little additionality achieved by SIDA funding.

A reservation is also pertinent with respect to one of the ADB technical studies financed from the Swedish grant; its recommendations are at variance with the very objectives of the education component of the ADB credit.

The capacity-building and training programmes of CDRI, finally, are judged to be excellent, both in terms of effectiveness and additionality.

Programme management

As with programme selection, profound knowledge of prevailing conditions and of the different agencies operating in the country is required for a donor to manage its support effectively. SIDA has financed a series of key strategic studies on economic rehabilitation and development, and the SIDA staff concerned are well acquainted with the current aid scenario. The Mission is of the view that this might not be sufficient if SIDA wishes to be assured of "good value" for its aid money. Programming missions and periodic visits to Cambodia by SIDA staff hardly overcome the sense of remoteness and distance between donor and the ultimate beneficiaries. It is noteworthy that no SIDA-sponsored evaluation of its aid to Cambodia has been carried out until SEK 500 million have been allocated, 15 years after assistance began.

The problem is compounded by the fact that SIDA interventions are carried out by proxy, by a number of multilateral organizations and NGO's, over whose operations SIDA cannot exercise direct influence. Mostly, it is a "take it or leave it" situation where agencies competing for funds do their best to make a case for their respective programmes. Once funding is secured, they provide the necessary formal reporting on their programmes, but show less concern with assessing cost-effectiveness and impact. This characteristic is common to virtually all agencies working in Cambodia.

Without reviewing the arguments for and against the delegation of its emergency or reconstruction aid, it is generally agreed that SIDA has an overriding responsibility of ensuring that Swedish aid money is used as effectively as possible. To do so SIDA needs to be actively involved in the assessment and supervision

phases of programme activities; by helping develop the capacities of agencies used as intermediaries, it can furthermore optimize the use of present aid channels.

The Mission believes that the reporting deficiencies observed can be remedied or improved upon. Funding agreements are the appropriate place for stipulating the type of operational analysis and impact reports that SIDA requires to ensure that interventions are in line with its development objectives. This reporting should include internal evaluation reports that the various agencies prepare from time to time. Unless this is done, SIDA will not have the required in-depth knowledge of conditions in the country and scant assurance that its aid is used effectively.

Recommendation: SIDA is well positioned to use its influence with agencies acting as its intermediaries to demand a more useful reporting. Implementing agencies should be encouraged to set up internal monitoring systems to assess impact and cost-effectiveness, going beyond the current output reporting.

This should be made a condition in funding agreements and periodically followed up, as should be the obligation of implementing agencies to make available any internal or external evaluation reports they may prepare.

Taking into account that Sweden has only indirect links with the beneficiaries of its aid, independent assessments by the donor are essential to update information, with respect to the general situation, the capacity and performance of implementing agencies. As now recognized by SIDA, emergency relief operations cannot be exempt from independent assessments and evaluation.

To gain more in-depth knowledge of the Cambodian aid scenario would not necessarily require the establishment of a bilateral presence or aid administration. As a first step, SIDA could take a cue from AIDAB (Australia), which has placed key advisers in the departments that are of interest in furthering its programme agenda. Another device might be to establish more formal cooperative arrangements with one or two other like-minded donors so as to achieve greater leverage with intermediary aid organizations.

Cross-sectoral issues

Targeting the poor: The organizations receiving SIDA support have by and large followed the general prescription that aid should not address specific categories of the village population, but the community as a whole and within the community the most vulnerable groups, the only exception being AFSC's orthopedic centres and projects in favour of amputees and people injured by land mines.

As regards the reintegration of refugees, effectiveness in reaching target groups, returnees and internally displaced among them, is relatively modest. The quick impact programmes launched by UNHCR and pursued by CARERE have significantly improved village infrastructure, but as far as can be judged this has not to an appreciable extent impacted on the special situation of refugees and IDP's. Also, development projects have a tendency to by-pass returnee families, as established residents are better placed, in terms of access to land and other

resources, to take advantage of such projects. In particular, returnees and IDP's established in so-called resettlement sites, have little potential to become functional social communities on a sustainable basis.

With women assuming a vital economic role in Cambodia, most organizations end up facing difficult choices in dealing with poverty aspects, the most common being that the poorest of the poor are not in a position to take advantage of the opportunities on offer. This is particularly the case with the large number of women-headed households. Food for Work programmes and the Family Food Production scheme find that members of the community having some skill and resources at their disposal become the real beneficiaries.

Again, the issue is structural in nature and few organizations are in a position to provide an effective remedy, except attempt to gain as intimate knowledge as possible of the village situation and to place decision-making squarely within the communities themselves, if possible outside the existing power structure.

Funding of local costs: At present, there is little alternative for donors but to assume responsibility for local costs. Whether this should extend to the payment of salary supplements is in the view of the Mission a more serious issue. The widespread practice of paying salary supplements is not conducive to sound capacity-building, and also fosters relationships between donor and recipient analogous to those that prevailed in colonial times.

The Mission recognizes that salary supplements and honoraria constitutes an intractable problem, given the scant resources at the government's command. A concerted effort should however be made by the donor community not only to establish the scale and impact of this practice but also to devise joint remedial action, perhaps within the framework of ICORC. Imaginative solutions to a basic dilemma are called for; the setting up of a special fund, for instance, from which payments can be made centrally to selected civil servants according to pre-set criteria, as supplementary remuneration over a transitional period, could well be tried out in Cambodia.

Building national capacity: The observations made above have a clear implication in terms of building national capacity. The onset of the peace process and rapidly rising aid levels placed additional stress on an administration already weakened by the peace agreement itself. Large numbers of outside organizations flocked into the country in a very short space of time, when counterpart organizations were short of skilled personnel and absorptive capacity at an all-time low.

With ample resources at their disposal, aid agencies have played a dominant role on the national economic and social scene. Of necessity, therefore, by integrating its support with that of other organizations, SIDA indirectly contributed to relegating the government to a position where it could only fail to exercise its coordinating responsibility; departments have often lost their sense of project ownership and take an interest in project implementation only to the extent that officials are accommodated on the aid agency's payroll.

There have been no obvious alternatives, given the circumstances and the state of depletion of the government's resources. The Mission has noted however that in general, during the period under review, capacity-building efforts have been tentative, and remarkably few attempts have been made to build up private sector institutions, such as the national NGO's. In retrospect, more could have been done in this area.

It is a position of "institutional retreat" from which the government is only now making a start on the long road back to independent decision-making. To reach this goal, civil administration will need to be reformed, the military establishment pruned, the economy generate its own resources and savings, social development take a sustained course, a host of capacity-building and training programmes be brought to fruition, and greater confidence be placed in local institutions, public and private.

For Cambodia, the journey from the complex emergency will be long and arduous.

SIDA's future cooperation in Cambodia

While outside the Mission's terms of reference, some limited recommendations as to future SIDA support in Cambodia are given below.

The recommendations are based on the assumption that SIDA plans longer term cooperation in Cambodia, an assumption that may well merit further examination. There is a "crowding" effect towards certain countries, in particular countries with a controversial past, which is not necessarily in the best interest of these countries, nor of the application of aid in itself.

Oversupply of funds? Cambodia is attracting considerable regional interest due to its location, its history, and its geopolitical importance, placed as it is between two regional powers – Vietnam and Thailand – as well as within a region of rapid economic growth. Hence, once set on a course allowing economic and social development, Cambodia is likely to attract ample resources, on commercial terms, concessional credits from the international banks, as well as grants. Bilaterally, Japan has shown particular interest in Cambodia, seeing it as part of its regional sphere of influence. Accordingly, there is no strong argument for Swedish aid in terms of "financial gaps". Rather the opposite seems to be the case: money is chasing worthwhile projects and programmes. In designing future operations it is important not to widen the gap between absorption capacity and supply. This would, in principle, argue for stronger focus on labour intensive programmes, as well as assistance geared towards capacity building, institutional development, and human resource concerns.

Human resource development. Cambodia is in dire need to upgrade its human capital. One of the most convincing programmes the Mission saw in the field was the work carried out by UNICEF in education, which is based on true capacity building and process orientation, empowering local people. SIDA, with its institu-

tional competence, should focus on strengthening this sector in Cambodia. It is an area where massive inputs are needed, where the "process type" of approach SIDA uses is especially useful, and which is less susceptible to "rent seeking" and other distortions.

A high-risk environment. Cambodia will most likely continue to be a high risk environment for the foreseeable future. The CARERE programme has had to be suspended for long periods in some areas due to insecurity. This might have serious consequences for aid projects with high visibility, large investments, etc. Companies being held to ransom for fear of disruptions or sabotage, the abduction of project personnel, or worse, remain real possibilities. They have already affected USAID-financed highway constructions. Some NGO's have advised by their home governments to move out of insecure areas. Japan has opted to reduce risks by locating project staff only in safe areas near Phnom Penh. The proposed Swedish hydropower project could be a visible target for such actions; the "cost" in image for aid, if an accident were to happen, is generally quite high.

Corruption. The environment of rampant corruption and rent seeking in Cambodia is not only an impediment to effectiveness, but might also have serious political consequences. Even organisations working with labour intensive programmes, and with elaborate control systems established over time, calculate with "losses" of 20-30 percent. The ratio in more rapidly implemented capital intensive programmes is unknown. The Swedish supported FAO fertilizer programme appears for instance to be the victim of massive "leakage." SIDA should carefully avoid fuelling such rent-seeking, i.e. by selecting programmes where careful mechanisms for control and audit can be instituted.

Need for concentration. SIDA's present programme in Cambodia – the product of a long historical process – has become unwieldy and barely impossible to supervise in any meaningful way. SIDA should choose to focus its inputs more, reduce cooperative arrangements, and establish a higher profile in the few areas SIDA elects to pursue, both in terms of visibility and in providing competence. Priority candidates would be UNICEF and UNDP/CARERE.

- counterpart funds.
- corruption.

Methodology

The work will be based on information from: i) documentation from SIDA head quarters, from Swedish NGO's available in Sweden and in Cambodia and from UN representation offices in Cambodia and elsewhere, ii) interviews with representatives of SIDA and other donors, implementing agencies and NGO's, the Royal Cambodian Government and other appropriate institutions iii) participatory research among the recipients (target group), iv) other fact-finding as the evaluators find necessary and appropriate.

A field visit to Cambodia is required. The team will be expected to carry out visits to the project areas provided the security situation allows.

The team will comprise persons displaying a satisfactory competence in the fields of i) emergency assistance management, planning, implementation and follow-up especially in the field of UN operations, ii) regional and specifically Cambodia situation and history, iii) institution and capacity building, iv) conflict and emergency analysis, v) impact assessment including socio-cultural and gender aspects. The team will comprise 3-4 international consultants and national staff/consultants.

Time schedule and reporting

The evaluation report will be written in English, and should not exceed 50 pages, excluding annexes.

The evaluation will take place during the month of November, 1994. The final report will be submitted in 10 copies not later than three weeks after the reception of SIDA's comments to the draft.

Annex B:

LIST OF PERSONS CONSULTED

SWEDEN

Ministry of Foreign Affairs

Bo Ericsson, Assistant Under-Secretary/Special Assistant to the Minister, Division for Bilateral Assistance

Rolf Andreen, Minister/Senior Adviser, Division for Bilateral Assistance

Sven Malmberg, Counsellor, Swedish Embassy, Bangkok

SIDA

Stefan Dahlgren, Chief, Evaluation Unit, Planning Secretariat

Eva Nauckhoff, Chief (designate), Evaluation Unit

Owe Andersson, Chief, Regional Division for Middle East and Asia (REMA)

Samuel Egerô, Programme Officer, REMA

Eva Asplund, Chief, Office for Cooperation with NGO's (SEO)

Bie Granbom, Head, Section for Emergencies, SEO

Magnus Lindell, Programme Officer, Section for Emergencies, SEO

CAMBODIA

Royal Government of Cambodia:

Chhieng Yanara, Secretary-General, Council for Development of Cambodia (CDC)

Chea Chanto, Minister of Planning

Ou Hat, Vice-Minister of Planning

Uch Kim An, Vice-Minister of Foreign Affairs

John Holloway, Adviser to the Minister, MFA

Hem Heng, Deputy Director, Dept of International Cooperation, MFA

Keo Norin, Head, Research Dept, National Bank of Cambodia (NBC)

Michael Brown, Principal Advisor, NBC

Lao Mong Hay, Acting Director, Cambodian Mine Action Centre (CMAC)

FAO:

Francis Rinville, Coordinator of FAO activities

Marc De Leeuw, Agronomist, Fertilizer Programme

UNHCR:

Serge Ducasse, Chief of Mission

UNICEF:

Björn Ljungquist, Country Representative
Bernard Gilbert, Deputy Country Representative

United Nations:

Benny Widyono, Representative of the Secretary-General

UNDP:

Edouard Wattez, Resident Representative
Andre Klap, Deputy Resident Representative
Judith Karl, Assistant Resident Representative
Philippe Devaud, Programme Officer
Mitch Carlson, Area Development Manager, Siem Reap
Lamhien Samreth, Chief Technical Adviser, CARERE
Hans Bruyntjes, Senior Project Management Officer, OPS
Heinz Schnitzer, Programme Coordinator, CMAC

WFP:

Kenro Oshidari, Deputy Country Director

Australian Embassy:

Peter Charlton, First Secretary, Development Cooperation

Japanese Embassy:

Shigenobu Kato, Minister-Counsellor

French Embassy:

Gerard Porcell, Counsellor for Development and Cultural Cooperation

Non-Governmental Groups:

Brian Veal, Head of Delegation, IFRC
Urs Boegli, Head of Delegation, ICRC
Dr. Nguon Sakhon, Deputy Secretary-General, Cambodian Red Cross (CRC)
Rob Thayer, Advisor, CRC
Sally Low, Executive Secretary, Cooperation Committee for Cambodia (CCC)
Eva Mysliwiec, Director, Cambodia Development Resources Institute (CDRI)
Steve Thorne, Programme Coordinator, CDRI
Thomas Gerhardt, Director, American Friends Services Committee (AFSC)
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Battambang Province:

Government:

Tes Heanh, Assistant to the Governor
El Soi, Head, Department of Rural Development
Mari Sem, Vice President, Women in Development Centre, Secretariat of Womens Affairs in the Province.
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Annex C:

REPATRIATION AND REINTEGRATION IN CAMBODIA

Review of a field visit to Battambang Province

I. Introduction

Battambang is the province in North-Western Cambodia that has received the largest number of returnees following the repatriation operation from Thailand in 1992-93. The one-week field visit of the Mission was an attempt to obtain a more in-depth view of the prevailing conditions and the various aspects of the reintegration process than the view from Phnom Penh could provide. The questions asked were how the returnees have fared and what factors have promoted or constrained their reintegration, primarily from the perspective of the beneficiaries. Based on interviews with returnees as well as locals in villages and settlement sites, the review also draws on interviews with the UN organization staff in the province as well as international and local NGOs with long experience of the area. Some surveys and preliminary research findings made available to the team have also provided an important input. To contextualise the field study, an overview of the situation in the North-West with respect to repatriation and in particular the problem of land allocation is given below.

a. Return and Settlement

It has been reported from the camps that Battambang with its fertile soil was idealized by many refugees as "the land of milk and honey", and many opted to go there when the first survey of the camp population was made prior to repatriation. In addition, many refugees had previous connections to the province. Eventually, Battambang received 32 percent (117 000) of the returnees and Banteay Meanchey 26 percent (93,000). Banteay Meanchey was the province closest to most of the camps and the province from where most refugees are said to have fled. Contact with this province was upheld by the refugees through occasional cross border visits to friends and families. It is probably safe to assume that Banteay Meanchey and Battambang were popular choices also because they are close to Thailand, should things go wrong again. The percentages that went to other provinces was Siem Reap 9 percent, Pursat 7 percent, Takeo 4 percent and Kandal (Phnom Penh) 8 percent, together totalling 86 percent of the returnee population.

The expected drift into urban areas once rice-rations ended, initially a concern of UNHCR, does not seem to have occurred. Most secondary migration is intra-provincial and between urban areas. A survey over the squatter settlements in Phnom Penh indicates that only 6.6 percent are returnees (Urban Sector Group, 1994), most of which have been living in Phnom Penh for more than a year. Nevertheless, returnees are more mobile than other groups and mostly prompted by a search for land, to buy or rent, or other income opportunities. Many who have been staying with relatives on arrival are later forced to move

on if they cannot find some independent source of income. Others are moving simply to find relatives they have not seen for a long time. Very little is known of these secondary or tertiary movements to date. In view of the resources and attention paid to the returning Cambodian refugees by UNHCR, there is a surprising dearth of systematic data and analysis.

b. The Land Question

Land is one of the key resources for reintegration into the rural economy and a majority of the refugees in the border camps had indicated in an early UNHCR survey that they wanted land, in particular in Battambang. The assumptions on land availability in the North-West made from a flawed aerial survey in 1989 formed the basis for promising 2 ha of land to all families wishing to farm. UNHCR relied heavily on the local authorities when promising land to the returnees. Recommendations were also sent from the Prime Minister Hun Sen in 1992, asking the local authorities to comply. There were, however, never any binding promises for land, and the vice governor of Battambang in a letter to the camps in January 1992 made clear that they were not able to supply the land needed (in Robinson, 1994a). As the actual land situation became clear to UNHCR, when repatriation had already begun, a range of alternative options were offered. The cash option was chosen by 87 percent of all returnees. The earlier assumption made by UNHCR as a result of a limited population survey in the camps that most returnees had lost their close ties to family in Cambodia was also revised, and the cash option also encouraged returning to native villages.

In the other provinces of the North-West the land scarcity has not been quite as acute as in Battambang. In Banteay Meanchey most returnees wanting rice land have reportedly been given access to some kind of land, even if not necessarily very good or near to their village. The reasons are, that large parts of Banteay Meanchey was controlled by the different factions in the resistance coalition (especially FUNCINPEC and KPNLF) so the returnees often had some kind of access to land even before being officially repatriated. Furthermore, the area was "abandoned" by its former masters and thus the administrative control was low. Also, the land in Banteay Meanchey is not very fertile and there is no strong population pressure. In Siem Reap, about 85 percent of the returnees have received titled land according to UNHCR. In Pursat the situation seems to be basically satisfactory as well, as a result of less pressure on land, less returnees, and an unusually successful cooperation between UNHCR/CARERE staff and provincial authorities.

Only 3 percent of all returnees chose the land option. It entailed waiting in the camps until land had been identified and many feared they would be the last to leave and end up with no land at all. After repatriation, UNHCR has been assisting returnees in obtaining land titles, totalling an estimated 9,500 titles in 1993 and 10,000 in 1994, not limited to the land option returnees only. In addition, CARERE and a number of NGOs have been providing assistance in land titling. Some returnees, this study found, have obviously managed to obtain land without any external assistance, for instance by buying, renting or using the land of relatives.

Most importantly, the repatriation operation coincided with the process of privatization of land and land titling. As a result there was and is an ongoing "scramble for land" in an environment that lacks proper legal infrastructure and a clear collective consensus on who has the right to what land. For the returnees this means that they are asking for an increasingly valuable and limited good and the way of acquiring it - and of holding on to it - is to a large extent a bargaining process. In this process the returnees often appear to be at a disadvantage, unless they have influential relatives in the village.

2. The Battambang Experience

Battambang is historically the grain basket of Cambodia. With its fertile soils and its proximity to the Tonle Sap Lake it has high agriculture and fishing potential. Rice cultivation is by far the most important occupation. Even so, Battambang seems to be the province where a relative large number of returnees (perhaps 25-30,000) has neither land nor any other available livelihood today. A brief background to the acute land problem in Battambang is given below.

The province has been severely hit by the civil war. The western part is controlled by the Khmer Rouge, and the area around Pailin is their foremost stronghold. Only a rim of some 30 kilometers along the Thai border is today controlled by the Khmer Rouge. A far greater area (including any area far from major roads or the rail road) is however subject to Khmer Rouge destabilization activities and beyond government control. The threat is particularly acute in the dry season, from December to May, and imply severe disruptions in agriculture and other activities. The threat of violence and displacement of the rural population is turning into a weapon in the continuing war, as is evidenced by recurring peaks of Internally Displaced People (IDPs), reaching 40,000 in April 1994. These are followed by calmer periods when many IDPs can return to their villages. Some, however, find on return that their village has been destroyed. Others cannot return as security remains poor and a smaller number end up on settlement sites or in villages. Presumably, many do not register as IDPs but find a temporary refuge with relatives in a nearby village.

Another major impact of the war has been the mining of the land by all parties to the conflict. The access to fertile rice land in Battambang is sharply curtailed by the presence of mines, especially in certain areas close to the Tonle Sap Lake and towards Pailin and the border with Thailand. The internally displaced and those who live close to the front lines are in constant danger from mines when cultivating or foraging, the poorest taking the greatest risks.

The strong Battambang involvement in the war throughout the 1980s had been the cause of the large refugee movement across the Thai border. As mentioned, the majority or the returnees had returned there by the end of the repatriation operation in May 1993 and now constitute 19 percent of the present population in Battambang (23 percent of the pre-return population). Many areas in the Battambang province were labelled No-Go-Areas by UNHCR due to the prevailing insecurity. However, some of these are the native area for many returnees, and have fertile land and rich forest. As a result, returnees ventured to these areas, contrary to UNHCR's recommendations. A case in point here is the Ratanak Mondul district in the south-western part of Battambang province which almost 27,000 returnees had as their first choice. Although many eventually decided not to go, a large number did, considering the risks involved, the district being one of the most heavily mined areas in the world (Robinson, 1994a). The Banan and Bovel districts are other areas, under pressure from recurring warfare or mine problems, where many returnees have settled. While demining work is ongoing, it is both time-consuming and costly, approx. USD 1/sq.mtr. Thus, the area being cleared is small in relation to the needs.

The flow of resources to assist in rehabilitation and reintegration into the province reflected the large number of returnees. To prepare communities for a large influx of returnees, a large number of Quick Impact Projects (QIPs) were implementing, focussing mainly on strengthening infrastructure and services. These projects typically comprised the construction or repair of roads, schools or clinics but also the clearing and preparation of land. As such, they were also aimed to be an incentive for communities to allocate land to the newcomers; however, with limited success, as the acquisition of land by returnees continues to be slow.

Preliminary survey data give a rather gloomy picture of the accessibility of rice land for

returnees in Battambang, although with great geographical variations in the province. The figure from sampled villages range from 15 percent in one survey (Robinson, 1994b), to 43 percent in other areas (Sam Oeurn, pers. comm.).

Land scarcity is also a problem for locals: Land was distributed by the new government in 1979 on the basis of number of children per family. With a growing population, new households receive increasingly small plots. Even given Battambang's fertile soil, it is estimated that the average land holding is hardly enough for a family of five or six. Those who have no land or other sources of income usually forage or scavenge for daily food. Robinson's survey of four districts in Battambang (1994b) shows as many as 30-35 percent returnees living from hand to mouth, whereas the figure for locals was 17 percent.

Many of the returnees had been afraid of political harassment on return, but apart from some minor incidents their fears were not borne out. The more serious disadvantage seems to be in the combination of land scarcity, general lawlessness (banditry) and the "underdog position" of many returnees. The district, commune and/or village chiefs are key persons in this process. They control what is labelled as state property. The privatization of land has made it a valuable commodity and it is not likely to be very willingly given away. Furthermore, land that is allocated to returnees has reportedly been taken back the next year, with the argument that the land was just temporarily given away. Another outcome is that an "original owner" shows up and simply sells the land to a third person. Day labor is attractive for people not having enough land. The distribution is sometimes controlled by the village chief and, again, returnees are reported to be discriminated against when receiving work less frequently than locals.

3. The Field Study

Methodology

Twelve villages in 3 districts and settlement areas were visited during one week, five of them for closer study. This included semi-structured interviews with village leadership, village development committees, monks, returnees and locals, individually or in groups, as well as with relevant counterparts and agency staff. With its very limited scope, the study makes no claims to be representative, but aims rather to capture the range of different rural settlement contexts into which returnees are supposed to integrate, including the different perceptions of the social actors involved. It is thus a qualitative approach to understanding the variety of factors that promote or constrain that process, and an illustration of the complexity of reintegration as a multi-dimensional process. The three most common situations are reported below including a number of interviews in summary.

4. Three Settlement Contexts

a. Chrouy Ampil¹ Village: Returnees without Relatives

Chrouy Ampil is a small village in the Sang Ke District just east of Battambang. It is inhabited by 146 families of which 21 are returnee families. The village lives essentially from rice growing, gardening and minor live stocks. Most peasants in the village have less than 2 ha of land, a few have larger fields. A substantial part is "state property"; a dubious category due to liberalization and privatization policies in the last 5 years. The village has an active wat and a chief monk that has been present in the village for 5 years.

This village has received a number of returnees who do not have any previous connection to the village. The UNHCR has targeted this village with a package of benefits in order to facilitate reintegration. Financed by the UNHCR, CARERE built a school (which

¹ All names of villages and persons are fictitious

still lacks employed teachers), CARERE + DCC built 8,2 kilometers of road, serving the whole commune, UNICEF dug 17 wells and in the adjacent village CARERE built a clinic. Great efforts went into discussing with authorities and village monks before agreement was reached to select this village for resettlement.

The returnees in this village chose the land option when repatriated. The UNHCR has actively promoted the land preparation in the village. 28 ha of land was prepared for the returnees and 40-50 ha for landless locals. The UNHCR signed a contract with the village chiefs and approximately USD 65 was spent per hectare for preparing land. Preparing meant clearing from any forest, ploughing and supplying fertilizer and rice seeds. The land was taken out of what was designated state property by the commune villages chiefs or from unused land. The returnees were given a choice whether they wanted 1 ha close by or 2 ha three to four kilometers away. Most of them chose the former, as they feared they would not be able to exercise control over their land and because of the security risk of the Khmer Rouge presence. Another common problem for the returnees is the lack of draught animals. They do not have any by themselves, and it is by no means self evident that they can rent them or even less likely, borrow them from other villagers.

The early spring of 1994 was the first rice harvest the returnees could get, but for various reasons, from bad weather to lack of time for preparation, the first crop was generally meager. Predictions for the next one, early spring 1995, are even worse, since the flooding damaged the first seeds planted, and those planted later were affected by the drought.

On the surface everything seems rather peaceful. Villagers, locals and returnees are seen chatting friendly with each other. However, the returnees have commonly been pushed away from the good land originally allocated to them and mostly even titled, and "given" bad land in exchange. Similarly, in some cases, their land close to the village has been shifted more or less forcibly to distant fields. The returnees have chosen not to complain too bitterly, but on the whole accepted the situation. There is resentment by the locals because the returnee land has been titled more quickly than their own. They feel this is unjust.

Generally, returnees seem to be hired less often than locals for day-labor, often controlled by the village chief. In this village, returnees said they were never hired except for a widow with a child, whom the villagers took pity on. There are also cases where the returnee land simply has been "sold" by locals that claim that they are the original owners. Again, returnees have not made too much of a noise on those occasions.

The UNHCR is frustrated by the recent development. Extraordinarily much money has been invested in this village in an effort to create an atmosphere that would prevent this situation. They also feel restricted from actively changing the situation, although they are well aware of the development. The UNHCR feel that the village has broken the contract they signed. Since law enforcement is weakly developed in Cambodia it is difficult for the returnees to reclaim their land back.

There are, however, also signs of slowly improving relations between locals and returnees. In a neighboring village, locals and returnees are working together as teachers and there are cases of voluntary sharing of draught animals. So far these seem to be isolated cases. The chief monk in the village claims that an overall deficiency of rice is a more serious a problem than the rift between locals and returnees.

Siam Channa (returnee)

Siam Channa is 43 years old. She lives with her husband and six children in Chrouy Ampil village outside Battambang. Before she fled to Thailand, she used to be a rice farmer, and she used to live in Battambang province some 10 kilometers away from the village which she is living in now. She left for the camps in 1979. The family returned in July 1992. Choosing option A, they received 1 ha of land just a few hundred meters outside of the village and they

are now farming that land. They could have chosen more land further away from the village, but she was afraid that the Khmer Rouge would prevent her from using that land. Later they discovered that the land was bad land because it is so high that the water runs off before the rice is ripe.

Since they arrived in the midst of the planting season, the harvest in December/January was not a very good one. They were allowed to join a relative in her native village when he was harvesting. This way they raised ten bags (10x100kg) of rice for the family. They have managed to survive this far, but right now it is difficult for the family. Furthermore, this year will be a very bad year. It has not been raining enough and her high land suffers even more from lack of water. An observation of the field also shows that it has not been properly cleared from weeds.

On a direct question on why she thinks the land will yield little this year, her first answer is that "You [UNHCR] did not give us any fertilizer this year". Later she modifies this and blames the drought. The rice field will only give 2-3 bags of rice so the family has to rely basically on what the garden plot can produce, the family pig which they can sell for 150 000 Riel in a few months, and day labor earning some 2 000 Riel a day. Many are pinning their hopes on day labor, but this season many people will do the same and day labor will be hard to find. The family have dug a pond for themselves as a "Food-for-work" project. They hoped to receive 500 kg of rice from WFP. The WFP had objections and claimed that the pond did not fulfill the required measurements. Probably the rain has flushed earth into the pond and reduced its depth.

They know the village chief and do not think he is bad, but he is not particularly helpful either. For example, he has not helped other returnees in trouble, she says. Her returnee neighbor has been forced to shift land with a local; the neighbor ended up with land far away from the village. Channa does not have that problem because her land is not very attractive. She suspects that the aggressive villagers and the village chief are collaborating somehow. A recurring theme in her story is that returnees and locals are viewed differently and she thinks that the returnees are the underdogs. "We have to prove ourselves all the time". On the direct question on what they can do to prove themselves, she answers "we have to work hard and I hope that in the long run they will see that we are as good as them". She is convinced that locals have a better and easier life. However, all children of school-age are attending school. The fee is 2 000 Riel per child per year and this seems to be the normal fee. The children looked healthy and had reasonably good clothes. The house was relatively well kept and the garden was intensively cultivated.

Cheng Wannara (local resident)

Cheng is a teacher of 35, with a wife and two small children. He works half-day at the school of a nearby village for a salary of USD20/month. The rest of the time he spends cultivating his 2.5 ha of riceland, tending vegetables and fruit trees. Normally, although not this harvest, this household is more than self-sufficient in food. The family is concerned about the low yield this year, and his concern may affect his attitude towards the returnees. He, and other locals, he says, are resentful because the land given to returnees has already been titled, whereas the locals are still waiting for their titles. While he is grateful for the road and the school built by CARERE, there are now more immediate needs, such as the rice shortage that will affect the whole village. Nevertheless, he feels that relations between locals and returnees are improving. They are happy that one of the young returnees is teaching on a voluntary basis in the village school. He himself has two oxen which he claims to lend out to returnees on demand.

Chief Monk of the village

Commenting on the relations between locals and returnees, the monk makes clear that the

problems for the returnees is that they do not have sufficient rice land, draught animals or other equipment, whereas locals usually have. Also locals often have better quality rice field than the returnees. Some returnees don't know how to farm, they lack experience after years in the camps. What is needed is for the organizations to help returnees and the monk asks us to pass on his request for rice to the returnees. For all, there is the problem of water, either too much or too little rain and a low rice yield this year. This is the problem for village solidarity: When all lack rice, this creates disunity. Religion is important because it promotes good actions between people. But the village also needs help from international organizations, so that they can build solidarity. Again the need for assistance is stressed. The village is building a large ceremonial house with a kitchen for community ceremonies and gatherings, in the centre next to the pagoda. An NGO (Partage) has also promised to build a monk school but he does not know when.

b. Prek Prasap Village: Returnees with Relatives

This village is some 35 kilometers southeast of the town of Battambang. On a visit to the district chief, he said that the district and CAREERE had a good working relationship. The village chief later repeated that the Prek Prasap village and CAREERE had been working hard together.

The village has 260 families; 16 of those are returnees, most of whom have relatives in the village. Land is in inadequate supply in this village, primarily because of Khmer Rouge security threat some 3 km away from the village. Few people dare to go to the forest to collect wood, bamboo etc. One girl from the village is missing and is believed to have been taken hostage.

The richest villagers have 1.5 ha of land, while some families are trying to survive on as little as 0.2 ha, most have about 1 hectare. Fortunately the land is fertile and might yield up to 2.5 tonnes per hectare. For locals, the land is properly titled. Almost all locals in the village grow vegetables on their house plot, and the river floating along the village is a good source of fish. Returnees, however, have been given land by the Village Chief, but it is not titled and it is remote (2 km) and returnees are afraid to cultivate it because of the security hazards.

While most of the locals own their houseplot, the returnees do not, renting from neighbours or using relatives' land. The Village Chief commented on returnees as "temporary", because relatives and the village do not have sufficient land to provide.

This village has been selected for a CAREERE CD-project. CAREERE has four different projects in the village: 1) A fertilizer bank which started in 1992, but was shifted into a rice bank in 1993. 2) A seedbank for jute. Jute used to service the local jute factory. This factory has by now run into financial problems and is at a standstill. 3) A rice bank. This is the best functioning of the different projects - CAREERE staff and villagers agree. 4) A pond digging project in collaboration with WFP. This will be followed up by a study trip to another village in order to learn how to breed fish in ponds. Now, "everybody grows fish according to their own head. Nobody knows how to do it" as the village chief expressed it.

The Village Development Committee (VDC) consisting of five members was elected at a village meeting with reportedly at least a hundred villagers present - half of them women. The village chief is undisputably a member of the committee. The Head and Secretary of the VDC are women. CAREERE has a counterpart in the village. He teaches the villagers on improving cultivation techniques, how to articulate their development needs through the VDC and the concept of development. He claims that the village chief has been very supportive, but that it is sometimes difficult because the counterpart has not enough training himself, the villagers are sometimes absent from "class" and because they do not always do as he says. Overall he thinks, however, that it works well.

Young returnee family

Sam Ol and Tun Njep is a young couple, with two small children. They share a household with the husband's mother and younger brother, also returnees, and live in a small thatched house at the edge of the river. This is the young wife's native village.

The couple met and married in Nong Chan border camp, where they had lived since 1979, while his mother and brother had been in Site B camp. Whereas the mother had gone to her native village in Pursat, where she stayed with relatives, the couple waited to make a decision about final destination until they arrived in Cambodia in April 1993, when the wife found she had relatives in this village.

Repatriation itself, as well as food assistance for 400 days, had been very satisfactory and clearly sufficient to live on. But they now find that making a living in Cambodia is extremely difficult and that life was better in the camp, where they were supported by UNBRO and received all they needed. In the camp the husband worked as a taxibike driver making about USD 5/day. It also made it possible for him to go outside of the camp and have contact with the local population (presumably also a source of extra money). Here, he complains, he has no land he can cultivate, no oxen, and finds it difficult to support his family.

The couple chose the cash option (which gave them USD150), and put some money into building the house and some small livestock. Money was also spent on having to bring his mother and brother to stay with them. They had preferred the land option but then would have had no money to build a house, and would have had to wait until last in the camp before land was identified. Option B, a house, would have given them no land and no money. So C was the best among available alternatives and it was their own decision. But it was made on the assumption that land would somehow be available, through connection to relatives in the village. His mother had chosen a house, which she built on relatives' land in Pursat, but when relations to them grew tense as her food rations ran out, she sold the house and decided to leave. As the eldest son, Sam Ol felt obliged to ask them to join him. He was given 0.5 ha by the village chief (untitled) in April this year, but since it is remote (2 km away), the security problems are severe, and he has not been able to plant rice this year. Before he came, he claims, he had not thought much about security as a problem. They heard that it was time to leave the camps and they were pleased to go, although they had no clear idea of what their situation would be like in Cambodia.

They rent a house plot from a neighbour but the location is bad, on an eroding river bank, and depend on the good will of the Village Chief to provide them with another house plot; this is difficult, as there is little safe land and other villagers take priority. Perhaps, he says, if they manage to earn some money they can buy a house plot in the village. They plan to remain, for the time being, for lack of a better alternative, but are concerned about livelihood. They earn a little by doing occasional harvest work at 2,500 R/day, but there will not be as much rice harvest work available this season. His wife was cutting jute at a very low wage in the wet season, but due to the flooding, she could only do it for ten days and work was too strenuous for her.

They do not grow any vegetables or fruit trees, as there is only a meter or two around the house. They hope their livestock raising will be productive but it is yet on a very small scale. Their preference would be to work with rice cultivation; although the husband says that remembers how to farm, from his years as a young boy during the Pol Pot regime, his wife is too young and "does not know anything about farming". And they have no oxen (neither do all locals) and have little to offer in exchange for borrowing one or renting the equipment needed, which he says is expensive (about 90,000 R for the whole period needed). He is sorry he could not have invested his money on buying a boat, for fishing or trading with fuelwood. They are aware of CARERE community development activities in the village, but cannot make use of them: They have no rice to make the initial deposit in the rice bank, he says, and fertiliser scheme is of little use to people like him who cannot cultivate their land.

Comparing their situations to other returnees in the village, he sees that some have a slightly better situation, having saved money in the camp which they have invested wisely. Others, with many children and no relatives, are seen to be worse off than themselves. Most returnees have no land of their own, and must use land of their relatives' which is not enough for their rice needs, or land given is too remote to be safe. Locals have a better situation, they have land, house, rice, coconut trees. Questions about the help of relatives, are met with protests from relatives present, "we don't have enough for ourselves!" They make clear that one cannot ask or expect help from other, unrelated, villagers.

This household has the key resources in terms of labour, relatives in the village and land, but there constraints in terms of safe land and low access to day labour because of the flooding. Some fishing and some foraging can be done to cover some of their own consumption, but they still have to buy most of their rice, now that food rations have ended. While relatives have little to offer, they are still regarded as important support, compared to returnees without kin in the village, and probably puts them in a better position with the Village Chief. His ability to decide on their land allocation, and their dependence on his support for rice land as well as house plot, is clear. Not grounded in the rural way of life and the local hierarchy of the village, the young couple appear to be somewhat at a loss. As a young couple who have spent most of their formative years in the camp, they appear to have little of the initiative and skills needed to farm or devise viable a economic strategy. Perhaps they are biding their time, looking for other alternatives, with a view to moving on, if necessary.

c. Returnee Settlement Sites

The first settlement site visited is located adjacent to a village, and has the same name. Twenty-four returnees and one local family, all had been provided with 2 ha each of titled land through UNHCR. All had received seedlings and CARERE provides seeds for vegetable gardens. The site was marked by demoralisation, and disintegration. The first household visited had dismantled and sold the house provided by UNHCR and now lived in a small poorly built, thatched one. The children were ill kept compared to other rural children, one infant was badly burnt and infected. The family claimed not to know where the nearest clinic is (5 km away), next that they have no way of getting there. The vegetable seeds have not been planted and seven families claim not to have received them. A check with CARERE shows that seeds have been delivered and signed for, (but the seeds could have been eaten). Four of the seven families interviewed are not growing rice this year and claim that they lack draught animals and that cooperation with locals to borrow their oxen is difficult or costly. The impression given is that the families are not motivated to stay on, but have not found a better alternative. Expectations of outside assistance are strong and reduce personal initiative. The site is not a functional part of the adjacent village nor an organised social unit in itself and in UNHCR's opinion it is disintegrating and will disappear in the near future.

The second settlement site is remote from other villages in the area. In striking contrast to established villages, it is an open area without trees or bushes, and its created character is obvious, with square houseplots in straight rows. Furthermore, it does not have a clear position within the local administrative structure; as of now they are attached to a village chief in another village. Of the 130 families settled, 30 are locals, but membership is not fixed, and families seem to be moving in and out very frequently. Each family has received 1 hba of titled rice land and a house plot. Another 85 ha have been promised by the district leadership but it is very remote from the site. Resistance for local authorities to allocating land is strong and UNHCR is involved in a long and tenuous bargaining process. The local staff feel that had they come up with money, land would have been forthcoming directly. Roads and five wells have been provided by UNHCR/CARERE, but pumps installed by

NGO work poorly. Families have no relatives in adjacent villages and very few on the site. Some of the families came to Battambang because of connections to families they met in the camp, few have relatives in the area. There is no school and none of the children attend school in the next village, as it is very remote. Here, too, although land is available, far from all farm, there is also a sense of waiting for assistance, or for other alternatives to help them move on, rather than becoming rooted. This site contains a large caseload of EVIs (Extremely Vulnerable Individuals), such as widows and handicapped. Asked to compare their situation with locals on site, returnees said there was no difference, they were experiencing the same hardships.

Un Vuthy (returnee)

This is a woman in her early thirties, with three small children. Her husband was a soldier but was injured and can no longer work. He has been in Phnom Penh the last couple of months for an operation and to wait for his certificate as handicapped. They hope this will provide him with a small pension, but are not sure. They returned from Site 2 camp in March 1993 and could go to Battambang because of a cousin living there. However they were unable to stay with him and applied for help to get land, they had hoped for land in the nearby village where they are connected to a family they met in the camp. They are not very happy at the site. No rice is being grown in their household this year as there is no labour power, not enough water (rains stopped too early) or draught animals. The arrangement by UNHR providing 3 families with 2 oxen to share does not seem to work or be used. The wife grows sweet potatoes to sell, but it is not sufficient to buy them the rice they need. The 400 days of food rations ended in the spring of 1994. The cash option was used to treat one of the children in hospital for 2 months and to buy two small pigs. These, however, "had died" (or been eaten). The woman sees no other possible income opportunities for her, busy with her garden crop. With small children and no relatives to rely on for help, she cannot leave the site. Eventually, she requests to have pigs and chickens to raise.

Larn Song (returnee)

She is a young widow and neighbour who insists that we come in to interview her. Her situation turns out to be very similar to the previous family's, but she has five children between 4 and 13. The family had gone to the border camp in 1979 because they had nothing to eat. She is a native of Siem Riep but came to Battambang because it was her husband's native province. He died at the reception centre at T. Maka in 1992 and she claims to have spent the major part (USD180) of her cash option money to treat her husband, but as it becomes clear that he died suddenly "in his sleep", she modifies that to say the funeral ceremony was costly. Now she grows some vegetables outside of her house although she has not been able to plant enough as seeds due from CARERE have not arrived (a check shows they have been delivered). She has also dug a small pond near the house but it was not up to standard to receive Food for Work rice. She cites the example of a neighbor who completed his pond in June 93 and is still waiting for the rice promised. Some income is earned through the children collecting firewood.

5. Reintegration of Returnees: Comments and Conclusions

"Reintegration" has not been clearly defined by any of the organizations that work to promote it (CARERE, UNHCR). It appears to be taken generally to mean achieving an economic status on par with the local population, but that does not indicate what level of self-sufficiency that is acceptable and for what proportion of returnees. The returnees are not a homogeneous population (nor are the locals), but represent a range of different social categories, experiences and skills. In order to assess the progress of reintegration,

and the point at which it can be considered successfully achieved, it would seem that some quantitative and qualitative criteria would be needed by the organizations involved.

As the above examples indicate, reintegration is a complex process, involving both economic and social relations between newcomers and their new environment. Economic activity depends on the access to key resources such as land, labour, some working capital, and skills. But household economic viability is also dependent on the existence of a local community. In any rural community of farmers, livelihood strategies, to be successful, are an integral part of the structure of social relations and one's position within it: authority structures, established roles and positions, culturally defined rights and obligations, including a personal reputation (of reliability, for instance) built up over time by those with some history in the village. Skills required for devising livelihood strategies are then as much technical as social. Even if community solidarity of Cambodian rural villages has suffered from the disruptions of the last decades, there is still an interdependence between households, based on mutual need. However, some basic resources, social as well as economic, are required to make exchange relations work. Of course, the ability of a village to absorb and integrate returnees depends on its overall resource structure in terms of land, its fertility, access to water, distance to market or town, and security situation, and varies between villages.

Typically, among families placed together in a site, few are related by kinship or have ties from the camps. Having been to the same camp did not seem to create any special sense of belonging, and positions of households vis-a-vis one another seemed unclear. As an essentially unstructured collection of households, top-down organized and well-provided for, a returnee site resembles the camp situation. Not surprisingly, the families interviewed appeared to continue expecting assistance from aid organizations and seemed unmotivated or unable to create a functional interdependence. In the extremely hierarchical nature of Cambodian society, social and economic interaction requires clear allocation and acceptance of positions of rank. It is also unclear where they are placed in the local political hierarchy of villages and resource allocation. The indications are that sites visited were disintegrating. There seemed to be little difference with respect to sustainability between the directly annexed to a village, and the separate one; the social distance to existing communities was equally great. Nevertheless, sites may be necessary for a transition period for families with no other alternatives, but they do not seem to have the potential of becoming a community.

In contrast, Chrouy Ampil village, although there were tensions between locals and returnees who had no relatives there, is a community. It has a number of institutions with communal activities that promote a sense of belonging: A wat as community centre with ceremonial activities and communal meals, a school with the children of both categories. The substantial input by UN organizations in providing roads, wells and a school was a welcome reinforcement of infrastructure, although efforts to secure land on a permanent basis were less successful. If returnees manage to hold on to some land and stay on, with time and probably inter-marriage with locals, they stand a good chance of becoming accepted and functional members of the community. There were indications that relations are slowly improving although this year negatively affected by the poor harvest and ensuing competition for food and wage labour.

The greatest disparity between locals and returnees is in the access to land, as was also found in Robinson's survey (1994b) in the area. The presence of relatives is usually assumed to be a key factor for reintegration. However, this support cannot be taken for granted (sometimes it is refused) and it is certainly time limited, depending on the resources of the village and relatives' own economic and social position within it. In some cases, relatives may be able to influence leadership and others in control of land and other resources, (although local leaders are also subject to pressure from other locals in areas of

very scarce land). In Prek Prasap village described above, for instance, indications were that relations between returnees and their kin were becoming strained, especially as the rice entitlements for returnees have run out. Those who have difficulties in securing some other independent sources of income cannot expect continued support from relatives, and may have to move on in search of other economic opportunities. The community development programmes initiated by CARERE in this village were popular with the local population but tend to bypass the returnees who had not secured enough of an economic base (such as growing rice needed to participate in the fertilizer or rice banks). As such returnees certainly seem to qualify as "vulnerable sectors" of the population (CARERE's criteria) they should be given more attention by the development programmes involved. This should also recognize the lack of experience and necessary skills by younger households not sufficiently grounded in rural life and agriculture.

There also seems to be resentment among many respondents concerning UNHCRs failure to deliver on its initial land promise and the implicit assumption that support from relatives would make up for that. This resentment may be a part of the continued requests directed by some returnees to the organizations for further assistance.

In terms of social acceptance generally, it appears that returnees were initially regarded as coming with resources and being favoured by organizations (for instance, generous rice rations for 400 days); in particular and in places of conflict over land, there is still resentment by local residents. However, those perceptions seem to be changing, as returnees are seen to be at a disadvantage, sometimes pitied, especially as the commitment of organized assistance is phased out. The returnees usually see locals "having a better life" and some even feel that life in the camps was much easier; no returnee however seems to want that life back, simply the relative security it offered.

The conclusions can be summarised as follows:

- The UNHCR strategy on reintegration assistance failed to take account of Cambodian reality with respect to land: Relying on the ability of Cambodian authorities to provide land conflicted with the process of privatization. While encouraging the returning to relatives is an important step in social reintegration, relatives cannot compensate for the absence of other livelihood solutions in the long term.
- The transition period seems to be crucial for the reintegration process. Like the 400 days of food rations, relatives constitute an important safety net, providing returnees can find some independent source of income within a reasonable time after food rations run out. Stronger reintegration support, proposedly in the form of food rations on a sliding scale over a longer period and a larger cash grant to enable the purchase of land, (instead of costly movement operations) would have been more relevant from the returnees' point of view. Thus, a more direct and returnee-focussed assistance to returnees is seen as a means to increase their independence and control in finding their own land or other economic niches.
- Development programmes such as credit schemes tend to by-pass returnee families without the necessary basic resources to participate, in favour of more established locals. However, also vulnerable locals lacking such resources are very often missed out by programmes.
- Sites have little potential to become functional social communities on a sustainable basis. They may be necessary as a temporary measure for families without other alternatives but do not constitute a permanent solution. Sites are also extremely costly, both in terms of money and human resources, which should perhaps have been directed at bargaining for land with existing villages. Although land acquisition is not without complications in existing villages, reintegration there has a better chance over time as compared to sites.

- Dependency on assistance from organizations was most evident among returnees in the site situation. Some of them may also be returnees suffering multi-generational poverty and had gone to the camps in search of assistance. (Joan Healey, pers. comm.). One of the sites visited had a high proportion of EVIs or extremely vulnerable individuals. The vulnerable condition of both categories may explain their settlement on a site, but this could in turn further reinforce their marginalization.

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Annex D:

FIELD REVIEW OF THE FOOD FOR WORK PROGRAMME

As noted in the main report, SIDA has made an important contribution to the work of the World Food Programme (WFP) in Cambodia by earmarking their contributions to Food for Work (FFW). In the course of the period under review, WFP used the FFW mechanism to support small-scale rehabilitation projects in Cambodia, projects which are normally outside the purview of WFP's approach and responsibility.

From 1989 to 1994 the FFW programme evolved from supporting the Family Food Production programme of UNICEF, in cooperation with the Ministry of Agriculture and the Women's Union of the State of Cambodia, and the hydrology programmes of international NGOs in cooperation with provincial level hydrology departments to supporting village-level infrastructure projects through the Cambodian Red Cross. While FFP and international NGOs are still part of the project mix, local NGOs and community organizations are now also managing FFW projects or receiving food rice for rice banks and other village-level projects.

In the course of the evaluation mission, team members had the opportunity to conduct field assessments of each type of FFW intervention: FFP in cooperation with UNICEF and UNHCR (the latter in resettlement sites in Battambang province); village-level infrastructure development with the Cambodian Red Cross; irrigation rehabilitation carried out by an international NGO; and a rice bank project carried out by a new Cambodian NGO.

I. Family Food Production

Since SIDA provided substantial funding to UNICEF, and since FFP has been one of their core programmes in Cambodia, there is extensive coverage of FFP in other parts of this report. This brief analysis will focus on the FFP-FFW link as experienced by the Mission in Battambang province.

In the early years of WFP support to the FFP programme, WFP supplied the rice to the Ministry of Agriculture and to the Women's Union to carry out the programme, but they depended on UNICEF to oversee the implementation of the activities. When WFP increased their staff to meet the crisis of internally displaced people and later the refugee return from 1990 onwards, they at once developed their own extensive staffing network at the provincial level and began to build the capacity of the Cambodian Red Cross to oversee the FFW programme at village level. Thus, WFP staff now play a very active, hands on role in project monitoring and — as the Mission saw in its own visit to FFP project sites — are quite strict in enforcing standards for the quantity and quality of the work performed.

For example, one family visited in Sala Trao village in Sangke District of Battambang province had dug a pond in the 1994 dry season. Upon completion, however, heavy rains and unusually high flooding had led to siltation in the pond. On a recent inspection visit to determine the family's rice allocation, WFP staff denied the family their rice ration for the work because the pond was no longer up to standard. When the pond dries up again

in December or January, the family will have to dig again and then have the pond certified. In the meantime, they have received a rice loan from a CARERE rice bank to tide them over.

This family, although denied their rice ration for the time being, illustrated one of the problems with the FFW programme — the selection of project sites and beneficiaries. This family lives right on the main road (National Route 5) and thus has good access to nearby markets. They have three hectares of rice land and two buffalo. With the dirt excavated from the pond they have raised their land behind the house and are growing secondary crops such as banana, papaya, cassava, and so on. While not rich, they would have to be considered middle peasants by Cambodian standards.

Two other families were interviewed in a village including returnees; in this case the families were living in an annex to the main village a kilometer or two off the main road in Mounng Russey District of Battambang. These families were more on the margin: one with only one hectare of rice land and the other with no rice land at all, although with ample land around the homestead to engage in market gardening. Each family had been able to dig the pond to specifications and receive their rice allotment. One family had begun to invest in fruit trees; UNICEF had encouraged them to establish a home nursery and they had planted jackfruit and mango. The other family were concentrating on vegetables: cassava, lettuce, cabbage, onions, and chili. In both cases the production had really just begun with the end of the rainy season, so they had no direct income yet from the fruit and vegetables being irrigated by the pond water.

2. Village-level Infrastructure Rehabilitation with the CRC

As noted in the main report, village-level infrastructure rehabilitation managed by the Cambodian Red Cross (CRC) is now the core of WFP's food for work strategy. In 1994 65 percent of the FFW programme will be implemented by the CRC. The Mission had a chance to visit several project sites overseen by CRC staff in Ratanak Mondol District in Battambang province.

Ratanak Mondol is an insecure district, heavily mined and subject to continuous pressure from the Khmer Rouge. The district was the scene of heavy fighting in April and May between the Khmer Rouge and government forces. The district is the home of a number of "long-term" internally displaced, who have been unable to live and sustain themselves in their home villages since the withdrawal of the Vietnamese forces in 1989. Food for Work has become a critical form of support for these families.

The Mission visited briefly with one family in Treng commune. The family's story epitomizes the disruption and dislocation that peasants in western Cambodia have experienced. They are nominally well off, with three hectares of paddy land and three hectares of land for "mountain rice" (dry rice which is seeded directly). Since 1989, however, they have been unable to farm their paddy land due to fighting and the Khmer Rouge presence in their home area, which is close to the Thai-Cambodian border. In the fighting in 1989 the Khmer Rouge took their livestock. They fled close to Battambang town in 1990, then moved to Treng in 1991. Their home is part of a resettlement site for internally displaced and resembles the camps at the Thai-Cambodian border.

Their income sources at this point are minimal. Mountain rice yields are very low; they had a small mound in front of their hut that represented their entire production for the year: 5 bags. They are sometimes able to plant other upland crops such as corn and beans. Otherwise, there is migration in search of work or FFW projects managed by the CRC. They recently rehabilitated the road which connects the main road (Highway 10, a secondary road in very poor condition) to their settlement. But this was only three days work, for which the family received 10 kilos of rice.

The road work projects have several inherent problems. The standard method for the

road rehabilitation projects is for the initial work to be a pure community contribution, with no heavy equipment. Then, in the second year, if WFP's cash budget allows, laterite is placed on the surface and culverts are added. One problem is that the roads can deteriorate very rapidly during the rainy season, especially since the community has no way to exercise control over the use of the road during vulnerable periods. Heavy vehicles, especially the trucks and tanks of the military in this insecure district, wreak havoc with the community's initial work. The second problem is that because there is a high level of participation (1,030 in the case of a small side road in Sdao) in the road projects among the internally displaced who have difficulty assuring their livelihood, the work might last for as little as four days, leaving the beneficiaries with just a small ration and no real food security.

WFP staff acknowledged in the course of the Battambang field visit that they have problems coming up with projects, especially in areas with a high concentration of internally displaced people.

The Mission also visited a small dike project in Sdao. As noted in the main report, this dike was being built without the benefit of on-site technical support from the local hydrology department (the latter being presumably non-functional due to the security situation and lack of budget support). 80 people were working on the site. The project had lasted about one week so far and would require another four days to be completed. 50 of the 80 people involved in the project were from Kilometer 38, a village further down Highway 10 and therefore even closed to Khmer Rouge controlled territory near Pailin and the Thai-Cambodian border. CRC staff at the site pointed out they select villages for special recruitment for such projects based on need. A woman worker interviewed at the site said that her family has little source of income. Her husband cuts wood. She was working in a group of ten, which had each earned about 18 kilos of rice in the seven days they had been working on the project. This is a rate less than the 6 kilo per day minimum normally obtained in FFW projects. It perhaps reflects the fact that women have difficulty meeting the work norms and that more workers may have been engaged in the project than were absolutely necessary to complete it. The strategy, for obvious reasons, is to involve as many people as possible in the FFW projects.

3. Irrigation Rehabilitation with an International NGO

In the first phase of the implementation of FFW in Cambodia, WFP placed a high priority on supplying the food rations for community work projects for canal repair and general rehabilitation of irrigation systems. International NGOs, such as Australian Catholic Relief, American Friends Service Committee, Oxfam, Mennonite Central Committee and others, were the responsible agencies for these projects, which in turn were carried out in cooperation with the provincial and district offices of the hydrology department. For WFP this strategy peaked in 1990 when almost 70 percent of SIDA's allocation for FFW was used for hydrology projects through international NGOs.

The rationale for this approach was compelling. It appeared that through community involvement, supported by FFW, irrigation systems, many of them built during the Pol Pot period, could be rehabilitated and thereby increase peasant-level food availability.

The problem has been that the basic design of these systems is often quite poor, and whether they can ever be made to work effectively is open to question. The preliminary findings of a UNDP/Mekong Secretariat study would indicate, for example, that very few opportunities for rehabilitation exist. Department of hydrology and NGO schemes have often been started without adequate technical assessments. (World Bank, 1994, p. 54). This begs the question as to the actual impact of the hydrology projects which WFP supported through the FFW programme in 1989 and 1990.

The Mission was not able to obtain a comprehensive view of these interventions. The

team did visit an AFSC-supported project in Kompong Chhnang province. This project was doubly supported by SIDA, in that the AFSC programme in Kompong Chhnang, including the hydrology component, has been supported by Diakonia while the projects in turn have depended on WFP support in the form of food for work.

The project visited involved the construction of a gate for damming up a weir in Role Bien commune. The gate is the last in a system of eight gates, with the entire system covering about 1,100 hectares. The system was built during the Pol Pot period. Indeed, this has always been the temptation with the Pol Pot systems: their large scale has made them compelling cases for renovation. In this case the system is functioning. According to the team member who visited the site, the yield in the area is between 800 and 1,500 kilos of paddy per hectare, and the local hydrology staff estimate that the irrigation structure has increased yields by 30-50 percent. Given that yields are still very low, the estimated increase is probably exaggerated. The total cost of the gate was USD 16-17,000. WFP supplied the rice, sand and gravel were purchased locally, and the cement and gate mechanisms were bought in Thailand.

The system irrigates only in the wet season. Supplemental irrigation in the wet season is critical, given the irregularity of the rains. The system is gravity driven. A little water remains in the system in the dry season which could be utilized for vegetable production. On actual inspection, there was water in the system early in the dry season, but in the view of the peasants not enough to satisfy all its potential users.

The local hydrology office estimated that out of 160,000 hectares now cultivated in Kompong Chhnang perhaps 8,000 could be irrigated if further relatively inexpensive rehabilitation work were conducted on existing irrigation systems. The debate about irrigation strategy (rehabilitation of existing systems vs. the creation of new ones) will be on-going; achieving the proper strategic approach in this sector will go a long way towards determining the economic future of the country.

4. Local NGOs

After the signing of the Paris peace accords, Cambodian civil society began to flourish under the protection of the UNTAC presence. Under the State of Cambodia it had not been possible to form non-governmental organizations. The UNTAC period saw the establishment of numerous Cambodian private organizations, focussing on human rights and village-level community development. While some of these organizations were founded by Cambodians who had lived in the country throughout the period of war and isolation, the majority were started by returning refugees, whether from the camps in Thailand or from the USA, France, and Australia where Cambodians had resettled and had become citizens in the early 1980s.

While these Cambodian NGOs often lacked experience, and were sometimes founded simply to absorb foreign aid funds, they deserved support in principle to develop an independent self-help capacity among the Cambodian people. In the latter stages of the WFP implementation of their FFW programme they began to turn to local NGOs to carry out village-level development activities. The most commonly funded projects were village-level rice banks, but WFP also supported local NGOs to carry out their own infrastructure rehabilitation and development activities as well, such as building ponds, repairing roads, constructing schools, and so on.

The Mission was able to visit with one NGO supported by WFP in Battambang district of Battambang province. The organization, Chivith Thmei ("New Life"), received 8.9 metric tons of rice from FFW to establish a rice bank in Khsach Poy village, a settlement along the Sangke River near Battambang town.

The story of Chivith Thmei is interesting and probably representative of many such

organizations in Cambodia. The founder was at the Thai-Cambodian border in the 1980s where he was trained in school management. He returned to the country in 1992 and used his language skills and his contacts to get a job with UNTAC in Kompong Cham province. He intended to return to his home village, Ksach Poy, to start community development work and already in 1992 began to make contacts with the monks, village elders, and local teacher when he returned on occasion to visit his family. He readily admitted that initially he was intimidated by the whole business of accessing funding for his organization. He made a number of trips to Phnom Penh to talk to the staff of established Cambodian NGOs, such as Khemara, and to network among the international community in Phnom Penh. It was the Cooperation Committee for Cambodia, the international NGO umbrella organization, which suggested that he contact WFP about the possibility of accessing FFW rice.

Initially, WFP was sceptical (no doubt they were being approached by countless Cambodians in a similar position and had no capacity to assess who was legitimate and who was not) and demanded that Chivith Thmei get letters of support from well-known, credible international and Cambodian organizations. This the founder was able to do, getting testimony from a number of more established local NGOs. To their credit, then, WFP provided the first funding to the organization in the form of FFW rice to start a community rice bank.

Chivith Thmei uses a standard methodology for implementing the rice bank project. They establish small groups of beneficiaries, five families to a group, who are mutually responsible for seeing that the loans are repaid. The standard loan size is 100 kilos of rice, with the agreement that the loan will be repaid in the form of 200 kilos of paddy, an interest rate of 30 percent. The first loans were given in September 1993 and paid back with five exceptions (out of 89 participants) in March 1994. In addition to the loan repayment, families were expected to make a contribution to become members of the rice bank; an additional 630 kilos of paddy were generated through the membership fees. A second round of lending was done in May 1994, but there are concerns about repayment due to the serious weather problems which Battambang has experienced during the 1994 rainy season planting.

Ksach Poy is not a poor village. It is close to Battambang town along a good road. The housing is intact, with beautiful, large, pre-war wooden houses on stilts along the tree-lined road. Residents have access to river bank land for vegetable and cash crop production.

Thus, although Chivith Thmei used poverty as a criterion in the selection of beneficiaries, the villagers the Mission spoke to were much better off than others interviewed in resettlement sites in Battambang and in Banteay Meanchey province. One woman who received a loan had only one hectare of rice land, but she owned a small roadside shop. A second woman had one and a half hectares, but the land quality is excellent; her family gets yields of three metric tons per hectare, more than double the yields of the average Cambodian peasant family. She is engaged in petty commerce, buying and selling vegetables. Both women took second loans in 1994, one for household expenditures and fertilizers, the other for fertilizers and digging a pond.

Even though Chivith Thmei is not working with the poorest population, their work is solid. They are now receiving support from Oxfam UKI, PACT, and CARE. WFP deserves credit for providing them with their initial funding, which provided a base for them to gain experience and establish their credibility with the community and with donors.

5. Issues

The following issues arise based on the field review and the Mission's overall assessment of the Food for Work programme of WFP:

- a) *Relationship with the government.* WFP made the pragmatic choice in directing its FFW

programme towards the FFP programme, nominally implemented by the government, but in reality a UNICEF programme; the hydrology programmes of NGOs; and later the village level infrastructure development work of the Cambodian Red Cross and local NGOs. Institutions of the State of Cambodia are notably absent from this list. Even with the establishment of the Royal Government in 1993, WFP's relationship with government is tenuous. Local-level priorities are selected based on poverty surveys carried out by CRC staff in close cooperation with the provincial staff of WFP. While they communicate with the government, and seek their endorsement of the priority areas, the process of assessment and planning is not yet implemented jointly. As noted above, only now is WFP preparing to engage the government by building a relationship with the newly created Ministry of Rural Development.

b) Monitoring and evaluation of assistance. By its own admission, WFP took a number of years to build up its monitoring capacity for FFW. In the case of FFP, however, they could relay on UNICEF oversight. For the funding of international NGOs, WFP may have taken too much on faith, accepting the basic rationale for a strategy focussing on the rehabilitation of small and medium-scale irrigation systems. To the knowledge of the Mission no systematic evaluation has ever been done, neither by WFP nor by the NGOs themselves, of the effectiveness of this strategy.

c) Technical support for infrastructure projects. The technical support for the FFW-funded infrastructure projects was less than ideal, raising questions of the sustainability of the work supported. This reflects weaknesses in the technical departments of the government and the overall erosion of professionalism and ethics in the government service. The only way to have assured greater technical support would again have been to pay salary supplements to the staff of the government departments in question, exacerbating the problem of sustainability.

Summary of assessment

CRITERIA

Relevance

1. Cambodia's development needs
2. SIDA's development objectives

ASSESSMENT

1. High: rural infrastructure development is badly needed
2. Fair: SIDA saw this primarily as an emergency intervention; development impact inadvertent

Poverty focus

Fair-high: in recent years WFP has made major effort to target poorest communities and families; earlier efforts did not focus so systematically on the poorest.

Goal attainment

1. To rehabilitate rural infrastructure
2. To alleviate rural poverty and improve household food security

1. Fair: much rehabilitation work accomplished, but of limited lasting value.
2. Low: FFW by definition cannot alleviate poverty.

Sustainability

1. Of infrastructure/projects
2. Institutional

1. Fair: FFP somewhat better than road and dam projects.
2. Fair: Excellent local counterpart institution created, but projects by definition depend on outside resources. Government involvement could have been greater.

Institutional capacity building

High: Even though government involvement limited, CRC strengthening was a major, lasting outcome of this programme.

Operational efficiency

High: WFP is considered one of the best-managed agencies in Cambodia; losses in their complex FFW and feeding operations have been minimal.

Cost effectiveness

Basically unknown. Infrastructure development low cost, but with problematic sustainability. FFP has not been evaluated from a cost perspective.

d) SIDA earmarking for FFW. Unlike much of SIDA's funding in Cambodia, the support for FFW was a specially earmarked contribution to this component of WFP's work in the country. SIDA faces a policy dilemma in that untied funds are most appreciated by grant recipients, yet for reasons of monitoring, leverage, and programme leadership earmarking can be a more effective strategy. There can be little doubt that in this case SIDA's funding provided true additionality and was far more meaningful to WFP than providing a small portion of its overall food aid programme in Cambodia. This outcome suggests that SIDA should carefully review the programmes of the larger UN agencies and consider earmarking funds for particularly useful or innovative interventions in the emergency and reconstruction phases of a country programme.

6. Recommendations

At this stage WFP is making an institutional commitment to FFW as a strategy in Cambodia, using its own funds for the first time. The agency should continue to develop its current programme strategy for FFW by:

- focussing on the poorest communities in the 16 provinces where they are operational;
- developing a strong counterpart relationship with the Ministry of Rural Development;
- using this relationship to obtain greater technical support from the government for the infrastructure development projects;
- continuing to strengthen the CRC, but positioning it as a partner with government rather than as an independent actor;
- expanding the support for local NGOs while reducing and eventually eliminating the funding of international NGOs;
- reducing expatriate involvement at the provincial level.

Annex E:

UNICEF PROGRAMMES IN CAMBODIA

Field Review of Programmes in Education, Water and Sanitation, Household Food Security, and Women in Development

I. Introduction

1.1 Methodology

The following review concerns four of UNICEF's seven programmes in Cambodia, namely (i) education, (ii) water supply and sanitation, (iii) household food security, and (iv) women in development. In the latter programme only the rural small credit scheme is reviewed.

These four programmes are described more in detail below.

The Mission has used different methodologies to try to assess the UNICEF programme:

- (i) analysis of UNICEF's own quite extensive reporting;
- (ii) review of existing external evaluations of sub-programmes;
- (iii) interviews with professionals involved in the same sectors as UNICEF, as well as review of sector reviews;
- (iv) spot checks in the field of different activities;
- (v) request that UNICEF calculate real costs of selected interventions when these are not available;

It should be noted that a reliable assessment of the impact of these programmes can not be made due to the lack of internal monitoring systems for that purpose in UNICEF (with established base line data prior to the intervention, and follow up of the interventions on a sample basis.) Thus, the review will be impressionistic, more qualitative than quantitative, more focussed upon issues and hypothesis, than a final judgement whether these programmes are cost effective means to meet the objectives stated or not.

2. Education

2.1 Sector background

The destruction of Cambodia's educational system during the Khmer Rouge regime 1975-1978 has become infamous: in line with Pol Pot's idea to create a truly peasant society, the education system was a particular target for the regime's destructive forces. Books were destroyed, about 80 percent of Cambodia's teachers were killed, died of suffering, or fled, schools were closed and/or destroyed. The ability to read was sometimes sufficient to be

imprisoned, knowledge of foreign language could be a death sentence (ADB 1994). Schools were closed and primitive learning of the most basic skills was conducted in factories or cooperatives modelled after the Chinese cultural revolution. "The school is the rice paddy, the pen is the hoe" was the ideological leitmotif (Curtis, 1989). At the time of Pol Pot's demise, there were only some 300 persons left in the country with any type of higher education.

Equally legendary are the massive efforts to establish a functional school system by the PRK regime after 1979. Teachers were virtually picked up from the streets and provided with crash courses of a few weeks or months duration. Ability to read or write was sometimes a sufficient skill to join the teacher cadre. By 1982/83 there were some 30,000 teachers in place, and 5,000 schools had been opened (ADB 1994). Children were back in school, albeit in very primitive and crowded such, and with teachers of highly varying qualifications.

The events in Cambodia after 1989 have caused considerable change in the education system - not only have the peace process altered the approach to teaching (eliminating propaganda inputs), but the resources going into the school system has diminished due to the Government's budgetary crisis. Even within the meager budget, education is also taking a quite small share of the Government's budget - about 4 percent, as compared to 8-9 percent common in least developed countries, and 20 percent prior to 1970 in Cambodia. As a result a process of unofficial privatization is taking place (supplies, supposedly free, are unofficially sold to the students; private tutoring against fee in the schools has become a means for teachers to survive on meager incomes (USD 20-25 per month).

Today Cambodia has an education system which is plagued by various problems: the quality of the teachers is uneven, reflecting the historical background. Conditions in many primary schools are appalling - crowded classes with up to 100 students, with hardly any teaching materials and school books, creates an atmosphere where drop out rates are very high. The primary schools give an almost Darwinistic impression: those children surviving the crowded, resource starved system, will be provided with increased resources higher up. At the same time a private school system is emerging for the better off, creating the beginning of truly un-egalitarian school system.

2.2. The aid scenario

During the "boycott years" 1982-89, aid to the school system came primarily from socialist countries, while UNICEF and some NGO's also operated aid programmes. The (western) aid was focussed upon primary education and the level of assistance was limited. The situation has changed dramatically after 1991. Today, a number of major aid organizations are involved in, or planning near future assistance to education. In primary education alone such assistance is provided by or planned by the World Bank (primary school construction); ADB (two primary education loans in the pipeline), USAID (a USD 20 million teacher training programme is under planning); EU is preparing a major project, etc, besides an on-going UNICEF programme and many smaller programmes by 20-30 NGO's. UNESCO, which returned to Cambodia 1992, has so far focussed upon higher education. Problems of coordination of aid has emerged, and the Ministry is confronted with different approaches. Embryos of conflicts between donors have emerged, see further Annex F.

2.3 UNICEF's education programme

UNICEF's current education programme has its origin in the mid 1980's, but has over the years both changed focus and become more elaborate. As a result of the void of any other major (Western) donor, UNICEF's involvement took on a broader approach to education development than normally would have been the case. The present programme comprises four elements:

- (i) Management, planning and supervision;
- (ii) teacher training;
- (iii) curriculum development;
- (iv) printing and distribution of textbooks.

Although UNICEF has been involved in these areas for many years, it appears that there is little continuity from the past. Partly, this is a result of the changing conditions in Cambodia and the requirements a new situation place on the system; partly it is a reflection of a broader institutional problem in UNICEF: a major shift of personnel and management took place in the early 1990's (possibly with weak management prior to 1990) and much of past activities seem to have been forgotten.

2.4 Achievements

UNICEF's educational programme is a combination of capacity building of the human resources involved in the primary education (curriculum development, teachers's training, and management support), provision of infrastructure (cluster school programme containing considerable investments in upgrading of schools and colleges), and of a supply oriented production of textbooks.

Capacity building. UNICEF's current education programme (1992-94) gives the impression of a diligently worked out approach to capacity building in the (primary) education system. The philosophy underlying much of the programme is to let the Khmers themselves develop their own system, with UNICEF providing a methodology for the process, technical assistance (to a large extent using advisers from neighboring countries, some with knowledge of Khmer.) It is a "process-oriented approach" with little evidence of any top-down pressure. As all process oriented approaches, it is slow, with limited effects so far on the whole system as such. For example, the development of curriculum in Khmer for the primary school involves a painstaking exercise of defining the language in the present political environment, after the turbulent years of the past. The process involves getting people - rooted in a strong authoritarian culture (feudal-colonial-terror based extremism-socialist) - interact to define a common approach. A similar approach is applied in teachers' training. The ultimate impact of this capacity building of human resources is extremely difficult to judge. Needless to say, it is a long process, which yet is in its early stage. The conclusion of the Mission is that the approach seems solid and commendable.

Textbook production. UNICEF has been involved in textbook publishing since the early 1980's. While the initial support mostly was in the form of equipment and paper, UNICEF has gradually built the Ministry of Education's print office through investments in printing presses, publishing equipment, management support, provision of paper, and other attributes for publishing. Likewise, UNICEF has been involved in streamlining the distribution system. Textbook printing has taken a major share of the financial resources in UNICEF's education programme. Today the modern equipped print office is publishing some 2,5 million primary school books annually, and by 1995 the target is 3 million books. UNICEF is providing nearly 100 percent of the capital and recurrent costs of the operation, and there is concern that the print office de facto is entirely managed by UNICEF with limited Government involvement. (There is an unofficial "Government" use of the print shop. Material such as paper is unofficially transferred to a different site, where "private" publishing takes place - one of many examples of the "rent-seeking" and corruption that plagues the aid to Cambodia.)

While UNICEF has established a well functioning, modern printshop for textbooks, as well as a good distribution system, the question arises at the other end. Field visits to schools by the Mission, confirmed by interviews with expatriates involved in education, indicate that few books in fact arrive at the final destination: the pupils. Visited primary classes were

conspicuously void of books. It is well known to UNICEF that textbooks have been diverted to the markets and sold commercially. UNICEF has tried to prevent such leakage through tightening of the distribution system, and by an attempt to "flood" the market to reduce the market value of the books. Textbooks seem to a large extent end up in the head masters' offices in locked shelves, rarely used libraries, etc. While this to some extent reflects prevalent "rent seeking" (books are unofficially sold to the parents), perhaps more important is that textbooks are not an integral part of the teaching system - hence the demand is limited; there might also be a reluctance from the schools to distribute books as the supply is insufficient to provide one book per subject and student. To conclude: UNICEF's text book printing seems not well integrated with the overall programme, and the assistance not effective in enhancing education standards as the books to such a limited extent seem to reach the students. UNICEF's textbook printing programme needs a critical review and reform.

2.5 Summary of assessment

CRITERIA	ASSESSMENT
Relevance 1. For Cambodia 2. For SIDA's development objectives	High. Clear priority area for Cambodia's overall development efforts, as well as for SIDA development objectives
Sustainability 1. Curriculum development 2. Teacher training 3. Book printing	1. High – skills transferred basically investment in people 2. As above 3. Low – project has de facto by-passed Government
Institutional capacity building	High. Considerable investment in people at different levels of the system (teachers, teacher trainers, government institutions, local authorities)
Cost effectiveness 1. Curriculum development/teacher training 2. Book printing	1. Not possible to judge in a programme of this nature 2. Fair in terms of production costs. Low in terms of effect on education quality (utilization of books very limited)
Poverty focus	Programme not targeted to a poverty group. However, primary education indirectly of great significance for long-term effect on poverty.
Operational efficiency	High. Programme management and conceptualization of programme excellent, with the exception of the book printing programme

2.6 Lessons for emergency assistance

In the early 1980's UNICEF's education programme had a clear emergency/rehabilitation orientation addressing the massive needs to rebuild Cambodia's primary education system. That orientation has subsequently decreased so that the programme of today must be considered developmental. The programme is not much different than that would be required in a poor country context in general with an under-developed and under-financed educational system. (There should be interesting lessons to be learned from PRK's work to rehabilitate the education system after the crisis of 1970s -a process undertaken by the Government's own efforts in combination with Vietnamese, and over time increasingly Soviet assistance, and to a smaller extent UNICEF support). The rehabilitation process that took place in Cambodia in the early 1980's, however, has implication on present system: the rapid creation of a cadre of teachers with overall low degree of qualifications demands considerable on-the-job training and upgrading of skills which is the focus of present development efforts in the sector. This issue is a basis for much of the diverging views in the sector today: how fast, or slow, must such an upgrading process be?

2.7 Conclusions for future assistance

SIDA has indicated that a thrust of future support to Cambodia will be UNICEF's education programme. The Mission endorses such an approach. The present programme is a solid foundation for future development; the present management in UNICEF of high calibre (UNICEF has also proven to be a good partner in cooperation). It is a sector in which SIDA increasingly can "add value" due to its considerable sector experience. Primary education is also a sector of the highest relevance for Cambodia's development. Note has to be taken, however, of the many, partly diverging approaches, that might emerge as a result of various up-coming donor projects in the sector. If SIDA considers to play any active role in the sector SIDA should soonest undertake a "mini-sector review" to improve its understanding of the development in the sector. The SIDA financed ADB sector review (see Annex F) is an excellent foundation for that, but the development is very rapid, and there is a need to up-date on government policies, projects by other donors, etc. The planned evaluation by UNICEF of its education programme early 1995 is an excellent opportunity for that.

In the future it seems important that SIDA adopts a more focussed approach in the sector than was the case recent years to avoid conflicting approaches but also to allow a greater influence. Before SIDA commits funds to UNICEF's educational programme, SIDA should demand a thorough review by UNICEF of the book-publishing with an action programme to correct the deficiencies. Book publishing might be a candidate to be taken over by a donor better equipped for that sort of development. An option might be privatization, whereby school books could be procured in a competitive system (including printing abroad).

3. Water and Sanitation

3.1 Sector background

It is estimated that only about 12 percent of the population in rural Cambodia has access to safe water, and 6 percent to sanitation. From this perspective Cambodia is at the statistical bottom layer among developing countries. Health indicators such as infant mortality rates, prevalence of waterborne diseases, etc might be seen as a another indicator of the poor conditions. Cambodia's IMR is one of the highest in the world, estimated at 117 per 1,000 live births.

The emergency period of the 1970s played its role to partly destroy existing wells and water resources (in an effort to create communal living, and more importantly, prevented

maintenance of systems due to lack of resources. However, Cambodia has prior to the period a low coverage of safe water and sanitation, partly reflecting that water (of different quality) is fairly readily available in Cambodia.

3.2 UNICEF's programme

UNICEF has been involved in provision of water in Cambodia since early 1980's. Initially the work concerned restoring urban water supply and supply in institutions such as hospitals, and schools. From mid-80s UNICEF has increasingly focussed upon rural water supply through provision of drilled village wells. The programme has expanded rapidly after 1989. Currently, UNICEF is constructing in the order of 2,000 wells per annum. Since the beginning of the programme, UNICEF has provided some 8,000 wells in an increasingly national programme, covering most of Cambodia's provinces. Theoretically, these wells (each well planned for 250 inhabitants) should serve some 2 million people, or a quarter of the rural population. UNICEF has dominated, and continue to dominate the scene in terms rural water supply. Besides UNICEF, there some 20 NGO's in the field. (UNICEF acts as a coordinator, and also sub-contracts work to some of them). Wells, drilled at an average 25 meters, are fitted with mechanical pumps of which a Vietnamese model is the most common and popular.

The programme is undertaken in cooperation with the Ministry of Health at central and provincial level. UNICEF has assisted in establishing a Central Water Base as the coordinating mechanism in the Ministry. A shift in counterpart organization is presently taking place. Water supply will be one of the mandates of the newly created Ministry of Rural Development.

Sanitation was added to UNICEF's programme in 1988 on a pilot scale. Not until 1992/93 has that programme expanded beyond the pilot stage. UNICEF has provided some 4,000 flush latrines in rural areas (in addition to school latrines). UNICEF only finances materials, while the construction has to be made by family labour.

3.3 Achievements

An external evaluation of UNICEF's water programme in 1992 described the performance as "impressive" considering the difficult conditions which the programme has been carried out. Also the World Bank, in its country review 1994, considered that the UNICEF programme (combined with NGO programmes) had "greatly improved services in rural areas during the past ten years..." (WB 1994). UNICEF's success-rate in terms of striking water and to get sufficient water in the wells is 80-90 percent, - a figure that is considered good. The rate of functional wells (pumps) is also considered high. UNICEF claims at least 80 percent, possibly 90 percent of the pumps are in use at one particular time, a figure not disputed by the evaluation 1992. Similar water supply programmes, such as OXFAM, have a lower degree of functioning wells. The success is attributed to UNICEF's focus upon maintenance through the counterpart organization, Ministry of Health. Cost of maintenance, provided by UNICEF, is estimated at 5-10 percent of the installation costs.

3.4 Impact

A major objective of UNICEF's involvement in water supply and sanitation is to improve health conditions, particularly for children. Safe water is considered one of the most effective means of reducing waterborne diseases, and thereby infant mortality rates. Provision of wells, however, seem not to have such an effect to any significant extent, at least not in the short term. Cultural habits in Cambodia tend to make people favour rain water for drinking purposes (collected in the rain season in jars, etc); also shallow, open wells and ponds are favoured for drinking purposes before drilled wells. Pump water is said to taste

of iron, and not being "sweet". It is unclear to what extent villagers associate health problems with the use of water sources with varying degree of safeness. In an evaluation of the UNICEF programme, health considerations were never mentioned as a consideration for choice of drinking water. Wells provided by UNICEF seem, according to surveys, to be preferred for washing, bathing and other uses, and as a last resort when other sources are unavailable in the dry season. A survey indicated that wells are used by 50-60 percent of the population in villages where they exist (UNICEF 1994). Surveys also indicate that the use of wells is increasing over time.

The problem of changing habits of taste is well-known to UNICEF. The organization argues that quantity of water is equal, or more important, than quality. Also, that the change process is slow, and that wells provide a demonstration effect.

In a village in Takeo province, the pump was located in the middle of the village and about 50 families were using the water. The distance to the furthest house was less than 100 meters. However, for drinking water they walked about 150 meters to a traditional well, which consisted of a sump in which two rings had been put to keep the water in. The water was very muddy. The women that were interviewed said they only used pump water for drinking if they were too lazy to go to the well. (IRC interview, 1992, p.30)

The sanitation programme, which still is at a limited level, was questioned by the 1992 evaluation report. The team did not consider sanitation as a key priority in rural areas (cultural habits, quite low density, etc.), and poorly maintained latrines could create a bigger health hazard than no latrines (ICR 1992). The present Mission would not be in a position to have a qualified view on this.

3.5 Issues

UNICEF's rural water supply scheme can be criticized for being too much supply driven. Little consideration has been placed on create "ownership" of the wells, as well as creating skills to maintain the pumps at village level. Often villagers are not aware that a well will be drilled until a few days in advance. There is a tendency that wells are placed on the village chiefs land, and there are even allegations that water might be charged for by those controlling the land. UNICEF indicates a willingness to have a more "process oriented" approach to water supply. Such an approach is more time consuming, more demanding in administrative resources, and hence in conflict with quantitative targets for sinking wells.

3.6 Cost-effectiveness

UNICEF's (drilled) wells are constructed at an average unit cost of about USD 1,300. (Including UNICEF's general overheads, the cost per well would be about USD 1,700). Taking into account that the success rate is about 80-90 percent, and 80-90 percent are functioning, the actual cost per functioning well is about USD 2,000. Compared to other similar countries, the cost of providing rural water is fair. UNICEF assumes a use by 250 persons, implying an investment cost per person of USD 8, and maintenance cost on a yearly basis of less than USD 1. To what extent the number of users in fact is 250 is not known, nor the level of use. Thus, the cost-effectiveness of the programme to provide water to individual households can not be judged. The cost-effectiveness in terms of reducing infant mortality rates seem to be low of reasons discussed above, at least in a short term perspective.

3.7 Summary of assessment

(This assessment is limited to water supply only)

CRITERIA	ASSESSMENT
Relevance 1. Cambodia's development needs 2. SIDA's development objectives	1. fair (water is in high demand in rural areas) 2. fair
Poverty focus	Fair – water a critical resource at village level; to what extent village power structure reduces impact in terms of reaching the poorest might be questioned (unofficial charges, site location, etc)
Goal attainment To reduce incidence of waterborne diseases; improve hygiene; improve living conditions for women and children	Health: questionable Hygiene: fair; Improve living conditions: fair
Sustainability 1. at household level 2. at institutional level	1. Fairly low: dependent on external maintenance, although UNICEF increasingly focussing upon local maintenance; 2. Low: programme entirely dependent on UNICEF finance.
Institutional capacity building	A fairly efficient counterpart structure was established. Effects of shift from Ministry of Health to the new Ministry of Rural development yet to be seen
Operational efficiency	Good – a programme with long experience: e.g UNICEF has established a technology for well drilling adapted to Cambodia; also experimented with different types of pumps
Cost effectiveness 1. To construct a well 2. To reduce infant mortality and morbidity	1. fair 2. Probably quite low as wells only partly used for drinking purposes

3.8 Lessons for emergency aid

UNICEF's efforts in water supply in the early 1980s were clearly emergency related, as the organization had to focus upon rehabilitating water supply in urban areas, institutions such as hospitals, schools, etc. UNICEF undertook work normally not within its mandate due to the special political circumstances at that time. Once UNICEF increasingly began to focus upon rural water supply and sanitation, the programme lost its relief profile and became increasingly a rather common programme of UNICEF carried out world wide. Possibly could it be argued that UNICEF's limited attention to a community participatory process reflects the emergency situation (for example the need to work under secure circumstances during daytime). However, the 'supply driven' character of the programme in the 1980's, and early 90's probably more reflects policies of the PRK government (tight control of

operations, and restricting agencies to work directly with communities), than an emergency situation as such.

3.9 Lessons for future assistance

Water supply is an area where UNICEF has considerable global experience, as well as a long standing experience in Cambodia, and the programme is likely to be a core activity of UNICEF also in the future. The programme needs to be made more effective by:

- a stronger community involvement through a process approach;
- the potential negative effects due to the power structure in the villages need to be addressed;
- the issue of health aspects need to be reviewed, possibly through a targeted health education approach.

UNICEF is likely to continue to play a lead organization also in the new aid scenario. Water might be a good candidate for a more extensive SIDA support, utilizing SIDA's considerable experience in the field.

4. Household Food Security

4.1 Sector background

Cambodian farmers grow vegetables and fruits in homestead gardens. The production, highly dependent on availability of water, is partly for home consumption, partly for sale. A survey by UNICEF in selected provinces indicated that the prevalence of home-gardens varies considerably between different parts of the country - from a low of 9 percent in Kompong Speu, to 65 percent in Prey Veng.¹⁾ Homegardens are rarely the main source of food or income, but a complement to other sources. Yet, a well maintained garden can provide an income equal to, or superior to that of rainfed rice field of common size.

Livestock (cattle, pigs and poultry) is common in the Cambodian peasant economy usually integrated with agriculture. (For example, the UNICEF survey mentioned above indicates that 70 percent of households raise chickens). The productivity of animal husbandry is low due to small scale operations, and inefficient or absent disease control. An estimated 30-40 percent of piglets die a month after weaning, and 80 percent of chicken in each year population (FAO 1994). In spite of this, small livestock provides an important element in the household economy, particularly in terms of providing cash. For example, pigs are generally reared for that purpose, and pig rearing might also be a quite profitable undertaking.

4.2 UNICEF's programme

UNICEF's FFP in Cambodia started in 1986 in response to a drought and a food crisis. Its objective was to improve the health and nutrition among children and mothers by assisting disadvantaged families to improve family food production in homestead gardens. The programme consisted of distribution of agricultural inputs (seeds, seedlings, etc) for that purpose. The programme shifted focus in early 1990's. It became less "supply driven" and, in UNICEF's words, took on more of "an integrated rural development approach".²⁾ The present programme has two sub-programmes: FFP for the household, and a (smaller) FFP for schools. Only the former is discussed here.

The FFP programme includes a package of inputs delivered free to selected households. The inputs are: (i) a set of simple agricultural tools (watering can, buckets, hoes, spade, axe,

¹⁾ UNICEF: Report on Food and Nutrition Surveys 1993 - 1994, Phnom Penh, 1994

etc); a 200 liter cement jar for storing water; (ii) distribution of seeds for vegetables and seedlings for fruit trees and fuel-wood trees; distribution of small livestock (four ducks and four chicken; occasionally a piglet and fish fingerlings of carp and tilapia), and (iii), as the most essential element, digging of a well or a pond for irrigation purposes. Households selected have to construct a fence to protect gardens, and establish a compost.

The package is supposed to be provided with agricultural extension and veterinary services from the government. The quality of that is in question, however, reflecting the Government's overall deficiencies in delivering services. The inputs are free of charge (except the well where labour should be supplied). The pond construction is financed by the WFP as food for work. The ponds, measuring 8x10x3 meters, are dug using family labour, paid at the rate of 500 kg of rice per pond.

Villages accepted under the FFP is determined after a survey conducted by the project involving the government counterpart and UNICEF. Households are then selected based on poverty criteria. (Except 25 percent which might act as "model FFP households"). The poverty focus is based on indicators such as single headed households, family size, land holding, income, etc.

4.3 Achievements

According to UNICEF data, some 60,000 households in 16 provinces had been supported in FFP from 1986 to 1993 and by the end of 1994 the number should have increased to over 80,000. Jointly with the WFP programme some 18,000 ponds had been constructed, and 3,000 shallow wells. Hence, the programme might theoretically have affected about half a million inhabitants, or 7-8 percent of Cambodia's rural population.

FFP has a reputation in Cambodia as a successful mini "rural development" programme. As such it has the patronage of high level government officials and the programme was at one time the most visible of all agricultural activities that was carried out in Cambodia.

UNICEF has over the years established an increasingly effective implementation mechanism for the FFP with clear learning within the programme. The internal UNICEF documents concerning FFP are unusually candid in addressing issues and problems. FFP has also established what appears to be an effective mechanism of 36 mobile supervisory teams.

4.4 Impact

The FFP programme was evaluated in 1992 by a team of external consultants employed by UNICEF.²⁾ The Evaluation concluded that the vegetable production had been most successful of the activities initiated; tree crops had a fairly high mortality rate, and a assessment was difficult to make due to the maturity aspect; fuel-wood trees had any significance only in some areas: the livestock component (chicken and ducks) had initially met with high mortality rates due to epidemic diseases, but a recent inclusion of veterinary service had reduced that. Questions remain, however, whether the Veterinary Service can maintain that support. Fish was the most controversial element, due to water capacity in ponds, supply of fingerlings, and the prevalence of predatory fish from overflowing rice fields in the rainy season.

²⁾ UNICEF: Family Food Production in Cambodia, undated

³⁾ H. Demaine, F. Lukey & D. Toole: "Assessment Report of the UNICEF Assisted Family Food Production Project", Phnom Penh, 1992

The assessment by the 1992 evaluation is summarized below:

PROGRAMME OBJECTIVE	ASSESSMENT BY 1992 EVALUATION
1. Impact on nutritional status	Objective overstated – FFP not alone able to create such impact
2. Impact on household food security	" project been rather successful in increasing household access to food".. through increased home consumption and increased cash to buy additional rice
3. Focus on vulnerable families	Generally good targeting on the poor, but 20-30 percent of the beneficiaries "too poor to participate" – families with food deficit over 2-3 months a year not approachable through FFP.
4. Creation of income generating opportunities	"The FFP has been effective in assisting beneficiaries to generate additional income.. especially those families already self sufficient, or near self-sufficient in rice... On the average most households can earn about USD 100 - 150 per season, some families, cultivating chilies etc up to D 800 per season.."
5. Institution capacity building	"One of the most impressive outputs of the project... On the job training key element to upgrade skills... short terms training and study tours highly appreciated and successful."

UNICEF undertook a nutrition survey in 1993-94 partly in response to the findings of the 1992 Evaluation. The survey seemed to confirm the conclusion that nutritional status is a much more complex question than the existence of a home garden. Thus, the intake of vegetables by the household seemed not to vary greatly between households with access to a garden and those without. In the latter case, vegetables were provided from the market (UNICEF 1994).

Field visits by the Mission confirm that in some cases a successful FFP garden can provide substantial benefits: examples of gross income in the order of USD 500 per season were noted. The prevalence of these success stories, however, is not known. Interviews with staff working on the FFP gives a slightly more pessimistic view of the performance of the FFP than the 1992 Evaluation mission's assessment. There seem to be a common view that the FFP works well in perhaps half of the supported households. Success is to a large extent related to the original human and economic resources of the beneficiaries. Thus, the Mission could confirm the conclusion that the FFP programme has different impact dependent on the initial poverty level. It is not a programme well adjusted to the least resourceful, nor to female households without an adult male (which might constitute about 10 percent of all households.⁴⁾ The higher degree of failure among the poorest households reflects their general vulnerability economically and socially. (For example, surplus crops, including

⁴⁾ Based on the results of the UNICEF's Nutrition Survey

seeds, have to be eaten or sold to cover emergencies; family members have to be away looking for wage labor or collecting food in forests to meet daily needs, thus neglecting maintenance of the garden, etc). There seems to be a marked difference in the war-torn Northwest and other areas visited. The former areas have a higher degree of uncertainty and risk, affecting people's lives both physically and psychologically, implying also a greater risk of (economic) failure in an undertaking such as a homestead garden.

4.5 Issues

The review of the FFP raises some issues:

1. FFP needs an internal monitoring system to assess impact and cost-effectiveness (requiring base-line surveys and follow up on sample basis, say one, two and three years after inputs are provided). Without such a monitoring system, no reliable judgement can be made of the effectiveness of interventions of this kind. (For example, what is the ratio of successes among the 80,000 supported households? What is the incremental production/income after a few years from the schemes? How many gardens are maintained after a few years; what is the survival rate of chicken and duck supplied, etc?)
2. The essential element of the FFP programme is provision of water resources. It is water for irrigation of homesteads, (and occasionally for fish farming), that has an impact on food production and household income. FFP has to a large extent been "free riding" on WFP's Food for Work programme which has been in charge of and financed pond digging. Thus, the cost of the food for work should be included in the assessment of FFP's impact. Furthermore, what are the consequences of an end to WFP's involvement?
3. The inputs provided under FFP, worth about USD 250 per household if a pond is included. (Adding UNICEF and Government overheads of about 50-60 percent the cost increases to nearly USD 400.⁵) This is a considerable grant in the context of a rural economy with a per capita income per annum of less than USD 200. The following questions arise:
 - given a failure rate of perhaps 50 percent, would the incremental benefits bear that investment cost, i.e. is the programme economically viable?
 - to what extent does this considerable grant element create division in a village context? Not all villagers are supplied with the inputs; some villagers, undoubtedly as poor, sometimes poorer, as some of the beneficiaries, are excluded;
 - does the programme have a possible dependency effect? (Would households, instead of undertaking investments of their own for household production, wait for "their turn" to be supported by FFP?) given the considerable "windfall profit" if one is selected.
4. While the incremental output in individual cases clearly can justify the FFP investment from an economic point of view, the issue of sustainability of a programme of this nature must be raised. Presently, the Government is funding a very small part of the programme. None of the costs for the inputs is provided by the Government, and in addition, a substantial share of the Government's recurrent cost for administration is refunded if UNICEF's contribution for per diem, travel costs, vehicles, etc are included. UNICEF estimates that at least 95 percent of the FFP is financed from external resources. Thus, FFP is certainly not a programme that the Government can

⁵) UNICEF: Family Food production in Cambodia, 1992

finance within a foreseeable future, and the tendency is that an increasingly larger share of the programme costs is taken over by UNICEF.

5. The FFP programme is intended to have a clear poverty focus. (Poverty alleviation is basically its *raison d'être*). Experience so far indicate, however, that perhaps as many as 30 percent of the lower end of the target scale can not in an efficient way absorb the support (the programme requires a minimum of human and economic resources to be useful). This should not necessarily be construed as a criticism of the programme, but rather as an observation of the often insurmountable difficulties of addressing the problems of the "poorest of the poor."
6. The FFP is implemented with a dual counterpart arrangement: in some provinces the Ministry of Agriculture and in others the Secretariat of Women's Affairs. Efforts to create joint implementation has been rather fruitless. As a result FFP has developed a cumbersome counterpart structure, involving officials at central level, provincial level and district level. These officials are provided with various incentives under the project such as per diem, travel costs, etc, adding to the problem of sustainability, dependency, and also cost-effectiveness. The FFP is plagued by the general problem of a government structure both in transition and in budgetary crisis. To what extent the positive 1992 evaluation concerning FFP's institutional strengthening, will be a long term capacity building effect is yet to be seen, and to a large extent beyond the control of UNICEF.

4.6 Summary of assessment

CRITERIA	ASSESSMENT
Relevance	1. Highly relevant (to enhance household income in rural areas)
1. For Cambodia's development	2. Well in line with SIDA's poverty focus and economic objectives
2. For SIDA's development objectives	
Goal attainment	To some extent, but probably well below stated objectives
"To improve household food security"	
Sustainability	1. Fair??? (No data available)
1. At household level	2. Low (95 percent externally funded with no mechanisms to establish cost-recovery etc)
2. At institutional level	
Institutional capacity building	Fair. Considerable efforts in strengthening cooperating institutions, but frequent shifts of personnel, as well as unclear command of the programme in Government
Cost effectiveness	Unknown – good in individual cases, but overall cost-effectiveness totally unknown
Poverty focus	Good, but below stated objectives
Operational efficiency	UNICEF seems to have a good management system in place, with considerable in built learning and programme development capacity

4.7 Lessons for emergency aid

Although FFP was initiated in response to an expected food crisis after a drought in 1986, the programme has little resemblance of "emergency aid." It is labour intensive and thus slow in expansion with limited short term effects in terms of enhancing food production; it requires a stable household situation and is not really geared to emergency situations. Furthermore, the input supply needs to be combined with technical assistance which requires somewhat well functioning government apparatus. The only qualification might be the Food for Work component which provided a large scale public work programmes against food rations. On the other hand, WFP considers that type of intervention more as developmental, than as an emergency operation.

UNICEF argues that one objective of the FFP is to reestablish the old culture of ponds and home gardening prevalent in Cambodia prior to the emergency situation of the 1970s, but destroyed as a result of the turmoil during that decade. The programme would act as a "demonstration" of these vanished traditions. In the view of the Mission, it is unlikely that such a tradition would have been eradicated to the extent that a change agent like UNICEF is needed to demonstrate them. The Mission saw in fact little demonstration effects from the programme. Rather, resource constraints (possibly combined with intuitive cost-benefit and risk analysis by the households) seem to be the main reason for villagers not to undertake household irrigation work on a broader scale by themselves.

In summary, FFP must be considered a developmental programme with little bearing on rehabilitation and reconstruction, and should be judged as such. That does not take away its merit as a potentially effective means to enhance incomes and food production among poor rural households.

4.8 Recommendations for future programme

FFP is clearly a "rural development" programme which both has established itself in Cambodia, and made some impact in the country. FFP has over the years built up ample experience, as well as what appears to be an efficient management system. Nevertheless, the programme might be considerably strengthened through:

- (i) introduction of an internal monitoring system (such as on a sample basis establish baseline before intervention, and regular monitoring of effects;
- (ii) streamlined counterpart organizational arrangements placing the programme squarely in terms of ownership in one Government structure (possibly combined with agriculture extension services), while at the same time reduce the common practice of providing various benefits to government for their often passive participation;
- (iii) introduction of some kind of cost-sharing arrangements, or revolving loan scheme for the inputs to reduce the in-built segregation character of the scheme, as well as make it more sustainable. UNICEF is already to some extent addressing these issues: the concept of pig banks is an example of cost recovery; another idea is integration with the WID loan scheme. UNICEF is also considering reducing the inputs provided free of charge: no water jar, less tools, livestock only as a bank operation, in order to address some of the issues raised above.
- (iv) making FFP more targeted as to fit the households with best opportunities to avail themselves of the programme. At the same time, a different type of intervention to solve the poverty of those falling outside would be needed;

5. Women in Development

5.1 Background

UNICEF's Women in Development programme (WID) comprises two sub-programmes: a loan scheme, and a non-formal education programme (post) literacy training for women. In addition, WID has on an experimental basis carried out child care services, as well as rice and cow banks. The loan scheme, absorbing most financial resources, is the focus of this review.

5.2 UNICEF's loan scheme

UNICEF started in 1988 a scheme to provide credit to rural households based on the Grameen bank concept. The objective of the scheme was to enhance income generating activities for women. The scheme, first run on a pilot basis, has expanded considerably recent years, and UNICEF now has a target to provide additional loans in the order of 5,000 - 7,000 per year. The loans, which have a ceiling of USD 100 with maximum of one year repayment should be guaranteed by 5 persons. The interest rate is flexible and is determined by the project. When the scheme started, no interest rate was charged, or only a nominal rate when inflation was running at a rate of 200 percent annually, leading to rapid loss of funds. The rates are now being set to reflect the cost of money (inflation), and to cover some of the administrative costs. Presently, the rate is 3 percent a month, (i.e. a positive rate when inflation is at the order of 1 percent.)

The scheme, which in the past was operated through the Women's Association of Cambodia, is now under the Secretary of Women's Affairs, a newly created structure which has representation at the central, provincial and district level, and has taken over much of the staff from the Women's Association. The Village Development Committee – a village based structure – is the focal point of the scheme and should manage the funds, administration of repayments, and accounting.

The WID scheme is supposedly based on the Grameen bank concept (like most other schemes of similar nature in Cambodia), but deviates in implementation and also in basic philosophy to a large extent from that. The staff working with the scheme seems in fact to have only a vague notion of the Grameen bank concept.

5.3 The context

WID loan scheme operates in a society where no formal banking system exists. Except banks in the major cities, the economy is cash based. Credits available to the peasants are small short term loans from relatives, friends and money lenders - the latter charging interest rates up to 20 percent per month. The traditional in-deptness linkage to buyers of crops and suppliers of inputs, common for peasant economies, is likely to be prevalent also in Cambodia, although this issue was not explored by the Mission. Indebtedness is common, according to surveys. There are some experimental loan schemes run by a dozen NGO's, most notably the French GRET, (which UNICEF also funds), but none is attempting a national coverage. Thus, the WID scheme is pioneering in its size and attempt to a broad coverage. Yet, the combined rural credit schemes have a lending volume of less than USD 1 million and affect perhaps 1 percent of the rural population in Cambodia.

Recently a considerable interest to expand the small scale rural credit schemes in Cambodia has been shown by several (new) donors. Thus, Caisse Francaise is introducing a USD 5 million project to supply funds for various existing schemes, as well as build a central monitoring and policy unit within government. EU is preparing a major USD 20 million scheme for similar credits, and other donors are exploring similar kinds of small scale loan schemes. UNICEF's position as a lead agency in the area is likely to be broken soon.

5.4 Achievements

In 1990-93 the WID scheme provided loans to some 10,000 women in 17 provinces. The target for 1994 is another 7,000 loans. Loans are on the average USD 50. Thus, in spite of the large number of loan-takers, the annual total volume of lending is small: or about USD 150,000 - 200,000 for the last years. The loans are used for a variety of "micro enterprises" such as vegetable growing, animal raising, small scale trade, handicraft, village production, etc.

The repayment in the scheme is so far, according to UNICEF, very good - on a national level 96 percent over the past 6 years. (In an international comparison, this repayment rate ranks very high). The collective responsibility, and possibly also the authoritarian legacy of Cambodia, acts as a strong disincentive to default, probably independent of the performance of the activities the loan is used for. The scheme is also rather conservative in focus, preferring loans to people already involved in some type of micro enterprises and with some means of production, thus avoiding the poorest segment of the population. This is in line with UNICEF strategy to utilize the FFP for the poorest segment, and WID loans to a slightly better off segment. (This should not be seen as a discredit to the scheme: Cambodia continues to be one of the poorest countries in the world; income distribution in rural areas appears to be fairly even, reflecting the fact that Cambodia's rural economy during the 1970s and 80s went through a strong socialist reform process).

5.5 Impact

The WID loan scheme has not been assessed by any external evaluation so far. In 1992 a study was commissioned by UNICEF to review rural credit and suggest the approach the scheme should take. The study reiterated the need for rural credit, and that the need was very marginally addressed. The study also noted the Grameen bank as the underlying foundation, and the need for such schemes to keep outside Government structures. A "sector review" of rural credit schemes has recently been carried out by Caisse Francaise for CDC, but was unfortunately not available to the Mission. The review indicated, however, both the limited extent of credit available in rural areas, and also the very high administrative costs for the loan schemes in operation.

While UNICEF, and Government, have good records of the loan scheme, details of loan-takers, credits used, repayments etc, UNICEF has so far not attempted to systematically assess the impact of loans in terms of the objectives of the scheme: to enhance women incomes. No baseline data is available which would allow such an assessment. An judgement of the ultimate impact on "enhancing income" must therefore be based on highly impressionistic views by the Mission, based on a very limited sample of loan takers visited in two provinces, and discussions with officials in Government and UNICEF involved in the scheme.

The demand for small credit, even when interest rates are positive, and the very high rate of repayment so far, indicate that the WID scheme is filling a significant rural need. This is reflected, for example, by the fact that in a village visited by the Mission 57 out of 59 households had availed themselves of the credit - see box below. Assessment of to what extent the small loans under WID actually stimulate business growth, and hence improve income, is difficult to make due to lack of records for that type of information. Field visits by the mission seem to indicate that the WID loans often are used for working capital in already on-going micro businesses. At least in some cases reviewed, the size of the loan and their use, tend to indicate that the credits often might be used to meet household needs, (with an existing micro business as a means to secure the loans), rather than as an investment to expand or improve a business operation. Given a rural economy for which survival is a manifest threat due to various external disturbances (the civil war, droughts, floods, poverty, etc), the distinction between business and household economy is very fluid.

5.6 Some issues

Credit for women? The Mission's impression is that WID loan scheme – contrary to its name and stated objective – is not an exclusive "women's affair", but the woman of the household often is used as the formal loan taker while the business is a more mutual affair and the husband/sons play essential roles, not the least in the economic aspects of the business. (This is not said to discredit the scheme, but reflecting the conditions in rural areas). Thus, the formal justification of the scheme is to some extent artificial, more reflecting UNICEF's mandate, than rural credit needs or how the peasant economy functions in Cambodia.

Administrative costs. A common issue in small scale rural credit schemes is the administrative cost of the loans. A small loan tend to cost as much, or sometimes several times more, to administer than the actual loan amount. Hence the schemes can not be sustainable, unless they are heavily subsidized. This is likely also the case of the schemes operating in Cambodia, as well as for the WID scheme. (UNICEF conceded that the administrative costs are high but has not provided any data to quantify this). The most disturbing aspect is the costs associated with Government involvement, all paid for by the programme. Thus, counterpart departments have been provided with vehicles (one each per province, as well as for the head office); the project pays for the fuel, maintenance, per diem for officials involved, etc. To that should be added UNICEF's own administrative costs for the management of the scheme. The present interest rate of 3 percent per month is not intended to cover these costs, and the scheme therefore, is highly subsidized, and not at all sustainable on its own – contrary to UNICEF's statement in various reports. While UNICEF admits the high administrative costs, the organization sees them as an initial stage "and it is hoped that these costs will greatly diminish when the government has more resources." (UNICEF Master Plan of Operations 1992-1995). Whatever the Government's ability to finance the administration in the future, the issue remains: the scheme not sustainable of its own, and the basis for judgement of its merit must be to what extent the incremental benefits in terms of improved rural incomes can justify these administrative costs.

Missing the Grameen bank concept. The WID scheme has missed the most crucial aspect of the Grameen Bank concept, namely building independent village based credit and saving groups. The Mission's field visits indicate that the concept of the village group as a guarantor is not applied: loan takers interviewed did not know the guarantors of their loans, and at least in some cases these turned out to be the District office that had chosen the village (and household) in the first place. The WID programme has therefore several forms of linkages to the Government through the Secretariat of Women's Affairs. It involves officials at different levels of the Secretariat, (with the management still clearly in UNICEF's control). Field impressions indicate that these officials more play the role of office bearers, than active function as active "bankers" with a clear understanding of the issues involved in rural banking. The idea of "social mobilization" through change agents often used in connections with credit schemes of this nature seems absent in Cambodia. Rather, the scheme fits more into a traditional hierarchal government structure, reflecting both the socialist and the post-colonial structure.

There is a considerable risk that the interest of the Government prevails as long as there is payment of the administrative costs – a cost that has little bearing of the scheme as such. Should the scheme be handed over to the administration, the Government would either have to cover the administration through its own budget, or the interest rates to cover the costs would soon make it unviable, (to judge from similar schemes in other parts of the world). In this perspective the WID scheme has not used the lessons from schemes like Grameen Bank.

Sustainability of rural enterprises? A problem common to many rural credit schemes focussing upon small, often traditional rural enterprises, is the question of sustainability and growth potential of such enterprises. Support of these type of micro enterprises, has

the in-built risks of easily saturated (local) markets (often with products threatened by modern, more appealing features. There is the tendency of strong copying among rural producers, leading to diminishing returns for the producers. There is, at the same time, often a total dependency on a local businessman as the link to the market. The problem of upgrading the micro enterprises is common in other similar schemes, and no simple solutions are at hand. Preferably, a scheme of this nature should be linked to some kind of entrepreneurial training effort, including appropriate technology approach, as well as social mobilization efforts, in order to create a more dynamic environment for these loans. There are an abundance of experiments of this kind world wide, that Cambodia could benefit from.

5.8 Summary of assessment

CRITERIA	ASSESSMENT
Relevance 1. Cambodia's development 2. SIDA's objectives	1. Clear need to establish formal credit systems in rural areas 2. fair
Poverty focus	Fair – intention is not to reach the ultimate poorest, but rural households with some means of production in order to avoid increased indeptness
Goal attainment (to raise women's income)	Unclear to what extent the loans in fact are used for upgrading businesses; however the need for rural credit is high
Sustainability 1. at household level 2. at intistitutional level	1. Good – repayment is very high; 2. Low – administrative costs far beyond with scheme can carry without major subsidies. Government not in a position to carry such subsidies
Institutional capacity building	Low – if a Grameen bank concept is sought
Operational efficiency	Good, and highly motivated management by UNICEF
Cost effectiveness	Low considering administrative costs of loans, and possibility that loans often are used to provide working capital in on-going static businesses

5.9 Lessons for emergency aid

There is little evidence that the loan scheme has any bearing on emergency aid to Cambodia, nor on rehabilitation and reconstruction. It is a scheme addressing problems common in poor rural economies where peasant generally are left outside the formal credit institutions, and need to rely on informal credits through money lenders and interdependency relationships with buyers of farm produce. The scheme in Cambodia is not different in approach than schemes applied in any other poor country.

5.10 Conclusions for future programme

The WID loan scheme fills an obvious need in the rural economy of Cambodia. With its present orientation, however, there is a considerable risk that it will become unsustainable through a combination of:

- (i) high administrative costs;
- (ii) too strong linkage to a government structure (with a large share of the "benefits" accruing to government officials at different levels of the hierarchy, but not adding value in the scheme);
- (iii) poor adherence to the idea of establishing a grass root organizations for administration and guaranteeing loans.

Thus, the scheme would need a major reform, utilizing the experience world wide now of small business rural credit of which Grameen bank is one source of inspiration, but far from the only one. (Indonesia and Sri Lanka are two examples of countries with considerable success in this context.) Preferably, a scheme of this nature also needs to be linked to some kind of technical advisory programme on entrepreneurship training, introduction of technology upgrading, etc.

The need for rural credit is likely to be filled (and possibly over saturated) in the next few years by several large scale schemes. UNICEF might need to review if this is an area the organization should be in, given the changing circumstances.

WID loans for Palm sugar manufacturing in Kompong Speu

In the Trapeang Chuon village in Kampong Speu province 55 of 57 households have taken loans under the WID scheme. The loans are for various purposes but most of them (37) are for palm sugar manufacturing. It is a village production of long tradition. The palms are tapped for its juice, the juice is boiled on primitive wood fired kilns together with pieces of "popel" wood for seasoning, and the result is a solid, good tasting sugar. Reun is one of the loan takers. She is about 50, have seven children and a husband who is a carpenter. The family owns 0,7 ha paddy land with 30 palms. Her husband, or grown children, tap the palms (by climbing to the top on special "ladders" fixed to the palms). Reun says a palm yields about 50 kilo of sugar per year, the juice that will yield a kilo takes about three hour to collect and tap besides the cooking. She "rents" another 10 trees from other villagers by paying 5 kilo of sugar per tree. She, like everyone else in the village, sells the sugar to a local businessman who comes to the village and buys the sugar. He pays, dependent on the season and the quality of the sugar, Rl. 500 - 1,000 (USD 0,2-0,4) per kilo. The sugar is then sold at the market about 10 kilometer from the village for Rl 1,200-1,500. Reun, who produces about 1 ton of sugar per year, have an gross income of about Rl. 750,000 (USD 300) from her business. The manufacturing uses a lot of firewood which is becoming scarce. She has to pay for it nowadays, which takes away about 20 percent of her income. She also has to pay Rl. 40,000 for the popel wood. She used the loan (USD 40) for working capital (to buy popel wood for seasoning, new strings for the canisters used for taping, etc. She has to pay 3 percent per month and repay the loan over 10 months. The alternative to a loan from WID is the local money lender. He charges 7-8 percent a month, (some claim 20 percent) but he will not extend loans over Rl 25,000 (USD 10). Reun can also borrow from him at no interest rate, but then she has to sell the sugar for half price. Most common when money is needed, though, is to borrow money from relatives. Then she would not pay interest rate, but the amounts would not big large, probably not exceed Rl. 25,000. It is not common to borrow to improve business. One borrows when there is an urgent need. There are no banks or other loan scheme in the province. The WID loan is thus an opportunity the villagers avail themselves of. When asked why no one is not beginning a trade of palm sugar taking the production to the market themselves to cut the middleman's profit, she says that we are to busy

making sugar. But the price is not better at the market, someone else intervenes. The businessman is not paying more for he wants to control the business.

So how is the business going to look like in the future?

It will be fewer families producing, says Reun. Some years back there were 50 producers, now 37. It is too much work. It is more and more difficult to get fire wood also. But she will stay in business.

Did she really need the money for her business?

She smiles, but doesn't answer.

Has she heard of kilns that could use less firewood?

No.

The woman in charge of the loan scheme has heard about it though – some NGO in Cambodia has apparently such a kiln. But the idea has not yet reached Trapaing Chuon.

Annex F:

SIDA SUPPORT VIA THE ASIAN DEVELOPMENT BANK

Background

The Asian Development Bank (ADB) has played an active role in Cambodia after the Paris Peace Accord in October 1991. A Technical Assistance (TA) project for Macro Economic Planning was initiated with UNDP financing in 1992, and in November the same year the Board of ADB approved a first loan - a four-sector project in energy, transportation, agriculture and education. The USD 67.7 million loan had two grant Technical Assistance Components, one of USD 3.2 million to be financed by SIDA, and one of USD 4.6 million to be financed by Japan. Implementation of the three year project commenced mid 1993.

ADB is in the process of building up a pipeline of investment projects and technical assistance projects with an indicative lending target of USD 60-75 million annually and grant financed technical assistance projects in the order of USD 8 million per annum the coming years. 1994¹ and 95's pipelines contain projects in power, infrastructure (roads, airport, urban water supply and sanitation), and social infrastructure (primary health and primary education).¹⁾

Several ADB technical assistance projects are under implementation. Besides the project for Macro-economic Strengthening (financed by UNDP), three TA projects financed by SIDA and a series of TAs related to ADB's first loan, as described below. SIDA is so far ADB's most important donor for grant financed technical assistance projects in Cambodia, followed by Japan and UNDP.

SIDA's cooperation with ADB

SIDA committed SEK 43 million for the budget year 1992/93 in support of ADB technical assistance projects, (nearly half of the SIDA budget for Cambodia that year) after a commitment at the donors' Tokyo conference in 1992. These projects are:

- (i) A Technical Assistance component of USD 3.2 million, with three different elements, piggy-backed to ADB's first (new) loan to Cambodia, the Special Rehabilitation Assistance Loan (SRAL);
- (ii) An "Emergency Training of Teachers" Technical Assistance project of USD 1.3 million;
- (iii) A Transport Rehabilitation Study, co-financed with UNDP USD 0.7 million)
- (iv) Technical Assistance for "Improving Energy Development Supply Capability."

¹⁾ ADB lending envisaged for 1994/95 comprises Power (USD 30 million), Rural Infrastructure (USD 20 million), and Basic Skills Rehabilitation (USD 20 million), Agriculture (USD 20 million); Airport improvement (USD 15 million); Roads (USD 10 million); Urban Water Supply and Sanitation (USD 15 million), Basic Education (USD 20 million) and Basic Health Services (USD 10 million). (ADB Aide Memoire - Country programming cum Strategy Mission, Oct. 1994)

The two first of these are further discussed below. The Transport Study, undertaken by Swedish consultants, has just been completed in draft. The Energy supply study is yet to be awarded to consultants.

Technical Assistance to the SRAL

The Special Rehabilitation Assistance Loan (SRAL)²⁾ to Cambodia is a four-sector project, of totally USD 67,7 million to be implemented over three years, focussing upon power supply (rehabilitation of Phnom Penh power supply and distribution system), transportation (rehabilitation of roads, bridges, railways, ferries, and ports); agriculture (irrigation system repair, flood control schemes and supply of 18,000 tons of fertilizers), and education (rehabilitation of Phnom Penh university, teacher training colleges and secondary schools).³⁾ The loan was divided as follows:

	USD million
Power	18.2
Transportation	32.3
Agriculture	10.0
Education	7.2

The SIDA contribution (USD 3,2 million) was to support three technical assistance components of the project, namely:

- (i) advisory service to a Project Management Central Unit (PMCU) attached to the Ministry of Planning for the overall project implementation (24 man-months of consultant services, plus logistics support totalling USD 1 million)
- (ii) advisory service to the power component (48 man-months of consultants with associated costs, totally (USD 1,3 million)
- (iii) advisory service to the education component (48 man months of consultants and associated costs, totally USD 0,9 million)

Japan financed under similar conditions technical assistance for the agricultural and transportation components (USD 4,2 million).

Implementation. The three TA components financed by SIDA were subject to international bidding in accordance with ADB procedures, except the PMCU advisory service, for which recruitment of consultants was done on an individual basis. The advisory teams are attached to Project Implementation Units in the relevant line ministries, and have teams of local counterpart staff (with salary increments financed under the loan). The PMCU advisors are both retired ADB staff; the power component was contracted to a Japanese firm, Nippon Nkoy, and the education TA component to a an Australian firm; in the latter case, however, individual consultants were recruited by ADB due to implementation problems within the firm awarded the contract.

The project, which is expected to be completed by the end of 1995, is likely to be delayed at least half a year with the transport and the education sectors as the slow components in implementation. ADB is likely to request an extension of at least some of the advisors, and for that purpose probably seek additional TA funds. Further technical assistance is, according to involved consultants, needed both from the point of monitoring, control, quality of work, and not to delay implementation further.

²⁾ The loan is on soft terms, 1 percent annual fee and 40 years of repayment, including a 10 years' grace period.

³⁾ ADB: Proposed Loan and Technical Assistance Special Rehabilitation Assistance Project (Cambodia), November 1992

Assessment. While the Mission has not attempted to evaluate the performance of the ADB project, a number of issues can be raised concerning the design of the project and the implementation procedures. The discussion is limited to the education component.

A review of the education sector in Cambodia undertaken by ADB, also funded by SIDA (further discussed below), has highlighted a number of critical issues of relevance to the education element of the ADB project.

First, there is according to the review a serious imbalance of allocation of aid and government resources towards higher education at the expense of basic education. cursory field visits by the Mission would support that view: while secondary facilities seem to be in fairly good condition, primary education facilities are appalling, classes extremely crowded and schools of exceedingly low standard. The ADB sector review mission strongly urged the Government and the donor community to rectify this imbalance (where primary education is allocated below 30 percent of total resources for the education sector). The ADB loan is in its design, (without considering its merit *per se*), obviously in conflict with the ADB sector assessment from this point of view.

Second, the ADB sector review identifies construction of premises as an investment often with low return in terms of enhancing quality or quantity of education. Instead, the review urges Government to try to increase utilization of existing facilities through better use of premises, minor rehabilitation work, etc. (This is already to a large extent done in primary education, but less in higher education). Given Cambodia's serious resource constraints, infrastructural investments in education should be given a lower priority according to the review. The ADB loan seems also on this point to be in conflict with ADB's sector assessment.

Third, the investment per school (or classroom) under the ADB loan is considerably higher than what has become the norm in UNICEF, CARERE and NGO-financed rehabilitation projects (USD 6,000-7,000 as compared to USD 2,000-2,500 per class room). This is partly due to higher standards under the ADB loan, partly due to concerned efforts in NGO, CARERE and UNICEF projects to mobilize community involvement in constructions (paying on the average of 25 percent of the construction cost). A question must also be raised on the balance of expenditures for that component - the expatriate advisers (with the function to design and control constructions), account to more than 10 percent of the total cost of the component. It is noteworthy that the World Bank is trying to adopt the NGO/UNICEF concept in its first loan to Cambodia.

Fourth, the ADB Education Sector Review points at a number of constraints in the educational sector related to management problems, the quality of teacher training, quality of teachers, undeveloped curricula, shortage of, and disappearance of textbooks, etc, urging Government and donors to focus upon a comprehensive approach to upgrade the system emphasizing "soft ware aspects". The ADB loan, not unlike many other ADB projects, is providing only infrastructure (although there is an USD 1 million allocation for printing paper for textbooks), and is also on this account in conflict with the ADB sector assessment. The ADB project pays no attention to the operational and maintenance aspects. The technical assistance component is geared to the construction aspects only, i.e. developing designs, methods for local tendering, and supervision of contractors. While the technical assistance is making an effort to build a capacity in the Ministry of Education Construction department to issue and supervise tenders, to enhance quality in construction design, etc, the broader aspects of maintenance, ownership, etc is not addressed. In fact, the technical assistance team has to walk a tightrope to avoid criticism from the bank of slow disbursement while not short-cutting minimal capacity building.

Conclusion. The SIDA technical assistance component to the ADB project is supporting a traditional type of ADB operation which the Bank, according to its own statements, is trying to move away from. It contains a large element of urban oriented investments

(power, and higher education), directly benefitting higher income groups with marginal, if any relevance for SIDA, or, for that matter, ADB's recent poverty focus. (For example, according to ADB's education sector review there is an informal fee to university in Cambodia of USD 2,000 to USD 7,000). It is a project which by its design is aimed for quick disbursements, providing infrastructure with limited, if any, attention provided to the maintenance, management and operation of the assets to be created. It is a top-down type of project with technical assistance provided basically to allow for smooth implementation and adherence to ADB procedures. Capacity building in local institutions is of secondary consideration, if at all addressed. Furthermore, as discussed above, the education component turned out to be designed in a way that was in conflict with many of the key recommendations in ADB's own educational sector review. (It should be noted that the review came after the loan).

In retrospect, questions must be raised concerning the SIDA allocation in terms of SIDA's general objectives for aid, the likely effectiveness of the project the assistance was attached to, and whether the assistance was a cost-effective means of Swedish resource allocation. Given ADB's strong push to establish lending operations in Cambodia, ADB could be assumed to have alternative sources of financing, i.e. the SIDA funding was most likely of little importance for the project to be carried out or not. As SIDA provided unconditional financing, (SIDA had no influence on the design of the project, nor on the terms of reference for the technical assistance components), no justification from the point of view of enhanced quality can be put forward. Neither is there a linkage between further potential SIDA involvement and the components that could be a justification to use ADB as a channel.

Emergency Training of Teachers

The Technical Assistance project with a project cost of USD 1.3 million, fully financed by SIDA, was approved by the ADB Board in May 1993. It had the dual objective to provide emergency training of teachers, and to undertake a sector review of the education sector. Most of the TA was allocated to a Education Sector Review for Cambodia, and the contract was awarded to an Australian consultant firm. The review was undertaken during the first half of 1994, and a draft report was issued mid-1994. There were various problems with the implementation of the Technical Assistance. Firstly, the focus of the TA was shifted from Emergency Training of Teachers towards the sector review, to the extent that little training in fact was carried out. Secondly, the Australian company that won the bid soon developed serious management problems in implementing the project. The project coordinator left prior to the completion of the work. ADB had to recruit additional consultants in order for the review to be completed.

The Education Sector Review - a report in four volumes - is nevertheless considered by professionals in Cambodia as a high quality output, and as such welcomed as a first general assessment of the sector. In particular, the report has a strong element in assessing resource allocations and the financial structure of the educational sector. It a first effort to put together a complete sector review, following a similar exercise by UNESCO earlier 1994, and more limited, project related, assessments by UNICEF over the last few years.

After the review was issued in mid-1994, ADB pursued the conclusions of the report through an (ADB financed) preparatory assistance of a Basic Education project using one of the consultants that participated in the previous sector review. The consultants have initiated a number of workshops on various aspects of the sector which is intended to lead to a Round-table discussion between Government and the donor community in mid-December 1994.

The Education Sector Review and ADB's further handling of it has led to considerable controversy in Cambodia. Firstly, while the report claims strong involvement by the

Government in the discussion of the first draft of the report and the policy recommendations, the report seems nevertheless to have been pushed through with very little time for the Ministry of review and absorb the recommendations.

Secondly, the report was widely circulated, and as such opened a debate on the sector, which was not received positively by the Ministry. Aid organizations involved in the sector, however, claim this has led to a healthy debate.

Thirdly, the process by which the ADB consultants have pursued the issues and recommendations in the report has created considerable concern within the donor community, and have also caused what appears to be a back-lash in the Government. The Ministry of Education which during recent years had embarked on a fairly major reform process, seems recently to have reverted back to a more conservative stand, partly due to a change in leadership, but also as an explicit policy. Expatriate advisers with close connection to the Ministry perceive a situation where too much, and to sometimes conflicting, donor pressure on the Ministry for change and reform has lead to a reaction by which the Government is likely to take a much more conservative stand, and be less open to reform. The sector review, and more importantly the activities to pursue the policy recommendations of the review, have also to a large extent divided the donor community with a clear split between UNICEF (supported by many NGOs) on the one hand, and ADB on the other.

The controversy is a reflection of two broader issues that have emerged in the education sector (and also in other sectors) in Cambodia, one related to donors' "territorial claims", one of difference in conceptualization of aid, namely:

- increasingly strong positioning of donors, often with different agendas, pressuring a generally quite weak Ministry plagued by its own internal conflicts emanating from the particular Government set up in Cambodia with a coalition of two major political parties. The conflict in the donor community is to a large extent caused by the appearance of major aid players within a short period of time. This issue, of general concern, is discussed more in detail in the main report.
- there is an emerging conflict between the concept of fast disbursing donor driven projects, generally of a "blue print model", and more slow, capacity building projects of a "process type"; the former type of projects, as represented by ADB, are likely to have the upper hand in Cambodia of several reasons: the Government is still unused to an onset of donors; there is an urge for rapid resource mobilization as a means of bridging the budget deficit, and there is, not to be dismissed in a country such as Cambodia, the much greater opportunities for rent-seeking in the former type of projects.

The education sector is rapidly attracting major donor support. ADB is planning two loans for the next few years for primary education. USAID is intending a USD 20 million grant for teachers training, to some extent built upon UNICEF's work; EU is planning a major project for primary education, and UNICEF continues to be a major player in the sector, largely financed by SIDA. The World Bank, which already finances an education component under its first credit (construction of primary schools), seems on the other hand to have taken a lower profile, and appears to consider concentrating on secondary and tertiary education, leaving the more "crowded" primary education to ADB as a lead agency. The Round-table conference in December is likely to clear some of the issues and the division of roles between the donors.

By financing a UNICEF programme and two ADB technical assistance projects, as well as contributing to CARERE which is also undertaking school construction, SIDA has unintentionally supported several different, and to a large extent conflicting, approaches to educational development in Cambodia.

Annex G:

A CONTRIBUTION TO THE DISCUSSION OF SIDA EMERGENCY AID POLICIES

The Political Environment of Emergency Aid to Cambodia and the Development of Aid Markets

The evaluation of the Swedish emergency aid to Cambodia 1989-94 has attempted to answer what has been the impact of the aid provided and how effective it has been in addressing the emergency and rehabilitation needs of Cambodia. As noted in Chapter 7, no simple answer can be given to that question. The Swedish aid over time has become increasingly complex, to the extent that it would be next to impossible to assess accurately all aspects of its impact. Not only has the aid been channelled through a dozen different implementing agencies, but some of these channels – such as UNICEF – is operating a complex set of sub-programmes, each one attempting to accomplish social changes. Bearing the complexity in mind, the Swedish aid comprises both what appears to be quite effective and well conceived programmes where Swedish aid has played an essential role (e.g. parts of the UNICEF programme, WFP's Food for Work), to inputs that are questionable as to their effectiveness (e.g. FAO's fertilizer programme) or whether the Swedish aid had any significance at all for the programme to be carried out (e.g. ADB's first credit). Trying to form a consolidated judgement, the overall assessment must be a fairly positive one: the picture dominates of aid programmes that are quite well implemented, and addressing in many different ways essential needs. The cost-effectiveness, however, is a different matter. The overall impression is that the achievements often have carried a high price tag, reflecting what appears to be over-financing of some activities, in combination with complex problems addressed (e.g. small-scale rural credit, demining, refugee repatriation) under a high degree of uncertainty.

This section of the report will be devoted to the second broad objective of the evaluation: what lessons could be learnt from the Cambodian case for Swedish emergency aid in general. The Cambodian study is the last in a series of three evaluations of Swedish emergency assistance, the first two concerning Southern Africa and the African horn. Together they will hopefully provide essential inputs into SIDA policies.

In addressing this broader question the Swedish aid to Cambodia must be seen both in a longer term (than 1989-94) and in a broader perspective. Swedish aid to Cambodia reflects to a large extent the policies and direction of the Western international aid from the fall of the Khmer Rouge in 1978/79 until today.

The enigma of the Cambodian crisis

Cambodia has been called the most tormented nation in the world in modern times. Its crisis was man-made, caused by a complex political process involving international,

– the by far largest emergency rescue operations in the history of aid at that time. Sweden played an active role in that operation. That international aid flow was drastically cut in 1982, not primarily as a result of needs fulfilled or problems solved, but due to political reasons. Curtailment of aid to Cambodia and its Vietnamese backed regime became an element in the US inspired political and economic boycott of Vietnam. The Western aid flow was replaced by a considerable transfer of financial and technical assistance from Socialist governments, notably from the Soviet Union. The period 1982-89 constitutes a second phase, characterized by the Western boycott. At the collapse of the Soviet Union and the end of the Cold War around 1990, the Western aid to Cambodia once more resumed its magnitude and leading role, this time under the label of aid for reconstruction. With the USD 2 billion UNTAC operation and the donor community's pledge of USD 880 million for rehabilitation and reconstruction aid, Cambodia became a show-piece for conflict resolution in post-Cold War era. This is the third phase, still ongoing, in which also Sweden is participating as major player.

Turbulent aid flows. The Cambodian case shows how a political crisis might trigger sudden and considerable aid flows. Aid is an attractive and easily accessible instrument for foreign policy, and changing aid volumes is the most manageable tool within that instrument.⁴ Emergency aid is also sensitive to the visibility of the crisis, its ideological overtones, media coverage, etc. The 1979-81 Cambodian emergency was exceptional in this respect. Similarly, the peace process of the early 1990s had great symbolic value as to the changed world order. Peace was brought to one of the most intense fighting grounds of the Cold War. It is probably no coincidence that Cambodia has established "world records" in aid volumes – both the emergency of 1979/80, and the UNTAC operation in 1992 (with the following Tokyo pledges). It follows that these aid-flows not necessarily are adjusted to the needs and absorption capacity of a country, but are more attuned to the need for political manifestations by the donors. As a reflection of the size and volume, these aid flows exceeded the GDP of the country at that time.

The sudden, and considerable aid-flows triggered by emergencies, (or as a step in a peace process), have their own dynamics. First, the commitments of aid during the peak events (in the case of Cambodia 1979-81, and 1991-93) might be considerably larger than what eventually is delivered or can be absorbed, hence creating both false expectations and exaggerated plans. Secondly, these flows, or expectations of flows, tend to create vibrant "aid markets" attracting a large number of aid implementing agencies that establish themselves over a short period of time, each one with ambitious aid programmes; third, the aid flows have considerable distortion effects: they tend to cause considerable "rent seeking" by the recipient government and organisations; strong competition for scarce local resources and institutions – a competition manifested in donor driven salaries out of bound of the going market rates (in Cambodia topping up of government salaries in the order of ten times is not uncommon); fourth, with the sudden flows of aid it is difficult to avoid considerable waste and ill-conceived programmes; fifth, the crisis related aid flows tend to be strongly donor driven, as governments, almost by definition, are weak, unorganized and poor. Sixth, emergencies tend to create easily defined target groups for aid – i.e. registered refugees which generally are receiving considerably larger shares of the emergency aid per capita, than the non-refugee population and internally displaced persons, partly because they are often more vulnerable, but also because they are easily defined and visible. An important fact is also that specialized agencies, such as UNHCR and UNBRO, are established to deal with them and are mobilizing resources on their behalf.

⁴) It is almost a truism in the donor community that it is easier to mobilize resources for an acute emergency manifested in massive deaths, famines, etc, than for long term development efforts that might prevent such a crisis.

In the early 1980's the Cambodian refugees in the Thai border camps received on the average twenty times of aid per capita as compared to the Cambodians in the interior.⁵

The Swedish aid

By and large, Sweden has followed the pattern of Western aid to Cambodia over the last 15 years. Sweden was a major financier of the emergency operations 1979-81. Sweden also followed the Western aid boycott after 1982, resulting in drastically cut Swedish aid levels which were maintained at a level of about SEK 10-15 million per annum until the early 1990's. Sweden, has expanded its aid-flow to Cambodia after 1991, in line with the Western donor community, using more or less the same channels for implementation as other financing countries. (Sweden was also a major contributor to the UNTAC operation). Some differences between the Swedish bilateral aid and the international can be noted, however. Firstly, Sweden was one of the most important Western donors to Cambodia during the "boycott years" (1982-89), albeit at a quite low aid budget. Secondly, as has been pointed out in the report, Swedish aid focussed upon Cambodia, rather than the Cambodian refugees at the Thai-border, during these years which also was in contrast to many other Western donors. In spite of these deviancies from the broader trend, it is noteworthy that the Swedish aid treated Vietnam and its ally Cambodia quite differently. Sweden by and large maintained a high aid profile to Vietnam during the 1980s in spite of changing governments in Sweden and official criticism of Vietnam's intervention in the neighbouring country while Cambodia was victimized.

The difference of the Swedish aid policy towards Cambodia 1982-89 as compared to most other Western donors, gave the Swedish aid a certain strategic role. While the importance of this aid should not be exaggerated given its small volume as compared to the Socialist bloc support, Cambodian officials today witness of the importance of that aid as a "window to the West", not the least from a political point of view. In spite of its low profile, and being implemented through proxies, the Swedish aid to Cambodia created a "good will", remembered by officials in the present administration. The maintenance of the Swedish aid during the boycott years also contributed to that the few remaining aid organisations could establish a thorough knowledge of the local situation which strengthened their capability once the aid scenario changed in the late 1980s. Although difficult to prove, it can be assumed that the organisations with a long presence in the country were in a better position to define aid needs and means, than the newcomers after the Peace accord – a know how not necessarily utilized by the "new comers".

As a result of Sweden's indirect presence during the boycott years, Sweden could also play a certain strategic role in the change process from the boycott to the massive support in the late 1980s by financing certain key inputs, for example the first country study, seed financing of a local institution, as well as providing early financing to the World Bank and ADB. Once again, the effects should not be exaggerated, by fairly small amount of Swedish aid seem to have played a certain strategic role at that time. In general, the Swedish aid to Cambodia during the 1980s must be commended for its clear-sighted approach.

It is difficult to speculate of the reasons for this success, but it is likely a reflection of Sweden's rather ambivalent view of Vietnam. Important seems also to be a keen interest by officials in SIDA for the Cambodia crisis. Then, by having Swedish staff in key organisations, the know-how and commitment to the country expanded.

Any "unique competence" that the Swedish aid might have developed during the 1980s has largely been depleted with the changes during the 1990s, not so much by SIDA's own default, but by the changing circumstances. In the present aid scenario in Cambodia it

⁵) W. Shawcross: "The Quality of Mercy: Cambodia, Holocaust and Modern Conscience", New York, Simon and Schuster, 1984.

would be difficult to argue that the Swedish aid has any special competence versus other donors or implementing agencies. Rather, Sweden might be considered to have less competence (in terms of know-how of the situation, established institutional linkages, experience in programmes, etc) relative to some other major donors which - in contrast to Sweden - have established a presence in the country, and/or undertaken a number of missions and reviews to assess the situation. In the new, more complex aid scenario Sweden has had increasingly to rely on other agencies such as the World Bank, ADB, UNICEF and UNDP for sector analysis, to formulate aid programmes, etc. This is a deliberate policy: Sweden has opted to work through proxies, to put emphasis on aid coordination, to strengthen the international banks in their emerging operations, etc. However, such a policy has a "cost" as the additionality of Swedish aid might be lost, the Swedish "profile" is diluted into non-recognition, and that Sweden increasingly is dependent on the assessment by others in an increasingly complex "aid market."

Should Sweden delegate its emergency/reconstruction aid?

The discussion above leads to a basic issue in emergency related aid: should Sweden strive for a strong competence of its own and "additionality" in its aid, or should Sweden rely on the existing emergency aid implementing apparatus, hence co-finance programmes without too much concern whether other donors would replace the Swedish aid or not; and delegate the supervision, control and assessments to the system itself, hence play basically a passive role in the emergency and reconstruction aid? There is no simple answer as both principles have merits and weaknesses. The case for the latter approach is that it would facilitate aid coordination, reduce "competition" between donors, avoid building up administrative capacity in SIDA, and avoid insufficiently analyzed interventions.

Notwithstanding the merits of this passive approach, the argument in this report is that Sweden (SIDA) should actively build special competence in emergency aid, both in specific cases, and in general. Hence, SIDA should be actively involved in design, assessment, supervision, etc. The point is not necessarily to create new channels for aid, but rather to develop the capacity to utilize the implementation system existing today, whether UN, NGO's or international banks. The basic argument is that SIDA has an overriding responsibility to make sure that Swedish aid money is used as effectively as possible and that neither the implementing agencies, nor the recipient government can be assured to play that supervisory function. Aid has its own dynamics, implementing agencies have vested interests (not the least their own survival and growth, and, as will be argued below both the planning and coordination of aid by institutions such as UNDP, World Bank, as well as the "aid market" has its flaws). The Mission concurs with the evaluators of the Africa Horn emergency aid: NGO's and UN agencies tend, if no conditions are established, conduct "business as usual."⁶ A donor has a critical role to play to ascertain quality and cost-effectiveness.

The powerful role of emergency aid

Emergency related aid (whether in the acute crisis or as step in a reconstruction phase) are potentially powerful instruments when they are allowed to be delivered. It appears that this power has increased as a result of the end of the Cold War. The Cambodian peace process reflects a changed global world order, implying, inter alia, (re)establishment of UN as a major player to accomplish reconciliation and peace. It also reflects what appears to be an increased importance of aid, both as a carrot for warring factions to reconcile, and as a prerequisite to rehabilitate war-torn societies and integrate them in an increasingly competitive global economy. One of the reasons for the Cambodian factions to start peace

⁶) R. Apthorpe et al: "What Relief for the Horn", draft, 1994

discussions at the demise of the Soviet imperium was the fear to be left economically behind in the dynamics of South East Asia, particularly as the earlier patron, Soviet Union, not any more was able to provide financial support and thus hold up an illusion of a even race. Thus, as the aid-flow not any more to any extent reflects powers in ideological conflict, its leverage has also increased. Countries, or factions in countries, can not play out donors against one another in any major sense anymore, implying they might change patrons⁷. Contributing to that power is that a war-torn country such as Cambodia – which in the process of peace also went through both a democratic process and a market reform – is in effect totally dependent on the flow of aid for survival of the government, as its former revenue basically has dried up and its weak economy was exposed to strong international market forces (through trade).⁸ At the same time, the government – created to some extent by the external forces – is weak (with considerable problems to consolidate itself and work out the *modus vivendi* between the factions making it up). Perhaps a result of the new world order is that governments emerging from a crisis often are compromises, reflecting processes of reconciliation, rather than victories of internal wars. In such a situation, there is more than a small risk that the development agenda largely is set by the donors.⁹ In a reconstruction scenario such as Cambodia the balance between the power of the donors and the power of the receiving country is particularly tilted towards the former.

Donors are thus given an awesome task: to have the power to influence war-torn countries towards peace and prosperity. The donor community is executing this role in what appears to be an intricate mixture of a planned process with strong emphasis on aid coordination, macro-economic and sectorial analysis, planning for development – and what must be described as a “aid market” with strong elements of competition, conflicting interests, and lack of coordination.

The “planned” process for aid in Cambodia has had many elements: ICORC meetings, UNTAC comprehensive programme for reconstruction; coordinating attempts by UNDP, World Bank and, to a lesser extent ADB, as well as undertakings of comprehensive analysis and programmes for development. Increasingly, the Government has tried to coordinate, plan and direct the process. Yet it is difficult to avoid the conclusion that the aid process in fact also is quite unplanned, uncoordinated and more resembling a “free and quite competitive market”.

It is probably a fallacy to believe that the planned process necessarily is better than the “market” given the experience of planned national development in general. Both phenomena are likely to be in place, each one driven by its rationale. A possible agenda for a donor agency trying to establish a competence in emergency aid and reconstruction, might be to play these forces the most effective way.

The dynamics of “Aid markets”

The Cambodian case – both during the emergency 1979-81 and even more during the reconstruction after 1991 has clearly demonstrated how the sudden increases in aid flows rapidly mobilizes a large number of donors and implementing agencies in what could be called the dynamics of an “aid market”. While the 1979-81 emergency used about 100 NGO's for implementation, the prospect of increasing flow of aid in the late 1980's

⁷) It could of course be argued that aid also in this context is sub-ordinate to overriding political considerations within the framework of a new world order.

⁸) The democratic reform process and market reform were also, at least partly, imposed from the outside.

⁹) The Mission noted that Cambodian officials of supposedly Cambodian institutions were often part of the staff of donor agencies, or did not appear to have strong views on the development process of the country. For example, in a central institution such as Cambodia's Central Bank, the presentation of the organisation and the explanation of its policies was done by the bank's foreign adviser.

triggered the emergence of an even larger number of international non-governmental aid organisations in Cambodia, besides those few that had maintained a presence in the interim period. Over a short period of time, the various agencies of the UN system as well as the international banks established themselves – organisations that in one way or the other are dependent on mobilizing resources for their work and programmes from other parties. Similarly, many bilateral donors established a presence in the country, and rapidly began identifying programmes. The rapid deployment of these agencies has several consequences: first, an intricate system of networks emerged with UN agencies sub-contracting implementation of elements of their aid programmes to the NGO's. Not only the UN agencies established these sub-contracting arrangements. Also an NGO such as Diakonia with access to Swedish aid funds, choose to sub-contract "its" aid programme to another American NGO in place in Cambodia since 1979, rather than to build an implementation capacity of its own.

Second, the "aid market" became competitive, as the new organisations sought their "niches", developed their programmes and sought finance from the aid donors. (There are anecdotes how the World Bank and ADB competed to become the lead agency in Cambodia; there is also ample evidence of conflicts between donors with different views on how the development process should look like, priorities, and how sector programmes should be designed). Competition emerged for projects, control over slices of sector work, for staff in local institutions, as well as for donor countries' resources.

A vibrant "aid market" is a dynamic feature of emergency and rehabilitation aid and a very potent instrument as demonstrated in Cambodia to achieve anything from massive feeding programmes, large scale public works programmes (WFP), a highly organized, and on its own terms successful repatriation process of some 370,000 refugees, to complex social engineering programmes at village level. Networks between NGO's and UN agencies might provide grass root knowledge, local organisations, sometimes innovative methods, and, above all, an instant implementation capacity, allowing rapid deployment of resources and programmes. As also demonstrated in Cambodia, there are many innovative features of such an "emergency aid market."

While these implementing agencies obviously have various aspects of delivery of emergency and reconstruction aid as their mandate, they are also organisations competing for resources, bound by mandates, conventions, rules and constituencies, and not the least, as organisations, they tend to have their own survival and growth as basic objectives. The definition of key inputs for successful reconstruction and development is to a large extent determined by the value system of the donor/implementing agency, its mandate, organisational structure, etc. There is hardly any consensus among these donors/agencies how a country most successfully can be helped in its process of crisis resolution, rehabilitation and development. Rather, the theories and governing principles are evolving over time and changed paradigms are common.

Could the aid market, like other functional markets, be expected to find its own effective means of resource allocation? There is a flaw to this: Aid is characterized by the fact that those providing the resources (the donors) are different from those assumed to benefit from the resources and in between there is a complex layer of implementing agencies. The financing agents depend largely on the intermediaries - the implementing agencies - to determine how resources shall be allocated, as well as defining the outcome of their own efforts. The recipients have generally a limited voice and few, if any, channels to provide feed-back to the financing agents on how well aid in fact is addressing the problems of emergency or reconstruction. The government, or other local organisations, that could be proxies for such feed back, are, as clearly has been the case in Cambodia in the recent reconstruction phase, often weak, disorganized, subject for internal power struggles, hence not efficient advocates for effective aid. An even more serious question is to what extent the

government represent "good government", or more resembles what is called "predatory government".

Feed-back mechanisms. To substitute for direct links between the financier and the recipient, elaborate systems to provide feed-back on the use of aid resources have been developed over time, including reporting systems, internal audits and monitoring systems, external evaluations, budget systems that would allow quantitative and qualitative follow up, etc. As been discussed in the report these mechanisms were generally quite ineffective in the case of Cambodia. It can be assumed that Cambodia is no exception from other similar situations. By nature crises require urgency, hence reporting, evaluation, etc, is not a first priority. Secondly, a donor organisations such as SIDA is dealing with a large number of emergency cases, of which many are not well known to the administrators. Hence, the ability to penetrate, or even time to read, reports from implementing agencies are limited. This might lead to a tendency to trust that certain implementing agencies generally "do a good job" which probably is a rule as good as any, but certainly no guarantee for quality as the often quite decentralized agencies vary a lot in from place to place. Thirdly, in emergencies such as Cambodia a very large share of the financial resources are provided by donors on a case by case basis, while general funds for the agencies are limited. This might short-circuit those systems for internal quality control the implementing agencies have.

There are, however, more serious inherent problems with agency reporting and evaluations. In a situation where agencies compete for financial resources, there is obviously not much incentive for these agencies to provide statements of problems, issues, failures, and poor performance to far away located financing agencies that rarely take them time to assess the situation for themselves, and often do not even penetrate the reports that are provided. The Cambodian case clearly proves that the reporting from the agencies gloss over even the most obvious problems, avoid making assessments of costs for implementation, provide less than complete information, etc. Other, less ambitious agencies, might avoid providing reports altogether. Agreed upon evaluations are forgotten.

It is the impression of the Mission that SIDA has not utilized the reporting from the agencies to any great extent, that feed-back has been questioned, or that agreed upon reporting requirements even have been followed up. This, in its turn, reflect the administrative problem in SIDA in general, and the problems affecting emergency operations in general. There are clearly not sufficient administrative resources for SIDA for supervision of these complex programmes. The systems builds to a large extent on the assumption that the implementing agencies in place do a good job and use the aid resources effectively.

The inertia of aid. Another impediment to a well functioning "aid market" to find effective resource allocation is what could be called the "inertia" of aid. Once a collaboration or a programme is initiated, even if it is under the label of emergency assistance, inertia is created in the sense that the cooperation tends to create its own momentum, and that ending a programme or finishing a cooperation requires often quite strong motives. While there are arguments for not too short interventions, the inertia might lead to a continuation of support more justified on the ground of difficulties to cut the support to an implementing agency, than on the merit of the programme per se. The Swedish aid in Cambodia to organisations like Diakonia, the Red Cross, UNICEF and FAO has a record of nearly 15 years, and the impression can not be avoided that this prolonged cooperation more is justified by inertia, than a careful assessment of the achievements by these organisations over those years and what changing circumstances might require. Inertia is a particular problem in emergency/reconstruction situations as collaborations are initiated generally without a careful appraisal of the programme or implementing agency, and that the crisis by nature would require a more flexible approach than a "steady state" development process.

A reflection of the inertia might be that the Swedish support in Cambodia has tended to swell in content and collaboration arrangements, rather than finishing activities off before initiating new programmes (except where the programme by its own definition is limited in time, such as UNHCR's repatriation).

Distortions of aid

Distortions of aid, in the sense that aid has negative effects on a development process, is a well recognized problem. It seems to be a specific problem in the emergency aid and aid in crisis situations due to several compounding factors:

- aid flows are often more turbulent than otherwise; aid is more important in the total funding of Government, and of the economy; urgency to deliver aid, sometimes without consideration for capacity for its absorption, might create a situation what might be labelled "short term gains for long term pains".
- the domestic institutions for control, regulation, etc are weak or non-existent;
- the trauma has its own syndrome – efforts to capture "rents" might be a natural response to a past trauma and a continuous high degree of uncertainty;

"Rent-seeking". The Cambodian case after 1991 indicates that the large aid flow that was associated with the peace process stimulated what in the development economist's jargon is called "rent seeking" – i.e. various official and unofficial forms of capturing benefits from external (and other) public sources for non-productive purposes. Corruption is a typical form of rent-seeking, but it might also take official forms. The rent seeking seems to have been compounded by the fact that in Cambodia, due to the turmoil of the past decades, the capacity of the government and other local structures to plan, implement and supervise programmes and projects are limited in relation to the resources made available. Furthermore, the "institutions" – in the sense of the rules and regulations, checks and balances, governing the society were weakened, not so much due to the political crisis of the 1970's, but due to the fact that the peace process had as a consequence – some would say as a goal – to dismantle the Vietnam supported Heng Samrin regime, and replace it with for a time no government at all, and after 1993 a coalition of former enemy political parties. Rent seeking is likely to be reinforced by the sudden expansion of aid. It might also be the case that in a society which has undergone such a turbulent history as Cambodia with the uncertainties created, "institutions" such as morale, lawfulness, etc, are weakened as there is an urgency to survive under turbulence, etc.

There is obviously a conflict of interest between the slow process of (re)establishing these "institutions", and the urgency of rapid implementation of emergency programmes to rehabilitate destroyed infrastructure, etc. But uncontrolled "rent seeking" has broader effects than reducing effectiveness. It also has a political cost: There is a not uncommon view in Cambodia today that the rampant corruption might be paving the way for a resurrection of Khmer Rouge, known, after all, for not taking bribes.

Co-opting Government officials. The aid flow related to the reconstruction in Cambodia after 1991 created a strong competition for scarce local human resources. Donors and implementing agencies have increasingly competed for local skilled manpower within Government to implement or supervise their various aid programmes. Local professional staff are recruited to work for donor agencies, often at salaries far above the going market rate, but more often they are "co-opted" to the aid-programmes through topped-up salaries and various fringe benefits. The topping up of salaries of Government staff associated with particular aid programmes has been the general rule in Cambodia in the 1990's, and the added benefits might be worth ten times or more above the official rate. This not only leads to a certain inflationary process, but is also creating a patchwork of an already weak government resulting in islands of (relatively) well paid officials in a sea of staff employed

at nominal salaries. While these effects are not unknown in many poor countries, this process seems to be particularly strong in a crisis scenario such as Cambodia. This situation seems to be a new feature in Cambodia, and not a pattern of the past assistance. It has to do with the combination of dismantling the socialist government and the pattern of Western aid where a large number of organisations compete in providing aid.

Lessons for Swedish emergency aid

Knowledge. Can a donor such as SIDA develop its capacity to "understand" the dynamics of emergencies in a sense that Swedish aid can participate in preventive actions and/or be more effective in directing aid for effective rehabilitation and reconstruction?

One critical factor seems to be knowledge, both country specific and thematic. Such knowledge requires considerable resources, and, perhaps critical, a strong personal involvement from key personnel in the agency. There are no simple rules and short cuts how to achieve this know-how, except to urge the aid institution to spend considerably to develop the capacity. (It is paradox that one of the perhaps most "knowledge intensive" sectors in a modern society, i.e. how to accomplish development in poor countries and resurrect such countries from trauma is treated with such stinginess in terms of manpower resources for intelligence and to administer such work.) Yet, in the case of Cambodia it would be an illusion to believe that (Swedish or other) aid could have prevented the crisis. A different matter is the present reconstruction process, where aid might well be critical for the future direction (not so much in volume, as in direction.)

To use the aid market effectively. In general Sweden must and should rely on the implementation machinery that exists for emergencies and that easily can be mobilized for such crises (i.e. UN agencies, Red Cross, NGO's, etc) rather than consider bilateral operations. The option for any massive bilateral programmes for emergencies might only exist in exceptional cases (for example, when Sweden is present with a major bilateral programme before the emergency). (In Cambodia this option was not there when the emergency operation started in 1979). When the donor community resumed the aid to Cambodia in the early 1990's, the case was different. At least in theory there was an option to bilateralize the Swedish aid. When Sweden is making Cambodia a programme country it appears important to establish a presence on the ground, (which not necessarily means bilateralization), in order to provide effective management of aid resources.

When Sweden opts to implement its aid through other agencies, SIDA needs to strengthen its capacity to manage the resources allocated to this implementation machinery. It is a fallacy to believe that the "aid market" automatically functions well. The financing agents have a strong responsibility to assure the delivery of effective aid, as the clients and recipients of that aid – the country and people in the emergency – generally is in no position to do that, and that the implementation machinery – the aid market – has strong vested interest which not automatically have to coincide with effective aid. The means to assure good value for the aid money in the emergencies are several:

Independent assessments by the donor is essential to form an early and updated opinion of the situation, the capacity and performance of the implementing agencies, etc. Even urgent emergencies allow independent assessments. Unorthodox means could be considered for acute cases (for example by using people present, such as journalists). When a crisis is prolonged as in Cambodia, there is ample time to develop a thorough knowledge of the situation. Although SIDA has undertaken some highly qualified missions in Cambodia during the years, had support from the Embassy in Bangkok, and indirectly help by Swedish management in UNICEF, the manpower inputs have been limited in view of the long duration of the crisis and the considerable amounts of aid delivered. It is probably no coincidence that the first evaluation of the Cambodia emergency operation is not carried out until 15 years after the first aid inputs, and aid exceeding SEK 500 million. SIDA has in

particular suffered in the 1990's as the aid scenario increased manifold in complexity.

One way to save on resources would be for Sweden to form "*strategic alliances*" with other donors to facilitate feed-back, information gathering, formulation of aid policies, control of implementing agencies, etc. In Cambodia such an alliance could have been formed with Australia which had a similar programme as Sweden, but, in contrast to Sweden, had a bilateral presence, as well as strategically located advisers in key ministries from an early time.

SIDA must be much more effective in *requiring useful, accurate and timely reporting* from its implementing agencies, and also establish routines how to use such reporting. A step in this should probably be to cut down on volume in reporting and to require focus on essentials. It is essential that formal agreements of evaluations by the agencies are followed up.

When a crisis is prolonged, such as in Cambodia, SIDA, as a financing agent, should require *establishment of internal monitoring systems* by the agencies. Without such systems the often complex social intervention programmes carried out can never be accurately assessed neither by the agency itself or by external evaluators. Periodic assessment of cost-effectiveness in the interventions should be required, which would force the implementing agencies to start to collect cost data, today usually available only after complex investigations. (It took, for example, UNICEF several weeks to deliver some basic data of that kind required).

SIDA, as a financing agency, must do what it can to foster *coordination and transparency* in the aid provided. Emergencies and reconstruction tend, as was discussed above, mobilize large often uncoordinated resources. In Cambodia, round tables, and coordination committees were established over time, often on the initiative by the donors. It seems essential for the long term health of the development process that this coordination mechanism, is created within government, and led by Government and not among the donors. The latter could increase the dependency syndrome, the passiveness of the recipient, and the sense that the development is governed from outside. It was a discouraging fact in Cambodia to what extent donors and advisers took on management positions, sometimes not even the pretence to have a representation of Cambodians. Some of the Swedish supported programmes were no exception to that. SIDA should put great emphasis to strengthen any embryos for local coordination, local capacity for governing the development process, even at the expense of slowness, lower quality of output, etc. Donor paternalism is a most serious problem in a country like Cambodia.

Time-limits to emergencies. As the Cambodia case has demonstrated, emergency and reconstruction operations tend to be prolonged, and when they are caused by political forces, it is often difficult to see an end in sight as well as define what is emergency and what is reconstruction. At the same time, emergency aid tend to be a more flexible, less rigid type of aid, which make it easy to apply and to prolong – hence becoming a convenient "slush fund". Parallel to that, emergencies appear in many places, all meriting aid, hence the resources of the donor agencies in general, and the unit handling these operations especially, are stretched to the limit, with even less ability to monitor the use of the resources or assess the situation. SIDA might benefit from some more stringent operational rules for emergencies – for example to apply a time limit after which a more stringent appraisal shall take place, and the "country" transferred to a different category of aid, perhaps labelled "reconstruction" – a category which should have different criteria for aid than the emergency.

Critical review of the implementing agencies. A basis for applying aid in emergency situation is the experience a donor has of the implementing agencies in place. Over time, SIDA has established a thorough knowledge of agencies such as UNHCR, UNICEF, FAO, as well as NGO's such as Diakonia, the International Red Cross, etc. Support to specific emergency operations generally are based on the overall reputation of these agencies, and Sweden is,

through various channels in a on-going process of strengthen these organisations. This institutional development process would gain with better feed-back from specific field operations. Hence, performance assessment of implementing agencies, including determination of the costs, would serve a dual function.

Critical view of Government. Indirectly supporting "predatory governments", even if they emerge as a result of a peace process, is no long term solution but might prepare for a vicious circle of crises. SIDA, as a donor agencies, has a special role to play in that respect. While implementing agencies both might have a vested interest in not reveal obvious rent seeking (and as was alleged in one case in Cambodia by a well informed person even participated in it), as well as might have problems to confront rent seekers, a distant donor can act as inscrutable auditor, and should do so. This is a role SIDA hardly plays at all. SIDA does not necessarily have to build up the capacity, but can "buy" auditing services from the market.

Annex H:

SOME BASIC FACTS — CAMBODIA 1990-92¹⁾²⁾

	1990	1992
GEOGRAPHY		
Land area (km ²)	181 000	
Arable land	16 percent	
Of which irrigated		3%
Average yield/ha ³⁾		1.3 ton
Rate of deforestation (1981-85)	0.2	
POPULATION		
Total population		8.8 million ⁴⁾
Inhabitants/km ²	49	
By age group: ³⁾		
> 1 yr		4.2 percent
1-5 yrs		12.4 percent
6-15 yrs		30.3 percent
> 15 yrs		53.1 percent
Rural population		88 per cent
Urban population		12 per cent
Crude birth rate/1,000		40
Crude death rate/1,000		15
Fertility rate		4.5
Population growth		2.7 percent ³⁾
MACRO ECONOMY		
Total GNP		USD 1.8 Million
GNP/capita	USD 200	
Rate of economic growth	1.2 percent	7 percent ³⁾

¹⁾ Unless stated otherwise, figures are from the UNDP Human Development Reports for 1992 and 1993.

²⁾ The collection of statistics is poorly developed in Cambodia and data are often inaccurate; cross-comparisons do not always match.

³⁾ Source: Cambodia, From Rehabilitation to Reconstruction, World Bank (February 1994).

⁴⁾ Excluding approximately 370 000 repatriated refugees.

	1990	1992
GDP by sector of origin: ³⁾		
Agriculture		48 percent
Services		35 percent
Industry		17 percent
PPP-GDP/Capita		
Purchasing power parity/capita		USD 1,250
ODA		USD 148 million
Food production (indexed to 1979-81)		141 percent
Food imports/total need (1988-90)	3.2 percent	
People working in:		
Agriculture		74 percent
Industry		7 percent
Services		19 percent
SOCIAL INDICATORS		
Health:		
Life expectancy (years)	49.7	50.4
Access to:		
Health services		53 percent
Safe water		37 percent
Sanitation		15 percent
Infant mortality rate		117
Children dying before reaching age of 5 (per 1,000)		200 ⁵⁾
Malnourished children under 5 (per 1,000)		350
TBC cases/100,000	235	
Malaria cases/100,000		5 040
Population/doctor		25 000
Population/nurse		3 130
Calorie supply (per cent of daily intake)	98	96
Education:		
Adult literacy	35 percent	38 percent
Completion of first grade school ⁵⁾		40 percent
Starting second grade		15 percent
Starting upper secondary		3.6 percent
Tertiary		0.5 percent
Gender:		
Ratio of women in total population ⁴⁾		57 percent
Female life expectancy (years)		51.7
Female literacy	22 percent	24 percent
Average female marriage age (years)		21.7

³⁾ Source: Grant Curtis: Cambodia, A Country Profile, 1989.

Annex I:

EMERGENCY AID ALLOCATIONS BY AGENCY (IN SEK MILLION)

	89/90	90/91	91/92	92/93	93/94	TOTAL
UNICEF	13.0	20.0		25.0	25.0	83.0
DIAKONIA	7.9					7.9
SRK	2.3	5.2	6.2			13.7
ICRC			2.4			2.4
IFRC			1.8			1.8
UNBRO	1.5					1.5
UNHCR	1.5	1.5	30.0	7.0		40.0
WFP		4.0	5.0	5.0		14.0
UNDP			30.0			30.0
CARERE					20.0	20.0
CMAC					20.0	20.0
Cons. Fund		5.0		5.0		10.0
FAO			10.0		20.0	30.0
AsDB				43.0		43.0
IBRD				16.0		16.0 ¹
TOTAL	26.2	35.7	85.4	101.0	85.0	333.3

EMERGENCY AID ALLOCATIONS BY SECTOR²

(in SEK million)

SECTOR\YEAR	89/90	90/91	91/92	92/93	93/94	TOTAL
Health, Water, Education	20.2	25.2	8.6	25.0	25.0	107.1
Agricultural productivity	3.0		10.0		20.0	33.0
Refugee repatriation and re-integration	3.0	1.5	31.8	7.0	20.0	63.3
Food for work and food distribution		4.0	5.0	5.0		14.0
Infrastructure			30.0			30.0
Mine clearance					20.0	20.0
Technical Assistance		5.0		64.0		30.4 ³
TOTAL	26.2	35.7	85.4	101.0	85.0	333.3

¹) The contribution to IBRD was subsequently adjusted to reach USD 19.3 million.

²) SIDA statement dated 8/11/1994.

³) The contribution to IBRD was subsequently adjusted to reach USD 19.3 million.

DISBURSEMENT OF EMERGENCY ALLOCATIONS BY AGENCY
(in SEK million)

	89/90	90/91	91/92	92/93	93/94	TOTAL
UNICEF	3.2+(2.8) ⁴	9.0+(1.3)	20.8	24.7	16.7	78.5
DIAKONIA	4.5	2.2	1.1			7.8
SRK	2.3	5.2	5.6	0.6		17.9
ICRC			2.4			
IFRC			1.8			
UNBRO	1.5					1.5
UNHCR	1.5	1.5	30.0	7.0		40.0
WFP		4.0	5.0	5.0		14.0
UNDP			30.0			30.0
CARERE					20.0	20.0
CMAC					20.0	20.0
Cons. Fund			2.0	1.7	1.9	5.6
FAO			10.0	16.0		26.0
AsDB				15.0	25.0	40.0
IBRD					9.6	9.6 ⁵
TOTAL	15.8	23.2	108.7	70.0	93.2	310.9

⁴) Parenthesis indicates decision taken before 1989.

⁵) The contribution to IBRD was subsequently adjusted to reach USD 19.3 million.

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The evaluators propose a time-limit for all emergency and rehabilitation operations in order to develop a long term strategy to reach sustainable development. They also recommend that monitoring and supervision of relief aid be enhanced through requiring cooperating agencies to set up better systems for assessing impact and cost-effectiveness.

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