



Empowered lives.
Resilient nations.

Newsletter

No. 39
September 2013

UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in 177 countries and territories, we offer global perspective and local insight to help empower lives and build resilient nations.

“Working together to build an inclusive, sustainable and resilient Asia-Pacific”: UN Development Chief for Asia and the Pacific

New York - Mr. Haoliang Xu assumed his role as the new Director of the Regional Bureau for Asia and the Pacific at the United Nations Development Programme (UNDP) on 2 September.

A Chinese national, Mr. Xu has held various leadership positions in UNDP, most recently as Deputy Director of the Regional Bureau for Europe and the Commonwealth of Independent States.

“I am very excited about my new role. I believe that the significant unfinished business of the Millennium Development Goals (MDGs) remains the defining challenge of our time. Accelerating MDG progress and meeting the original deadline of 2015 must remain a top priority. Over the years, UNDP has been playing a valuable role in the achievement of MDGs. My new assignment as head of UNDP operation in Asia-Pacific gives me an opportunity to work with our partners to bring together all the threads of MDGs in the region to build an inclusive, sustainable and resilient Asia-Pacific,” Mr. Xu said in his first meeting with the Regional Bureau for Asia and the Pacific staff at UNDP headquarters in New York.

continued on page 2

Community savings group offers villagers a way out of poverty



Photo: UNDP Cambodia

Ms. Phoeung Phieng, left, pays back loan to the community savings group in Boeung Kachhang village in Koh Kong province.

Koh Kong – Fisherman Srun Bun Thuon saw his family’s life crumble seven years ago when he lost his house due to a microfinance debt.

“Even our daughter’s earrings were not spared. I took them off her ears to sell to pay off the debt,” the fisherman’s wife, Nhek Sophy, said, recalling the family’s misfortune in 2006.

During the past seven years, the couple has managed to get back on their feet. Borrowing from the village’s savings fund, they have revived their crab-fishing business and saved enough money to build a new house.

In Boeung Kachhang, a tiny island tucked in the mangroves in Koh Kong province in the southwestern coast of Cambodia, the fund offers the villagers a lifeline to climb out of poverty. When banking services are out of reach, the villagers, bound by mutual trust, are pooling money to use as start-up capital for small business or in cases of emergency.

The savings group is an off-spring of a broader climate change adaptation initiative

which has received funding from Sweden and Australia. The project overseen by United Nations Development Programme and Global Environment Facility helps to preserve a swath of mangroves linked to the 23,750-ha Peam Krosorp protected area, about an hour ride by boat from the provincial town.

“These mangroves work as a natural buffer to protect villages against storm and coastal erosion in addition to providing habitat for many marine species,” Hun Marady, deputy director of provincial department of environment, explained. He added: “They are also the resource the locals depend on for survival.”

The mangroves used to suffer a lot of destruction from villagers felling them to feed charcoal kilns and make way for shrimp farming. To reverse the trend local authority has engaged the villagers in the conservation, creating a savings group where they can borrow money for small business as an alternative to destroying mangroves.

continued on page 2

Contents

Palm sugar makers embrace energy-saving stove to save costs.....	3
Preparing Cambodia Human Development Report 2014.....	3
YOUTH MIGRATION: Moving development forward.....	4

Community savings group...

continued from page 1

"If the people go to borrow from outside, the money will flow out of the village by way of repaying the loan and interest. On the contrary, our savings group keeps the money moving right here in the village," said Lorn Rith, head of the conservation committee in Boeung Kachhang village where the savings group has 141 members. The neighboring Koh Sralao village has two savings groups with 44 members.

Lorn Rith said 10 million riel (US\$2,500) is lent out every month. The amounts range from US\$250 to US\$2,000 per client at 2 percent interest per month compared to 2.7 percent levied by microfinance firms.

The clients voluntarily decide how much money a day to set aside for savings. A book-keeper goes door to door to collect the deposits. Once a month the group meets to certify the record, process new loans and repayments, and tally the balance sheet. At year's end, the accumulating interests are calculated and divided up among the members to put back into their pockets.

On a recent afternoon, Phoeung Phieng, a 58-year-old woman, came to the community centre to pay an installment for a loan she had taken to buy a motorboat for her son to transport goods and passengers. Out of US\$61.25 due from her, she was able to pay only US\$12.5 and US\$10 interest. The boat taxi business only broke even the

previous month so she asked to defer full installment to a later date. Such deferment is permitted under the group's regulations to allow borrowers time to cough up enough money to pay back.

"With lenders from outside, we must pay installment in the exact amount due and on time," she said, adding that borrowers get penalties when they fail to meet the requirements.

It happened to Srun Bun Thuon, the fisherman, in 2006. That year was a bad

fishing season and he only managed to get by. Overdue installment, interest and penalty kept piling up and his lender was about to forfeit his house. He sold it to repay the debt and, with his wife, later disappeared from the village pretty much out of shame before their neighbors.

After eking out a living as construction workers in Phnom Penh for one year, Srun Bun Thuon, 39, returned to the village. Thanks to loans from savings group he is now back in the crab-fishing business. A motorbike and a motorboat are the latest additions to his family's assets.

"The community helped us get our lives back," he said.



Photo: UNDP Cambodia

Women extract crab meat to sell for income in Boeung Kachhang village. Many residents there depend on the savings group for loan to sustain business such as crab fishing.

"Working together..."

continued from page 1

The Asia and Pacific region is the most diverse in the world both in terms of its country composition and the development challenges it faces. While the region has some of the world's largest and most dynamic economies, it is also home to more than half of the world's poor; it is the most disaster-prone region in the world; small island developing states in the Pacific are already bearing the brunt of on-going climate change; environmental degradation is a serious concern in many of Asia-Pacific countries.

UNDP in Asia-Pacific has offices in 24 countries and works in 36 countries. Its primary mandate is to work with governments to address their national development priorities.

"Working with governments and other partners, UNDP will help reduce poverty and inequality, promote effective governance, and build resilience to help countries prevent and recover from crises. We need to ensure that UNDP in Asia-Pacific is a knowledge based development organization able to find effective and innovative development solutions," said Mr. Xu.

UNDP's Asia Pacific Bureau has placed strong emphasis on addressing issues such as gender equality, climate change, disaster risk reduction, social protection and inclusive growth. It has forged strategic partnerships with a number of emerging economies in the region such as China, India and Indonesia

for facilitating knowledge and experience exchange and expanding South-South and triangular cooperation.

In the many Middle Income Countries of the region, said Mr. Xu, "we need to have an honest dialogue with our government partners so that they see UNDP, not as a donor, but rather as a trusted development partner that can work with them to find effective solutions to their very particular development challenges. If we don't find a breakthrough in this regard, UNDP's potential to add value to their national development agenda cannot be fully materialized."

"I will work hard with my colleagues, in headquarters and in the field, and all our partners to ensure that development cooperation in the region is effective", pledged Mr. Xu.

Palm sugar makers embrace energy-saving stove to save costs



Photo: UNDP Cambodia

A woman tends to palm juice being cooked to make sugar on an energy-efficient cook stove in Chaong Maong commune, Kampong Chhnang province.

Kampong Chhnang – Making palm sugar is an occupation that many Cambodian villagers do after rice harvest to earn additional income. Twice daily, men scale up and down palm trees to tap the juice to boil down in giant pots to extract concentrated sugar.

The decoction process usually takes more than two hours and a lot of firewood – a heavy burden on input cost and, more importantly, the forest. Now villagers in Chaong Maong commune, Kampong Chhnang province, 90 kilometres north of Phnom Penh, hope to see some of the bottlenecks in their trade removed with the help of an energy-efficient cook stove scheme.

“The new stove burns fewer amount of wood and shortens the time to make sugar too,” said Hoy Sareth, a 44-year-old villager.

Until recently he had been using the traditional clay stove – a round shape with a hole dug into the ground to make fire compartment. But because it lacks in design proper ventilation outlet, Hoy Sareth said the stove consumed a lot of firewood, chipping away at his profit margin.

The new stove, built from bricks, comes with a ventilation system to allow wood to burn more efficiently. It is also designed in a way that helps trap the heat inside, resulting in a shorter cooking period, said Mr. Ly Pheara, director of Association for Human Resource Development and Health Education, an NGO based in the province. His group is working to install the new

stove for the villagers as part of a climate change mitigation project supported United Nations Development Programme and Global Environment Facility Small Grants Programme.

With the traditional stove, it takes 130 minutes to boil 35 liters of palm juice in a giant pot to get 5 kilos of brown sugar. A family normally needs on average 5.3 tons of wood during a 150-day palm sugar season between December and May.

In contrast, Mr. Ly Pheara said, the new stove takes only 100 minutes to process the same quantity of juice. As a result, only 3.6 tons of wood, representing a 31 percent reduction, are needed during the entire season.

Everyday from mid-afternoon till sunset, Hoy Sareth and his son climb 35 trees, hoisting empty cylinders to tap the juice. At 5 o'clock in the morning, they make their rounds again to bring the juice down for cooking. Hoy Sareth said he is aware of the negative effect that palm sugar production can cause to the forest, “but we don't have other alternative to support our living.” He added that, however, by using the new stove he now can save 100,000 riel (US\$25) worth of firewood expense a month, nearly half of what he used to spend on fuel in the past.

“The chance to earn profit now looks better for us,” he said.

Mr. Ly Pheara said that an estimated total of US\$10,000 worth of firewood purchase is expected to be saved when construction of 284 stove units for the villagers is completed in April 2004.



Photo: UNDP Cambodia

A couple offloads palm sugar pot from a traditional cook stove at their home in Chaong Maong commune, Kampong Chhnang province.

Preparing Cambodia Human Development Report 2014

Phnom Penh – The need to improve education quality and develop a skilled work force is the focus of the Cambodia Human Development Report (CHDR) which is planned for release in mid-2014. The report will be titled as “Investing in Human Development on the Road to Inclusive Growth.” Work on it is now underway following a consultation meeting that UNDP held with representatives of the government ministries and development partners on 8 August 2013.

The report puts challenges surrounding Cambodian human capital under the spotlight. Some of critical issues it is looking at include quality of education, skill and vocational training, and public investment by the government to build a capable human resource to promote inclusive growth.

According to UNDP's global Human Development Report 2013, Cambodia's public spending trend in health and education between 2000 and 2010 is marginal, from about 1.3 percent to 2.1 percent in health and from 1.7 percent to 2.6 percent in education. For a country with very low educational attainments and low human capital formation, this spending trend in health and education is not only marginal but also not responding to existing and the future ahead.

Speaking during the meeting to discuss concept for CHDR last week, Setsuko Yamazaki, country director of UNDP in Cambodia, stressed that addressing the ‘human capital divide’ would enable Cambodia to sustain growth and improve well-being of its citizens.

“As we all know, the globalized world embraces not only opportunities but also threats in the form of financial crisis, environmental disasters, migration, internal conflicts and global terrorism,” she said.

“Cambodia's future will absolutely depend on its productive citizens. Action is required to address human capital not only to fill the existing or future demands of skills but also as a matter of addressing inequalities and low living standards,” she added.

YOUTH MIGRATION: MOVING DEVELOPMENT FORWARD

By Claire Van der Vaeren

UN Resident Coordinator in Cambodia

Op-ed in observance of International Youth Day, 12 August

The Cambodian economy is transforming rapidly.

Most of the growth within the industrial and service sectors is located in urban areas, where labor and access to markets tend to be concentrated. And the prospect of higher incomes and educational opportunities in the cities has encouraged increasing levels of youth migration.

This year's global theme for International Youth Day, 'Youth Migration: Moving Development Forward' on 12 August, was therefore particularly apt.

Youth migration from rural to urban areas is both a factor and a result of growth and development. It is providing new avenues for rising out of poverty and connecting young people with job opportunities; but it also exposes some young people to certain risks.

One in three Cambodians are between 15 and 29 years old, and 300,000 young people enter the workforce every year. Also according to National Institute of Statistics figures, about a quarter of the total Cambodian population are internal migrants: people who have moved from their district of origin for at least three months. Three quarters of them, around 2.5 million people, are youth aged 15 to 29.

Away from familiar surroundings and trusted people, unfortunately young migrants can be exposed to all kinds of threats, from violence and exploitation to substance abuse and Sexually Transmitted Infections (STIs). Labor migration also places youth at risk from criminals, including those involved in human trafficking.

The Cambodian Rural Urban Migration Project, developed by the Ministry of Planning with UN support, finds most migrant women are small business owners, or employed in garment factories or the entertainment and service industries.

Having moved away from their usual support networks at home, these female youth migrants may be exposed to sexual and reproductive health risks such as STIs and unwanted pregnancies, as well as gender-based violence. In addition, many young female migrant workers have to leave their children behind in their villages, where they often receive less than optimum care.



Photo: Ly Polen

Behind the green screen young Cambodian men are working at a construction site in Phnom Penh.

On the other hand, the most common jobs for migrant men are in construction, day laboring and driving. They in turn may be exposed to amphetamine-type-stimulants (ATS) due to its perceived benefits in working longer hours.

Poor working conditions pose further risks, such as those associated with night work, heavy work, long hours and hot workplaces, as evidenced in a study by the Cambodia Development Resource Institute (CDRI).

Finally, the high mobility of migrating youth makes the provision of medical treatment and social counseling more difficult.

However, by making services youth-friendly and through continued cooperation, Government, Development Partners, the private sector, youth groups, NGOs and civil society organizations can mitigate the pitfalls of migration, helping the new generation play its part in Cambodia's social and economic transformation.

Together, we are working on boosting social protection systems; on providing accessible and affordable healthcare; on strengthening the legal framework; and on social counseling and drug treatment.

Youth are being encouraged to acquire skills and provided with advice on their options. Targeted youth-friendly information services – on subjects such as urban living, labor rights, reproductive rights, gender discrimination and violence, exploitation, health, nutrition, HIV/AIDS, and substance use

– can arm young people with the tools they need, before and after they choose to move.

Partners also continue to promote decent childcare facilities at workplaces to prevent separation of children from their mothers. In the meantime, we all have a role to play ensuring that health and safety standards are upheld in factories and construction sites.

The United Nations in Cambodia continues working with the Government and other partners on all these issues. Because Cambodia's burgeoning 'human capital is its biggest asset on the path to middle-income status and a better life for all, including future generations.

Young people are hitting the road in search of the new prospects that growth presents, and already making a major contribution to national development. Let's keep working together to recognize the impact of this phenomenon, and take measures to ensure that, on balance, it works in favor of sustainable development.



Empowered lives.
Resilient nations.

Nº 53, Pasteur Street
Boeung Keng Kang I
P.O. Box 877
Phnom Penh
Cambodia

Tel: +855 (0) 23 216167

Fax: +855 (0) 23 216 257

E-mail: registry.kh@undp.org

www.kh.undp.org

www.facebook.com/UNDPCambodia

www.twitter.com/UNDPCambodia