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The Russian Federation-UNDP Trust Fund for Development

Graduation-Based Social Protection (GBSP) Project

Cambodia

Project Mid-Year Progress Report

01 January – 30 June 2023



Project's participant in Preah Vihear province

The Russian Federation-UNDP Trust Fund for Development (TFD)
Project Annual Narrative and Financial Progress Report

Project title:	Graduation-Based Social Protection Project
Atlas Project ID:	00118418
Implementing partner:	UNDP
Project partners	National Social Protection Council; Ministry of Economy and Finance, Ministry of Interior; Ministry of Planning; Ministry of Social Affairs, Veterans and Youth Rehabilitation; and World Vision International Cambodia
Project budget:	Total: USD 2,610,990.49 TFD: USD 1,000,000
Co-financing attracted since the project started:	Direct contribution to project budget: Parallel co-financing: In-kind co-financing:
Project start and end date:	2019-2023
Reporting Period:	01 January – 30 June 2023
Date of the last Project Board meeting:	The third project board meeting was on 19 April 2023
SDGs supported by the project:	SDG 1, 4 5, 8, 9 and 10

ACRONYMS *(in alphabetical order)*

GBSP: Graduation-Based Social Protection

ID Poor: Identification of Poor Households

IGA: Income Generation Activities

MoI: Ministry of Interior

MoSVY: Ministry of Social Affairs, Veterans and Youth Rehabilitation

MoP: Ministry of Planning

NSPC: National Social Protection Council

NSPPF: National Social Protection Policy Framework

PLIGs: Project Local Implementing Groups

POM: Project Operation Manual

RCT: Randomized Control Trial

SNAs: Sub-National Administrations

TFD: the Russian Federation-UNDP Trust Fund for Development

UNDP: United Nations Development Programme

WVI: World Vision International

I. EXECUTIVE SUMMARY

This mid-year progress report provides an update on the project, particularly about the results achieved from January to June 2023. During this reporting period, the project focused on the completion of the pilot round and documented the lessons learnt and knowledge products and designed the concept note for the national programme.

The project organized the 3rd project board meeting in April to present the overall progress of the project as well as to discuss the next steps of the GBSP project, particularly the unfunded budget for the last two outputs 3 and 4. Hence, the unfunded budget was brought to the attention of the project board for strategic advice and direction for GBSP moving forward. During the meeting, the project board concluded with the few actions to be taken and completed as below:

- It is important that the GBSP project should continue with the rollout of the completion of the pilot phase to generate more findings and knowledge guiding to the viable design and successful national programme. With such project continuity, the national programme will gain momentum since it is implemented on the ground while already acknowledged by the National Social Protection Policy Framework.
- The completion of the pilot phase should be extended and executed by district administrations. It should also focus on building the capacity of the government to take over the project.
- GS-NSPC will work with the Ministry of Economy and Finance for funding support. Meanwhile, UNDP should explore funding from potential donors.
- The 2023 work plan and budget are approved, noting that there is a budget shortfall as indicated in the presentation.

In reference to the above recommendations, the project team worked with the General Secretariat for National Social Protection Council (GS-NSPC) to work on the budget gap and looked for different ways to fill the gaps. Finally, the GS-NSPC confirmed to contribute USD200,000 to complete the pilot phase by focusing on the follow-up round and capacity building to the sub-national. Meanwhile, UNDP also recruited an international consultant to help the project designs a roadmap and policy document for the GBSP to be submitted to the National Social Protection Council (NSPC) for approval, as a national programme. In parallel, the programme document is being developed and is expected to have the final draft by the end of 2023.

UNDP in partnership with GS-NSPC organized a design workshop aimed to take stock of the various GBSP pilots/models in Cambodia and draw on the results, experiences and practical lessons learnt including the challenges i.e. what worked and did not work; and develop a multi-year national policy document comprised of roadmap and strategies for scaling up GBSP within the National Social Protection Framework based on multi-stakeholder consultation. Finally, the workshop discussed the framework of an action plan to operationalize the policy document at national and sub-national levels, in the context of decentralization and multi-stakeholder partnership environment.

The project also successfully closed the project activities on the ground with World Vision International and the Ministry of Social Affairs Veterans and Youth Rehabilitation in terms of cash and assets transfer with the households. The project also conducted a reflection workshop with the sub-national level and the households to reflect on the overall progress and lessons learnt of the project by providing some recommendations to be considered for the next phase or round. The recommendations identified the need to continue mentoring and coaching the households through the home visit and the period of the graduation based should also be longer than 15 months – it takes time to change the mindset and the behavior of the households to challenge their poverty and to be able to fully graduate. A final recommendation was to consider designing the next round/phase to be fully implemented by the sub-national level considering the project would scale up as a national programme.

Key knowledge products were designed and documented, this includes the early impact assessment, and the key findings and recommendations were provided and presented at the project board meeting. In conclusion, findings from RCT: investment in both asset and cash transfer groups is feasible and highly acceptable concerning the timeframe and financial value of the graduation package. Graduation approaches should be scaled up with the adjustment of approaches, household targeting, interventions on key success factors, and risk mitigation strategies. *The narrative report of the assessment will be shared in the completion report.*

Two video stories were produced to document good practices and success stories of the households for the two target provinces – Kampong Chhnang and Preah Vihear. The videos were also presented at the project board meeting as well as posted on the UNDP Cambodia webpage and social media. For the full stories, please access this link <https://www.undp.org/cambodia/projects/graduation-based-social-protection>

Despite the above progress, the project also faced a challenge in funding shortage and the project could not afford to extend the contract of a project manager to continue the project. The project has been implemented without the project manager since April.

In terms of budget expenditures, the project utilized USD115,005.64 equal to 17 percent of the committed budget in 2023.

II. LESSONS LEARNED

During the reporting period, a few key lessons learned documented are as below:

- Households received training and technical assistance besides received cash or assets that have led to increase in life skills of households and other income-generation activities. However, the duration of the pilot phase is very short, and the households need further support and follow-up. There is also ongoing work to improve entrepreneurship and this is something that the project should explore and link with our support to households.
- Income-generating activities should be more diversified. The options in the menu do not fit some households. More options and provide flexibility for IGA selection, i.e., motorbike repair, barber shop, store, micro business, etc. should be considered. Local economic committees should be constituted to study demands and capture business opportunities that can be promoted.
- Households interested in the same IGAs should be organized into producer groups to reach the right scale of production. This will enable them to sell to many marketplaces and possibly to process into food products and create a circular economy by transforming wastes into energy, fertilizer, and valuable by-products. Such a system can incentivize the setup of input supply markets and build the expertise of local officials to provide demanded services/technical assistance. There are a lot of successful cases which can be replicated in the provinces.
- The design of the scaling up/national programme should be co-led by UNDP, GS-NSPC, and related ministries. To ensure the national programme is well designed, the project should have a wide consultation with relevant stakeholders to share the effective interventions for poverty reduction, targeting and selection system of project participants, supporting infrastructure, clear roles/functions/division of tasks among implementers, and methodologies to define a scale of support (consumption, productive assets, life skills).
- Lessons from the findings of the early impact assessment and eligibility criteria should be applied to filter and select those who have the potential for poverty graduation. As such, GBSP should not be seen as a universal programme but can be a national programme for those meeting the criteria.

III. FUTURE PLANS

With strategic guidance from the project board and support from the GS-NSPC, the project will continue working on the follow-up phase with the same households (treatment groups) and build the capacity of the government at both national and sub national levels to ensure they are fully equipped when the national programme launched/rolled out.

As defined in the project document, key activities to be implemented from July – December 2023 include:

Output 3: Carry-out a follow-on graduation trial, of similar size and shape (but more efficiently), to ensure future RGC deliverability

- Reactivate project working groups at sub-national levels in Rovieng and Teuk Phos districts
- Provide technical support to Subnational Authorities (SNA) to develop the operational workplan to support and follow up with the households through refresher training.
- Ensure treatment households, both asset and cash transfer groups, to receive home visit and necessary advisory supports
- Develop in close collaboration with GS-NCSP a roadmap for a national GBSP programme.

Output 4: Review of pilot completed - with full account taken of the impacts at household and local economy-wide levels, and clear policy recommendations made.

- Conduct end line surveys
- Document the lessons learnt and viability/ practicality of graduation models countrywide
- Conduct final project evaluation
- Produce the final report
- Final project board meeting to be organised in Q1 2024

Annex 1: Progress Toward Project Outputs/Key Deliverables

Output Indicators	Baseline (2019)	Target (2022)	Current Status
Output 1: Institutional and management arrangements and analytical tools are in place to deliver a graduation based social protection pilot (which is nationally affordable and capable of being scaled up).			
1.1 RCT and scheme design, and selection of localities	One RCT scheme		Completed
1.2 Pilot instruments and operating arrangements	Project operations guideline		Completed
1.3 Set-up of management arrangements and institutional structures	Project implementation arrangement		Completed
1.4 Local area economic survey design, with gender-disaggregated data	Design of local economic evaluation tool	A set of tools	Completed
1.5 Contract of specialized facilities (three related facilities)	Preparation is completed		Completed
1.6 Treatment and control group participants at the specified locations selected	Selection of localities and project participants	Selected localities 3,000 households	Completed
Output 2: Delivery of a graduation-based pilot social protection programme with 3,000 extremely poor household participants (with 2,000 households receiving assets and/or cash transfers), with randomized selection (hence, delivering clear results on livelihood and poverty impacts).			
2.1 Number of households (HHs)s allocated & enrolled in (assets/ cash/ nil) groups & surveyed (baseline)	Random assignment and first baseline completed	800/800/800 households	Completed
2.2 Delivery of local economy survey	Preparation	An economic survey is completed	Completed
2.2 Value (USD) of assets transferred to households	Asset package is developed	USD 192,000	Completed

Output Indicators	Baseline (2019)	Target (2022)	Current Status
Output 1: Institutional and management arrangements and analytical tools are in place to deliver a graduation based social protection pilot (which is nationally affordable and capable of being scaled up).			
2.3 Gender sensitive training sessions received by households (& follow-up)	Training is delivered to participants	200 follow up	Completed
2.4 The number of cash transfers given – full cash & partial cash (USD) 2.4.1. HHs receiving the cash transfer	0	Cash transfer for USD 120,000 in 2021 or 1,600 poor households	Completed
2.5 The number of bank accounts opened (financial inclusion) 2.5.1 % of accounts opened in name of the most senior woman in HH	0	1,600 poor households receive coaching and mentoring	Completed
Output 3: Carry-out a follow-on graduation trial, of similar size and shape (but more efficiently), to ensure future RGC deliverability			
3.1 Report/ proposals for reshaping graduation approach including cost direct reductions	0	Proposal (budget cut >10%)	Ongoing The final programme document will be finalized by the end of 2023.
3.2 Number of participant households selected for the follow-on round, and surveyed 3.2.1 % where women HH members are active in productive activities	0	800 households	Not Implemented The project board decided to complete the pilot phase by focusing on the follow-up round with households and capacity building to the sub-national level
3.3 Deliver the follow-on round with similar facilities: 3.3.1 HHs are provided with assets; 3.3.2 Cash transferred to HHs; 3.3.3 Households trained; 3.3.4 HHs with bank a/c 3.3.5 % of a/c in women's name	0	800 households	Not Implemented As above, the project board decided to continue the completion of round 1 rather than going with phase 2. Also, designed a national programme in parallel.

Output Indicators	Baseline (2019)	Target (2022)	Current Status
Output 1: Institutional and management arrangements and analytical tools are in place to deliver a graduation based social protection pilot (which is nationally affordable and capable of being scaled up).			
Output 4: Review of pilot completed - with full account taken of the impacts at household and local economy-wide levels, and clear policy recommendations made.			
4.1 Surveys and feedback received	0	Midline survey 2nd Endline survey	Ongoing As the early impact assessment was done early, the mid-line survey will not be conducted, but the end-line survey will be conducted in Q4 2023 as the period of mid-line survey is in between the end-line survey.
4.2 Operational Lessons learned documented & reflected in follow-on, & reported at end-line	0	Completed project report	Ongoing
4.3 Final report published 4.3.1 Social protection graduation model adjusted and provided to the government	0	Complete & model provided to RGC	On going

Note: **Green:** completed; **Yellow:** In progress; **Grey:** Phase 2 implementation

Annex 2: Budget expenditures covering from January – June 2023

EXPECTED OUTPUT AND RESULT INDICATORS	Jan-June 2023			
	Approved budget (BRV-G06)	Expenses	Budget Balance	Delivery rate (%)
Output 1: Institutional and management arrangements, and analytical tools are in place to deliver a graduation-based social protection pilot (which is nationally affordable and capable, of being scaled-up)	93,296.99	54,083.94	39,213.05	58%
Output 2: Delivery of a pilot graduation-based social protection programme with 2,400 extreme poor household participants (with 1,600 households receiving assets and/or cash transfers), with randomized	65,000.00	32,140.26	32,859.74	49%
Output 3: Carry-out a follow-on graduation trial, of similar size and shape (but more efficiently), to ensure future RGC deliverability	279,873.94	5,268.95	274,604.99	2%
Output 4: Review and analysis of experiment and follow on round completed	142,000.00	-	142,000.00	0%
Project Management and Technical Support (Act5)	68,032.00	17,586.12	50,445.88	26%
A - Total Activities cost	648,202.93	109,079.27	539,123.66	17%
B- GMS (8%)	28,995.79	5,926.37	23,069.42	20%
Total Budget (A)+(B)	677,198.72	115,005.64	562,193.08	17%

Table: Cumulative Expenses Jan-June 23

EXPECTED OUTPUT AND RESULT INDICATORS	2019-2023							
	Original Budget (Prodoc)	Total 2019- 2023 Revised budget (BRV-G06)	Expenses 2019-2022	Expenses (Jan-June) 2023	Depreciation Fixed Asset (up-to ate)	Undepreciation Fixed Asset	Total Delivery up to date	Delivery rate (%)
Output 1: Institutional and management arrangements, and analytical tools are in place to deliver a graduation-based social protection pilot (which is nationally affordable and capable, of being scaled-up)	584,500.00	600,978.34	477,163.35	54,083.94	8,689.17	21,828.84	561,765.29	93%
Output 2: Delivery of a pilot graduation-based social protection programme with 2,400 extreme poor household participants (with 1,600 households receiving assets and/or cash transfers), with randomized	850,000.00	1,293,907.92	1,228,907.92	32,140.26			1,261,048.18	97%
Output 3: Carry-out a follow-on graduation trial, of similar size and shape (but more efficiently), to ensure future RGC deliverability	384,000.00	279,873.94	-	5,268.95			5,268.95	2%

Output 4: Review and analysis of experiment and follow on round completed	117,000.00	142,000.00	-	-			-	0%
Project Management and Technical Support (Act5)	310,000.00	207,336.82	139,304.82	17,586.12			156,890.94	76%
A - Total Activities cost	2,245,500.00	2,524,097.02	1,845,376.09	109,079.27	8,689.17	21,828.84	1,984,973.36	79%
B- GMS (8%)	120,000.00	86,893.47	57,897.68	5,926.37	-	-	63,824.05	73%
Total Budget (A)+(B)	2,365,500.00	2,610,990.49	1,903,273.77	115,005.64	8,689.17	21,828.84	2,048,797.41	78%