



Workshop on Grassroots Economic Development and Poverty Alleviation



WORKSHOP REPORT

25-29 November 2013

Bangkok, Thailand

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Workshop Organizer:
Community Development Department
Ministry of Interior

Preface

Thailand has carried out the development since 1962. At the initial stage the development was focused on economic development as primary target and social development as secondary target. As a result, the country was advanced and modernized. Thai were well educated and more participated in development as well. When Thailand started its development focused on people as a center of development in 1997, the development approach was changed to strengthen rural community to be able to handle the changing situation in their villages as well as utilize local resources for economic development. At the same time, Thai government had a dual track policy on economic development which focused both on macro, national economy, and micro economy, grassroots economy. Therefore there were several grassroots economic development projects initiated by the government such as Village and Urban Fund Project and One Tambon One Product Project.

Community Development Department, with plentiful experiences in strengthening rural community and promoting a grassroots economic development, had been assigned to carry out the Village and Urban Fund Project and One Tambon One Product Project. This made the department gained more experiences that can be shared. Thus, the Grassroots Economic Development and Poverty Alleviation project was proceeded, during 25 – 29 November 2013 in Bangkok, to share experiences on grassroots economic development as well as poverty alleviation, focused on strengthening rural community to take part in the process, to ASEAN Member States with the financial support from Japan-ASEAN Integration Fund: JAIF. There were 29 representatives from 10 AMS.

Recently, the project has been accomplished. The department wishes to thank ASEAN Secretariat for useful comment and suggestion, thank the Japan-ASEAN Integration Fund for supporting the budget, and thank Thai concerned agencies for allowing their staff to share their knowledge and experiences, as well as model villages in Saraburi Province and Phra Nakhon Si Ayutthaya Province for welcoming and sharing their best practice with respective participants.

Community Development Department
March 2014

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Introduction

The Royal Thai Government realized that rural and urban poor have faced many hardships due to low income, lack of opportunities and lack of affordable access to the capital. In response to this problem, the Thai government has focused on expanding opportunities, creating income, reducing expenses, and providing access to capital for the people at the grassroots level. As a result, an integrated portfolio of grassroots economic development plan was introduced. The plan comprises of financial support, and skill and knowledge support in the forms of Village and Urban Community Fund (VUCF), Community Empowerment Fund in term of Sufficiency Economy (SEF), and One Tambon One Product Program (OTOP). Tambon is a Thai word means sub-district.

With assigned authorities and responsibilities, the agencies of the Ministry of Interior have played a vital role in supporting and mobilizing the policy of grassroots economic development and poverty eradication in the rural areas. The targets of financial support for generating income and assets are grassroots entrepreneurs and small enterprises.

The Village and Urban Community Fund (VUCF) were established as one of the urgent poverty alleviation policies, officially launched in March 2001. It serves as a driving force for socio-economic development using a participatory approach with an emphasis on self-reliance and mutual assistance. The introduction of village revolving funds throughout the country provides a source of financing for rural employment and business community projects throughout the country. The administration of the VUCF is carried out by a committee composed of local villagers themselves. This peer group has a freehand in approving and setting the terms of the loans without any interference from the government or the lending model. It also encourages borrower's responsibility.

The government also initiated a Community Empowerment Fund also previously known as SML (Small Medium and Large) which is now called as Sufficiency Economy Fund (SEF), to provide national funds directly to villages of various sizes so that local villages could use the money to tackle their own problems. The SEF Project combines financial capital from the Government and the local intellectual as well as social capital in the community. Through the SEF project, each village and community creates a management system appropriate to its own social and economic situation, culture and local knowledge.

The main goal of the project is to empower grassroots using 3 components: decentralization, democracy and distribution of development benefits. The SEF Project differs from the VUCF scheme in that the SEF funds are annually allocated by the government to each village to spend for the whole community's benefit without asking for repayment whereas the VUCF scheme is a micro credit revolving fund from which individual villagers borrow and repay for personal use to create economic activities that generate personal income. The Project was officially launched on 15 July 2005 with more than 1.8 billion baht allocated to 12,500 villages nationwide.

Grassroots development would not only require financial stimulation and support, but also require expanding opportunities and access to knowledge and skills development. In fact, knowledge as intellectual capital is one of the assets that must be more effectively cultivated in order to raise income and living conditions of the poor.

Inspired by One Village One Product program originated in the Japanese Prefecture of Oita, One Tambon One Product Project also known as OTOP was initiated to increase income, create local jobs and keep farmers on their farms with substantial added income that could free them from debt. The One Tambon One Product (OTOP) Project is one important strategy of The Royal Thai Government to develop the grassroots economy to fight poverty. OTOP draws upon the existing local knowledge and ingenuity of Thai villages in the regions and the nation at large. By promoting OTOP, rural Thais turn themselves into strong small entrepreneurs who eventually become major forces of national economy. The end results of this scheme which started in 2001 until now has been proved highly satisfactory. The success of Thai community products is very impressive. Their exports bring in a lot of income to the country as well as a better life of people in rural areas. Community Development Department (CDD) of Ministry of Interior is one of the organizations that promote, support and coordinate activities to achieve the said goals under this scheme and made it well known to the world. The Singapore government, under the Civil Service Exchange Program (CSEP), recognizes the success of the OTOP scheme and expressed the interest to extend this idea to ASEAN countries, especially to Lao PDR, Cambodia, Vietnam and Myanmar.

Therefore, the training course on grassroots economic development and poverty alleviation will be organized for government officials of ASEAN countries to share its concept and implementation process.

Acknowledgement

The delegations of Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, and Singapore congratulated the Ministry of Interior for the successful completion of the training program and expressed their profound appreciation to the Community Development Department for the warm hospitality and arrangement of the training program.

Opening Ceremony

The Grassroots Economic Development and Poverty Alleviation Project was a 5-day training program lasted from 25th to 29th of November 2013 at Imperial



Queen's Park Hotel, Bangkok, Thailand. Deputy Director General of the Community Development Department, **Mr. Adthaporn Singhawichai**, gave his opening remarks on the training program and provided brief introduction of the department. He concluded the speech by thanking involved parties, both staffs and guest speakers, and gave a warm welcome to delegates.

After that, the Deputy Permanent Secretary of the Ministry of Interior, **M.L. Panadda Disakul**, commenced the program by welcoming all distinguished delegates from ASEAN member countries and responsible participants to the training program. He gave an overview on **poverty situation in ASEAN region** and linked it with the objective of the training program, underscoring the importance and benefits to be

extracted from the program. He concluded by officially opening the program and wished all delegates a pleasant stay in the country. He continued shortly with the keynote speech on **the Philosophy of Sufficiency Economy**, its background, the meaning of the Philosophy, and the effects it has brought upon the country since inception based on factual statistic evidence stated in the 2011 Situation Analysis Report on Poverty and Inequality in Thailand. He concluded his keynote speech by giving an objective exemplary resulted from the Philosophy of Sufficiency Economy which was the Sufficiency Economy village in Pa Yao Province.



Grassroots Economic Development in Thailand

The training program started off with the speech by **Mr. Chirapun Gullaprawit**, Senior Advisor of the National Economic and Social Development Board (NESB) on **Grassroots Economic Development in Thailand**. He emphasized on 3 main points: Evolution of the National Economic and Social Development Plan, Grassroots Economic Development Policy for Poverty Eradication, and Government Policy.



Then, the Deputy Director-General of the Community Development Department, **Mr. Adthaporn Singhawichai**, gave a speech on **Role and Responsibility of Community Development Department**. Mr. Adthaporn Singhawichai listed 8 core roles and responsibilities of the Community Development Department: setting plans and policies on Community Development works; enhancing people's development

potentials; promoting community learning processes; promoting community enterprise; developing information system; undertaking research and developing Community Development models and methods; training community leaders; and undertaking other

tasks as assigned by the Ministry and the Cabinet. He then moved on to mobilizing policies of the government on 3 main schemes centering on the grassroots economic development: develop the Women Empowerment Fund Network as a mechanism for



creating job opportunities at sub-district and village level; develop OTOP entrepreneurs into community enterprises and small-and-medium enterprise (SME); using grassroots database (Basic Minimum Needs, Village Profile) for national policy making. He also emphasizes the critical policies the Community Development

Department is undertaking: OTOP 100,000 million baht target by 2015; Public Deliberation Publication Forum; Women Empowerment Fund; Drug Prevention and Resolution Scheme; Integrated Poor Household Management.

Concluding Day 1 is the topic on Analyzing Economic Development Situation by representatives from nine ASEAN member states. However, due to time constraint only 3 countries were able to present their inception reports: Brunei Darussalam; Cambodia; and Indonesia. Each country gave a geographical overview then moved into the country's development policies and social welfare implementations.

Country Paper Presentation: First 3 countries

BRUNEI DARUSSALAM

Brunei elaborated on the country's 5 social safety nets including social welfare assistance, retirement scheme, financial assistance, skills training, one village one product (OVOP) and how the latter (OVOP) influenced by Thailand's national policy of One Tambon One Product (OTOP). The old age pension as part of the social welfare scheme allows eligible elders in the country with permanent residence old age

pensions per month in order to protect them from poverty. Furthermore, targeted groups (widows/divorces, orphan, bedridden people, etc) are to be awarded with financial assistance per month, and children be awarded with educational assistance per month. Natural disaster victims, religious groups are



also part of the social welfare assistance. For the retirement scheme, the country has implemented system that acts as a financially support. Employees Trust Fund (TAP), Supplementary Contributory Pension (SCP), Self-Reliance Scheme is exemplary managements that reached out to citizens in need of financial standing. Skills training are also given importance through various programs such as Empowerment Program by the Youth Development Centre (YDC), Empowerment Program, Brunei Economic Development Board Youth Development Resources Grant Scheme, and Local Employment and Workforce Development Agency responsible for monitoring job opportunities. Brunei ended the presentation with OVOP and the country's aim to generate employment opportunities, increase family incomes and improve the standard of living and thus, alleviate poverty.

Cambodia

Mr. Touch Siphat and Mr. Suong Ravuth began the presentation with a general overview of Cambodia, detailing different aspects such as geographical setting,



government system, demography, and Economy. They then provided a extensive facts on the historical progression of the country's development endeavors, national development policies, and policy reformations. The presenters then focused heavily on the structure of the Rectangular Strategy (RS), a strategy operated in a form integrated

interlocking rectangles; each rectangle has its own function and importance. RS has helped Cambodia achieved substantial progress in political stability, security and social order, and created favorable environment and necessary conditions for the country to

move resolutely and confidently forward on a journey of reform and development. The presenters ended with a structural overview of the Ministry of Rural Development (MRD) and its contributions to the national development of Cambodia through the ministry's ongoing project.

Indonesia

Dr. Hermanus, Risfan Munir, Monalisa Rumayar, Luh Nyoman Dewl began the presentation by giving a geographical overview of the country. The country then explained the Pro-Poor Program Clusters, a macro-economic policy that divides different sets of community characteristics into 4 "clusters". The presenters moved on to the National Program for Community Empowerment (PNPM Mandiri) with the objectives of increasing community participation, strengthen traditional community institutions, balance top-down with a bottom-up development approach, and promote good-governance to avoid corruption on pro-poor programs.



Thailand's experience on One Tambon One Product (OTOP), Community Product Promotion Initiative by Thailand

The first presentation of Day 2 began with the topic on **Thailand's experience on One Tambon One Product (OTOP), Community Product Promotion Initiative by Thailand** Experience by **Mr. Paiboon Boornasanti**, Community Development Provincial Officer, Trang Province. The presentation began with the introduction and inception of the



OTOP project. According to Mr. Paiboon, what set OTOP in Thailand apart from Japanese OVOP or countries that adopted this project is the urgency scale on which the project needs to be implemented. The government puts it at as a national policy and sales volume goal has been set. He then explained the algorithm of the OTOP production, how marketing and distribution channels are immensely accountable for



the sales volume of the products. He described how OTOP product value is made up of 4 main dimensions: geographical areas; market segment; sector/cluster; and product standard. Each OTOP product is categorized and classified into 4 segments (A, B, C, and D), helping to

characterized the type and function of the products.

Rural Development and Community Capacity: the Case Study of the One Village One Product Movement and the Khong Dee Muang Surin Festival



The afternoon presentation still concerns the topic on OTOP. The presentation was made by **Ms. Hisano Ishimaru** on **Rural Development and Community Capacity: the Case Study of the One Village One Product Movement and the Khong Dee Muang Surin Festival**. Ms. Hisano aimed to find alternative development approach in oppose to conventional economic-

centered approach. Through One Village One Product, she proposed the use of dual

function for developing community capacity and implementing a higher value added and better well-being policy structure as well as collective activities. Studies based on collective activities were made in Japan and Thailand. Results had proven successful as statistic indicators have increased in terms of number of training programs and sponsors.

Philosophy of Sufficiency Economy and Poverty Alleviation

Next was the topic on **the Philosophy of Sufficiency Economy and Poverty Alleviation** by **Mrs. Kamolinee Suksriwong**, director of Foreign Affairs Group, Office of the Royal Development Project Board. Mrs. Kamolinee mainly talked about the King's royal projects and how they are related to the Philosophy of Sufficiency Economy. The core of this philosophy is the "3 rings, 2 conditions" or "Middle Path". The 3 rings are: Moderation, Reasonableness, and Self-Immunity. The 2 conditions are: Knowledge and Morality. These 5 traits yielded Unity, Balance, and Sustainability. Furthermore, there are 3 stages to Sufficiency Economy. The first stage (for individuals) serves as the fundamental stage. The second stage (for cooperation among farmers/forming groups) serves as the progressive or interdependent stage. The third stage (for establishing networks/cooperation across the communities) serves as the networking stage. Each stage will achieve different results due to the operative scale differs in size for each stage. Since implementation, many of the King's projects have proven successful in uplifting impoverishment and improve the livelihood of Thai people.



Country Paper Presentation: Next 6 countries

Day 2 concluded with the continuation of the Inception Report by Lao PDR, Malaysia, and Myanmar, Philippines, Singapore, and Vietnam.

Lao PDR

The Lao PDR Inception Report was presented by Mr. Bounchay Boutavong and



Mr. Kingkeo Sengsouvanh. The presenters gave a brief overview of the geographic make up of the country. They then moved on to the country's vision on poverty reduction, aiming to lift the country from impoverishment by 2020 through government strategies and policies, taking into account the Millennium Development Goals in the country approaches. The National Committee for Rural

Development and Poverty Eradication (NRDPE) is the main facilitator for coming up with Rural Poverty and Development Plan (2011 – 2015) aimed at decreasing poverty rate and improving the welfare of the people through financial support of the basic needs (education, infrastructure, healthcare, etc). Such plans and programs had statistically-supported achieved its goals as poor villages have reduced 5% per year.

Malaysia

The Malaysia Inception Report was presented by Mr. Zaflin Pakwanteh.

The presenters dated back the history of the country's development policy and its



implementation on rural areas. They then elaborated on the current situation, responsible organizations, and constraint. They highlighted the agropolitan, an integrated rural development project aimed at eradicating hardcore poverty through various agricultural and agro-based development projects by bringing

together a group of hardcore poor into a sustainable, all-encompassing community involving primary and secondary economic activities.

Myanmar

The Myanmar Inception Report was presented by Mr. Zarni Minn. The presenters began with the country context, the political and social background were briefly mentioned. For Myanmar, to relinquish poverty, community empowerment programs were implemented. The purpose was to cultivate and strengthen the capacity of village institutions to plan and undertake development activities that address their basic and food security needs in a participatory and sustainable manner. Integrated livelihood and capital assets are important factors for income development in the country. Despite drawbacks, the country pushed for sustainable livelihoods through capacity enhancement and capital assets development.



The Philippines

The Philippines Inception Report was presented by **Mr. Jonah Nobleza and Mr. Edgar Allen Cruz**. The presenters explained the government implementation of a program “Economic Inclusion of the Poor through Bottom up Planning (4 in 1) project”. It is a program for empowerment, decentralization, public-private partnership and convergence. The 4-in-1 will also be a territorial governance program for creating pathways out of poverty that are context-specific and responsive to a territory. The development goal is to implement a common platform among this group of disadvantaged municipalities, to address poverty reduction based on increased participation of the poor, accountable governance, and a responsive economic platform.



Singapore

The Singapore Inception Report was presented by **Mr. Ian Chow Wing Yan**. The presenters gave a brief introduction to Social Security consisting of 5 pillars: healthcare, public housing, education, compulsory savings, and welfares. The Community Care

Endowment Fund (or ComCare for short) was established in 2005 to serve as one of the key social safety nets to help the most needy and main vehicle through which we deliver social assistance today. ComCare encapsulates our philosophy of delivering social assistance, with the guiding principles for ComCare following those of the bigger social safety system. Furthermore, the Social Service Office aims to harness the resources that are avail in the community and this is only possible by working closely with community partners who are already knowledgeable in their field.



Vietnam

The Vietnam Inception Report was presented by **Mrs. Dinh Thi Hien**.



The presenters gave a brief overview of the country's geography make up. They then moved on to the social statistics and the country's livelihood background. According to the development goals, restructuring agricultural production and promoting rural development has made an increase in farmers' income, thereby, reducing the national average rate of poverty with 2% per year; There

continues studying, proposes a number of additional policies to directly assist for poor ethnic minority households to stabilize their lives, such as food assistance policy for poor families which are not able to produce food. In terms of community development: expand and create advantages to enhance people's participation in community activities: defining development need, planning, arranging, implementing at villages and communes; managing sources; monitoring and evaluating.

Study Visit to Saraburi Province

All delegates and participants visited the Saraburi Provincial Hall and were welcome by Vice Governor Mr. Phakaphong Tavipatana and high ranking



executives of Saraburi Province. The Vice Governor introduced the delegates the province's Sufficiency Economy projects and reported on the ongoing progression of the activities.



After the courtesy call with the Vice Governor, the delegates were taken to the Saraburi OTOP Complex, the province's distribution centre of OTOP products. There they learned how the centre had struggled and went through severe obstacles for years before they became this successful; one of the main contributors to the success was the location of the centre.



Study Visit to Ayutthaya Province

The next day, delegates and participants visited Ayutthaya Provincial Hall and were welcomed by the Governor **Mr. Vitthaya Phewphong** and high ranking



executives of Ayutthaya Province. Similar to Day 3, the delegates were introduced to the province's community development works, mainly on Sufficiency Economy projects



and reported on the ongoing progression of the activities.

After the courtesy call with the Governor, the delegates were taken to the Blacksmith Occupational Group where they had a hands-on experienced the process of making swords, cutleries, and kitchenware. Before bidding farewell to the province, they had a final visit at the Bang Sai Royal Folk Arts and Crafts Centre. There they received a glimpse of how farmers in the four regions of Thailand live and work, and how Thai folk and crafts are produced and conserved.



G

roup discussion

Group discussion was held on Day 5, the final day of the seminar. **Mr. Chamnan Watthanasiri**, moderator of this session, assisted in synthesizing participants' knowledge and networking. He mentioned that learning outcomes can be derived from 3 main elements: country experiences, best practices, and community experiences. He emphasized the importance of participatory learning, and the combination of learning and local context experience took form as economic development and poverty reduction projects. However, support and collaboration from the different sectors (public and private) are needed to fulfill the project objectives. On



an international scale, ASEAN collaboration serves the crucial part for the economic development and poverty alleviation.

Potential Collaboration on Grassroots Economic Development and Poverty Eradication among AMS



Reference to group discussion, participants understood clearly on grassroots economic development and poverty alleviation done in Thailand through OTOP Project and promotion of sufficiency economy practicing projects. Thus, in this session, participants were encouraged to generate some ideas from knowledge and experiences as initiative to be done in their countries. The initiatives also serve as the points to collaborate among ASEAN Member States on grassroots economic development and poverty eradication as well as to form ASEAN network in the future. The followings are the proposed initiatives:

Philippines

The policy proposed by the Philippines, “Bayanihan Sa Barangay” or Barangay Community Operation, aimed at creating food sufficiency and hunger eradication. The policy objectives are 1) to revive bayanihan (community operation) spirit in the barangay (village); 2) to propagation of local staples (tubers, vegetables, fish & livestock within the barangays; and 3) to promote sustainable consumption. Through value chain integration of poor people, the end results of this policy are to increase in income of poor households; delivery of support services will be improved; and participation of LGUs and the community the in the preparation of Local Poverty Reduction Action Plans (LPRAPs).

Singapore

The policy of Singapore is “Urban OTOP”. There are 4 main objectives which are to 1) provide employment to supplement household incomes; 2) empower disadvantaged and vulnerable; 3)

provide opportunities for agencies to work together; 4) to encourage social integration and internal support system within the community. Singapore suggested two targets:

1. Provide supplementary income to poor people;
2. Build caring and loving community to help the disadvantaged

Agencies responsible for implementing the policy shall use the 3Ps Approach: People, Private, and Public. The approach will be facilitated by SSO.

Indonesia

“Tenun Village Development” by Indonesia aims at empowering “tenun” or traditional weaving community at village level. The target group includes the “Tenun” community in Kota Raja Sub-District, Kupang City. Agencies responsible for implementing the policy are local government and women empowerment organization

Brunei

Brunei’s proposal is the “OTOP Division” with its main goals being social services for poverty alleviation. The purpose of this proposal is to create self-sufficiency, income generation, poverty reduction, and capacity building.

Malaysia

Malaysia proposed an “Enhancing Agropolitan Project”. Its targets are hardcore poor, poor in remote area, and existing projects. Agencies responsible for the implementation are ministries and agencies as well as the community itself. There will also be involvement by the private sectors, GLCs, and Non-Government Organizations. After the funding for the project is approved and distributed, the project will initiate from the community. In the process the community will receive guidance from the government and private sectors.

Cambodia

Cambodia’s policy proposal is the “Village-Integrated Farming Development Project”. Its goal is to improve villagers’ living standard. The objectives for this proposal are 1) to train villagers on integrated farming system and applicable appropriated agriculture technology; 2) to increase family’s income; and 3) to enhance local cooperation. There are sets of activities required for propelling the project:

1. Select village target and conduct data analysis;
2. Identify local mobilizable resources;
3. Analysis training needs on agricultural;
4. Training and demonstration and practice;
5. Learning and sharing experience

Senehey village is selected as the project target and the Department of Rural Community Development will act as the project implementation agency.

Myanmar

Myanmar proposed a policy project called “Shae Thoe” project, or “Forward” project. It is based on the rationale that saving expenditures is not enough due to lack of social services. The objectives are 1) to enhance household saving practices; 2) to improve household income; and 3) to enhance knowledge and skills. The poor, the landless, and the vulnerable are the target group. Activities required for propelling the project:

1. Introducing household budgeting;
2. Provision of capital assets (social, financial, and physical);
3. Skill enhancement;
4. Market link

Village development support committee will act as the implementing agency while the Ministry of Rural Development act as the executing agency.

Laos PDR

Laos PDR’s vision is to help the country escape poverty by 2020. Activities required for propelling the project:

1. Complete all infrastructure and community capacity building;
2. One Tambon One Product (OTOP)

The implementing agencies include

1. Government project (project staff);
2. International specialists;
3. Ministry participation

The activities are completed by the following steps:

1. Data collection and data analysis;
2. Planning (project plan and community plan)
3. Implement and monitoring;
4. Evaluation

The OTOP project will operate in a cycle system. The project will start with data collection/planning. The plans are drawn up and operate in many levels: Ministry of Agriculture, province, district, community/village. The plans are then implemented through community capacity building, study tours, trainings, community members (new), The results or outcome will then be evaluated.

Vietnam

Vietnam’s proposal has 6 objectives:

1. Control quality of products;
2. Environment protection;
3. Network marketing;
4. Center training (training center in every district;
5. Support services in health and schooling;
6. Product standard

The implementation agency selected for this project is the Ministry of Agriculture and the rural farmers are the target group.

Thailand

Thailand's proposal is the "Family Finance", a project that highly depends on self-reliance (internal facto) as well as markets (external factors). The objective is to facilitate services to the community for income generating, capacity building, and poverty reduction. The moto is "grow your own food, eat what you got, make what you use, use what you make". The target groups are all community including poor and vulnerable persons. The Community Development Department, Ministry of Culture, Youth and Sports , Ministry of Industry and Prime Resources, Youth Development Centre, Ministry of Finance are the implementing agencies. Another project is the Community Savings Group with the objectives of 1) helping low-income build savings; 2) provide community buffer for need; and 3) community helping community. Implementing agencies for the project are local grassroots acting as the facilitator and the government as the financial supporter.

Pproject Evaluation

Based on the result of the evaluation, 28 of 29 participants were responded to the evaluation sheet, they expressed that they had learnt new knowledge, skills and experience from this course, 14 of the participants were strongly agree and 14 were agree that the training organization and facilitation were excellent and about expressed that the organization and facilitation in the training was very good in terms of the venue, spaces, facilities, logistics, facilitation and the refreshment arrangement.

Therefore, the training organization and process was still carried out smoothly and the trainers and training facilitators effectively responded to the suggestions made by the participants throughout the sessions.

Most participants responded that this training was very useful for both the future and the present work. They committed to apply the knowledge, skills, and experiences they learned from this course to share, exchange, and transfer to their employees and workmates in the organization. The result show as the annex 5

Closing Ceremony

The training program was officially closed by the Deputy Director-General of the Community Development Department, Ministry of Interior, **Mr. Adthaporn Singhawichai**. He gave a deep appreciation to the distinguished delegates for participating in this project and he hoped that the past 5 days had been a memorable and enjoyable experience. He thanked the delegates once more and wishing them safe return to their home countries.





Annex 1: Opening Speech

Welcome and Opening speech on Grassroots Economic Development and Poverty Alleviation,

By the Deputy Permanent Secretary of the Ministry of Interior,

25 November 2013,

The Imperial Queen's Park, Bangkok, Thailand

Deputy Director General, Distinguished guests, Distinguished participants, Ladies and Gentlemen

It is a great pleasure to welcome all of you from ASEAN state member countries and to preside the Opening Ceremony of the Grassroots Economic Development and Poverty Alleviation training program organized by the Community Development Department.

Poverty in ASEAN largely exists in rural area. Most of the poor are in the agriculture, forestry and fishery sectors. Being aware of this situation, ASEAN proposed in the Article 1 of the ASEAN Charter: "To alleviate poverty and narrow the development gap within ASEAN through mutual assistance and cooperation"

This Grassroots Economic Development and Poverty Alleviation training program is one of the designed activities in the Framework Action Plan on Rural Development and Poverty Eradication 2011 – 2015, a part of the ASEAN Socio- Cultural Community Blueprint or ASCC Blueprint. The program aims to serve as a forum for representatives from concerned agencies of ASEAN Member States to share their views and ideas on integrated grassroots economic development and poverty eradication, as well as to understand the grassroots economic development schemes carried out in Thailand. In this regard, there are a number of successful experiences and lessons learned waiting for you to study and learn in order to build the prosperity for ASEAN peoples.

I was reported that, the Community Development Department had identified most relevant development works which have been proved to be successful and able to reduce number of the poor in Thailand. This program was designed to be as much practical as possible with a few lectures and field visits so as to allow more opportunity for the participants to learn from each other as well as from the rural people directly.

I would like to take this opportunity to express my sincere appreciation to the organizer, the Community Development Department, and in particular, to our honorable speakers who give time to share their knowledge and experiences, even though they are busy with their responsibilities at their agencies. We truly appreciate your dedication. Again, this training program could never be possible without the support of SOMRDPE and Japan – ASEAN Integration Fund.

Finally, I truly wish every one of you all 5 fruitful days of interesting and learning program and a pleasant stay in Thailand. Now is an appropriate time for me to declare the official opening of the Grassroots Economic Development and Poverty Alleviation Training Program.



A

nnex 2: Closing Speech

Closing Speech

Grassroots Economic Development and Poverty Alleviation

By Deputy Director General

29 November 2013,

Sakura room, 37 floors, The Imperial Queen's Park, Bangkok, Thailand

Distinguished delegates, Ladies and Gentlemen,

First of all, I have a great pleasure to preside over this closing ceremony and especially to have an opportunity to meet all of ASEAN member states again and I would like to congratulate you all on the success of this international program "Grassroots Economic Development and Poverty Alleviation".

Having learned from the report, I am confident that you have gained some new knowledge and experiences about Grassroots Economic Development and Poverty Reduction, which the Royal Thai Government has implemented in Thailand. The training course and your field visits in the past few days should have really helped you understand more clearly how our government has attempted to enable local communities to develop economic by themselves.

I am quite delighted to know that the course has been implemented and completed successfully to everyone's satisfaction.

However, if some flaws may have occurred during the implementation of the course, please accept my sincere apology on behalf of my staffs here in Bangkok and at the places visited during your field trip to Saraburi province and Phra Nakhon Sri Ayutthaya province.

Nevertheless, we welcome and appreciate any comments and suggestions that you may have to further improve this course.

Now that this course is coming to an end, I would like to say congratulations to all of you for successfully completing this program and acquiring vast knowledge during your visit here in Thailand. I am sincerely grateful to Japan-ASEAN Cooperation Fund (JAIF) and ASEAN Secretariat for supporting this program and to all concerned and the CDD staffs for their time and efforts. I am sure everyone involved has learned from this program one way or another and will continue to do so in the future through our good relationship.

Finally, I would like to wish you all successful and prosperous careers, good health and happy life as well as a safe journey back to your country and your loving family.

And now it's time to announce the closure of Grassroots Economic Development and Poverty Alleviation in Thailand.

Thank You and Good Luck

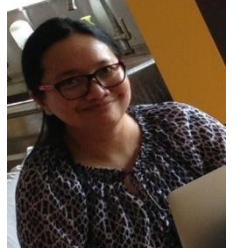
Annex 3: Directory of the Grassroots Economic Development and Poverty Alleviation Participants

		Nation of Brunei, Abode of Peace <i>Negara Brunei Darussalam</i>	
		Name:	Ms. Fatimah Md Salleh
		Position:	Director of Social Service Section
		Organization:	Community Development Department Ministry of Culture Youth and Sports
		Name:	Ms. Noridah Haji Ishak
		Position:	Community Development Officer
		Organization:	Community Development Department Ministry of Culture Youth and Sports
		Name:	Ms. Juzailah Abd Rahman
		Position:	Assistance Officer
		Organization:	Community Development Department, Ministry of Culture Youth and Sports
		Name:	Mr. Hj Md Aziman Hj Tengah
		Position:	Special duties officer grade II
		Organization:	Ministry of Home Affairs Brunei Darussalam

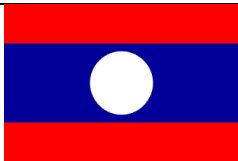


	Kingdom of Cambodia
	Name: Mr. Suong Ravuth Position: Vice chief of Local Development office Organization: Department of Community Development, Ministry of Rural Development
	Name: Mr. Touch Siphath Position: Chief of Research office Organization: Department of Training and Research, Ministry of Rural Development



	Republic of Indonesia
	Name: Mr. Hermanus Man Position: Deputy Major/District Coordinator Organization: Urban Poverty Alleviation Program, Government of Kupang Municipality
	Name: Ms. Luh Nyoman Dewi Triandayani Position: Program Officer Organization: Deputy for Poverty Alleviation and Community Empowerment Coordination, Ministry of People's welfare
	Name: Mrs. Monalisa Herawati Rumayar Position: Head of Non government budgeting Sub-division, Organization: Deputy for Poverty Alleviation and Poverty Empowerment Coordinating, Ministry for People's Welfare, Republic of Indonesia
	Name: Mr. Risfan Munir Position: Planner Organization: Community Economic & Intuitional Development Set. Pokja Pengendali PNPM



	Lao People's Democratic Republic	
	Name:	Mr. Bounchay Boutavong
	Position:	Head of Department
	Organization:	Department of Rural Development, National Committee for Rural Development and Poverty Eradication
	Name:	Mr. Kingkeo Sengsouvanh
	Position:	Senior Officer
	Organization:	Department of International Cooperation, National Committee for Rural Development and Poverty Eradication
	Name:	Ms. Chaipasird Phunphouvanna
	Position:	Head of Division
	Organization:	Community Development Division, Poverty Reduction Fund



Malaysia



Name: **Mr. Zaflin Pakwanteh**
Position: Principal Assistant Secretary
Organization: Economic Empowerment Division,
Ministry of Rural and Regional Development



Name: **Ms. Siti Rohanis MohamadRoze**
Position: Assistant Secretary
Organization: People's Well Being,
Ministry of Rural Regional Development



Name: **Ms. Haryati Yahya**
Position: Assistant Secretary
Organization: Land and Regional Development Division,
Ministry of Rural and Regional Development



	Republic of the Union of Myanmar
	Name: Mr. Zarni Minn Position: Assistant Director Organization: Department of Rural Development, Ministry of Border Affairs
	Name: Ms. May Myo Han Position: Deputy Staff Officer Organization: Department of Rural Development, Ministry of Border Affairs
	Name: Mr. Zaw Min Kyi Position: Assistant Director Organization: Department of Rural Development, Ministry of Border Affairs



		Republic of the Philippines	
	Name:	Mr. Baby Boy Jonah Nobleza	
	Position:	Technical Consultant	
	Organization:	Office of the Undersecretary, National Anti-Poverty Commission	
	Name:	Mr. Edgar Allan Cruz	
	Position:	Technical Consultant	
	Organization:	Office of the Undersecretary, National Anti-Poverty Commission	



 Republic of Singapore	
	Name: Mr. Wei Jie Benedict Position: Assistant General Manager (Local Planning) Organization: Social Service Office Division, Ministry of Social and Family Development
	Name: Mr. Ian Chow Position: Assistant General Manager Organization: Social Service Office Department, Ministry of Social and Family Development
	Name: Mr. Wei Yang Lee Position: Assistant Director (Service Development and Planning) Organization: Social Service Office Division, Ministry of Social and Family Development



 Kingdom of Thailand	
	Name: Mr.Keerati Wessamekin Position: Land Technical Officer Practitioner Level Organization: Department of Land, Ministry of Interior
	Name: Mr.Phichet Nanta Position: Learning Route Coordination Organization: Procasur Cooperation, Asia and the Pacific



	Socialist Republic of Vietnam	
	Name:	Mr. Ta Huu Nghia
	Position:	Head Poverty Reduction and Rural security Division
	Organization:	Department of Cooperatives and Rural Development, Ministry of Agriculture and Rural Development
	Name:	Mrs. Luong Thi Huyen
	Position:	Deputy Head Division
	Organization:	International Cooperation Department, Ministry of Agriculture and Rural Development
	Name:	Mrs. Dinh Thi Hien
	Position:	Deputy-Head Division
	Organization:	Department of Processing and Trade for Agro-Forestry-Fisheries Product and Salt Production, Ministry of Agriculture and Rural Development



	ASEAN Secretariat
	Name: Ms. Nur Ismi Hamid Position: Technical Assistant Organization: Social Welfare, Women, Labor & Migrant Workers, ASEAN Socio-Cultural Community Department, The ASEAN Secretariat



Organizer

 Community Development Department		
 ช็อคชัย แก้วปอง ผู้อำนวยการกองแผนงาน ๐ 2141 6006	Name:	Mr. Chokchai Kaewpong
	Position:	Director Of Planning Division
	Organization:	Community Development Department, Ministry of Interior
	Name:	Mr. Pallop Tanjariyaporn
	Position:	Chief of International Relations Unit
	Organization:	Planning Division, Community Development Department, Ministry of Interior
	Name:	Mrs. Nicha Pramchan
	Position:	Foreign Relations Officer
	Organization:	Planning Division, Community Development Department, Ministry of Interior
	Name:	Mrs. Jantima Jones
 นิชา เปรมจันทร์ นักวิเทศสัมพันธ์ชำนาญการ ๐ 2141 6215	Position:	Foreign Relations Officer
	Organization:	Planning Division, Community Development Department, Ministry of Interior
	Name:	Mrs. Jantima Jones
	Position:	Foreign Relations Officer
	Organization:	Planning Division, Community Development Department, Ministry of Interior
 จันทิมา โจนส์ นักวิเทศสัมพันธ์ชำนาญการ ๐ 2141 6210	Organization:	Planning Division, Community Development Department, Ministry of Interior
	Name:	Ms. Sirinuch Sirisuriya
	Position:	Foreign Relations Officer
	Organization:	Planning Division, Community Development Department, Ministry of Interior
	Name:	Ms. Sirinuch Sirisuriya
 ศิรินุช ศิริสุริยา นักวิเทศสัมพันธ์ชำนาญการ ๐ 2141 6214	Position:	Foreign Relations Officer
	Organization:	Planning Division, Community Development Department, Ministry of Interior
	Name:	Ms. Sirinuch Sirisuriya
	Position:	Foreign Relations Officer
	Organization:	Planning Division, Community Development Department, Ministry of Interior



 สุกัญญา รสานนท์ นักพัฒนสัมพันธ์ชุมชน 0 2141 6218	Name: Position: Organization:	Ms. Sukunya Rasananda Foreign Relations Officer Planning Division, Community Development Department, Ministry of Interior
	Name: Position: Organization:	Miss Sanicha Laochai Community Development Specialist Institute of Community Development, Community Development Department, Ministry of Interior
	Name: Position: Organization:	Mr. Peera Kamsrichan Assistant Public Relations Officer Division of Public Relation, Community Development Department, Ministry of Interior
	Name: Position: Organization:	Mr. Jarunsak Keawsukun Audio-Visual Officer Division of Public Relation, Community Development Department, Ministry of Interior
	Name: Position: Organization:	Mr. Narut Tangsuk Community Development Official Beau of Community Empowerment, Community Development Department, Ministry of Interior

Annex 4: Agenda

Day 1: 25 November 2013 (Queen's park 3 room, 2 nd floor)	
08.00 – 09.00	Registration & Orientation
09.00 – 10.30	Opening Remark • M.L.Panadda Diskul, Deputy Permanent Secretary, Ministry of Interior • Mr. Adthaporn Singhawichai , Deputy Director General, Community Development Department Keynote speech • Sufficiency Economy and the Poverty Alleviation M.L.Panadda Diskul, Deputy Permanent Secretary, Ministry of Interior
10.20 - 10.30	Coffee Break
10.30– 12.00	Grassroots Economic Development and Poverty Alleviation in Thailand Lecturer: Mr. Chirapun Gullaprawit, Senior Advisor, National Economic Social Development Board
12.00 – 13.00	Lunch
13.00 – 13.45	Introduction of the Community Development Department: Role and Responsibility Lecturer: Mr.Adthaporn Singhawichai, Deputy Director General, Community Development Department
13.45 - 14.00	Coffee Break
14.00 - 15.30	Increasing Opportunity through Saving groups and Revolving Fund Lecturer: Dr. Kanitta Kanjanarangsrinon, CDD-DG Consultant, Community Development Department
15.30 - 16.30	Inception Report Presentation on Grassroots Economic Development and Poverty Eradication in ASEAN Member Countries (approximately 5-10 minutes each) • Brunei Darussalam: Brunei Darussalam's Social Welfare Programmes: Opportunity, Empowerment and Security • Cambodia: "Rectangular Strategy" for Growth, Employment, Equity and Efficiency • Indonesia: PNPM Mandiri, as a Grassroots Economic Development and Poverty Alleviation (Indonesian Case Study) • Lao PDR: National Committee for Rural Development and Poverty Eradication (NRDPE) of Lao PDR
End of Day 1	

Day 2: 26 November 2013 (Sakura room, 37 floor)	
08.30 – 09.00	Wrap up
09.00 – 10.30	Thailand's experience on One Tambon One Product Lecturer: Mr. Paiboon Boornasanti, Chief of Provincial Community Development Office of Trang
10.30 - 10.45	Coffee Break
10.45 - 12.00	Inception Report Presentation on Grassroots Economic Development and Poverty Eradication in ASEAN Member Countries (cont'd) • Malaysia: Integrated Rural Development Project: Agropolitan • Myanmar: Grassroots Economic Development and Poverty Alleviation in Myanmar • Philippines: Economic Inclusion of the Poor through Bottom up Planning (4 in 1) Project • Singapore: Social Service Offices – Delivering Localised Assistance in Singapore • Vietnam: Grassroots Economic Development and Poverty Alleviation Project
12.00 – 13.00	Lunch
13.00 – 14.00	One Village One Product and product development in Japan Lecturer: Ms. Hisano Ishimaru, Sub Project Manager of the Rural Development Project through Community Capacity Development in Surin Province, Thailand
14.00 - 14.15	Coffee Break
14.15 - 16.45	Philosophy of Sufficiency Economy and the Poverty Alleviation Lecturer: Mrs. Kamolinee Suksriwong, Director of Foreign Affairs Group Representative from Office of Royal Development Project Board
17.00 - 21.00	Welcome Dinner and Thai Traditional Culture Show Siam Niramit
End of Day 2	
Day 3: 27 November 2013	
09.0 – 12.00	Field visits to Saraburi province • Courtesy call to Governor of Saraburi province • Sufficient Economy and Grassroots Economic Development Policy and Implementation • Model Applying Sufficient Economy Development Village
12.00 – 13.00	Lunch
13.00 – 16.30	Visit Saraburi OTOP Complex
End of Day 3	
Day 4: 28 November 2013	
09.00 – 12.00	Field visits to Phra Nakhon Si Ayutthaya province • Courtesy call to Governor of Phra Nakhon Si Ayutthaya province • Sufficient Economy and Grassroots Economic Development Policy

	and Implementation Visit Modeled Village Applying Philosophy of Sufficient Economy in Development
12.00 – 13.00	Lunch
13.00 – 16.30	Visit OTOP Occupational Group (sword, blacksmith)
End of Day 4	
Day 5: 29 November 2013 (Sakura room, 37 floor)	
09.00 – 12.00	Potential Collaboration on Grassroots Economic Development and Poverty Eradication among AMS Facilitator: Dr.Chamnan Watthanasiri
12.00 – 13.00	Lunch
13.00 – 14.45	Wrap Up Facilitator: Dr.Chamnan Watthanasiri
14.45 – 15.00	Coffee Break
15.00 – 16.30	Certification Presentation Closing Remark

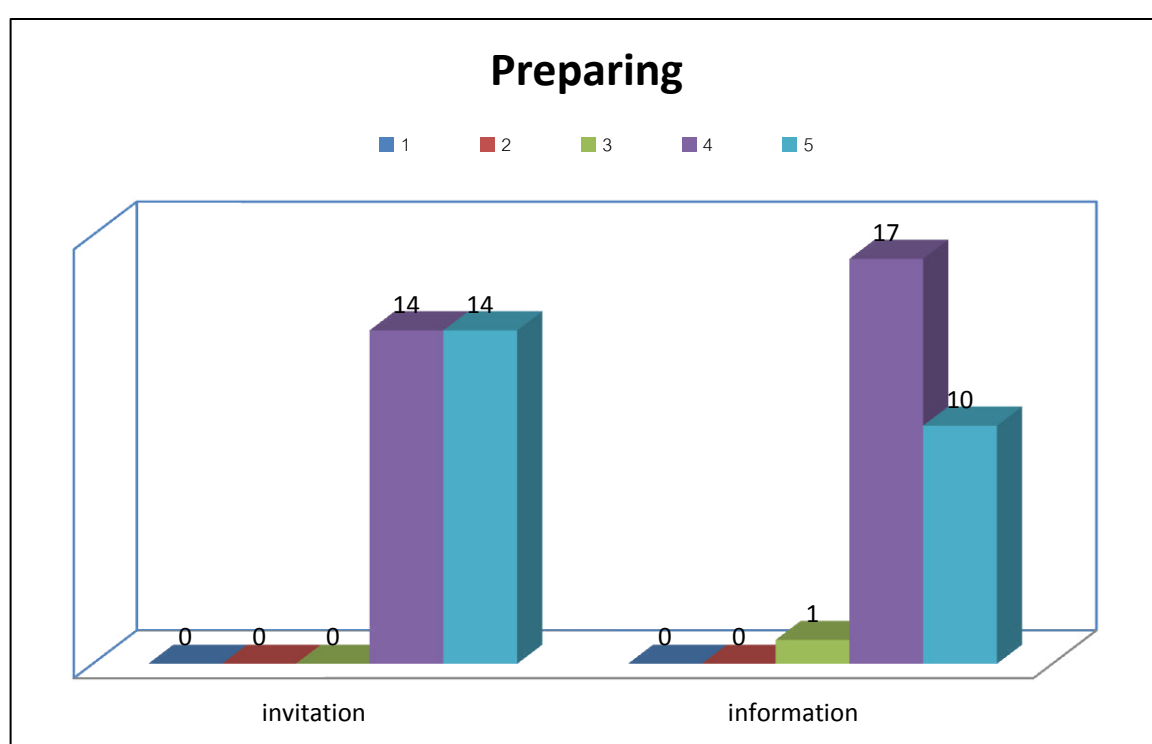


Annex 5: Evaluation

Grassroots Economic Development and Poverty Alleviation		strongly disagree			strongly agree			
	Categories	1	2	3	4	5	Total	
1	Preparing							1
1.1	invitation	0	0	0	14	14	28	1.1
1.2	information	0	0	1	17	10	28	1.2
2	Content	1	2	3	4	5		2
2.10	goal	0	0	1	14	13	28	2.1
2.20	topic	0	0	2	18	8	28	2.2
2.30	objective	0	0	3	16	9	28	3
2.40	participation	0	2	3	11	12	28	4
2.50	difficult	7	10	6	3	2	28	5
2.60	useful	0	0	2	12	14	28	6
2.70	Question and answered	0	0	7	10	11	28	7
2.80	material right	0	1	1	17	9	28	8
2.90	material helpful	0	1	0	18	9	28	9
2.10	schedule time relate activity	1	6	4	13	4	28	10
2.11	handout helpful	0	0	2	13	13	28	11
3	Lecturer\facilitator	1	2	3	4	5		3
3.1	knowledge to topic	0	0	1	14	13	28	3.1
3.2	prepare	0	0	2	14	12	28	2
3.3	encourage participate	0	1	0	15	12	28	3
3.4	answer completely and clear	0	0	4	13	11	28	4
3.5	variety training method	0	1	5	13	9	28	5
3.6	respect skill\presentation of participants	0	0	4	13	11	28	6
3.7	facilitator model cross sector	0	0	3	12	13	28	7
4	Facility	1	2	3	4	5		4
4.1	meeting room and related comfortable			2	17	9	28	4.1
4.2	location convenient			3	8	17	28	2
4.3	Food fresh good quality		1	5	15	7	28	3
4.4	tool			1	19	8	28	4
4.5	amount time	1	5	5	10	7	28	5

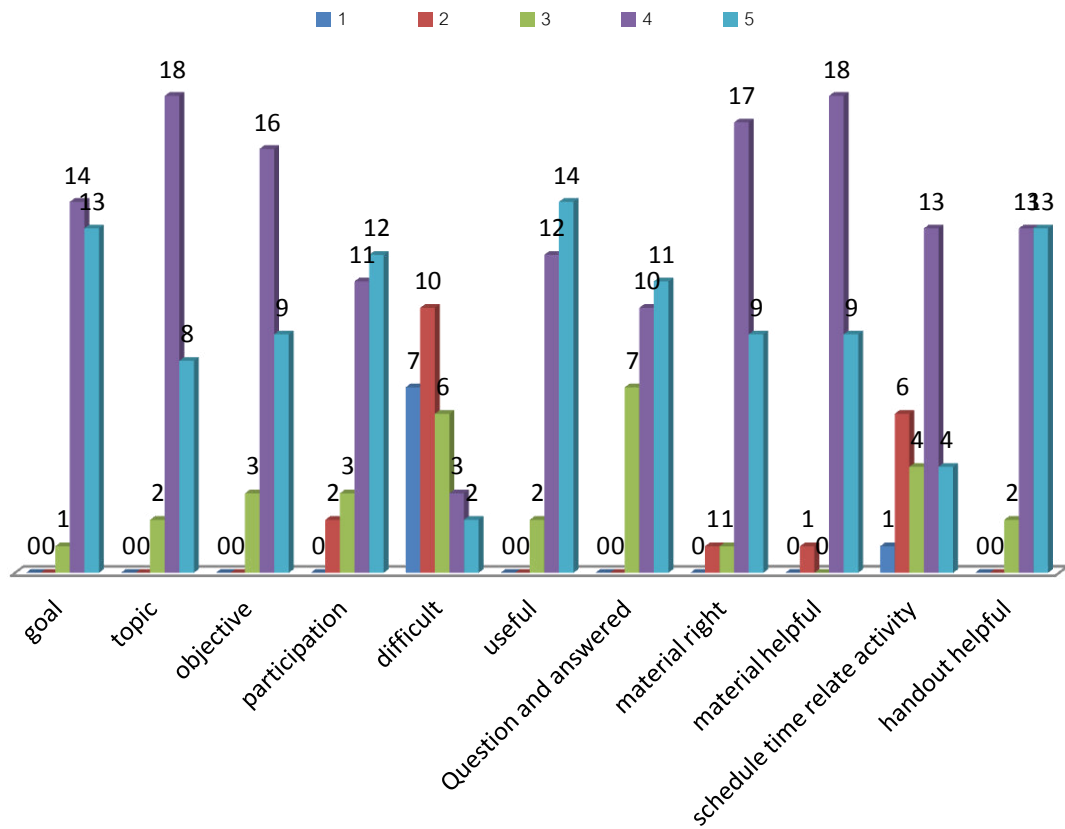


4.6	goal met			1	13	14	28	6
4.7	increase understanding			1	11	16	28	7
4.8	satisfy event			1	17	10	28	8
4.9	plan to keep in contact				8	20	28	9
4.10	plan to share information in my agency				8	20	28	10
4.11	opportunity difference professional				9	19	28	11
4.12	satisfied variety methods			4	15	9	28	12
4.13	satisfied study visit			3	10	15	28	13

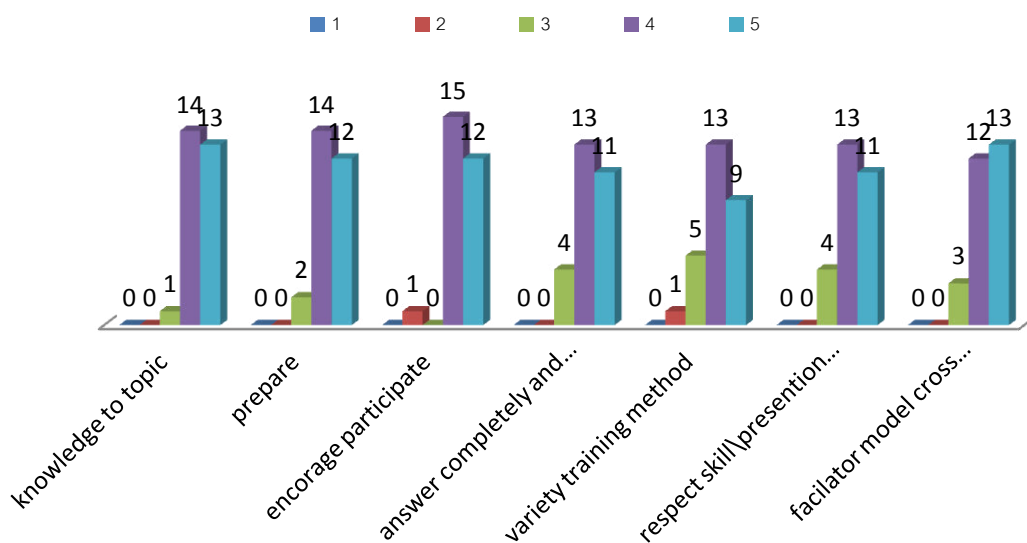


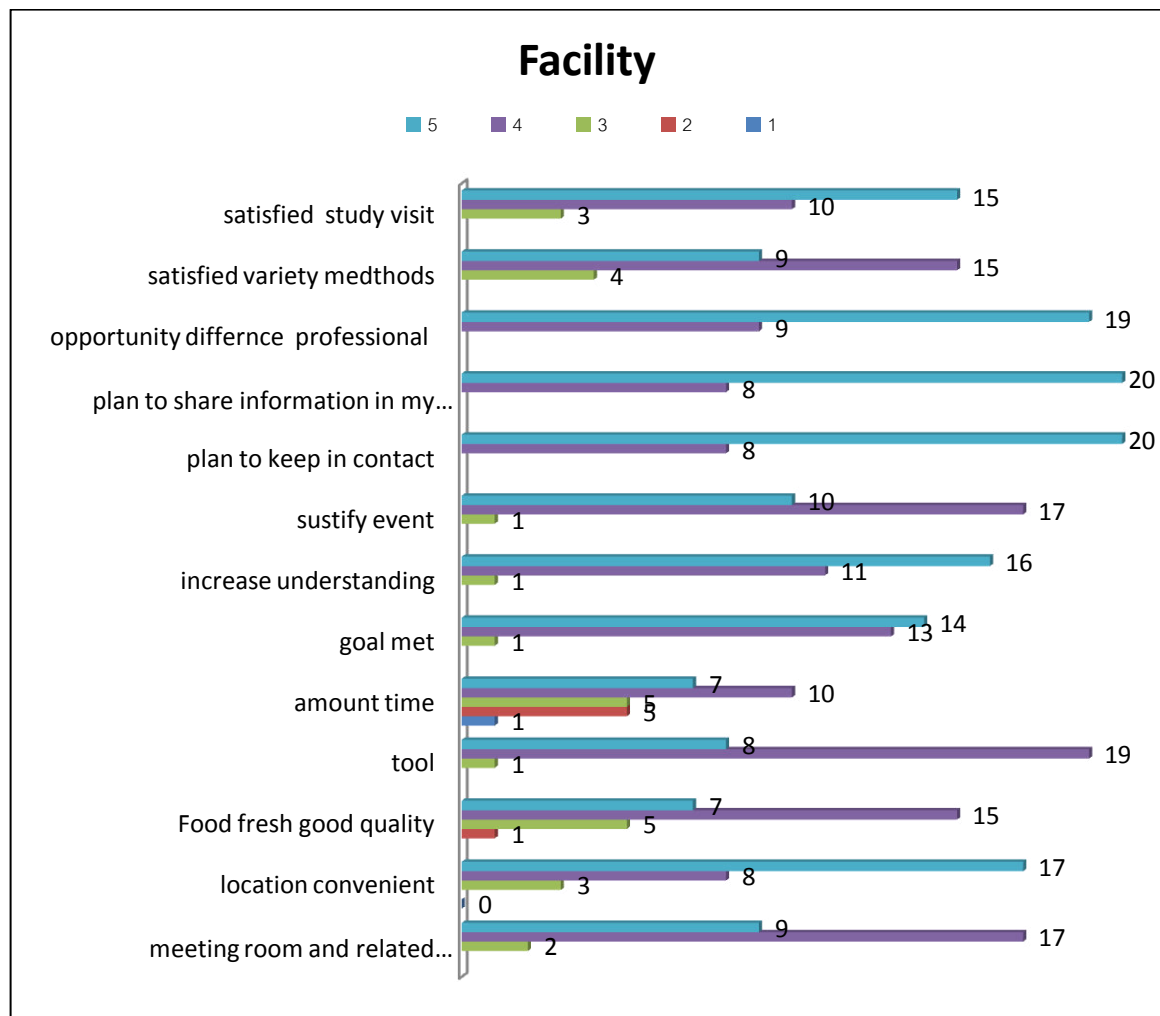


Content



Lecturer/Facilitator





Annex 6: Inception Report

BRUNEI DARUSSALAM'S COUNTRY REPORT ON "GRASSROOTS ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION PROJECT" 25-29 NOVEMBER, 2013. BANGKOK, THAILAND

1. Introduction of Brunei Darussalam's Social Welfare Programmes: Opportunity, Empowerment and Security.

Under Brunei's Social Security Strategy, there are 3 areas:-

- i) Providing economically sustainable social security system for those of our people at least able to cater for themselves;
- ii) Strengthening programmes which will foster the spirit of entrepreneurship and self-reliance among our people;
- iii) Providing opportunities for workers in the private sector to enjoy a similar sense of securities as those in the public sector

Since 1954, the Department of Community Development (DCD) under Ministry of Culture, Youth and Sports has administered social welfare programmes by providing welfare benefits in cash and in kind to the elderly and disabled as well as needy families. It also provides rehabilitation and counseling services as well as assistance to the poor and vulnerable in acquiring employment and small business set-up to gain self-reliance. Other civil society organizations such as Sultan Haji HassanalBolkiah Foundation have its own special aid scheme to help poor school children and orphans.

To ensure that no citizen is deprived of basic human needs, the Brunei's government has implemented and promoted various social safety net programmes. The Government has also sought to reorient the poverty alleviation programmes by laying emphasis on opportunities for income generation, empowerment and security. The approach is to expand the capabilities of the poor through greater access to self-reliance, new skills, services and resources while encouraging and enhancing economic activities to support entrepreneurship and income generation.

2. Social Welfare Assistance

The existing social welfare programme in Brunei Darussalam includes financial assistance and pension schemes, continued to be given to certain groups of the community including the sick, unprivileged, elderly and disabled persons. Besides the government, NGOs including Sultan Haji HassanalBolkiah Foundation, PengiranMudaMahkota Al-MuhtadeeBillah Fund for Orphans, Brunei Islamic Religious Council (MUIB), voluntary organizations, banking institutions and others are also

actively giving their contribution for community development activities and those in need assistance.

2.1. Old Age Pension

Brunei citizens and permanent residents who have reached the age of 60 years old and above are eligible for an Old Age Pension of BND250.00 (USD208.00) per month in accordance to conditions stipulated under the Old Age and Disability Pensions Act 1954. Provisions of pensions and welfare support for older citizens are sometimes supplemented to protect them from poverty. Most of the old age pension recipients are women. This is due to women achieving life expectancy of 77.83 years compared to 73.32 years for men (2009 estimated). Table 3 shows trends in the numbers of recipients are as follows:

Table 1: Statistics of Old Age and Disabled Pensions Recipients (2009-July 2013)

	2009	2010	2011	2012	July 2013
Recipients of old age and disability pensions	19,757	21,010	22,414	24,027	25,093

2.2. Monthly Welfare / Financial Assistance

Monthly welfare or financial assistance is given to needy families of targeted groups comprising of widows/divorcees, orphans, bedridden people and other people in crises. Each head of family (regardless of gender) will be awarded financial assistance of BND200.00 (USD166.00) per month. On top of that, each child of the family will be awarded BND65.00 (USD54.00) per month and an additional BND65.00 (USD54.00) per month if the child attends school. At least 60 per cent are women. Table 4 shows trend in the numbers of recipients are as follows:

Table 2: Statistics of Monthly Welfare Recipients for the year 2009-July 2013

	2009	2010	2011	2012	July 2013
Recipients of monthly welfare (household)	4,601	3,588	3,744	4,032	4,777

2.3. Natural Disaster Victims Assistance

Besides the welfare assistance above, the Community Development Department, Ministry of Culture, Youth and Sports also provide assistance to the Disaster Victims or Displaced communities. Its aim to ease natural disaster victim's burden and give financial assistance, basic food and other needs are given to affected families. It also provides victims with temporary shelter/housing; provide blankets, mattresses and other necessities, one week ratio food supplies as well as financial aids such as one time Donation.

2.4. Tithe (Zakat) System

Another safety net that exists through the 'tithe' (zakat) system in Brunei Darussalam under the Islamic Religious Council of Brunei Darussalam (BIRC), disburses tithe

collections to deserving groups (muslim recipients). For example, three groups are dominant in this regard, namely the hard core poor, the poor, and the 'Al-Gharimin' (the group of Muslims who carry the burden of debts in order to meet basic necessities such as shelter and food in accordance with 'Syaria' law).

3. Retirement Scheme

3.1. Employees Trust Fund (TAP)

The Employees Trust Fund (TAP) is an important institution in Brunei Darussalam. It is a retirement savings scheme that aims to facilitate savings by Brunei Citizens and permanent residents for their retirement. TAP collect members' monthly contributions to invests and save them until a certain period of time whereby the members are entitled to make their withdrawals. In order to ensure the gradual growth of the fund and the ability of TAP to provide a competitive dividend to its members, the fund is invested prudently with a view of achieving optimum returns that commensurate with acceptable risks. An additional feature of TAP is that employees can voluntarily decide to increase their respective percentage contributions from their salaries.

3.2. Supplementary Contributory Pension (SCP)

In meeting the Millennium Development Goals and as part of the social safety nets, the government has also increased the retirement age from 55 years to 60 years old. Effective from 1st January 2010, Brunei Darussalam under the Ministry of Finance (MOF) has introduced a new pension scheme, the Supplemental Contributory Pension (SCP) Scheme which aimed at providing certainty for the pensioners' financial security and to remedy the limitations of the Employees Trust Fund (TAP) and Old Age Pension (OPA) schemes. The SCP Scheme will provide "survivorship" payment gains to guarantee security if an employee passes away before the mandatory retirement age of 60 years old. It also requires employees and employers, both from the public and private sector, to contribute or save a minimum of 3.5 per cent of their salaries equally. Like the TAP scheme, it is mandatory for all citizens and permanent residents in Brunei Darussalam who work either in the public or private sector, to follow the SCP Scheme.

4. Financing Assistance

Self-Reliance Scheme

Brunei Darussalam has already put in place a number of programmes towards eliminating poverty. The DCD introduced the Self-Reliance Scheme to its welfare recipients in June 2006. The micro-credit financing scheme, under the Department of Community Development, Ministry of Culture, Youth and Sports has helped provide seed capital for the start-up or small businesses with no interest, no administrative charges, no guarantor and no collateral and with flexible repayment conditions.

Its objectives are to help alleviate the financial burdens and change the crutch-mentality of welfare recipients by reducing their independence on welfare benefits to support their livelihood and by stimulating a culture of self-sustenance. The targeted group consists of poor and needy people with limited income; the unemployed and

those with limited income-generating skills as well as entrepreneurial willpower. To ensure the success of their businesses, the applicants are required to undergo mandatory training on business management, entrepreneurship, self-development and skills training before the micro-financing can be disbursed.

Since June 2006 up to December 2009, the Self Reliance Scheme have approved 96 applicants for various business categories including food and catering, agriculture, fisheries, tailoring and grocery shops. Out of the total number of participants, 67.0 per cent are women. The repayment rate out of total disbursements is 29.2 per cent.

5. Skills Training

5.1. Youth Development Centre (YDC)

The establishment of the Youth Development Centre (YDC) in 1996 under the Ministry of Culture, Youth and Sports (MCYS) aims to provide skills training and self-development to youth who are unable to continue formal education and who are unemployed, to provide advice and guidance to youths and employers on job opportunities and to provide training to youth to become successful entrepreneurs in the future. From 1996 to 2009, the total number of graduates is 1,341, comprising of 449 males and 892 females.

Under the Self Development Programme, the students are also taught basic computer studies and entrepreneurship skills as addition, so that they can use all the skills given to venture in entrepreneurial activities.

Besides that, Empowerment Program has been introduced since 2010 whereby the applicants are required to undergo mandatory training on business management, entrepreneurship, self-development and skills training before the micro financing can be disbursed. To ensure the success of the businesses, this programme is managed jointly with appointed Youth Development Centre (YDR) which is responsible for the training program which equip basic entrepreneurial skills training, ICT training and also preparing business proposal to the trainees to enhance them to start up business efficiently. This program is funded by the Ministry of Finance.

There are several programme conducted by the Department of Community Development and Youth Development Center (YDR) to enrich entrepreneurial management among the youth in order to improve their income and entrepreneur skill.

The programmes mentioned are:

i. **Empowerment Programme (Program Perkasa)**

The programme is organized by the Community Development Center whole on the other hand, the skill training is run by Youth Development center. It is one way for the government to enhance the capacity and empower the less fortunate to independently generate income through their own businesses. The activities in the programme

include basic entrepreneurial skills, ICT trainings, preparing business proposal and self-development programme.

Conversely, empowering the less fortunate community, especially the recipients of welfare assistance, with the knowledge and skills so that they can break the cocoon of poverty as one of the poverty eradication strategies that has proven effective.

ii. ***Asnaf Zakat Programme (PROPAZ) or Empowerment Programme***

PROPAZ Programme is a joint-effort and collaborative programme between the Department of Brunei Islamic Religious Council, Ministry of Religious Affairs and Youth Development Center in giving skill trainings to Zakat Recipients and family members. The objectives of this programme are help to find jobs or to open up small business in order to help in supporting their lives and not just depending on receiving the welfare money. This programme seeks to promote the skills and abilities of Zakat receivers through guidance and training at the YDC for a period of nine months. From 2007 to 2010, the total number of programme participants is 79, comprising of 25 males and 54 females.

iii. ***Brunei Economic Development Board (BEDB) Youth Development Resources (YDR) Grant Scheme***

YDR scheme offers grant to youths who aspire to be future entrepreneurs. Grant will be supplied in the form of purchasing fixture and fittings. An interval monitoring will be done by the relevant authority. The cost of the grant will be of B\$2,000 for each and participating entrepreneur. The maximum budget for operation and grant is \$340,000. The source of the budget comes from the ALCOA Foundation.

The Youth Skill Development Program is collaboration between ALCOA, Brunei Economic Development Board (BEDB) and Youth Development Centre. The program is formulated and run by Youth Development Resources, a non-profit company that promotes self-reliance among Brunei Youth. It is supported by BEDB in partnership with ALCOA and Petroleum GEO-Services from Norway.

The objective of the Youth Skill Development Program is to help Brunei's Youth succeed in their starting up their own businesses or becoming skilled members of the workforce. It is targeted at underprivileged youth, particularly those who have low education levels, were previously involved in drug-related activities, come from low-income families, or are victims of abuse and/or neglect. The program consists of three main elements. Regular motivational talks and mentoring sessions aspire to foster self-confidence among participants to run their own businesses, a business micro-grant scheme aims to promote self-reliance through entrepreneurship.

Through these three elements, it is hoped that participants will have the appropriate training to improve the livelihood by either securing employment or starting/sustaining their own businesses.

The business micro-grant scheme has a number of unique features designed to facilitate the setting up of a small business. It has a simple, speedy application and evaluation process with no requirement for guarantor, collateral and payment. In addition, the grant disbursements are in the form of equipment needed for the business proposed by the applicant.

5.2. Local Employment and Workforce Development Agency (LEWDA)

The Local Employment and Workforce Development Agency (LEWDA) under the Ministry of Home Affairs monitors job opportunities in the private sector and ensure that local jobseekers are given priority in filling those vacant posts. It provides job seekers with required training and skills to make them enjoyable. At the end of the training, they will undergo On-The-Job Training for 6 months. In completing the On-The-Job Training, a 2 years working contract will be sign between LEWDA, the private sector (employer) and the candidate (employee) where the kind incentives will also be given during 2 years work. The function is to give jobseekers job depending on the availability of job in the market.

LEWDA concentrate in giving them training skill in order to make them more marketable in the labour market area. Most of them still depend to work with public sector because the group of SMEs in Brunei is considering very small number compare with other developing countries. Under this scheme, every jobseeker will be given the opportunity to be trained with respect to their interest with incentive allowance depending on their attendance during the training targeting to 150 jobseekers per month. Implements Training Employment Scheme and Induction course under the Human Resource funds to the jobseeker such as conducting appropriate relevant trainings as a joint venture with the private sector.

LEWDA also runs special employment schemes for graduates seeking employment and job seekers under the Human Resource Development Fund of the Department of Economic Planning and Development (EPD) and a series of short courses on basic entrepreneurship development, English for business, instilling motivation, pre-employment preparation as well as communication skills. Since 2007, it organizes annual job fairs to encourage employment in the private sector, disseminate information on career opportunities and facilitate interaction between job seekers and potential employers.

6. One Village One Product (OVOP).

The 'One Village One Product (OVOP)' project is a community-centred and demand-driven local economic development approach towards the development and promotion of village products in the domestic and international markets. The OVOP project supports the country's pursuit of economic diversification. The objectives are as follows:

- i. To revitalize the culture of self-motivation and self-reliance in the local community through the invention or production of economic goods and services;

- ii. To minimize the community's dependence on the Government's assistance;
- iii. To promote local or grass root community's enthusiasm and interest in specific endeavors including tourism, industrial, handicraft, agriculture and fishery;
- iv. To develop creativity which would preserve and promote the identity of the community; and
- v. To nurture harmonious co-existence through communal socio-economic activities.

The OVOP project's long term objectives are to generate employment opportunities, increase family incomes and improve the standard of living and thus, alleviate poverty.

7. Conclusion

In conclusion, Brunei Darussalam is currently making efforts to streamline all social safety net, economic development and poverty alleviation programmes so that they are better coordinated to achieve the overall objective of eradicating poverty. For a country with a small population and poverty rate like ours, we are currently considering the possibility of formulating specific poverty eradication initiatives as well as economic development programmes that are best-suited or tailor-made to each poor individual's circumstances and capability to break away from the vicious cycle of poverty.

So, in this workshop, we look forward to work together, share and learn experiences as well as exchanging views and ideas especially policies and programmes related to issues on economic development and poverty alleviation from the ASEAN countries in this aspect for the betterment of the people of Brunei Darussalam.

Prepared By :
Community Development Department & Ministry of Culture, Youth and Sports
Brunei Darussalam

Dated : 31st October 2013



Inception Report, Cambodia

Country Name : Kingdom of Cambodia
Moto : Nation Religion King
Capital : Phnom Penh
Population : 13,395,682 million (2008)
Areas : 181,035 km²
Currency : Riel



Participants Name:

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1. Introduction

1.1 Geographical Setting

The Kingdom of Cambodia is the third smallest, tropical country of the 10 Southeast Asian nations and is surrounded by Thailand and Lao in the west and north and Vietnam in the south and the east. It has a coastline on the Gulf of Thailand of 443 kilometers and its total land boundaries are 2,572 kilometers. The Kingdom's main geographic features include the Mekong River, Tonle Sap Lake, extensive floodplain and lowland areas, and the southwestern and northeastern uplands. It is composed of twenty-three provinces and one capital city and is divided into 185 districts, 1,621 communes and 13,406 villages with a total area of 181,035 square kilometers or 18.1 million hectares, including lakes and rivers.

The capital city is Phnom Penh located at the meeting point of the Mekong River and the Tonle Sap River. Physically, Cambodia is a vast, shallow bowl with the edge rising steeply to the north, the east and the south into wild, jungle-cloaked mountains and plateaus. Within such geography, Cambodia is characterized as a low-lying country that occupies the central plains of the lower Mekong valley and Tonle Sap Basin, but is bordered on three sides by the densely forested mountain ranges of the Ratanakiri Plateau in the east, the Cardamome Mountains in the west, and the Elephant Mountains in the southwest. These characteristics of nature are home to a variety of birds and animals, including tigers, wild cats, wild buffaloes, monkeys, elephants and rhinoceros, various kinds of snakes including the cobra, and the Siamese crocodile.

Forests tend to be located around the periphery in the highland areas as opposed to the lowland areas which are dominated by paddy fields (Lopez et al, 2001; Tully, 2005). The Kingdom of Cambodia is in a key position to conserve the biological heritage of Southeast Asia.

Figure 1: Map of Cambodia



1.2 Demography

According to the 2008 Census the final population of the Kingdom of Cambodia stood at 13,395,682 with annual growth rate 1.5 percent comprising 6,516,054 male (48.64%) and 6,879,628 females (52.36%). Alongside the dominant Khmers, there are large minorities of Chams, Vietnamese, Chinese and hill tribes/peoples. Amongst the total population, there are some 10, 78 million are rural residents. The population of the Kingdom accounted for 2.3% of the Southeast Asian population (567,637million) in the mid-2008. The population density of the Kingdom in 2008 was 75 persons per square kilometer as against 64 in 1998 which means that the number of persons living or staying in a square kilometer area in the Kingdom has increased by 11 persons during the decade.

1.3 Development Context

Cambodia is, since the Paris Peace Accords of 1991, marking an important step in the long and difficult process of rebuilding devastated physical, social and human capital after almost three decades of conflict, insecurity and instability. This period began in 1970 with a civil war that culminated in the darkest chapter in Cambodian history, the Khmer Rouge regime (1975-1979). This was followed by low intensity conflict and international isolation until 1991, and continued insurgency and political uncertainty until 1998. Since then, Cambodia has seen tremendous progress in the normalization of life, rapid economic growth and integration into the regional and global communities.

2. Development Policies Overview

The Royal Government has adhered to the principle of national solidarity to rally all Cambodians, inside and outside the country, from all walks of lives and political tendencies, under the motto “***Nation-Religion-King***” with the objective to build and protect the nation and social achievements while ensuring the country's independence, integrity, sovereignty, peace, democracy and progress. Besides, Cambodia is attaining “***gainful returns from peace***” through high rate of economic growth and poverty reduction that took place in the past decade and has significantly contributed to the regional and global economic integration. The political stability, which has not been prevailing for years, has enabled Cambodia to carry out its reform measures in all sectors in order to build institutional capacity, improve socio-economic infrastructure, and create favourable environment to attract both domestic and foreign investments, with the aim of ensuring high rate of economic growth and poverty reduction.

In recent years, Cambodia has experienced significant developments not only in political and security but also in economic and social aspects. Such environments of political stability, peace, and safety are the prerequisites for Cambodia to make use of its socio-economic potentials. The 1993 General Elections have prompted the adherence to the principles of pluralist democracy, market economy, and the respect for human rights, freedom and dignity. In addition, the Royal Government of Cambodia (RGC) formulated the **National Program to Rehabilitate and Develop Cambodia (NPRD)** in 1994, the first five-year **Socio-Economic Development Plan (SEDP-I, 1996-2000)** to lay out its rehabilitation and development vision putting emphasis on macroeconomic stability, social development, and poverty reduction.

Moreover, Cambodia's picture was remarkably changing during the 1998-2003 period that constituted an important historical epoch of changes not only in socioeconomic spheres but also in political aspects. Evidently, the General Elections in 1998 and the successful implementation of our “*Win-Win Policy*” that dismantled the political and military organizations of the Khmer Rouge have begot peace for the whole nation and the integration of former Khmer Rouge soldiers and people living in their occupied zones into the mainstream of society. In this context, the Royal Government Cambodia formulated the **2nd Socio-Economic Development Plan (SEDP II 2001-2005)** in order to guide the continued efforts in socio-economic development as well as successfully implemented the “*Triangle Strategy*” that focused on (1) *building peace, restoring stability and maintaining security for the nation and the people*; (2) *integration of Cambodia into the region and normalisation of relationships with the international community*; and (3) *promoting economic and social development*. This has set the stage for a profound transformation of Cambodia from a region of uncertainty, war, internal strife, instability and backwardness into an epicenter of sustained peace, security and social order, respect for democracy, human rights and dignity, cooperation and shared development.

Another aspect of significant developments from 2003 till today includes the transparent, free and fair general elections on 27 July 2008, which was recognised as

the “***Miracle on the Mekong***” once again, as well as other achievements that had been realised through the successful implementation of the 2nd **Socio-Economic Development Plan (SEDP II 2001-2005)** and the “***Rectangular Strategy***” for ***Growth, Employment, Equity and Efficiency***. As a result, Cambodia achieved steady macroeconomic stability and considerable economic progress including annual average economic growth of 8.4% in the period of 1996-2006 and from 1999 to 2006 the economy was growing at an annual average rate of 9%.

Indeed, the achievements could not have been possible without valuable contributions of Cambodia’s Development Partners. This also reflects that all types of cooperation financing that Cambodia has hitherto received from its development have been more and more efficiently and effectively used. On the whole, the national plans and development strategies that have been passed and successfully implemented have provided a roadmap for RGC to move towards socio-economic development and poverty reduction.

The implementation of the “***Rectangular Strategy***” is the further efforts to sustain the achievements that the Royal Government has hitherto realized the “**Millennium Development Goals**” with the aim of improving and enhancing public institutional capacity, promoting good governance, and modernising economic infrastructure in order to foster economic growth, create jobs for all citizens, ensure social equity, and increase public sector efficiency as well as protect natural and cultural resources, which is vital for sustainable development and poverty reduction. Within this conceptual framework, there is a need for the Royal Government to fine tune its policy priorities and further improve sectoral strategies to reflect the actual contexts of Cambodia based on practical experiences in the implementation of the “***Rectangular Strategy***” for the Third Legislature of the National Assembly.

The “**Rectangular Strategy - Phase II**” that was formulated to serve as the fundament of the Royal Government’s economic policy is the “**Socio-Economic Policy Agenda**” of the *Royal Government of the fourth Legislature of the National Assembly*. In this regard, the Royal Government has resolved on preparing the National Strategic Development Plan 2006-2010 as a new national plan using the structure of the Rectangular Strategy of the Royal Government. In the preparation of this new plan, Royal Government had adhered to the full ownership in the preparation process by ensuring the consultation with and the comment sharing of all stakeholders. With unwavering implementation of the “**Rectangular Strategy**”, the Royal Government of the Third Legislature has created a favourable environment and necessary conditions enabling Cambodia to step forward with increased hopes and strong confidence on the road of further reforms and development along with the firm determination of the Royal Government of Cambodia to serve the interests of the nation and respond to the aspirations of the people.

Currently, Cambodia has the **National Strategic Development Plan, Sectoral Development Strategies**, and other policy documents, investment programmes, and the national budget. Therefore, to ensure consistency in terms of hierarchy, role,

substance, and synchronisation of these documents, we synchronised the timeframe of the **National Strategic Development Plan** with that of Political Platform of the Royal Government” which includes the “**Rectangular Strategy**” as its socioeconomic policy agenda. Thus, the **National Strategic Development Plan** is the roadmap for the implementation of the Rectangular Strategy and in this role this Plan becomes the second important policy document of the Royal Government of Cambodia.

The **National Strategic Development Plan** was updated as the ongoing global financial crisis and global economic recession have been affecting Cambodia’s socio-economic development, in particular has resulted in the decline in demand for Cambodia’s export and had increased macro-economic and financial risks. These external developments presented unexpected new challenges for Cambodia. Having been faced by these challenges, the Royal Government has taken systematic and sequenced measures to minimise the negative impact of the international financial cataclysm and global economic recession on our financial and economic system, and to protect our hard earned achievements. These external developments made it necessary for all our ministries and agencies to re-examine their plans to implement the *Rectangular Strategy, Phase II*. In this context, The **National Strategic Development Plan Update (NSDP Update), 2009-2013** has been prepared to accomplish two primary goals; first, to synchronise the time period covered by the **NSDP Update** with the term of the **Fourth Legislature of the Royal Government** in order to ensure that the actions, programmes, and projects of all ministries and agencies are aligned to implement our prioritised policies that are outlined in the **Rectangular Strategy Phase II**; second, to ensure that the actions to be laid out by line Ministries and Agencies to implement these prioritised policies are formulated taking into account the potential impact of the global economic downturn on our economy.

The **NSDP Update 2009-2013** has been prepared based on the further refined methodology that is focused on identifying **who** is responsible for implementing the priority policy or policies in each area of the Rectangular Strategy II; **what** specific actions the responsible institution(s) has/have planned to implement the priority policy (ies); and the responsible institution(s) best estimate on **how** much it will cost to implement the planned actions during 2009-2013. Besides, the **NSDP Update 2009-2013** has been formulated based on the inputs put forward by RGC’s and with consultation with relevant stakeholders. On the other hand, the **NSDP Update 2009-2013** has been worked out through a participatory approach and a bottom-up planning process in which a Task Force, chaired by the Ministry of Planning, to manage the efforts in strengthening the harmonization of planning, public investment expenditures, and resources from all sources that will be available to implement the RGC’s public investment program. As part of this effort, the Ministry of Planning and the Budget and the Ministry of Economy and Finance have been working closely with the line ministries and agencies to ensure that the process of identifying the public investment projects by the ministries and agencies is closely linked to the formulation of the Budget Strategic Framework for the concerned ministries and agencies.

The Royal Government of Cambodia (RGC) has successfully implemented **Rectangular Strategy-Phases I and II**. Cambodia's development achievements over the last decade are a testimony of attaining long-lasting peace and sustainable development, reflected noticeably in strong economic growth and strengthened democratic institutions, secured national sovereignty and territorial integrity, and improved livelihoods of people. The development record confirms progress toward the realization of RGC's early aspiration: **"By the end of the first decade of the 21st Century, Cambodia is to reclaim a full ownership of its own destiny, while becoming a real partner in regional and global affairs and a nation of genuine freedom and being free from poverty"**.

Based on experiences and outcomes of the Fourth Legislature and the **"Political Platform"** of the Fifth Legislature, the Royal Government is of the view that the **Rectangular Strategy**, especially its central theme of **Growth, Employment, Equity and Efficiency**, continues to be relevant and appropriate for Cambodia to pursue further during the Fifth Legislature of the National Assembly (2013-2018). The four strategic rectangles of the Strategy will be maintained with expanded scope, refined and reprioritized sides, and improved and more effective policies and mechanisms. Therefore, the **"Rectangular Strategy-Phase III"** reaffirms the RGC's mission and its strong commitment to sustainable development and poverty reduction that respond to the people's will and emerging contexts of national and international developments. The **"Political Platform" of the Fifth Legislature** and the **"Rectangular Strategy-Phase III"** area comprehensive policy framework for the formulation of the **"National Strategic Development Plan"**, with clearly defined indicators and timeframe for implementation, and are consistent with other RGC's sectoral policies. Moreover, in preparing the **"Rectangular Strategy-Phase III"**, the RGC has also taken a long-term and far-sighted view of the changing structure of Cambodia's social and economic development. Accordingly, the **"Rectangular Strategy-Phase III"** will become a clear blueprint to guide the activities of all stakeholders to further pursue and strengthen long-term sustainable development aimed at **promoting economic growth, creating jobs, equitable distribution of the fruits of growth, and ensuring effectiveness of public institutions and management of resources**.

In this context, the **Rectangular Strategy-Phase III** is the **"Socio-economic Policy Agenda"** of the **"Political Platform of the Royal Government of Cambodia of the Fifth Legislature of the National Assembly"**.

3. Development Achievement

Cambodia has achieved substantial progress in political stability, security and social order, particularly socio-economic development, which has underpinned the profound transformation in all aspects of Cambodia's society and economy, despite facing the challenges of global financial crisis and economic slowdown, threats to national sovereignty and territorial integrity and repeated natural disasters. The firm implementation of the **"Rectangular Strategy-Phase II"** has created a favorable environment and necessary conditions for Cambodia to move resolutely and confidently forward on a journey of reform and development, aimed at graduating

from a low-income country to a lower middle income status in the very near future and further to become an upper-middle income country by 2030.

Specifically, in the Fourth Legislature, the Royal Government's major achievements include:

- 1) Peace, political stability, security, social order and the functioning of multiparty liberal democracy have been strengthened; along with the observance of the principles of "rule of law", particularly the development of the legal framework, enhancement of effective law enforcement, and assurance of respect for freedom, dignity and human rights. In particular these achievements are reflected in: (1) the improvement of respect for exercise of political rights and freedom, including freedom of expression and the organization of free, just and fair elections at national and sub-national levels; (2) the implementation of the **"Safe Village/Commune"** policy which contributed to substantial reduction in crime in both urban and rural areas; and (3) the further implementation of in-depth reforms in key areas including the fight against corruption, and reform of the legal and judicial system, armed forces, public administration, and public financial management, which were aimed at promoting good governance so that all the operations and functions of state institutions at both national and sub-national levels would be conducted in a transparent, accountable, predictable, effective and efficient manner.
- 2) Ensured macro-economic stability, including well-managed inflation, stable exchange rate and strengthened competitiveness of national economy through improving agricultural productivity, development of the rural economy, and accelerated economic diversification by strengthening the favorable environment to attract domestic and foreign private investments for vibrant industrial expansion in garment and other industrial sectors, as well as strengthening and promoting fast growth in the service sector. These efforts have helped create hundreds of thousands of jobs every year for the Cambodian people especially the youth.
- 3) An average annual growth rate of 6.7% was achieved during the period, excluding the sharp decline in 2009 due to the severe impact of the global financial crisis and economic downturn. In 2009 Cambodia could still manage to keep the growth rate positive at 0.1%; GDP growth rebounded quickly to 6%, 7.1% and 7.3% in 2010, 2011 and 2012 respectively, even though the world economy remained mired in financial crisis which persisted due to the sovereign debt problem. The GDP per capita increased from USD 760 in 2008 to nearly USD 1,000 in 2012. Inflation was kept under control, averaging 4.2% per annum. The exchange rate was generally stable, with a slight appreciation of the Riel against US Dollar. International reserves increased by more than 60%, from USD2.16 billion in 2008 to USD3.5 billion in 2012, equivalent to 4.1 months of imports. Poverty Incidence dropped drastically from 47.8% in 2007 to 19.8% in

2011, or by 7 percentage points per annum, which secured for Cambodia the 4th rank in the world in terms of best performance in poverty reduction.

- 4) The public financial management reform program has been further strengthened, especially through the implementation of the **“Public Financial Management Reform Program-Stage 2”**, which aimed at improving financial accountability. As a result, budget formulation and execution have improved through strengthened revenue collection and management, cash management, expenditure rationalization, and improvement in expenditure management. This has enabled the Royal Government to meet spending needs and priorities such as salary increase, increase in investments to promote growth, and efforts to address the impact of the global financial crisis and economic downturn, and relief and rehabilitation measures after natural disasters. In fact, the Royal Government has made an annual increase of base salary of civil servants by 20%, and has invested aggressively in rehabilitating and developing socioeconomic infrastructure.
- 5) The construction of physical infrastructure has been further implemented with 77.4% of the total length of 5,600 Km National Roads provided with widened and asphalt-concrete pavements. Electricity supply reached 68% of the villages, nation-wide. Also there was remarkable progress in the development of irrigation, energy and telecommunications.
- 6) In-depth reforms in forestry and fisheries were implemented, as well as a comprehensive and historic land reform program through provision of legal land titles to people, which is a prerequisite to developing the rural economy. The RGC has issued more than 3 million land titles to Cambodian people, and granted social land concessions to 31,000 families of the poor, soldiers, and veterans. It has also provided allocated land to about 500,000 families under the **“Old Policy-New Action”** framework.
- 7) Considerable progress was achieved in reaching **Cambodia Millennium Development Goals (CMDG)**. Four goals have been achieved ahead of schedule, which include **Goal 4** of reducing child mortality rate, **Goal 5** of improving maternal health, **Goal 6** of combating HIV/AIDS, malaria and other communicable diseases, and **Goal 8** of forging a global partnership for development. As for other four CMDG goals, Cambodia is well positioned to achieve them on schedule by end 2015. They include **Goal 1** of eradicating extreme poverty and hunger, **Goal 2** of achieving universal primary education through increased investment in education, **Goal 3** of promoting gender equality and empowering women, and **Goal 7** of ensuring environmental sustainability. Substantial progress has been made in realizing **Goal 9**, initiated by Cambodia itself, including a sharp decline in the number of mine explosion accidents from over 300 cases in 2008 to 186 in 2012; clearance of more than 530 sq. km. of land from mines and unexploded ordnance (UXOs) during 2008-2012; dispatch of more than 1,400 Cambodian demining personnel for the

United Nations' peace-keeping missions; and Cambodia's hosting and chairing of the 11th Meeting of the States Parties of the Ottawa Treaty at the end of 2011. Nevertheless, achieving Goal 9 will require additional efforts.

- 8) Partnership with all stakeholders was further strengthened, especially with official development partners, private sector and civil society, through introduction of various effective mechanisms. The investments from state budget along with official development cooperation financing and inflow of private investments have helped promote high and sustained economic development.
- 9) Integration of Cambodia into the international community, including sub-regional, regional or global frameworks, has been successfully pursued along with nurturing friendly relations and good cooperation with all the countries, which has generated substantial support for national development. As Chair of ASEAN, Cambodia successfully hosted ASEAN Summits (in April and November 2012), East Asia Summit, the first ever ASEAN Global Dialogue, related ASEAN ministerial meetings as well as many other important regional and international meetings. These efforts clearly reflect Cambodia's capacity to take part in the resolution of regional and global issues that has helped enhance its international image and reputation. Moreover, Cambodia has achieved good results in fulfilling its obligations as a member of the World Trade Organization and other international organizations, including active participation in peacekeeping operations in a number of countries under the United Nations framework. Last but not the least, Cambodia succeeded in having the PreahVihear Temple inscribed in the list of World Heritage sites in 2008 following the inscription of the Angkor Archaeological site and other intangible heritages of humanity and successfully chaired and hosted the 37th session of the World Heritage Committee in 2013 in its capacity as the President of the Committee.

4. Contribution of the Ministry of Rural Development in National Achievement

4.1 The Ministry of Rural Development

4.1.1 Background

After the 1993 Cambodian general election and the establishment of the Kingdom of Cambodia, the Royal Government established the Ministry of Rural Development (MRD). The creation of the MRD demonstrates the Government's dedication to improving living standards and alleviating the poverty of rural people.

4.1.2 MRD's Mandate

The Royal Cambodian Government has given the Ministry of Rural Development complete responsibility within Cambodia for these following Rural Development initiatives and activities:

- Coordinating, Cooperating, Implementing, Monitoring and Evaluating Rural Development Projects and Programs in order to rehabilitate and help develop the country's Rural areas by assisting the Rural population.
- Coordinating the operational efforts of the various Line Ministries and assistance programs
- Actively Undertaking Independent Research Initiatives to practically develop the Rural areas of Cambodia by liaising widely, in order to assess likely needs and investigate possible solutions that would maximize identified opportunities, etc.

4.1.3 Mission Statement

- The MRD must, firstly, respond to the Urgent Short-term Needs of the Cambodian Rural population which may result from natural or man-made disasters, and then ensure that such suffering in the Rural areas is answered promptly, met effectively and alleviated quickly.
- The MRD seeks to establish Long-term Sustainable Development in all Rural areas by encouraging self-sufficiency, so that the Rural community is able to make an increasing contribution to the National economy.
- The MRD represents the Hopes and Aspirations yet to be achieved in Rural Cambodia through peace, and progress toward prosperity. These are the basic building blocks that can provide and guarantee the essential quality of life for all rural people.

4.1.4 MRD's Main Objectives

- To improve the quality of life of the Rural people by encouraging and facilitating economic self-sufficiency and an active social awareness, rather than always relying on Central Government or aid agencies to help out. In fact, encouraging and achieving a more independent attitude to solving some of their own problems and getting personal satisfaction from making progress themselves.
- To encourage and assist the Rural community to participate more directly in improving farm production, Rural based industries and the marketing of their products. This development would make a significant contribution by strengthening the National economy.
- To seek, by all sensible means, to discourage the movement of individuals and families from the countryside to the towns. Urban congestion represents an increasingly serious problem in Cambodia. Improving the Rural economy as a matter of priority can, to some extent, help reverse the present trend by restoring confidence in Rural life, and encouraging community developments that raise Rural living standards.

4.1.5 MRD's Core Activities

- To be responsible for Integrating all Rural Development, at Family, Village and Commune levels throughout the Kingdom. (This includes all the direct and indirect MRD roles).

- To raise the standard of living and the quality of life of the Rural people by alleviating poverty through Rural Infrastructure improvement such as Rural Roads, Rural Water Supply, etc., Primary Health Care promotion, Agricultural development, Rural Credit provision, Small Business/Industry promotion and provision of Rural Marketing Facilities.
- To promote Human Resource Development for Rural communities, (and MRD staff), by organizing, publicizing and making possible local TRAINING PROGRAMS, SEMINARS and WORKSHOPS that relate to identified relevant and specific Rural training needs, so developing individual talents and skills that, collectively enhance community independence through employment opportunities.

4.1.6 MRD's Strategy

- Promote decentralization of planning, finance and implement Rural Development projects and programs.
- Facilitate an Integrated Rural Development approach, which is participatory, area-based and multi-sectoral.
- Provide forum at each administrative level for dialogue and joint action both among government departments and between the Royal Government and the civil society, and the balance between the vertical line ministries and the local authorities
- Define, utilize and mobilize the comparative advantages and appropriate capacities within the government, civil society, the private sector, international and local agencies and rural communities themselves for development purposes.

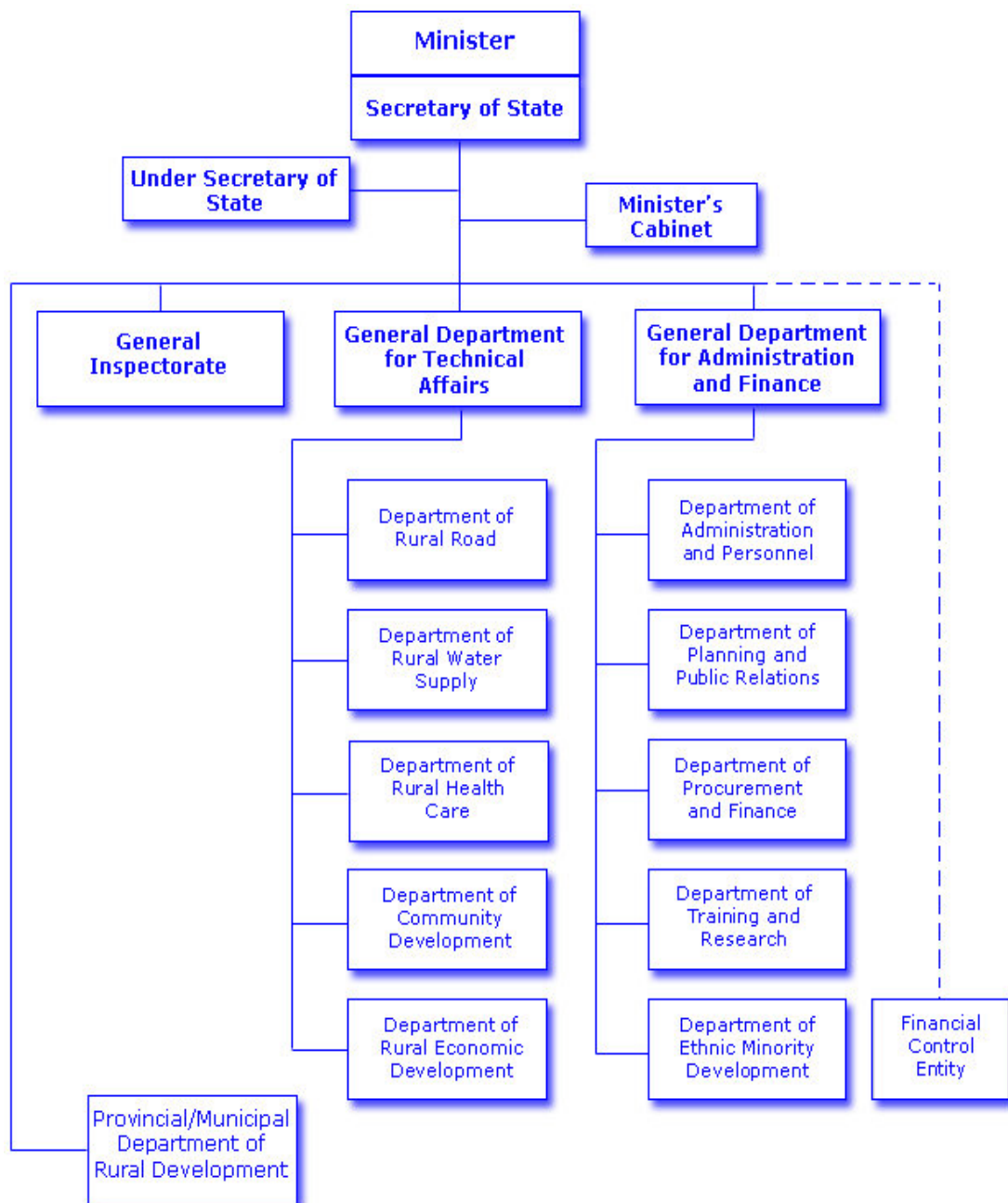
4.1.7 Policy

Two Key Policies have been put forward by MRD to speed up and guide the Nation's Rural Development:

First: To ensure that all National and International agencies and organizations involved in Rural Development work more closely together; and

Second: To promote a more people-oriented and integrated approach to Rural Development.

4.1.8 MRD's Structure



4.2 MRD's Contributions to The National Development

The MRD has been contributing in poverty reduction of the nation-wide, which dropped drastically from 47.8% in 2007 to 19.8% in 2011, through two key integrated performances of software and hardware. The software performance focuses on capacity building and human resource development for the MRD at all levels from the national to local. And also it provides vocational training to the local people and improves the local people's awareness on road safety, water usage, sanitation, HIV prevention....and so on. The hardware performance focused on infrastructure rehabilitation and development including rural road (laterite and DBST or concrete) and road's structures (bridges, pie culvert, box

culverts...), wells, toilets, community ponds, small scale irrigations, rural school, health centers or post.

The most important indicators of the MRD's achievement of hardware performance by 2012 in Actual and 2013 in focus

Indicator	Unit	Baseline	Achievement	
			2012: Actual	2013: Focus
Rehabilitation of Rural Roads with laterite	Km.	40,910 (2013)	26,900	27,750
Rural Road improvement with DBST	Km.	505 (2011)	0	125
Rural people accessible water sustainably	%	40.49 (2008)	46.49	47.69
Rural People accessible to improved sanitation	%	23.24 (2008)	29	30
Identification Ethnic Minority People	Group	-	80	100
Train VDC on Village Development Planning	Village	-	673	1610
Train MRD Officials (2009-2012) =2,666p				
Vocational Training for local people (2009-2012) =1,460				

4.3 A Project of MRD: Integrated Rural Development Project

4.3.1 Project Location

- Krouch Chhmar District, Kampong Cham Province, Cambodia
- Roka Khnaor Commune: Village no. 5, 6, 7; No. Household 873, Population =

4435

4.3.2 Project Period and Budget

Project Period: August. 2010 ~ May 2012 (22 months)

Total Budget: USD 2.0million

4.3.3 Project Implementation

- The Ministry of Rural Development (MRD), Cambodia
- Korea International Cooperation (KOCIA), Republic of Korea
- PMC, Korea Rural Community Corporation(KRC), Republic of Korea

4.3.4 Summary of the Pilot Project

Description	Contents
Irrigation Facilities	❶ Reservoir ➢ L=4.78km, H=2m, B=4m, Water surface: 90ha, Storage: 2.8 million m ³ ➢ O&M road: L=4.78km, B=4.0m ➢ New water gate (3), Replace water gate (1) ❷ Irrigation Canal ➢ L=2.59km, B=2.0m, H=2.0m ➢ Connection of the Beoung Thom reservoir and a water gate
Farm Roads	❶ New : L=1.05km, B=5m ❷ Improvement : L=1.81km, B=5m
Agricultural Technology	❶ Farmer training : 18 times (6 times per village) ❷ Demonstration Farming (8 places per crop and village) ➢ rice, tobacco, and corn: 1ha/site, sesame: 0.2ha/site
Improvement of Living Environment	❶ Hand pump : 29nos. ❷ Latrine : 635nos.
Vitalization of Community Organization	❶ Village Development Committee (VDC) , ❷ Water User Committee (WUC) , ❸ Water User Sanitation Group (WUSG) ,
Improvement of Educational Environment	❶ Computers (13), Printers (2), Sola electricity facilities (1), Outdoor ground (800m ²), Garden and Pond (1.0ha) ❷ Water supply system [(one pump well with motor, water tank(5m ³ , h=5m)]

4.3.5 General Information of Villages

3 Villages (no. 5, 6, 7), Roka Khnaor Commune, Krouch Chhmar District, Kampong

Cham Province, consist of 873 Households, Population 4435

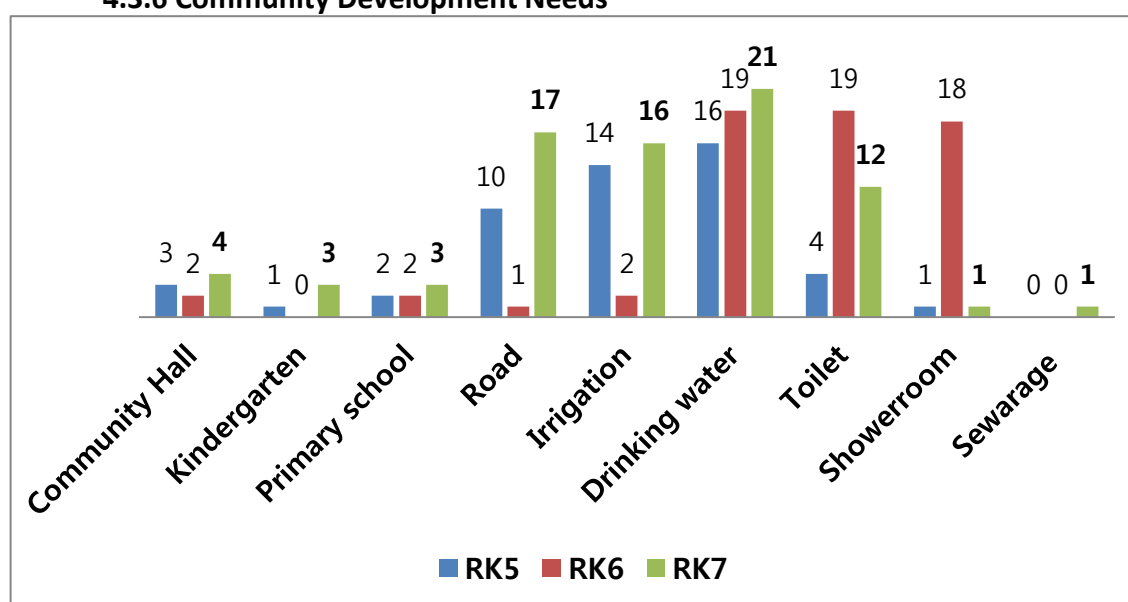
a. Land Using

Description	Village No.5	Village No.6	Village No.7	Total
❖ Total farmland	368	304	463	1,135
❖ Rice paddy	210	186	312	708
❖ Irrigated rice paddy	175 (83.3)	103 (55.3)	156 (50.0)	434 (61.3)
❖ Perennial crop	0	108	151	259
❖ Others	36	34	39	109

b. Animal

Description	Village No.5	Village No.6	Village No.7	Total
Cow	334	390	425	1,149
Horse	10	2	15	27
Pigs	142	2	105	249

4.3.6 Community Development Needs



4.3.7 Project output

a. Agricultural Infrastructure Facilities

Reservoir	Reservoir : L=4.78km, B=4.0m, H=2.0m, 1:2 slope O&M Road : L=4.78km, Laterite pavement Water Gate : 3 nos.(New), 1 nos.(Replace)	Effectiveness
		• Increase dry season crop cultivation • Ensure crop yield in dry season • Increase irrigation area (434⇒1007a) • Provide fish catchment area



Irrigation Canal	Irrigation to farmland from the reservoir Canal : L=2.59km, B=2.0m, H=2.0m	
Farm Roads	New : L=1.05km, B=5.0m Improvement : L=1.81km, B=4.0m	

b. Transfer Agricultural Technology

Rice	➤ Site area : 6ha / 3 villages ➤ Variety : Sen Pidao, High yield variety from CARDI ➤ Yield: 2.2ton/ha(Traditional)→4.0ton/ha(80% Increase)
Tobacco	➤ Site area: 4ha / 2 villages (No.5 & 7) ➤ Variety: Kotab ➤ Yield : 0.7ton/ha(Traditional)→2.2ton/ha(223% Increased)
Corn	➤ Site area: 4ha / 2 villages (No.5 & 7) ➤ Variety: CP888(HYB,F1), Sar Chey & Loeung Mongkul(OVP) ➤ Yield : 3.5ton/ha(Traditional)→7.7ton/ha(120% Increased)
Sesame	➤ Site area: 1.2ha / 3 villages (No.5,6,7) ➤ Variety: White and Black Sesame ➤ Yield : 37.5kg/ha (Low Yield Caused by Heavy Rain)

c. Improvement of Resident Environment

Pump Well	➤ Number of pump wells : 29 nos. ➤ Boring depth : 34m(Ave.) ➤ Water Qty. : 69m³/day(Ave.) ➤ Bio Sand Filter
Latrine	Number of latrines: 635nos

d. Improvement of Educational Environment

Provision of Computer	➤ Chea Chork Elementary School ➤ 13 Computers, 982 Books, 2 Printers ➤ Sola electricity facilities for computers
Outdoor facilities, Water	➤ Ground area : 800m² with sands ➤ Exercise Facilities: swing, seesaw, parallel & horizontal bar, sliding bed ➤ Water supply systems
Outdoor Ecological Observation	➤ Observation area : 1ha ➤ Pond, walk way, benches, and garden with plants

e. Vitalization of the Community Organizations

e.1 Village Development Committee (VDC)

- Village Development Committee (VDC)
- VDC of 3 villages were organized during 27~28 Sep. 2010.
- Collective actions by **organizations** are stronger counteractions to poverty rather than efforts by one household

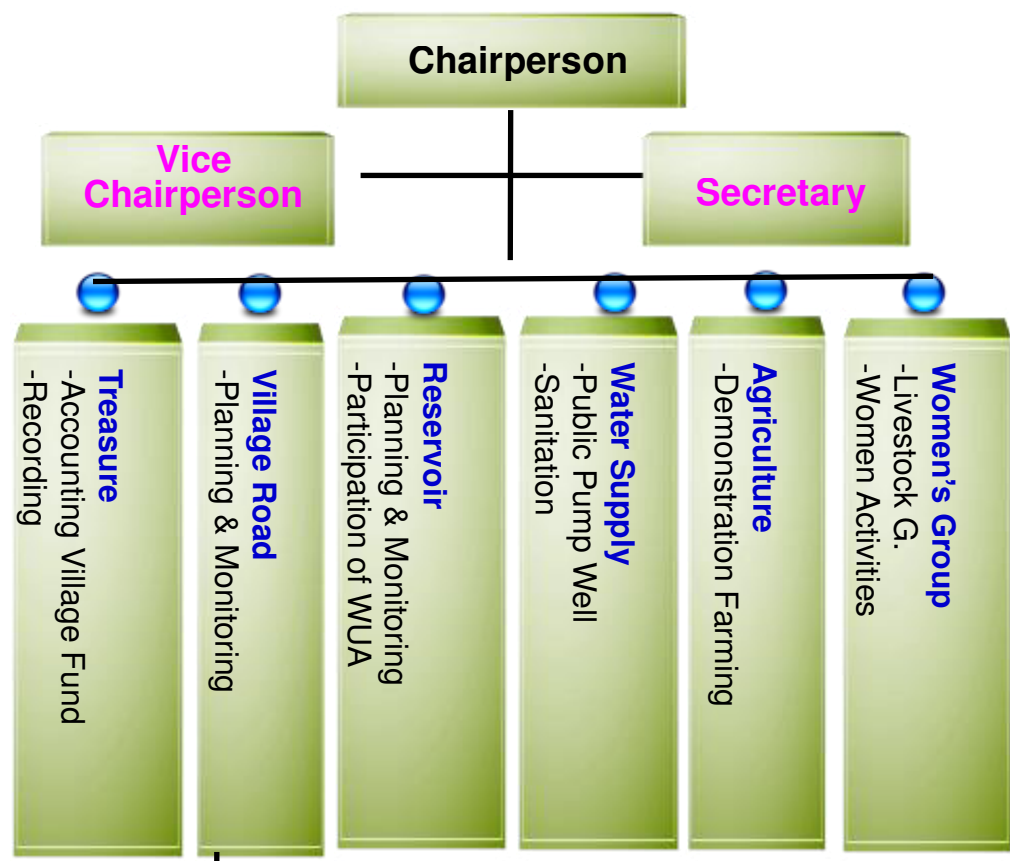
"Powers": to negotiate with outside counterparts such as buyers and sellers

"Voices": to represent their opinions to decision-making which affects to their livelihood such as village development and administrative decision

"Collective Actions": to escape from poverty cooperatively as "A Core-body" for solidarity of villagers

"Self-reliance village organization": to stand alone in sense of managing capacity and financial capability

VDC Structure



e.2 Water User Committee

- Water User Committee (**WUC**) was established 24 Feb. 2011
- Composition of member by irrigation beneficiaries from reservoir
- Operation & maintenance of facilities by WUC
- WUC are composed with vice chief, secretary, and treasurer

e.3 Water User Sanitation Group

- Water User Sanitation Group (**WUSG**)
- Composition of member by beneficiary of pump well
- Operation & maintenance of facilities by WUSG

5. Conclusion

The political stability has enabled Cambodia to carry out its reform measures in all sectors in order to build institutional capacity, improve socio-economic infrastructure, with the aim of ensuring high rate of economic growth and poverty reduction. The firm implementation of the **“Rectangular Strategy-Phase II”** has created a favorable environment and necessary conditions for Cambodia to move resolutely and confidently forward on a journey of reform and development. With this strategic framework, MRD strongly committed to achieve its goal. The achievement is firmly contributed to the economic growth and poverty reduction in the nationwide that it could be echoed from the MRD software and hardware performing indicators.

The government of the Fifth Legislature (2013-2018) has adopted the **“Rectangular Strategy-Phase III”** reaffirms the RGC’s mission and its strong commitment to sustainable development and poverty reduction that respond to the people’s will. Hence, the MRD is continuing its mission in rural development to ensure that rural people will benefits as of the government’s goal.

INDONESIA

INCEPTION REPORT

Grassroots Economic Development and Poverty Alleviation Project

From 25-29 November 2013

Bangkok, Thailand

PNPM Mandiri, as a Grassroots Economic Development And Poverty Alleviation Program (Indonesian Case Study)

Name	:	Risfan Munir
Country	:	Indonesia
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1. Introduction

Indonesia has long experience with poverty alleviation program through community empowerment approach. One of the programs is PNPM Mandiri (National Program of Community Empowerment) that has been implemented in 72,700 villages, from total 78,000 villages in Indonesia. It could be very useful to be shared to other ASEAN countries.

Broad design of poverty alleviation in Indonesia consist of four clusters (group of programs): (1) family based integrated social or emergencies assistance (2) PNPM Mandiri, as a community empowerment for poverty alleviation, (3) micro and small economic or business empowerment, and (4) low cost public services.

It will be difficult to empower millions of grassroots economic activities scattered in thousand villages, and many government and non-government institutions. To answer these challenges, PNPM Mandiri has been designed and implemented for poverty alleviation through community empowerment.

This paper will describe policy, strategy, delivery management, challenges and solutions of PNPM Mandiri as a part of a grassroots economic development, and poverty alleviation through community empowerment approach.

2. Current situation and constraint on poverty alleviation and grassroots economic development

Current situation of poverty in Indonesia includes:

- Number of population under the poverty line was 29.89 million, or 12.36% of the total population of Indonesia (Central Bureau of Statistic, Indonesia)
- Unemployment in Indonesia remains high, at 7,70 million people or 6.56% of the total workforce (Central Bureau of Statistic, Indonesia, August 2012)
- Access to health services, education, housing and settlement, infrastructure, capital or credit, and information for the poor remains limited across the regions
- Numbers of slums or poverty pockets are still many, scattered throughout urban areas.

Poverty problem should be addressed with an integrated, well-planned and balanced manner. Especially for Indonesia, as country with 17 thousands islands, any development efforts should respect to large diversity of local norms, aspirations, as well as their resources and capability. This is the reason that for poverty alleviation and grassroots economic development, Indonesia has been implementing it with community driven development through PNPM Mandiri program.

3. Development goals or purpose

Policy, Strategy, and Program

Poverty alleviation in Indonesia has been focused on improving the social, economic, and cultural condition of the poor. The strategy relies on three lanes called triple-track development: pro-growth, pro-job, and pro-poor.

Pro-poor, includes increasing the capacity and quality of communities to enable them to participate in development, increase access to basic services, and revitalization of agriculture, forestry, marine sectors and village economy. Pro-poor programs in Indonesia are delivered through four clusters or group of programs:

- ***Cluster-1***: Family based integrated social assistance. Packages of direct aids for emergencies and basic services, such as: health, education, and disaster victims. Intended to fulfill basic rights, to reduce life burdens, and to improve the quality of live of the poor.
- ***Cluster-2***: National Program for Community Empowerment (PNPM Mandiri). Intended to develop the potentials and to strengthen the capacity of poor

people to be involved in the development based on the principles of community empowerment.

- **Cluster-3:** Micro and small economic or business empowerment.
- **Cluster-4:** Variety of low-cost programs. These include: low-cost housing, low-cost public transportation, and clean water for poor village.

This paper focuses on the Cluster-2, PNPM Mandiri (National Program of Community Empowerment). This program implements approach of community driven development (CDD) with reasons: (a) To increase community participation, (b) to strengthen traditional community institutions, (c) to balance top-down with a bottom-up development approach, and (d) to promote good-governance to avoid corruption on pro-poor programs.

PNPM Mandiri reduces poverty through: increasing community income; strengthening their social capital (good habit, local wisdom); and increasing communities' capacity and capabilities to utilize their local potentials and self-help activities. The program enhances the capacity of communities, both individually and as a group in improving the welfare and employment opportunities to reduce poverty and achieve the MDGs.

4. Responsible organizations, beneficiaries/target group, and related stakeholders for development

The variety programs included in the PNPM Mandiri are: PNPM programs can be categorized based on area of community empowerment activities such as PNPM Mandiri Rural, PNPM Mandiri Urban, PNPM Mandiri Rural Infrastructure (RIS), and PNPM Mandiri Regional Socio-economic Infrastructure (RISE). Besides the core programs, there are some PNPM Mandiri Supports related to the achievement of specific target sectors, such as: PNPM Generasi (for Healthy and Smart Generation), PNPM Green, PNPM for Rural Agribusiness Development (PNPM PUAP), PNPM Mandiri for Fishery, PNPM Mandiri for Tourism, and PNPM Pusaka (Cultural and Nature Heritage Conservation).

Institutional structure of PNPM Mandiri consists of government institutions, communities, businesses, facilitators, consultants, and stakeholders that involve in poverty alleviation. To accelerate the poverty alleviation achievement, the Presidential Regulation No.15/2010 on the acceleration of poverty alleviation has stipulated that programs have been controlled by the National Team for Accelerating Poverty Reduction (TNP2K), chaired by the Vice President of Republic of Indonesia, and assisted by the oversight working group (Pokja Pengendali) consisting of officials from the

Coordinating Ministry of Social Welfare, National Planning Agency, Ministry of Home Affairs (especially Directorate General of Community Empowerment and Village Development), Ministry of Public Work (especially Directorate General of Human Settlement), and other related ministries involved in PNPM Mandiri.

For coordination of poverty alleviation coordination at the provincial district or municipality levels, the Coordinating Team for Poverty Alleviation (TKPK) has been established. At the provincial level, TKPK is positioned under and responsible to its governor. While at district or municipality level, TKPK is positioned under and responsible to its regent or mayor.

In the communities, villages, sub-districts level activities of the program are managed by Activities Management Unit (Unit Pengelola Kegiatan, or UPK), and supervise by Inter-villages Council (Badan Kerjasama Antar Desa, or BKAD). And, part of the UPK task is to manage “community revolving fund” operation.

5. Existing potential resource for development

Communities empowered by PNPM Mandiri are potentials that have been ready for further economic development and linkage to regular regional economic development efforts. Facts about PNPM Mandiri, includes:

- In 2011, PNPM presents in all sub-districts in Indonesia, it covers 72,700 villages from total 78,000 villages;
- Created 750,000 community groups, and 22,000 groups among them are for economic empowerment driven by women;
- 63% of beneficiaries in PNPM are women; they also act as an agent of change in the village.

It can be said that PNPM Mandiri is the biggest CDD Program in the world, in coverage and the number of participants. Up to now, the achievement of human development by PNPM Mandiri includes:

- In the period of 2007-2012, per-capita household spending in the poorest PNPM Mandiri Rural districts increased by 12.7%
- Basic health service access now exists throughout Indonesia, with high levels of coverage in the big islands (94-100%),
- Access to basic education now exists in both urban (98%) and rural (71%) through out the country.

6. Idea for the intervention/project for grassroots economic development and/or poverty alleviation in Indonesia

The Approach and Process

PNPM Mandiri under the National Mid-term Development Plan has been implementing strategy, approach, and process to transform community from the learning phase, to self-reliance phase, and then sustainability phase (as in the Table-1).

One Village, One Plan

PNPM Mandiri is a national program with policy framework and guidelines for various community-based poverty reduction programs at national and local level. The motto is: *“planning, implementation, and monitoring by the community.”*

To guarantee that local government will adopt aspiration and planning by community, PNPM Mandiri has introduced approach called *“one village, one plan.”* It is an approach in the planning and budgeting process that integrates and synchronizes any kind of programs and activities planning in the village and sub-district level.

Table-1 Community Empowerment Phases

Learning Phase	Self-Reliance Phase	Sustainability Phase
- Participatory development learning - Community block grant (<i>Bantuan Langsung Masyarakat</i>, or BLM) as a development stimulant	- BLM provides access to channeling development - Communities are able to access a variety of the existing funding sources (local governments, financial institutions, private sectors) - Participatory planning becomes local regulations; - PNPM’s supervision and capacity to facilitate community and strengthen activities.	- Communities are able to build partnerships with various parties; - Policies and budgeting for Local Government have been pro-poor; - The presence of facilitators or consultants is at the request of the community as needed.

Community Block Grant

Most of the funding for PNPM Mandiri comes from the national state budget of each ministries/agencies. The ministries/agencies allocate the budget for the technical

assistance component and community block grant (*Bantuan Langsung Masyarakat or BLM*).

Local government funding is also required as counterpart funds, to support joint activities of PNPM Mandiri, including the implementation coordination, BLM component of matching funds, and technical assistance to assist the implementation of BLM. Local funding is stated in the documents or provincial/ district/city budget, and is budgeted for as long as required for the implementation of PNPM Mandiri.

Principally, the activities that can be funded are what had been discussed as needed by the community members. The activities will be proposed by the community through participatory planning process of PNPM Mandiri, and were stated in the community work-plan (*One Village One Plan*).

Community Revolving Funds and Micro Enterprises Development

Part of the instruments of the community empowerment transformation is management of community revolving fund by community group. The community revolving funds activities and their assets accumulation have been getting bigger and bigger. At the same time, communities and their micro enterprises need also increase.

PNPM Mandiri has been developing links between revolving funds unit and beneficiaries with the micro-credit delivery service program managed Cluster-3 (micro and small economic or business empowerment). The Cluster-3 program will promote micro-finance services, that includes:

- Framework of comprehensive and synchronized policies and programs to empower small and micro enterprises (SMEs) as a part of the national agenda for poverty alleviation and unemployment reduction;
- The targeted SMEs are running their business on various productive sectors and feasible but not bankable yet,
- Promote the delivery of people's business credit (KUR) package program.

Internally, to improve capacity and capability of the revolving funds management units, PNPM management conduct capacity building with four main subjects: (i) formalizing legal status of the community revolving fund management units; (ii) improve capabilities of the managers; (iii) linkage to other financial institutions and local government service units; (iv) develop their management information systems.

7. Major issues and challenges

There are some for sustainability of PNPM Mandiri or community empowerment for grassroots economic development and poverty alleviation in Indonesia. Some of the challenges include:

- Sustainability of the program. In 2014 the country will deliver general election for president and parliament. PNPM Mandiri should anticipate impact of the political changes, or at least how to manage uncertainty situation during the political transition;
- In the national level: lack of coordination between ministries, and even between directorates under the same ministries. And, the risk of political parties intervention.
- In provinces and districts level: risk of politicking PNPM, as well as intervention from head of villages, community leaders, elites in villages.
- Good governance and internal management risks, such as: corruptions, misuse of fund and miss-procedures that could be done by community groups, local NGOs, facilitators, or others. And, risk of fraud, especially in the revolving fund management units;

Responding the challenges, PNPM Mandiri Roadmap (toward 2025) has been designed to ensure sustainability of this poverty alleviation through community empowerment, and anticipate socio-economic as well as political changes.

People, beneficiaries and who manage program delivery in the field have designed PNPM Mandiri Roadmap. The PNPM Mandiri Roadmap suggests five pillars for sustainability strategy, i.e.:

- (1) Integration of all related community empowerment programs. To ensure integration of community empowerment programs, to achieve motto “one village, one plan.”
- (2) Sustainability of competent facilitators. To provide policy framework and institutional support for a standardized competencies of facilitators and and technical assistance for the programs.
- (3) Community institutions capacity buildings. To provide legal frameworks for community institutions, include the community revolving fund units as a foundation for their sustainability, and accountability.
- (4) Strengthening local government roles in community empowerment and poverty alleviation. To improve capability in pro-poor planning and budgeting, monitoring & evaluation, and promote community empowerment approach to the local development process.

- (5) Implementation of good-governance process. To mainstream legal empowerment initiative, and promote “zero tolerance for corruption” in all steps of development process.

Each pillars has its policy direction, action plan, key performance indicators, action-plan, and step of actions.

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6. *PNPM Mandiri Information Kit 2012-2013*, Jakarta: PNPM Support Facility, 2013.
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8. PNPM Support Facility website: <http://pnpm-support.org/>

PNPM Mandiri, as a Grassroots Economic Development

And Poverty Alleviation (Indonesian Case Study)

Risfan Munir,

Advisor in the Secretariat of PNPM Mandiri Oversight Working Group

Introduction

Indonesia has long experience with poverty alleviation program through community empowerment approach. It could be very useful to be learned by other ASEAN countries. One of the programs is PNPM Mandiri (National Program of Community Empowerment) that has been implemented in 72,700 villages, from total 78,000 villages in Indonesia.

Broad design of poverty alleviation in Indonesia consist of four clusters (group of programs): (1) family based integrated social or emergencies assistance (2) PNPM Mandiri, as a community empowerment for poverty alleviation, (3) micro and small economic or business empowerment, and (4) low cost public services.

Grassroots economic activities in Indonesia consist of a variety of informal sector activities, micro enterprises, home industries, hawkers and peddlers, peasant farmers and fishers, etc. It will be difficult to empower millions of grassroots economic activities scattered in thousand villages, and many government and non-government institutions. To answer these challenges, PNPM Mandiri has been designed and implemented for poverty alleviation through community empowerment.

This paper will describe policy, strategy, delivery management, challenges and solutions of PNPM Mandiri as a part of a grassroots economic development, and poverty alleviation through community empowerment approach.

Policy, Strategy, and Program

The strategy of poverty alleviation in Indonesia has focused on improving the social, economic, and cultural condition of the poor. The strategy relies on three lanes called triple-track development:

- *Pro-growth*: increase and accelerate economic growth through investment, export and business;
- *Pro-job*: create jobs including flexible job markets and build a conducive industry links;
- *Pro-poor*: increase the capacity and quality of communities to enable them to participate in development, increase access to basic services, and revitalization of agriculture, forestry, marine sectors and village economy.

Poverty alleviation, especially pro-poor programs in Indonesia are delivered through four clusters or group of programs:

- Cluster-1: Family based integrated social assistance. Packages of direct aids for emergencies and basic services, such as: health, education, and disaster victims. Intended to fulfill basic rights, to reduce life burdens, and to improve the quality of live of the poor.
- **Cluster-2:** National Program for Community Empowerment (PNPM Mandiri). Intended to develop the potentials and to strengthen the capacity of poor people to be involved in the development based on the principles of community empowerment.
- **Cluster-3:** Micro and small economic or business empowerment.
- Cluster-4: Variety of low-cost programs. These include: low-cost housing, low-cost public transportation; clean water for poor village.

This paper focuses on the Cluster-2, PNPM Mandiri (National Program of Community Empowerment). This program implements approach of community driven development (CDD) with reasons: (a) To increase community participation, (b) to strengthen traditional community institutions, (c) to balance top-down with a bottom-updevelopment approach, and (d) to promote good-governance to avoid corruption on pro-poor programs.

PNPM Mandiri is a national program with policy framework and guidelines for various community-based poverty reduction programs at national and local level. The motto is: *“planning, implementation, and monitoring by the community.”*

PNPM Mandiri reduces poverty through: increasing community income; strengthening their social capital (good habit, local wisdom); and increasing communities’ capacity and capabilities to utilize their local potentials and self-help activities.

The program transforms poor community from social problem into social capital and assets. Its target groups are communities, not individuals, in order to strengthen the spirit of togetherness. And, it is to create and enhance the capacity of communities, both individually and as a group in improving the welfare and employment opportunities to reduce poverty and achieve the MDGs.

The Approach and Process

Implementation phases of PNPM Mandiri under the National Mid-term Development Plan will be as this Table.

Learning Phase	Self-Reliance Phase	Sustainability Phase
• Participatory development learning • Community block grant (<i>Bantuan Langsung Masyarakat</i>, or BLM) as a development stimulant	• BLM provides access to channeling development • Communities are able to access a variety of the existing funding sources (local governments, financial institutions, private sectors) • Participatory planning becomes local regulations; • PNPM's supervision and capacity to facilitate community and strengthen activities.	• Communities are able to build partnerships with various parties; • Policies and budgeting for Local Government have been pro-poor; • The presence of facilitators or consultants is at the request of the community as needed.

The variety programs included in the PNPM Mandiri are: PNPM programs can be categorized based on area of community empowerment activities such as PNPM Mandiri Rural, PNPM Mandiri Urban, PNPM Mandiri Rural Infrastructure (RIS), and PNPM Mandiri Regional Socio-economic Infrastructure(RISE). Besides the core programs, there are some PNPM Mandiri Supports related to the achievement of specific target sectors, such as: PNPM Generasi (for Healthy and Smart Generation), PNPM Green, PNPM for Rural Agribusiness Development (PNPM PUAP), PNPM Mandiri for Fishery, PNPM Mandiri for Tourism, and PNPM Pusaka (Cultural and Nature Heritage Conservation).

Funding Source of PNPM Mandiri. Most of the funding comes from the national state budget of each ministries/agencies. The ministries/agencies allocate the budget for the technical assistance component and community block grant (BLM).

Local government funding is also required as counterpart funds, to support join activities of PNPM Mandiri, including the implementation coordination, BLM component of matching funds, and technical assistance to assist the implementation of BLM. Local funding is stated in the documents or provincial/ district/city budget, and is budgeted for as long as required for the implementation of PNPM Mandiri.

The activities that can be funded through PNPM Mandiri. Principally, the activities that can be funded are what had been discussed as needed by the community members. The activities will be proposed by the community through participatory planning process of PNPM Mandiri, and were stated in the community work-plan. Generally include:

- Provision and reparation of human settlement sanitation, social and economic infrastructure/facilities buildwith labor-intensive basis;
- Provision of financial resources through **revolving funds and micro credit to develop economic activities of poor communities**. Greater attention has been given to **women** in making efficient use of the revolving funds;
- Undertaking of activities related to improve quality of human resources, particularly aimed at accelerating the achievement of the targets of MDGs;
- Develop capacity of the communities and local government through critical awareness, business skill training, financial organization management, and implementation of good-governance.

Community Revolving Funds and Micro Enterprises Development:

In communities, villages, sub-districts, activities of the program are managed by Activities Management Unit (Unit Pengelola Kegiatan, or UPK,), and supervise by Inter-villages Council (Badan Kerjasama Antar Desa, or BKAD). And, part of the UPK task is to manage “community revolving fund” operation.

The community revolving funds activities and their assets accumulation have been getting bigger and bigger. At the same time, communities and their micro enterprises need also increase.

In the long run, to anticipate the increase demand for micro-credit, it will need source of fund more than what is allocated for the program. In response to this, PNPM Mandirihas been promoting linkagesbetween the revolving fund beneficiaries with financial institutions, includes banking sector.

PNPM Mandiri has been developinglinksbetween revolving funds unit and beneficiaries with the micro-credit delivery service program managed Cluster-3 (micro and small economic or business empowerment). The Cluster-3 programwill promote micro-finance services, that includes:

- Framework of comprehensive and synchronized policies and programs to empower small and micro enterprises (SMEs) as a part of the national agenda for poverty alleviation and unemployment reduction;

- The targeted SMEs are running their business on various productive sectors and feasible but not bankable yet,
- Promote the delivery of people's business credit (KUR) package program.

Internally, to improve capacity and capability of the revolving funds management units, PNPM management conduct capacity building with four main subjects: (i) formalizing legal status of the community revolving fund management units; (ii) improve capabilities of the managers; (iii) linkage to other financial institutions and local government service units; (iv) develop their management information systems.

The PNPM Mandiri Outcomes

Currently PNPM Mandiri is present in all sub-districts in Indonesia, covering 72,700 villages (2011) from a total of 78,000 villages. PNPM has formed 750,000 community groups, with 22,000 among them are economic empowerment driven by women. At least 63% of beneficiaries in PNPM are women. It provides a role of women as the driving force for change in the villages. It can be said as a biggest CDD program in the world.

Among the outcomes of PNPM Mandiri, as a result of the implementation of the community driven development, so far are:

- More than 10,000 community groups have received credit from the banking system. Social entrepreneurship and social capital growing in village level.
- Community-driven conflict resolution: when conflict arise, the community forum is a convenient place to explore a win-win solution, with the spirit of togetherness.
- Community plan as an engagement for everybody to achieve. Community-plan as a social contract whenever external part are searching for supports (government, political parties, etc).
- Empowered community groups with characteristics of: having livelihood knowledge and skills to increase their welfare; having clear vision and 'dreams' and strong motivation to reach their dreams, formulated in their community action plan; and having an ability to discuss all problems they face and searching solutions through community dialogues in participatory community forums, and building partnerships among them and other stakeholders to search win-win solutions.
- On going process of self-reliant community group empowerment to improve their characteristic of: capable to build a mutual partnerships with other stakeholders; trusted by other financial institutions, like banking institutions, cooperatives, etc.; and capable to participate in financial inclusion; conducting micro and small business with very good financial plan, reports.

PNPM Mandiri Roadmap

To maintain sustainability of the program, a PNPM Mandiri Roadmap for Sustainability, has been developing. The roadmap, principally, has been designing by people, beneficiaries and who manage program delivery in the field. The PNPM Mandiri Roadmap suggests five pillars for sustainability strategy, i.e.:

- (6) Integration of all related community empowerment programs. To ensure integration of community empowerment programs, to achieve motto “one village, one plan.”
- (7) Sustainability of competent facilitators. To provide policy framework and institutional support for a standardized competencies of facilitators and technical assistance for the programs.
- (8) Community institutions capacity building. To provide legal frameworks for community institutions, include the community revolving fund units as a foundation for their sustainability, and accountability.
- (9) Strengthening local government roles in community empowerment and poverty alleviation. To improve capability in pro-poor planning and budgeting, monitoring & evaluation, and promote community empowerment approach to the local development process.
- (10) Implementation of good-governance process. To mainstream legal empowerment initiative, and promote “zero tolerance for corruption” in all steps of development process.

Each pillar has its policy direction, action plan, key performance indicators, action-plan, and step of actions.

Challenges and Responses:

Challenges:

- Sustainability of the program. In 2014 the country will deliver general election for president and parliament. PNPM Mandiri should anticipate impact of the political changes, or at least how to manage uncertainty situation during the political transition;
- In the national level: lack of coordination between ministries, and even between directorates under the same ministries. And, the risk of political parties intervention.
- Good governance and internal management risks, such as: corruptions, misuse of fund and miss-procedures, that could be done by community groups, local NGOs, facilitators, or others;
- Risk of fraud, especially in the revolving fund management units;
- Risk of politicking PNPM in provinces and districts level, as well as intervention from head of villages, community leaders, elites in villages;

Responses:

Responding the challenges, PNPM Mandiri (toward 2025) has been designed to ensure sustainability of this poverty alleviation through community empowerment, and anticipate socio-economic as well as political changes. Beside that, PNPM Mandiri also:

- Speed-up promotion of community economic development, parallel with the current community revolving fund beneficiaries groups; coordination with local government units, small, medium and big enterprises, and other local and provincial stake holders;
- Promote partnership programs to increase local government services participation, as well as financial institutions, and other local stakeholders initiatives related to poverty alleviation, micro-enterprises development, and community empowerment;
- Promote participatory good-governance approach in all levels and planning, budgeting, implementation, and monitoring and evaluation processes.

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This paper is based on guidelines and reports of implementation of the PNPM Mandiri, and observation to the field, some have been taken from formal documents, such as:

1. PNPM Mandiri Support Facility, Guidelines of PNPM Mandiri
2. PNPM Mandiri Support Facility, Questions and Answers on PNPM Mandiri
3. Coordinator Ministries of People's Welfare, Series of Presentation on PNPM Mandiri.

Note:

Full version of the paper will be sent early next week.

Risfan Munir

10/31/2013



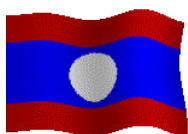
INCEPTION REPORT

Grassroots Economic Development and Poverty Alleviation Project

25-29 November 2013

Bangkok, Thailand

LAOS PDR



Country Report

National Committee for Rural Development and Poverty Eradication (NRDPE) of Lao PDR

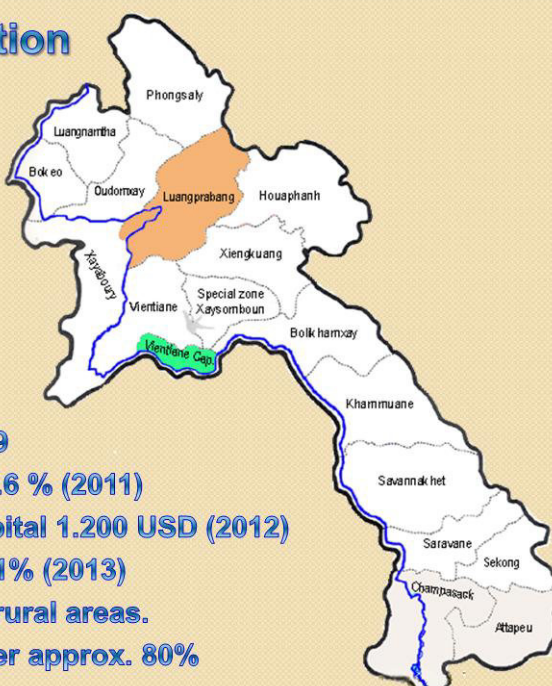
Presented by:

Mr. Bounchay Boutavong and Mr. Kingkeo Sengsouvanh

Country information (2012)

Laos Area: 236,800km²

- 16 Provinces, 1 capital
- 145 Districts
- 8,600 Villages
- 1,144,526 Households
- Population: 6,514,432
- Female: 3,259,980
- Ethnic group in Laos: 49
- GDP Growth of Laos: 8.6 % (2011)
- National Income per capital 1,200 USD (2012)
- Poverty Incidence: 13.01% (2013)
- 80% of total pop live in rural areas.
- Mountainous areas cover approx. 80%





Long vision of Lao PDR on Poverty Reduction



Lao's Government strategies and policies to develop our country escaped the poverty on the year 2020, and also implementing on MDGs

MDG1:	Eradicate Extreme Poverty and Hunger
MDG2:	Achieve Universal Primary Education
MDG3:	Promote Gender Equality and Empower Women
MDG4:	Reduce Child Mortality
MDG5:	Improve Material Health
MDG6:	Combat HIV/AIDS, Malaria and other Diseases
MDG7:	Ensure Environmental Sustainability
MDG8:	Develop a Global Partnership for Development
MDG9:	Reduce the Impact of UXO in Lao PDR

National Committee for Rural Development and Poverty Eradication (NRDPE) of Lao PDR

The National Committee for Rural Development and Poverty Eradication is under the Lao Government Office, Consist of 4 Departments and 3 organizations as:

- **Personnel and Administrative Department (PAD)**
- **Planning and International Relations Department (PIRD)**
- **Grass Root Governance Department (GRGD)**
- **Rural Development and Poverty Eradication Department (RDPE)**



Three Organizations belong to the NRDPE

NRDPE

Poverty
Reduction
Fund (PRF)

Lao National
Regulation
Authority for
UXO/Mine
Action Sector in
Lao PDR (NRA)

Lao National
UXO
clearance
Project

Three of these are relate with NRDPE because there are also responsible to solve the poverty in Laos



Poverty and Development Evaluation

- ☐ **The poverty and development evaluation accordingly to the Decree No. 285/PM on the Poverty Criteria and Development Criteria (2011-2015) Decree No 285/PM**
- ☐ **Legal document rectifying and improving the Order No9/PPB, the order No.13/PM on the Building of the developped Ban and Koumban**
- ☐ **Multisector-criteria consolidation as measurable comprehensive development standard for family, Ban, Koumban and district.**

Rural Poverty and Development Plans (2011-2015)

- **- Decrease Poverty rate: 19% of Pop**
- **Decrease poor Family: 99,000 (9.44%)**
- **Decrease poor village: 960 village (11%)**
- **Achieving the MDGs target.**
- **Improve the management mechanism system especially: Policy Bank, Poverty Reduction Fund, Village Development fund and Promotion Agriculture Bank.**
- **Building developed village on half total of villages.**



Rural Poverty and Development Plans (2011-2015)

- **Improve the infrastructure Increase communication network to rural area (90% of total village)**
- **Increase electricity to rural area (3,984 village)**
- **Improve education system (primarily school 152 villages)**
- **Improve primary health care in Rural area**
- **Building health model village (> 50%)**
- **Support clean water (993 village)**
- **Establish village cultural (> 50%)**
- **Realization of the program of stable**

Prioritized programs and projects (2011-2015)

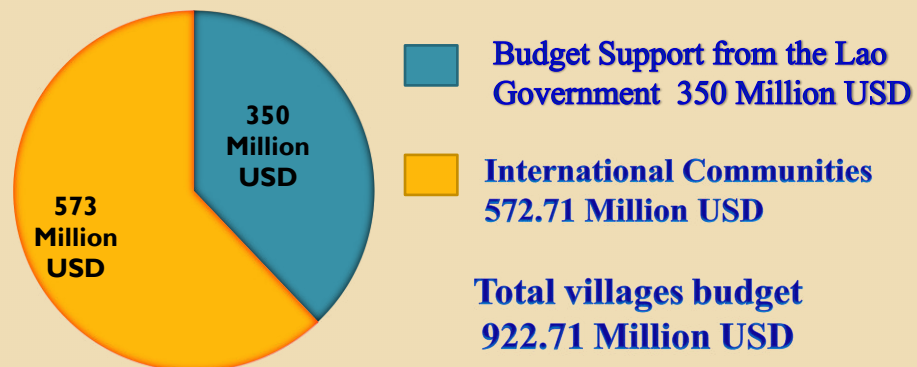
- 1. Realization of the program of stable settlements and secure livelihoods necessitates 1,688 projects,**
- 2. Program to promote cash crop farming and income generation for rural families total 433 projects,**

The Achievement

**Total of poor villages are 3,216 villages = 37,16% ,
Now remaining to 960 villages = 11%**

(Reference to the decree 201/MNs)

The poor villages have reduced 5% per year



Before and After Rural Dev Effort



School building and school equipments





Thanks (Khob Jai) for your kind attention



Lao National Flower

INCEPTION REPORT**Grassroots Economic Development and Poverty Alleviation Project**

25-29 th November 2013

Bangkok, Thailand

Title: Integrated Rural Development Project: Agropolitan

Name : Mr. Zaflin Pakwanteh
Ms. Haryati Yahya
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E-Mail : zaflin@rurallink.gov.my, haryati@rurallink.gov.my rohanis@rurallink.gov.my**1.0 INTRODUCTION**

1.1 The efforts by the Malaysian Government to reduce poverty have been conducted since independence in 1957 with the introduction of Malaysia Development Policy. During that time, the Government has introduced Pre-New Economic Policy with the main objective was to develop the economy focusing on rural sector by providing infrastructure, land and rural development. However, the policy of Malaysia on poverty reduction took clear and coordinated shape in 1971 with the introduction of New Economic Policy (NEP) which aimed at national integration through poverty eradication and economic restructuring to eliminate the identification of ethnicity with economic function. Since then, its basic features have been retained even though some modifications have been made to that policy. National Development Policy (NDP) has been introduced in 1991 as the successor to NEP, focusing on balanced growth, elimination of social and economic disparity and national integration among others. On top of that, National Vision Policy (NVP), which is a vision of what Malaysia should be like in the year 2020, has become the basic for planning the future of the country. In 2011, Malaysia embarked on the Government Transformation Era, aiming to be a high income nation that is inclusive and sustainable by the year 2020.

1.2 In order to achieve a high income nation by the year 2020, the Government has given a special attention toward the residents in rural areas. Rural area is an area of less than 10,000 residents outside of local authorities' zones and Malaysia's rural area comprises of 70% of its total size (231,180km²/23 million hectare)

including agriculture areas, forests, villages, coastal areas and islands. Percentage of rural population in Malaysia has been decreasing since 1970, from 71.6% to only 29% of Malaysia's total population. Since then, Malaysia's incidence of poverty at rural area also has been on decline from 58.6% in 1970 to 3.4% in 2012.

1.3 In Malaysia, the implementation of poverty alleviation programs has been carried out by various ministries through their operating agencies at the State and sub-State levels. However, specifically for rural area, the Government of Malaysia has established Ministry of Rural and Regional Development (MRRD) to holistically and effectively increase the quality of life of the rural community. The organization chart for MRRD is as Appendix 1. Since then, it has been laying an important role in rural development in Malaysia by introducing five (5) strategic thrusts which are rural economic development, land and regional development, human capital development, poverty eradication and basic infrastructure and amenities development.

2.0 CURRENT SITUATION, RESPONSIBLE ORGANIZATIONS AND CONSTRAINT

2.1 In accordance to the five (5) strategic thrusts of rural development, Agropolitan projects have been initiated under "Program Lonjakan Mega Luar Bandar (PLMLB) Scheme, one of high impact program in Malaysia. Agropolitan is an integrated rural development project aimed at eradicating hardcore poverty through various agricultural and agrobased development projects by bringing together a group of hardcore poor into a sustainable, all-encompassing community involving primary and secondary economic activities.

2.2 The Agropolitan projects are supervised by Land and Regional Development Division under MRRD and lead by three (3) agencies under MRRD which are Federal Land Consolidation and Rehabilitation Authority (FELCRA), Rubber Industry Smallholders' Development Authority (RISDA) and Kedah Regional Development Authority (KEDA). There are total of eleven (11) Agropolitan projects all over Malaysia which comprises of four (4) projects in Peninsular Malaysia, two (2) projects in Sabah and five (5) projects in Sarawak. The location map and details for each of Agropolitan project in Malaysia is as Appendix 2.

2.3 The main constraints of the Agropolitan projects would be the limited land resources that are made available by the relevant states and agencies. Agropolitan project is an extensive and comprehensive project that require considerably high budget, thus, making it limited in sense of numbers of project if compared to other development projects conducted by MRRD.

3.0 GOAL AND PURPOSE

3.1 The main objectives of Agropolitan projects are to remove participants from the current poverty line and to raise the average income of participants from MYR300 (USD90) to at least MYR1,800 (USD400) per month. Besides that, these projects are also aimed to create a sustainable and organized economy, to provide a comfortable and complete settlement and also to increase coverage and quality of basic infrastructures, utilities, amenities and social facilities.

4.0 COMPONENTS OF AGROPOLITAN AND TARGET GROUP

4.1 The Agropolitan projects consist of three (3) major components which are physical development, economic development and human capital development. The physical development is the establishment of settlement area for the participants provided with basic infrastructures and amenities such as houses, community hall, kindergarten, mosque, shop lots, electricity and water supply and others.

4.2 Meanwhile, the economic development is more towards creating the job opportunities for the participants by developing two (2) farms known as Prosperous Farm, locally known as “Ladang Sejahtera” and Commercial Farm. The participants usually planted short-term crops like pineapples, bananas, papayas and vegetables on the Commercial Farm that would help them to generate additional income and profits in short term period. In fact, a study conducted by independent body in 2010 shows that Commercial Farm indeed provides additional income for the participants while they are waiting for their main commodities which are rubber and palm oil to harvest at Prosperous Farm. The idea was the return profits for the Prosperous Farm takes at least four (4) years before precede to the first harvest. Therefore, the Commercial Farm served the purpose to increase and stabilize the participants’ income in the meantime.

4.3 As for human capital development among participants, they are needed to attend pre-placement courses such as courses on house management, individual and family management as well as selfmotivation and team binding. The participants are also needed to attend technical courses related to rubber and palm oil planting, commercial farming, farm management and Good Agriculture Practice (GAP). These courses usually organized by the lead agencies which are FELCRA, RISDA and KEDA with the support from MRRD and related agencies.

4.4 The target group for Agropolitan projects are hardcore poor who are identified by a standard rate prepared by Economic Planning Unit of Prime Minister Department (PMD). All Malaysians who are categorized under hardcore

poor must register to e-Kasih program, a program conducted by PMD to overcome the hardcore poor problems, before they are eligible to apply and participate in Agropolitan projects.

4.5 The criteria for participants' selection with houses are they must be listed in e-Kasih program or approved by focus group committee, they must be within productive age, willing to be relocated and also willing to involve actively in the outlined programmes. Meanwhile, the criteria for participants' selection with shares and dividends are they must be beyond productive age, meaning, they do not work on the farm. In this case, no relocation is required for selected participants. However, in certain cases, some of them will be relocated depending on their condition and situation or upon request by focus group committee.

5.0 RURAL EXISTING/POTENTIAL RESOURCE

5.1 Agropolitan projects are implemented with the main objective to reduce the number of hardcore poverty in Malaysia. Hence, the location selection criteria for Agropolitan projects are playing a very crucial role. Agropolitan projects usually are implemented in a state or district with high incidence of hardcore poverty. Besides that, the availability of the state land and feasibility of the project to be carried out on the proposed area are also one of the important factors to be considered. In this case, State Governments are playing a very important role as an entity to help the MRRD in many aspects especially involving the land availability and other process that need its participation. Therefore, an agreement with State Governments to gazette a suitable land for Agropolitan projects is the main key for these projects to success. From then, the lead agencies such as RISDA, FELCRA and KEDA can propose what type of crops to be planted in Prosperous Farm and Commercial Farm based on the feasibility studies of the land, the number of houses for settlement area, access road for transportations and others that are related for the project development.

6.0 PROJECTS FOR GRASSROOTS ECONOMIC DEVELOPMENT/POVERTY ALLEVIATION

6.1 As previously stated, Agropolitan projects is an integrated rural development project aimed at eradicating hardcore poverty through various agricultural and agro-based development projects by bringing together a group of hardcore poor into a sustainable, all-encompassing community involving primary and secondary economic activities. Due to this reason, the projects for grassroots economic development and poverty alleviation in Agropolitan are mainly agricultural and agrobased development projects. Regarding to this, the

participants in Agropolitan projects are required to work on Commercial Farm and Prosperous Farm.

6.2 The Commercial Farm will provide short term economic impact to the participants whereas the Prosperous Farm will provide the long term economic impact to the participants. In this case, the participants usually planted short-term crops like pineapples, bananas, papayas and vegetables on the Commercial Farm while commodities such as rubber and palm oil usually planted on the Prosperous Farm. In order to ensure that the participants have received the economic impact continuously, Federal Agricultural Marketing Authority (FAMA) has been assigned to market the participants' Commercial Farm products and also to educate them regarding the agricultural marketing strategies. Besides the fresh fruits products, the participants also able to come out with their own agro-based products produce from the Commercial Farm such as fruits jam and juice. These agro-based products have been marketed by FAMA or by participants at the surrounding areas. The Commercial Farm indeed provides the participants with additional income and profits in short term period.

6.3 The Prosperous Farm is usually planted with the main commodities such as rubber and palm oil in a huge area. Thus, it will bring a huge economic impact to the participants. The Prosperous Farm would be supervised by the lead agencies such as RISDA and FELCRA since these lead agencies have the expertise and knowledge in rubber and palm oil planting. The profits of the Prosperous Farm will be shared with the lead agencies. The participants, who are beyond productive age, will receive the return profits by shares and dividends after the first harvest period which will take about four (4) years. Meanwhile, the participants within productive age will receive additional income by working on the farm before the first harvest period and also receive the return profits by shares and dividends after the first harvest period.

6.4 Other than the economic activity on the Commercial and Prosperous Farm, the participants, specifically in Agropolitan Pulau Banggi, Sabah and Agropolitan Batang Lupa, Sarawak, also involved in natural farming project. This project is a collaboration effort by three (3) agencies which are MRRD, FELCRA and independent corporative. The natural farming project aimed to increase the household income as well as to reduce household food-expenditure.

6.5 In this project, the selected participants will develop an edible garden around their house compound. They will plant vegetables crops such as chilies, spinach, bitter gourd, cabbage, tapioca and others by using resource that available in their environment such as recycle plantation pot and self-composed natural fertilizer. This

project is also known as “From Waste to Wealth”. The agricultural experts will visit the site and give advice on plantation technique from time to time. Moreover, a series of workshops were also organized to teach the participants on plantation technique, self-produce natural fertilizers, sharing experience and problems pertaining to the plantation projects.

6.6 A study conducted by independent body in 2013 shows that this natural farming project indeed increase the household income, providing consistent income, allowing the participants to make household saving and productive usage of household assets. The average sales income generated from natural farming is around MYR146 (USD44) to MYR1,400 (USD420) monthly and the average saving of household expenditure is around MYR106 (USD32) to MYR540 (USD162) monthly.

7.0 MAJOR ISSUES AND CHALLENGES

7.1 Agropolitan projects also encounter some major issues and challenges that could hamper the implementation of the project. As a ministry responsible for these projects, MRRD and its lead agencies such as RISDA and FELCRA are trying to overcome the issues by a strategic approach with the related parties. The major issue that causes delay in the implementation process are mostly land related issues. Since in Malaysia, land issue is under the jurisdiction of State Government, proper and constant coordination is required throughout the implementation of the project so that any issues that arise can be tackled accordingly.

7.2 The mindset of the rural people is also a major challenge that requires a special attention from the Government. Rural residents are becoming too dependent to the Government assistance, complacency and low effort to improve their way of life. In the case of Agropolitan projects, MRRD and also related agencies need to tackle the problem from the grassroots level. Therefore, human capital developments programs are very important to motivate and educate the participants to be independent. The participants are taught on how to manage the farms and market their products, exposure to rubber and palm oil planting and also establishment of a village administrator committee in the Agropolitan settlement area. Establishment of this committee is needed to prove that besides focusing on strengthening and increasing the participants’ income, the project also aims to change the mindset of the rural people from becoming too dependence to the

Government assistance into a people with high knowledge, motivation, credibility and also ability.

8.0 CONCLUSION

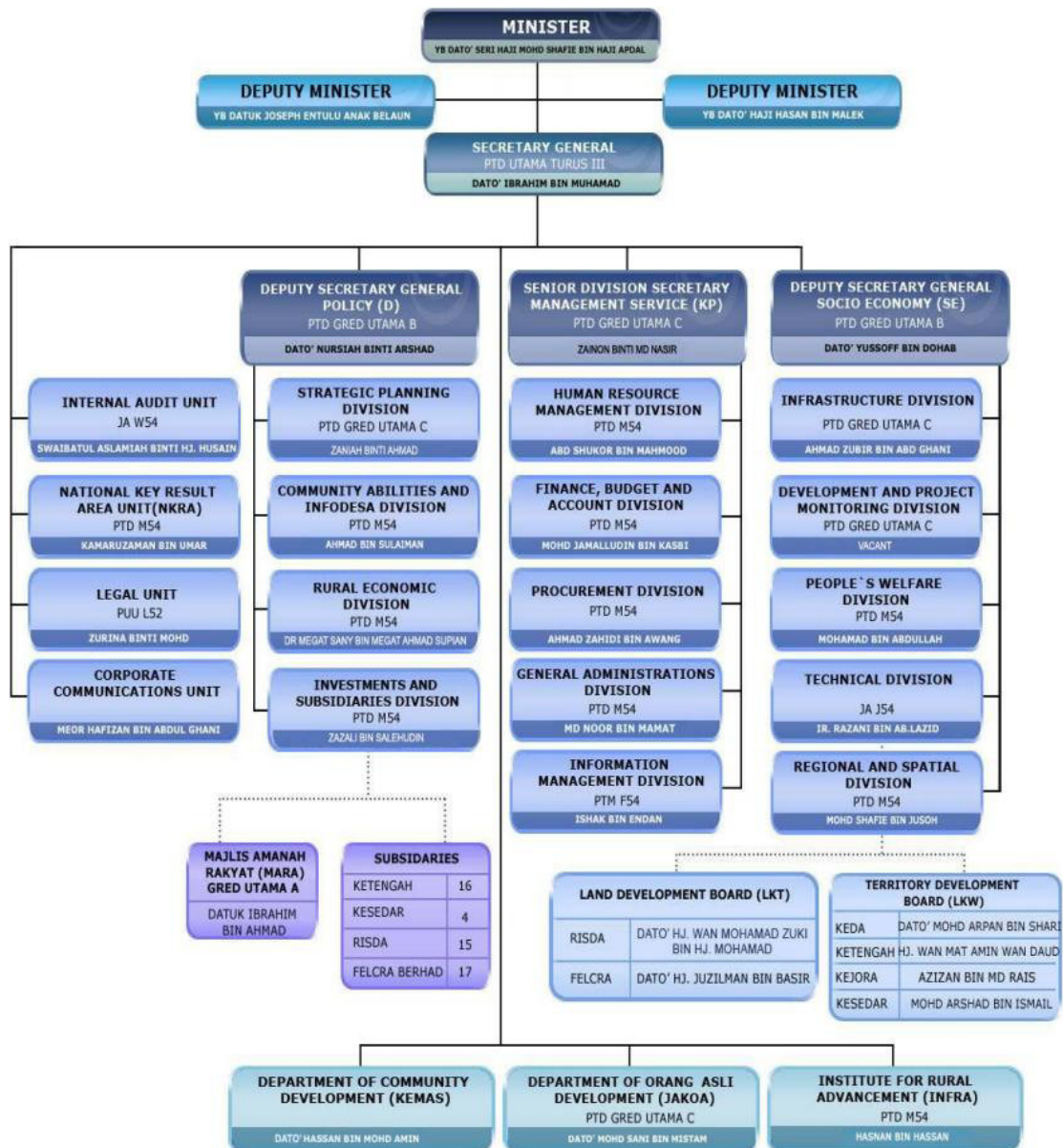
8.1 Agropolitan as an integrated rural development project is indeed a huge and great effort from the Malaysian Government to eradicate hardcore poverty through various agricultural and agro-based development projects by bringing together a group of hardcore poor into a sustainable, all-encompassing community involving primary and secondary economic activities. The implementation of Agropolitan projects throughout Malaysia proves that the Malaysian Government is serious to uplift the socio-economic level of the rural people and also to increase their quality of life.



APPENDIX 1



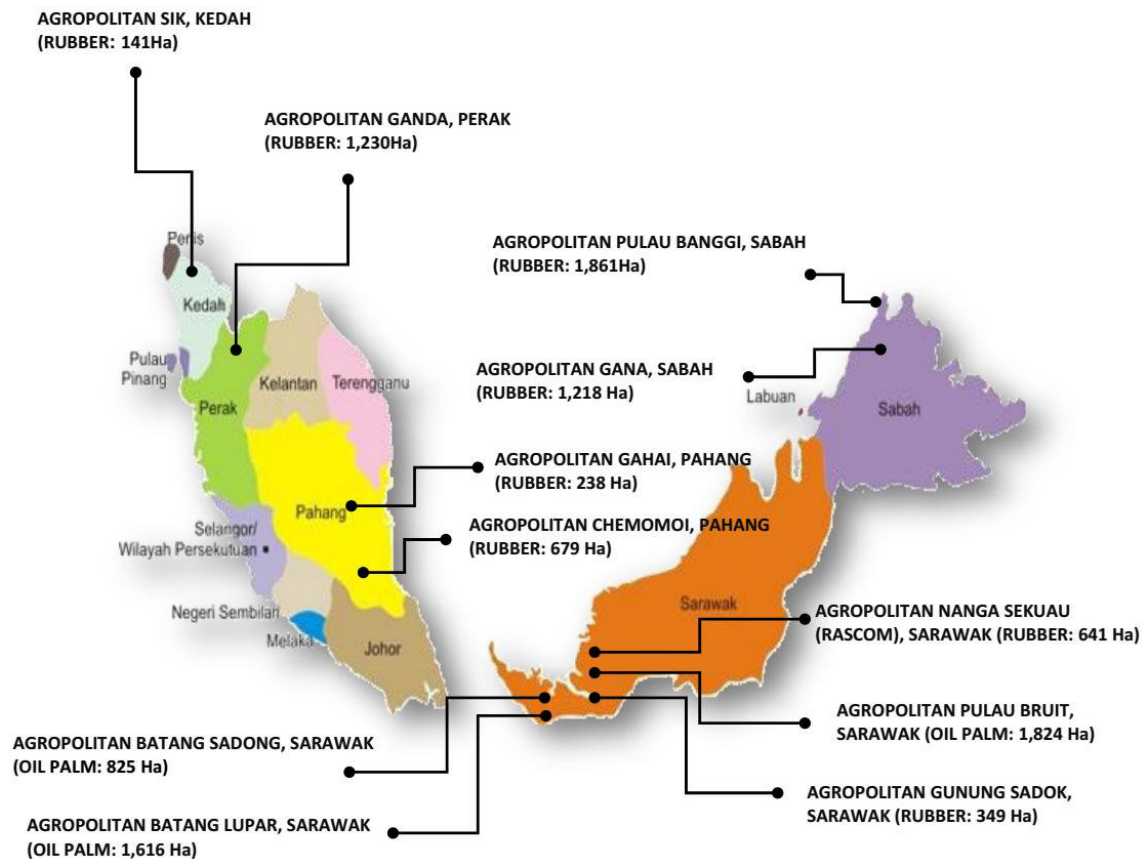
ORGANISATION CHART OF MINISTRY OF RURAL AND REGIONAL DEVELOPMENT





APPENDIX 2

AGROPOLITAN PROJECTS THROUGHOUT MALAYSIA



AGROPOLITAN GAHAI



Location	Kuala Lipis, Pahang (Peninsular Malaysia)
Area Size (Hectare)	- Prosperous Farm Phase 1 (202 ha) - Prosperous Farm Phase 2 (30 ha) - Settlement Area (6 ha)
No. of Participants	- With Houses: 50 - Without Houses: 30
Lead Agency	RISDA
Components	- Prosperous Farm (Rubber) - Commercial Activity (Swiftlet Bird House) - Settlement Area (50 unit of houses) (Hall, Muslim Prayer House, Kindergarten, Business Premises, Basic Utilities and Infrastructures)

AGROPOLITAN CHEMOMOI



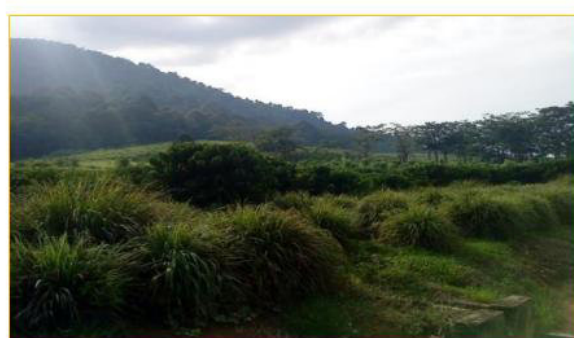
Location	Chemomoi, Pahang (Peninsular Malaysia)
Area Size (Hectare)	• Prosperous Farm (567 ha) • Commercial Farm (89 ha) • Settlement Area (23 ha)
No. of Participants	• With Houses: 200
Lead Agency	RISDA
Components	• Prosperous Farm (Rubber) • Commercial Farm (Papaya) • Settlement Area (200 unit of houses) • (Hall, Muslim Prayer House, Kindergarten, Business Premises, Basic Utilities and Infrastructures)

AGROPOLITAN GANDA



Location	Gerik, Perak (Peninsular Malaysia)
Area Size (Hectare)	• Prosperous Farm (1,011 ha) • Commercial Farm (162 ha) • Settlement Area (57 ha)
No. of Participants	• With Houses (Phase 1): 200 • With Houses (Phase 2): 200
Lead Agency	RISDA
Components	• Prosperous Farm (Rubber) • Commercial Farm (Cash Crop) • Settlement Area (400 unit of houses) • (Hall, Muslim Prayer House, Kindergarten, Business Premises, Basic Utilities and Infrastructures)

AGROPOLITAN SIK



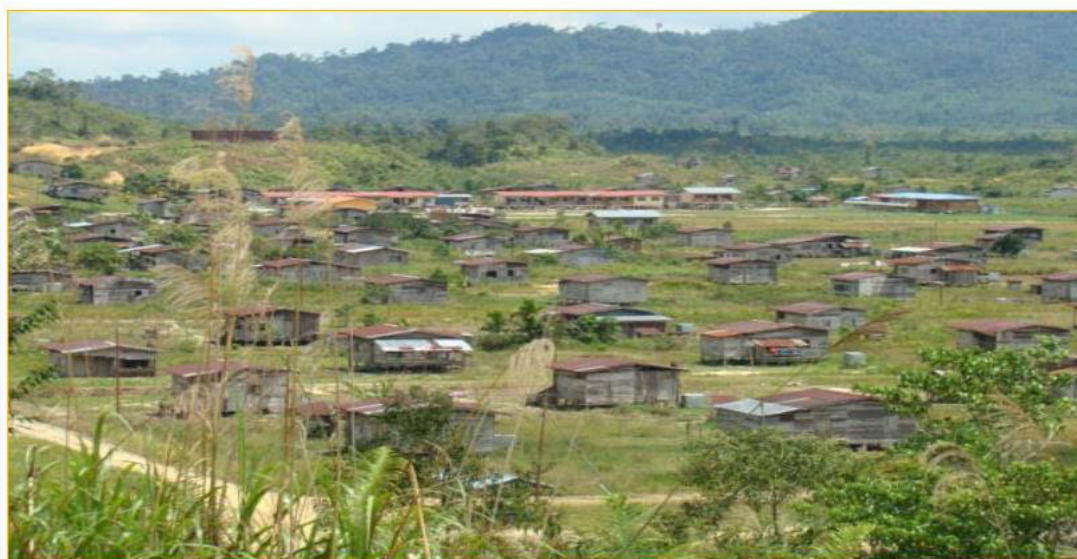
Location	Sik, Kedah (Peninsular Malaysia)
Area Size (Hectare)	• Prosperous Farm (109 ha) • Commercial Activities (28 ha) • Settlement Area (4 ha)
No. of Participants	• With Houses: 50 • Without Houses: 80
Lead Agency	KEDA
Components	• Prosperous Farm (Rubber) • Commercial Activities (Paddy, Mineral Water and Fresh Water Fish) • Settlement Area (50 unit of houses) • (Hall, Muslim Prayer House, Kindergarten, Business Premises, Basic Utilities and Infrastructures)

AGROPOLITAN PULAU BANGGI



Location	Kudat, Sabah (East Malaysia)
Area Size (Hectare)	• Prosperous Farm (1,800 ha) • Settlement Area (61 ha)
No. of Participants	• With Houses (Phase 1): 100 • With Houses (Phase 2): 100
Lead Agency	FELCRA
Components	• Prosperous Farm (Rubber) • Commercial Activities (Natural Farming Swiflet Bird House, Coconut and Fresh Water Fish) • Settlement Area (200 unit of houses) • Facilities (Hall, Muslim Prayer House, Kindergarten, Business Premises, Basic Utilities and Infrastructures)

AGROPOLITAN GANA



Location	Kota Marudu, Sabah (East Malaysia)
Area Size (Hectare)	• 1,218 ha for Prosperous Farm, Commercial Farm and Settlement Area
No. of Participants	• 450
Lead Agency	RISDA
Components	• Prosperous Farm • Commercial Farm • Settlement Area • Facilities (Hall, Muslim Prayer House, Kindergarten, Business Premises, Basic Utilities and Infrastructures)

AGROPOLITAN BATANG SADONG



Location	Samarahan, Sarawak (East Malaysia)
Area Size (Hectare)	• Prosperous Farm (825 ha)
No. of Participants	• Without Houses: 363
Lead Agency	FELCRA
Components	• Prosperous Farm (Palm Oil) • Facilities (Rural Road)

AGROPOLITAN BATANG LUPAR



Location	Sri Aman, Sarawak (East Malaysia)
Area Size (Hectare)	- Prosperous Farm (1,600 ha) - Settlement Area (16 ha)
No. of Participants	- With Houses: 126 - Without Houses: 193
Lead Agency	FELCRA
Components	- Prosperous Farm (Palm Oil) - Commercial Activity (Natural Farming) - Settlement Area (126 unit of houses) - Facilities (Hall, Muslim Prayer House, Kindergarten, Business Premises, Jetty, Basic Utilities and Infrastructures)

AGROPOLITAN GUNUNG SADOK

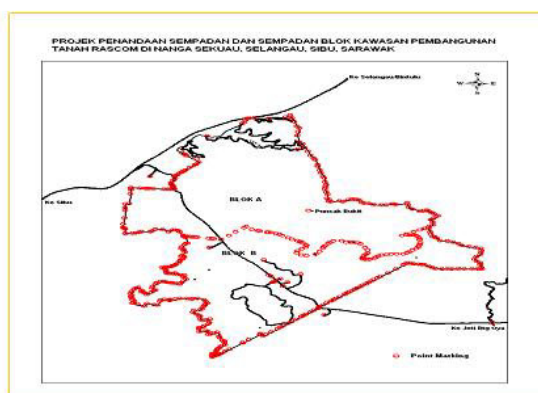
Location	Saratok, Sarawak (East Malaysia)
Area Size (Hectare)	• Prosperous Farm (349 ha)
No. of Participants	• Without Houses: 150
Lead Agency	RISDA
Components	• Prosperous Farm (Rubber)

AGROPOLITAN PULAU BRUIT



Location	Mukah, Sarawak (East Malaysia)
Area Size (Hectare)	• Prosperous Farm (Phase 1): 495 ha • Prosperous Farm (Phase 2): 502 ha • Prosperous Farm (Phase 3): 827 ha
No. of Participants	• Without Houses: 380
Lead Agency	FELCRA
Components	• Prosperous Farm (Palm Oil)

AGROPOLITAN RASCOM



Location	Sibu, Sarawak (East Malaysia)
Area Size (Hectare)	Prosperous Farm (641 ha)
No. of Participants	With Houses: 518
Lead Agency	RISDA
Components	Prosperous Farm (Rubber)

**Inception Report on
Grassroots Economic Development and Poverty Alleviation in Myanmar**

November 25-29, 2013

Bangkok, Thailand

Presented by Zarni Minn, Ph.D, Deputy Director, Department of Rural Development,
Ministry of Livestock, Fisheries and Rural Development

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1. Introduction

Development efforts often focus on promoting macro-economic growth, as measured by the Gross National Product, assuming that the benefits of growth will trickle down to the poorer people in the society. However, this growth largely bypasses the bottom of the population, who then continue to live in poverty. In fact, poverty is one of the pressing issues in Myanmar as well as in the ASEAN today. Eradicating poverty is no longer only a moral issue but a practical imperative. However, combating poverty is not possible without addressing the food security and livelihoods issues of the poor and disadvantaged communities. The Government of Myanmar has been taken all-out measures to address country poverty and sustainable rural development through enhancing grassroots economic development activity in collaboration with its people and international organizations.

2. Profile of Union of Myanmar

The Republic of the Union of Myanmar is one of six riparian nations of the Mekong River Basin with the total land area of 676,578 square kilometres and stretches for 925 kilometres from east to west and 2,200 kilometres from north to south. The administrative structure of the country comprises of 7 States and 7 Regions. It consists of 67 districts, 330 townships, 74 sub-townships, 2,891 wards, 13,698 village tracts and 64,917 villages.

Population of Myanmar is estimated at 60 million with the annual growth rate of 1.52 percent. Of which, about 70 percent resides in the rural areas, whereas the remaining are urban dwellers. The country is sparsely populated with approximately 86 per square kilometers and ranges from 595 per square kilometers in Yangon Region to 14 per square kilometers in Chin State, the western part of the country.

3. Poverty Status

Myanmar is one of the poorest countries in the East Asia and Pacific Region, with an estimated gross domestic product per capita of between \$ 500-800. Decades of underinvestment and inattention have taken a toll on public institutions and the civil service, limiting the reach of government and its ability to provide services in rural areas. Limited access to and the poor state of existing infrastructure are major impediments for social and economic development. Consequently, rural areas lag significantly behind urban areas in their socio-economic development.

The Integrated Household Living Condition Assessment Survey 2010 defined the poverty line as Kyat 376,151 (about US\$ 436), and the result shows that poverty afflicts around 25% of the population. Poverty incidence is around twice as high in the rural than urban areas at 29% and 15% respectively. Rural areas account for almost 85% of total poverty. The poverty rate of Myanmar has decreased from 32 percent to 26 percent. The government targeted poverty rate to reduce by 16% by 2015.

Poverty Headcount Index (% of population)

State and Region	Urban		Rural		Total	
	2005	2010	2005	2010	2005	2010
Kachin	37.7	23.4	46.8	30.6	44.2	28.6
Kayah	26.1	2.3	38.2	16.3	33.6	11.4
Kayin	7.8	16.8	12.5	17.5	11.8	17.4
Chin	45.9	52.1	80.9	80	73.3	73.3
Sagaing	21.9	16.0	27.4	40.9	26.6	15.1
Tanintharyi	20.8	16.7	37.2	37.5	33.8	32.6
Bago	30.7	19.0	31.8	18.2	31.6	18.3
Magwe	25.8	15.8	43.9	28.2	42.1	27.0
Mandalay	24.1	14.1	44.7	31.6	38.9	26.6
Mon	22.5	17.8	21.3	16.0	21.5	16.3
Rakhine	25.5	22.1	41.2	49.1	38.1	43.5
Yangon	14.4	11.9	17.4	28.7	15.1	16.1

State and Region	Urban		Rural		Total	
	2005	2010	2005	2010	2005	2010
Shan	31.0	14.1	50.5	39.2	46.1	33.1
Ayeyarwaddy	24.4	23.1	30.3	33.9	29.3	32.2
Union	21.5	15.7	35.8	29.2	32.1	25.6

4. Poverty Reduction and Rural Development Measures

Myanmar is at a pivotal moment in her history. The country makes brave new moves, and emerges from decades of isolation. The government is undertaking a series of reform such as political, economic, administrative and private sector reforms. A critical element of the government's reform agenda has been the pursuit of a "paradigm shift" which featured a "people-centered" approach to development as articulated by President U Thein Sein. This reform agenda mainly empowers communities to initiate their own economic development.

In fact, the Government has paid the highest attention to poverty alleviation from its very inception. One month after the inauguration of the Government, it mandated a central committee and various sub-committees of RDPA. The Central Committee for RDPA is chaired by the President and the Working Committee is chaired by the Vice-President. The central committee plays policy adoption and supervision role. In the Union level work committee, Union Ministers take charge of a task each and support the Region and State level RDPA Work Committees, which will have to take practical measures. Region and State level work committees are to go down to townships and accomplish the abovementioned tasks in cooperation with the rural people who really want to work in their own and public interests.

In order to reduce poverty rate by half by 2015, eight-point poverty alleviation action plan was formulated and pressing ahead with all-important initiatives. These are:

- (1) Development of agricultural productivity,
- (2) Development of livestock breeding and fisheries,
- (3) Development of rural small-scale productivity,
- (4) Development of micro saving and credit associations,
- (5) Development of cooperative tasks,

- (6) Development of rural socio-economy,
- (7) Development of rural energy,
- (8) Environmental conservation.

5. Livelihoods and Incomes Development Strategies

The livelihoods intervention strategy of Myanmar aims to help communities to achieve sustainable livelihoods through capacity enhancement and capital assets development (human capital, natural capital, financial capital, physical capital and social capitals). The main focus of livelihoods intervention is to improve the households' livelihoods as well as to contribute effectively to local economic development. Through a number of complementary activities, the government provides supports to significantly improve food production and increase and diversify income sources of the poor and most vulnerable population in order to meet their basic needs, grow their family income generating activities for profit reinvestment, and apply participatory processes to build local capacity and self-reliance. The livelihoods activities mainly focuses on commercial scale production and employment creation aspects of the livelihoods interventions in the target areas in order to make the quick impacts. The livelihoods intervention strategies focus mainly on the following aspects.

5.1 Agro-ecological Zone Based Planning and Interventions

Myanmar is a country with a highly diversified topography, several agro-ecological zones, different cropping patterns, diverse natural resources and many different risks to lives and livelihoods. These factors contribute to the existence of diversified livelihood patterns, in an economy which largely depends on the agricultural sector. In terms of agro-climatic conditions and characteristics, Myanmar is divided into four agro-ecological regions: the Delta Region, the Central Dry Zone Region, the Mountainous Region, and the Coastal Region.

The characterization of socio-economic conditions, soil and water characteristics, cropping patterns, technical and financial needs, opportunity for off-farm and on-farm activities and infrastructure facilities to improve livelihood of the rural people in each agro-ecological region are different. The categorization of Agro-ecological zones provides a starting point for the broad identification of geographic locations, that can then be further defined using other baseline information (including poverty incidence) and through participatory planning process at village, village tract and township level.

This broad level identification will allow for the formulation of tailor-made livelihood assistance packages. The varieties and technologies, especially for crop production and

kitchen gardening, tested elsewhere under the similar agro-ecological conditions will be further verified and promoted. Similarly, a range of intervention packages for fishery and livestock is promoted considering the diversity of feasibilities and opportunities. Various off-farm and non-farm SMEs is promoted based on the potentiality, feasibility and market demands.

5.2 Cluster Approach for Livelihoods Interventions

Recognizing that a village alone cannot make up a viable market for growth, an area/cluster based development strategy is adopted within the agro-ecological zones whereby the project selects naturally clustered villages in village tracts and townships (average 4 – 6 villages per cluster) within various agro-ecological zones. Based on the experience so far in Delta, the cluster approach made possible the poor beneficiaries to buy the required inputs locally, to sell their small produces locally and to have better access to social development services including education and health. It also allows service providers to organize various capacity building training and awareness campaign at cluster level covering several target villages from within the clusters. Focus is given to commercialize one product in one cluster or in several nearby clusters based on the technical feasibility and market potential in order to simplify the product consolidation and collective marketing. Similarly, an area based community managed collection centre approach will also be introduced for the product consolidation and collective marketing.

Townships and villages are selected using the IHLCA poverty related data on poverty incidence. The selection also prioritizes those townships and villages affected by conflict, including villages from cease-fire areas. While the selected townships and villages serves as a pilot for 2-year period, the best model and the best practices can be replicated in other townships and villages with further refinement, as necessary.

6. Identification of Beneficiaries

The major target beneficiaries for livelihoods interventions are those falling under poverty line, mainly poor, poorest and most vulnerable communities. Moreover, several types of households who are especially vulnerable to food poverty in the absence of social safety nets, such as female-headed households and household having in their care chronically ill persons, persons with disabilities, economically inactive older persons and orphans are also prioritized for assistance.

Additionally, middle income and relatively rich households is also be part of the initiative, for example, by providing them with technical assistance and linking them with access to credit, markets and service providers and by the rehabilitation and

construction of community based economic infrastructure, given their capacity to create livelihood and employment opportunities at the local level.

7. Planning and Interventions

7.1 Community-driven Livelihood Planning and Strategies Formulation

A people-centred approach is employed where a high level of community involvement and commitment ensured from conception and planning to implementation, monitoring and evaluation. Community is empowered to develop and implement their own livelihoods and food security plan. A three-year Village Livelihoods and Food Security Plan is developed by the community through a village planning exercise with facilitation support from the Government Agency. The livelihood outcomes to be produced is first decided based on the vulnerability context, assets, policies and institutions prevailing in the area and then the livelihoods strategies is formulated.

Livelihood development strategies is designed using the Livelihood Framework Analysis tool (vulnerability analysis, consideration of available capitals assets) to produce expected outcomes, ensuring that the planned strategies are tailored to local conditions and consistent with local preferences. The respective community is capacitated to mobilize the resources from various sources to implement the livelihoods plan including possible supports from the Government budget and development partners. The government agency provides capacity building and facilitation supports for the formulation and implementation of the Livelihoods and Food Security Plan.

7.2 Implementation of Integrated Livelihood Model

Livelihoods in Myanmar are consisting of a mix of farming, livestock raising, fisheries (including fishponds, in- and offshore fisheries), and other non-farm and off-farm activities. The government supports for all four of these major components of the rural economic system. As far as possible, all activities under these components is implemented in an integrated manner consistent with the aim of contributing to the overall objective and the MDGs. Some common livelihood combinations in Delta are wet land paddy cultivation + fishing + back yard piggery, fishing + carpenter, petty selling + fishing, dried prawn preservation + fishing, fishing + boat roof -making, etc. In the upland hilly areas such as Chin Hills, shifting cultivation, piggery, home gardening and exploiting orchids and forest- based products and short- and medium- term migrant workers are most common livelihood combination.

A range of intervention packages for agriculture, fishery, livestock, off-farm and non-farm based micro, small and medium enterprise development and some genuine

community based economic infrastructure is implemented considering the diversity of feasibilities and opportunities with mainstreaming of cross-cutting issues such as gender, environment (including alternative energy and energy efficiency), climate change adaptation, Disaster Risk Reduction (DRR), capacity development and social protection. Technology and skills enhancement efforts introduce innovative and adaptable techniques for commercialization in agriculture, livestock and fisheries management to improve income opportunities. Interventions focus on maximizing benefits from available cultivable lands, in paddy fields and backyard areas, as well as in other natural resource areas including in-shore and near shore fisheries and community forests. Proper mechanisms put in place to ensure gender equality in decision-making implementation of the development interventions.

7.3 Growth with Equity Approach for Beneficiary Selection and Livelihoods

Intervention

Recognizing that there is a high level of interdependency between households from different income groups, a “Growth with Equity” approach is adopted which focus on both growth and the equity part of livelihood and economic development. The major target beneficiary for livelihoods interventions is those falling under poverty line (mainly poor, poorest and most vulnerable communities).

Moreover, there are several types of households who are especially vulnerable to food poverty in the absence of social safety nets, such as female-headed households and households having in their care chronically ill persons, persons with disabilities, economically inactive older persons and orphans. Such vulnerable households receive special focus while providing supports. This covers the equity component of “Growth with Equity” approach.

Additionally, the government also place greater emphasis on assisting the middle income and relatively rich households by providing technical assistance and linking them with access to credit, markets and service providers. Moreover, such households are also be benefitted by the community based economic infrastructure. These landholders have much greater potential than the poorest to create employment, produce surplus and generate growth. This covers the Growth component of “Growth with Equity” approach. Growth generated by these groups would ultimately benefit the poor, poorest and most vulnerable in terms of employment creation and greater food availability.

7.4 Community Social Capital Formation and Capacity Building

Efforts to improve livelihoods of poor and vulnerable communities should be accompanied by efforts to mobilize individuals and groups, increase their ownership and participation in local level economic recovery and development activities and strengthen their organizations and networks. Community based organization such as Village Tract Development Support Committee should be provided with targeted capacity strengthening support, as an integral part of livelihood assistance, so that they have to knowledge and skills to play active roles in livelihood development of their communities.

The three tiered community mobilization structure can be used to implement the livelihoods based interventions. In the year 1 various Occupational Based Groups (e.g. a Farmers' Group, a Livestock Group, Fishery Group and a Micro and Small Entrepreneurs' Group) and a Self-Reliance Group (SRG) can be formed in each of the target villages as per the need to work on issues identified and implement the activities related to respective sector.

After formation of the Occupational Based Groups, in the year 1 a village level apex body called Village Livelihood Development Committee (VLDC) is formed in each of the target villages in the form of a Community Based Organization, comprising of representatives from various occupational groups and other sector of the communities which will serve as vehicles for village outreach for livelihoods interventions. Building the capacity of these VLDCs and communities is focused to improve their livelihoods in ways which sustainably manage and husband the local natural resources on which livelihoods are mostly dependent. VLDCs' capacity is strengthened to ensure appropriate sharing of project resources and management of revolving fund schemes. VLDCs will provide the focus for training interventions and mentoring on a range of subjects including income generation related to specific commodities and enterprises, environmental conservation and sustainable resource management, organizational development, funds management, book and record keeping. A Village Tract Livelihoods Development Forum is formed subsequently consisting of representatives from VLDCs.

7.5 Linkages with other Livelihood Service Providers

Communities should plan and implement their Livelihood and Food Security Plan with technical advice and mentoring, extension support provided by the concerned Government Line Departments and other extension service providers.

In order to facilitate and support the communities for the effective planning, implementation and management of sustainable livelihoods it is very important to

understand what does the “Livelihoods” and ‘Sustainable Livelihoods’ mean. In general people consider livelihood merely an income generation opportunities for an individual, households and communities. However, it should be clear that the “livelihood comprises the activities, capacities, and assets required to maintain a means of living”. This includes anything related to maintain the peoples’ living. In general it consists of five different capital assets: human capital, social capital, physical capital, natural capital and financial capital. In addition to this the activities carried out and the capacities of people to do the activities and capacity to cope with the stress and shocks and have defenseless against any change in external environment are also the important component of the livelihoods. Similarly, a livelihood is “sustainable when it can cope with and recover from shocks and stresses and maintain or enhance its capacities and assets, now and in the future, while not undermining the natural resources base”.

The most of the livelihood service providers involved in the livelihoods development endeavors lack the proper knowledge of the concept of livelihoods and hence, it is very important that they should be capacitated to understand the entire concept. Similarly, people lack the knowledge of proper planning for the livelihood interventions through the use of the Livelihood Framework and their proper management. The personnel involved in such interventions should be well trained on such planning processes and the project planning cycle which includes: Identification, Documentation, Appraisal, Financing and Preparation, Implementation and Monitoring, and Completion and Evaluation.

7.6 Access to resources, financial services, markets and technical assistance

Communities should be supported to establish linkages with government line agencies, microfinance institutions, private sector and other organizations which can support their efforts to improve their productivity of livelihood activities, enable procedures to penetrate new markets, improve marketing channels, or provide technical or material assistance. A two-track approach should be deployed to developing livelihood opportunities and building market linkages; a “resource-based approach,” and a “market-led approach.” Both of these would seek to bring the producers and buyers closer.

8. Lessons to Way Forward

There is not enough experience to draw conclusion from the livelihoods and incomes development project due to its very beginning stage; however, we can draw some lesson from design and planning stages. Community driven livelihood approach can strengthen good governance, which in turn enhances growth prospects. When citizens

are engaged, exercise their voice, and demand accountability, government performance improves and corruption is harder to sustain. In addition, the sustainable livelihood development agenda supports development effectiveness by promoting growth patterns that are pro-poor. This involves reducing inequalities by investing in poor people's capabilities.

Experience also demonstrates that community driven sustainable livelihood can improve development effectiveness and pro-poor impact at the individual project level. Grassroots community involvement is a powerful tool for the production and maintenance of local public goods such as water supply, sanitation, schools, health, roads, and forest management, which in turn increase the development effectiveness of investments.

A critical aspect of a community driven approach is to reduce inequality by broadening human capabilities and improving the distribution of tangible assets such as land or access to capital. Such an approach can enhance the poverty reducing impact of growth-inducing policies and investments by enabling poor people to more effectively participate in markets. The converse also applies. When inequality is high, poor people lack capabilities and assets ranging from literacy to collateral for credit and thus have difficulty taking advantage of economic opportunity. This limits a society's potential for growth in general and pro-poor growth in particular, and consequently the effectiveness of development efforts.

The pursuit of community driven livelihood development also raises questions about political will and capacity building. If community driven development is to be valid and meaningful, then the political will of the government has to be behind it, so that appropriate structures and relationships can be set up to give people access to power, knowledge, and skills. In fact, participation is a basic principle of democracy so that people have the rights for freedom to participate in decision regarding management and development. Thus, advancing community empowerment implies a reorientation of existing bureaucratic practice and procedure. On another word, the civil service and government should be changed in modes of working and patterns of service delivery. Myanmar has already clearly demonstrated the will to consolidate its record in decentralized planning and management.

Another challenge for livelihoods perspectives is the ability to address longer term change, such as climate change. While the term "sustainable livelihoods" implies that livelihoods are resilient in the face of both external shocks and internal stresses, in conditions of extreme vulnerability, resilience cannot always emerge through local adaptation. Instead, more dramatic reconfigurations of livelihoods may have to occur.

Appropriate livelihood interventions are also designed and implemented to address the effect of climate change.

9. Conclusion

Working to enhance community driven livelihood and income generation is thus a huge challenge for developing countries and their external partners. It is both a moral challenge and an intensely practical one. Reducing the human degradation of powerlessness and releasing the energies of people to contribute to their societies through empowerment are two sides of the same coin.

Our efforts must therefore be people-centered, with the human at the core, so that we can foster human development within communities that are secure, vibrant, caring and sharing. The Government of Myanmar assures you that it will not waiver in this task. But help and support, shared thought and knowledge, cooperation and coordination, from the international communities will be critical for Myanmar to fully succeed. Myanmar will cooperate closely with ASEAN and its friend communities in seeking solution to common problems, and will share views and experiences with them on issues of mutual interest.

INCEPTION REPORT

Grassroots Economic Development and Poverty Alleviation Project

25-29 November 2013

Bangkok, Thailand

Name: Mr. Jonah Nobleza and Mr. Edgar Allan Cruz

Country: Philippines

Organization and present post: National Anti Poverty Commission

E-mail: jsnobleza@gmail.com; cruz.edgarallan@gmail.com

Economic Inclusion of the Poor through Bottom up Planning (4 in 1) project

1. Introduction

The Philippine government is implementing a program “Economic Inclusion of the Poor through Bottom up Planning (4 in 1) project.” It is an inter-agency collaboration led by the Human Development and Poverty Reduction Cabinet Cluster. It is aimed at to support the following:

- transition of the poor from subsistence to surplus production
- collective action for the regeneration of environmental resources in the context of climate change adaptation
- incentives for existing agri-processing companies to invest beyond their comfort zones
- establishment of secondary economic hubs that will connect isolated, poor areas to urban markets.

The program has four (4) elements:

1. Social preparation for the transition of the poor from subsistence activities to sustainable enterprises
2. facilitation of inter-local government unit (LGU) cooperation in providing public goods that will protect the environmental commons
3. facilitating of inter-agency convergence in providing infrastructure for market development such as common service facilities and operating capital
4. Leveraging public funds, the 4-in-1 aims to harness private capital into business initiatives that provide alternative livelihood for the poor

Apart from being a program for empowerment, decentralization, public -private partnership and convergence, the 4-in-1 will be a territorial governance program for

creating pathways out of poverty that are context -specific and responsive to a territory.

The program is now being implemented by the National Anti-Poverty Commission (NAPC) in the Zamboanga Peninsula Region, particularly in the municipalities of Dumingag, Midsalip and Mahayag of the province of Zamboanga del Sur, and the municipalities of Siayan and Sindangan in the province of Zamboanga del Norte.

These municipalities are among the 609 poorest municipalities in the Philippines where development is most needed. These municipalities are home to the Subanen, the biggest group of Lumad, or non-Muslim indigenous people, in the island of Mindanao. The Subanen is among the high concentration of poor dependent on subsistence farming activities and traditional crops like copra, rice, corn, and artisanal fish capture.

Political differences between the provincial and municipal governments have affected program implementation and the delivery of public services in the pilot area, and the municipalities have been left out of key development projects. With the facilitation of NAPC, the local chief executives have decided to:

- a. form an alliance for economic cooperation and committed to work for its realization
- b. conduct a joint outcome planning to refine the cooperation framework
- c. prioritize the development of the coconut, rubber and organic rice industries.
- d. review and rationalize all road network projects
- e. address the power supply problem of the cluster

The Inter-LGU Alliance has set the following objectives:

- intensify economic trading system
- empower farmers to be more productive
- install sustainable organic agriculture system and social enterprises

The alliance is also envisioned to improve the delivery of social services, integrate the farmers into mainstream markets, and to delineate, protect, restore and manage local environment resources to secure livelihoods.

And to address the disjoint between the local governments and promote the active participation of the constituents in local governance, the alliance will utilize Bottom Up Program for Planning and Budgeting (BUP) to establish effective relationships among the poor, between organized groups and local government, between National Government Agencies (NGAs). These will then lead to better alignment of antipoverty programs with locally determined priorities, more effective delivery of basic services and improve the availability of capacity building support for local poverty reduction.

As a member of the Human Development and Poverty Reduction Cabinet Cluster and an active partner in the implementation of the BUP, the National Anti Poverty Commission has supported joint planning sessions within the inter-LGU alliance, wherein the following tasks and responsibilities for the municipal governments were identified:

- serve as coordinating mechanism for implementation of BU P
- formulate joint outcomes and budgeting process for inter-LGU BUP by organizing inter-LGU TWG who will facilitate process
- establish transparent and accountable mechanism for participation of communities, CSO and private sector in BUP process
- generate support from donors, academic institutions and other strategic partners for TA and other resources to strengthen LGU capacities and support civil society organizations
- review and recommend policy incentives for private capital to invest in the value chain integration of the poor
- coordinate and build alliances with NGAs
- M & E and joint report to constituencies
- establish a model inter-LGU alliance sustainable economic system focused on poverty eradication anchored on sustainable agriculture

2. Current situation and constraint on development of the region you are in charge

NAPC is now facilitating the strengthening of the inter-LGU alliance between the 5 municipalities. The initial plan was to establish a Sustainable Organic Agriculture Economic Corridor along the 5 municipalities.

In line with this, the Dumingag Institute of Sustainable Agriculture (DISOA) was established. Training on community organizing, culture mapping, farm management and short courses on organic agriculture, like organic fertilizer making, vermiculture, and rice duck farming are being offered for farmers and rural development workers from the other partner municipalities. Farmers in Dumingag are relatively more advanced in organic agriculture and the farmers from the other municipalities can learn a lot from this type of peer-to-peer learning.

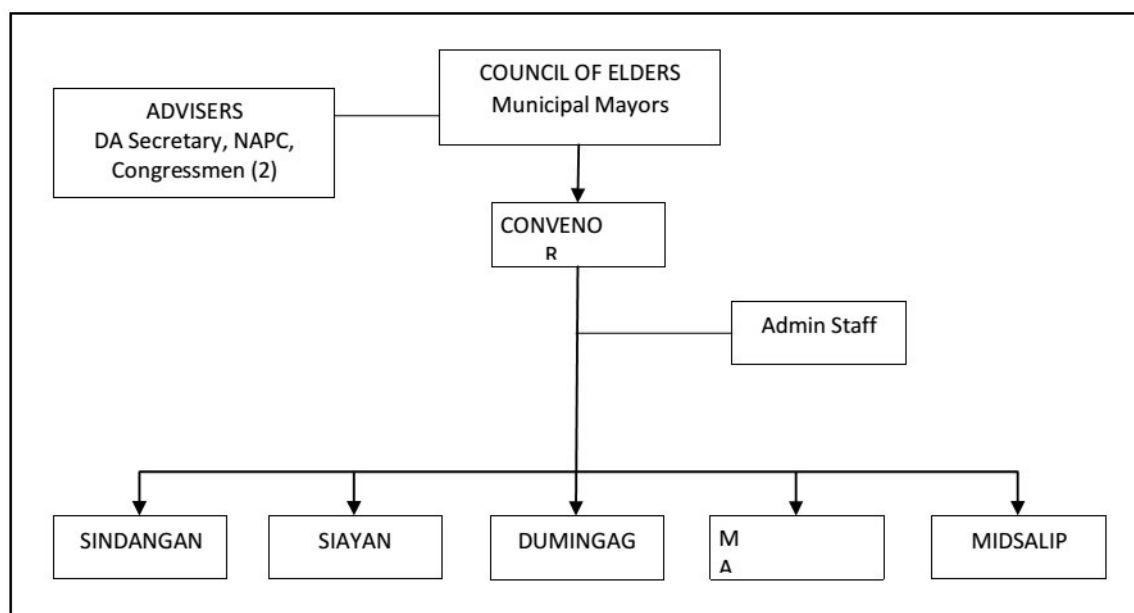
Backyard vegetable farming among rural households is now a common practice as a result of an extended campaign to mitigate hunger and promote organic food production and consumption.

Because of the initial successes of this type of inter-LGU alliance, the collaboration has been expanded to include the creation of a Super 5 Economic Zone. The cooperation now includes market - oriented development of competitive value chains common to the partner municipalities. Business models for organic rice, coco coir and rubber have already been developed.

Barangay Captain Crispin Taruc of La Concepcion, Sindangan has been in the seaweed production business more almost 20 years. He has expanded into seaweed trading, buying dried seaweeds in his area, and selling them to a processor-exporter in Cebu City. Access to government extension services and other support services in the remote seaweed farming areas is difficult. But Barangay Captain Taruc is now providing embedded support services for seaweed farmer - suppliers.

This model of developing value chain based support service providers who can improve the delivery of support services will also be used for the priority commodities of the Super 5 Economic Zone.

The Super 5 Economic Zone is governed by this working structure.



There is no standard framework for inter-LGU cooperation because its success depends on a variety of highly complicated, non-constant factors. The LGU partners have no collective experiences that they can tap into.

Peace and order is also a major constraint, both involving insurgents, and petty criminals who are without of any source of income or livelihood.

3. Development goal or purpose of the region above (If you are involved in any project in this field, describe its goal and purpose.)

The 5 mayors have agreed to a joint leadership and management of the Sustainable Agriculture Economic Corridor.

The development goal is to implement a common platform among this group of disadvantaged municipalities, to address poverty reduction based on increased participation of the poor, accountable governance, and a responsive economic platform

The Super 5 Economic Zone will also be the highest policy - making body, responsible for coordinating the implementation of various programs within the Zamboanga Economic Corridor, generating support from funding agencies and other strategic partners, while installing the needed transparency and accountability mechanisms before approving the financial operations of the economic zone.

4. Responsible organizations, beneficiaries/target group, and related stakeholders for development (If you are involved in any project in this field, describe its stakeholders.)

Partner	Roles
Foundation for a Sustainable Society	• climate change adaptation and mitigation measures • promoting sustainable natural resource management and production • introducing value chain development in specific industry or sector • addressing gender concerns in enterprise and value chain development • increasing patronage of products and services of social enterprises • capacity building on entrepreneurship, business planning
National Government Agencies	• complementation/phasing - in with the Economic Inclusion of the Poor program in Zamboanga Peninsula
Target Group	• poor farmers and fishers in the 5 municipalities which includes the Subanen indigenous people

5. Rural existing/potential resource of the region above for development (If you are involved in any project in this field, describe its resource.)

The Subanen has the sole authority to manage and develop their ancestral domain covering Dumingag and Mahayag. Together with other pending applications, the total land area covered by this authority reaches 25,000 hectares of underdeveloped lands.

The shared resources include an extensive road and irrigation network, and natural resources like mountains, forests, minerals, rivers and a watershed.

The Inter-LGU alliance also shares training facilities, technical assistance and other support services for the priority value chains: coconut, rubber and organic rice, and other staple crops and fisheries.

The 5 municipalities have vast tracts of lands planted with rice, coconut and rubber, which has the potential of generating inclusive growth through improvements in value chain competitiveness.

6. Idea for the intervention/project for grassroots economic development and/or poverty alleviation for this region (If you are involved in any project in this field, describe its progress.)

The Inter-LGU alliance can now move towards the operationalization of the working structure, the goals and objectives, the tasks and responsibilities, and the respective action plans of the partner LGUs.

The Inter-LGU vision has to be institutionalized in the planning and implementation of development projects. For example, Bottoms - Up - Planning and Budgeting should no longer be implemented as an independent process among the partner LGUs. Multiplier effects from investments of neighboring LGUs should be considered and redundant investments should be avoided, to maximize the efficient use of BUB funds.

The Inter-LGU cooperation should be able to scale up their activities especially on mainstreaming the poor in competitive markets. Private capital has to be brought in through the value chain development approach. The joint resources and supply base of the five municipalities for coconut, organic rice and rubber should be able to attract potential lead firms and investors into the area.

The NGAs have already identified available support programs and services that can further strengthen the business models of the LGUs.

NAPC has downloaded counterpart funds to the LGUs to support the administrative component of the Super 5 Economic Zone.

NAPC has organized with World Bank Institute and the Ateneo School of Government a Greater than Leadership Workshop to develop concrete action plans for BUB implementation, to propose reforms in the SEA-K (livelihood assistance for Conditional Cash Transfer beneficiaries), and to address “withdrawal syndromes” of graduating CCT beneficiaries.

7. Major issues and challenges that hamper implementation of above intervention/project mentioned in 6.

The Conditional Cash Transfer (CCT) project of the Department of Social Welfare and Development (DSWD), has been extended to provide subsidies for 15 -18 year old members of CCT households. But despite this adjustment, the CCT households are still at risk of reverting back to being poor, if they have been successfully integrated into more equitable markets. There should be a strong phasing-in of the CCT and SEA - K projects, into the Economic Inclusion of the Poor program, to ensure that the CCT households will benefit from the value chain promotion activities of the Super 5.



INCEPTION REPORT
Grassroots Economic Development and Poverty Alleviation Project

25-29 November 2013

Bangkok, Thailand

Name: Mr. Ian Chow

Country: Singapore

Position: Assistant General Manager

Organization: Social Service Office Department, Ministry of Social and Family Development



Contents

- Brief Introduction to Social Security in Singapore
- Social Service Offices (SSO) to Deliver Integrated and Customised Assistance
- More About Local Planning
- Conclusion

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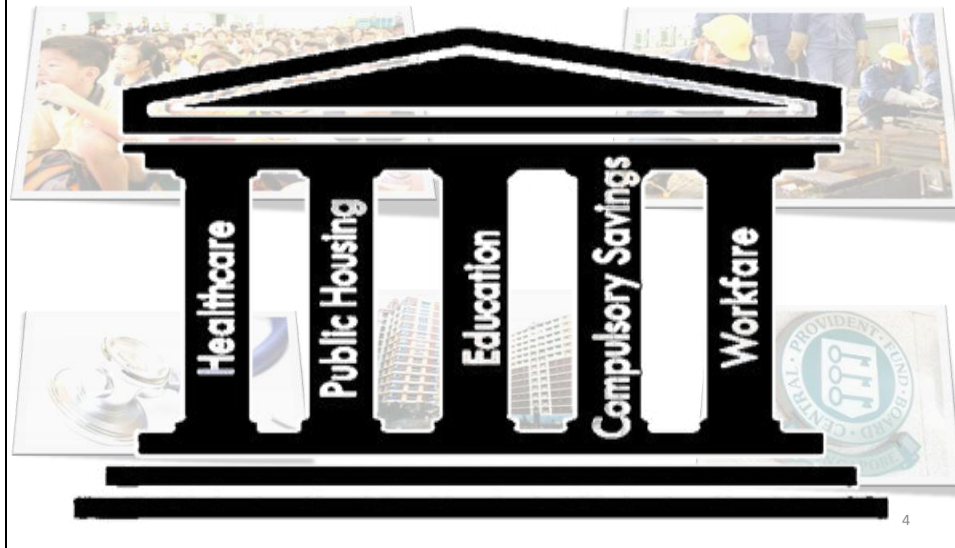
More About Singapore

- Land Area = 715.8 Sq Km
- Population = 5.3mil
- Population Density
= 7,422 Per Sq Km



3

Five Key Pillars of Social Security

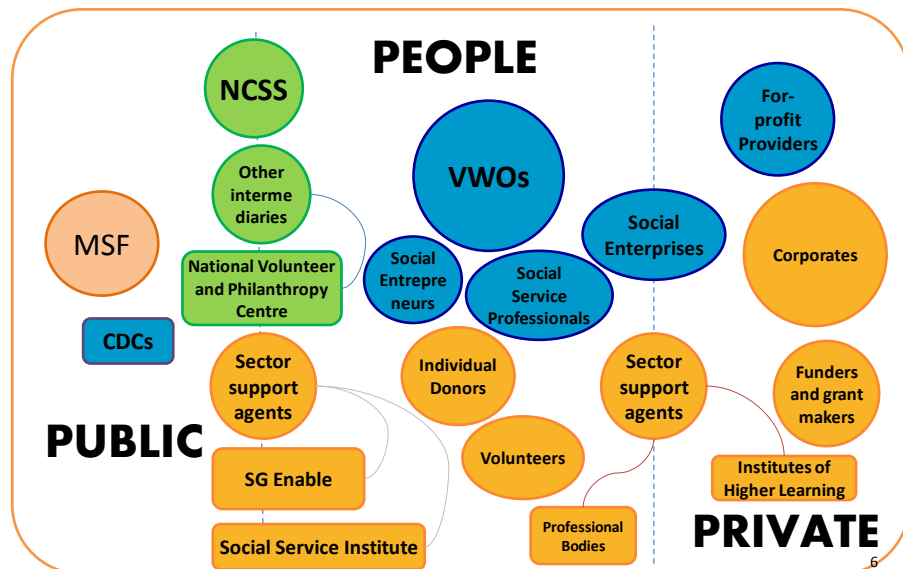


ComCare as a Key Social Safety Net

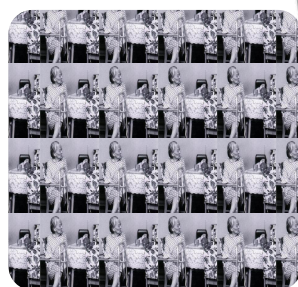


*\$s1.5bn Endowment Fund
to help low income and needy*

Public-Private-People (3P) Model



The “People Sector” in Singapore



400,000
service users
annually



10,000 staff
& many more
volunteers



400+
Voluntary
Welfare
Organizations

Increasingly Complex Environment



8

Feedback from Partners



Integrating and Customising Assistance



"The network of Social Service Offices will establish the foundation for our future social service delivery. It will allow us to develop local solutions to local social challenges, leveraging on the local community resources and integrating the efforts of the Voluntary Welfare Organisations such as the Family Services Centres, Senior Activity Centres and other social service providers"

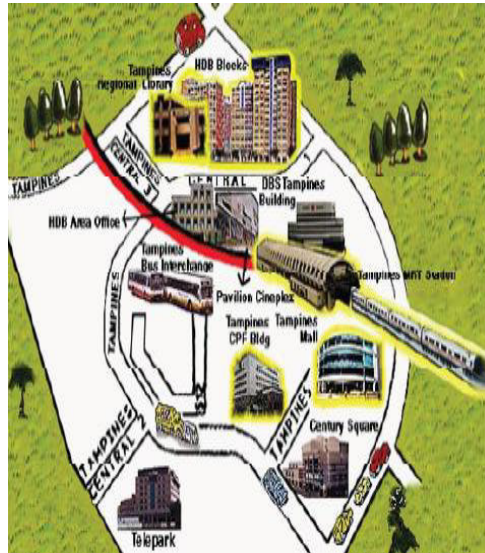
Minister Chan Chun Sing, 15 Aug 2013.

Decentralising Assistance



Each Social Service Office will serve a "Town"

Concept of a “New Town”



**3 main features
of a New Town**

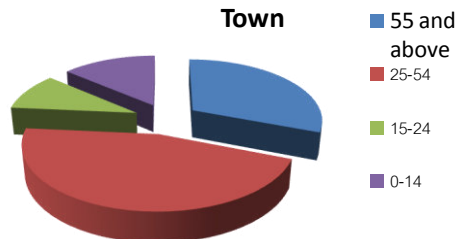
Mixed Land Use

**Accessibility to
public transportation**

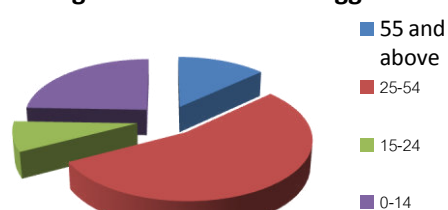
**Open spaces and
Greenery**

Tailoring Assistance to Needs

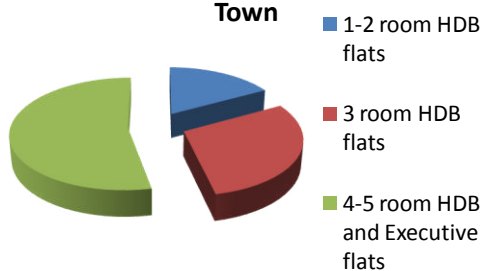
Age of Residents in Bukit Merah Town



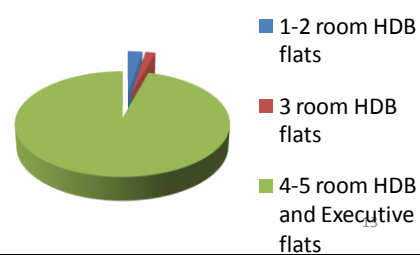
Age of Residents in Punggol Town



Housing Type in Bukit Merah Town



Housing Type in Punggol Town



What We Hope To Achieve



Roles of the SSO



Bridging Policy Planning and Operations



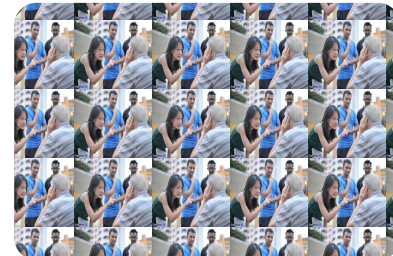
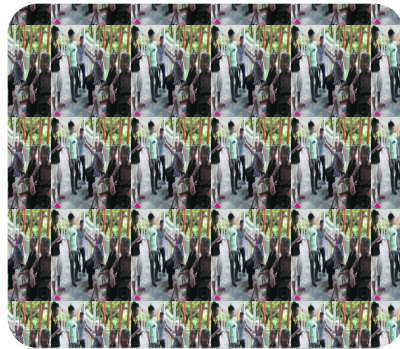
16

Local Engagement and Intel Gathering



17

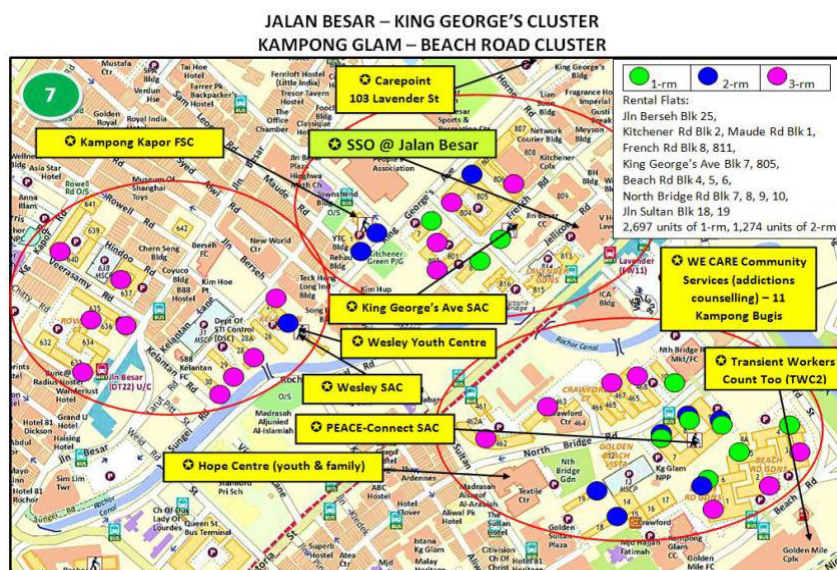
Community Walks



Regular walkabouts in the community

18

Mapping of Social Services



Local Planning of Social Services

Observation of housing areas



Observation of youth activities

3 different groups of youths were seen on 3 Aug 13 (Sat) at about 6pm at open court near 81k 5 North Bridge Road.



Understanding community resources and assets

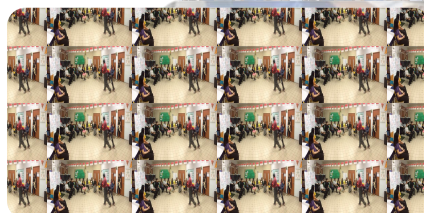
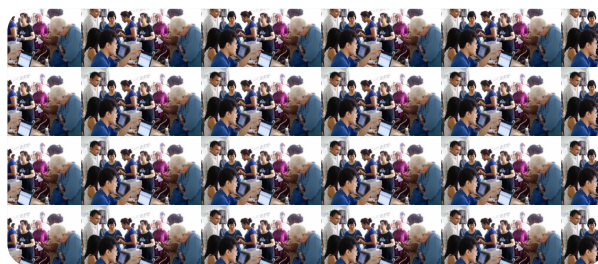


Visiting agencies



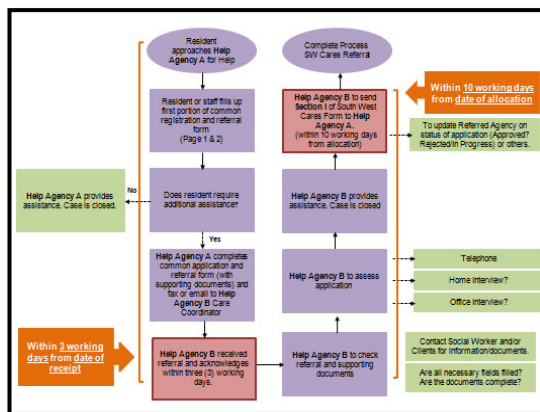
Creating Local Solutions with Partners

Road shows to raise awareness



Workshops to co-develop solutions

Developing Local Referral Protocols



Workflows to Guide Officers

For inclusion of letter-head of referring agency

South West CARES

INTER-AGENCY REGISTRATION AND REFERRAL FORM
(TO BE COMPLETED BY RESIDENT OR REFERRING AGENCY)

ASSISTANCE REQUIRED
☐ Cash & Skills payment ☐ Employment/Career/Skill Training (Please fill up section B for this)
☐ Medical Subsidy ☐ School Pocket Money Fund
☐ Schooling Expenses ☐ Counseling ☐ Others (No specify) _____

(A) INFORMATION ON CLIENT/APPLICANT
 Name: _____ NRIC No.: _____ Age: _____
 Sex (in NRIC): ☐ Male ☐ Female
 Client's Address (as in NRIC): _____ Singapore ()
 Corresponding Address: _____ Singapore ()

Contact
 (a) M Date of Birth: _____ (b) Email: _____
 Gender: ☐ Male ☐ Female ☐ Other: _____ Marital Status: ☐ Single ☐ Married ☐ Divorced ☐ Widowed ☐ Others _____
 Race: ☐ Chinese ☐ Malay ☐ Indian ☐ Eurasian ☐ Others _____ Religion: _____

Family Type (if applicable)
☐ Nuclear ☐ Extended ☐ Reconstituted ☐ Single parent (s-s or s-w or w-w)
☐ No Formal Education ☐ PSLE & Below ☐ Secondary 1/2/3/4/5 ☐ N-Level/NITEC ☐ NITEC 2 or NITEC ☐ O' Level ☐ A-Level or Higher Nitec
☐ Diploma (Spec specialisation/degree) ☐ Degree & Above (Spec specialisation/degree)

Language
 Spoken: ☐ English ☐ Chinese ☐ Malay ☐ Tamil ☐ Others: _____
 Written: ☐ English ☐ Chinese ☐ Malay ☐ Tamil ☐ Others: _____

PC Literacy
☐ MS Word ☐ MS Excel ☐ MS PowerPoint ☐ Internet ☐ Email ☐ Others: _____

Dwelling Type
☐ 1-room ☐ 2-room ☐ 3-room ☐ 4-room ☐ 5-room ☐ Others: _____ Tenancy Type: ☐ Rental ☐ Self-Own ☐ Parents ☐ Mortgage ☐ Other: _____

(B) EMPLOYMENT STATUS
 Employment Status: ☐ Employed ☐ Unemployed ☐ Current Employment ☐ Full-time ☐ Part-time/Temporary/Contract ☐ On-call ☐ Ad-hoc
 Position: _____ Company: _____ Salary: _____
 If currently unemployed, please indicate since (in Month/Year): _____

Reason of Unemployment
☐ Student ☐ School Leaver ☐ Retrenched ☐ Resigned ☐ Contract Ended/Service Terminated
☐ Retired ☐ Homecrafts ☐ Others: _____

Risk Status
☐ Not to be enrolled ☐ Yet to complete ☐ Completed ☐ Not applicable

Driving License
☐ 1A ☐ 1A-2 ☐ 2 ☐ 3 ☐ 4 ☐ 4A ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 ☐ Others: _____

Working Experience (Last Position Held)
 From: (MM/YYYY) _____ To: (MM/YYYY) _____
 Job Scope: _____ Company: _____

Insert Referring Agency's Name, Mailing Address, Tel & Fax No. Page 3 of 5

Forms to Share Information

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Challenges to Implementing the SSOs

Managing expectations by the public

- Assisting the needy requires community to do their part
- Service integration across other agencies must be done incrementally

Improving skills and knowledge among staff

- Need staff to better understand their role in the social assistance landscape
- Training to supplement

Decentralised model is more resource intensive

- Productivity
- Creativity and Innovation to 'do more'

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Next Steps

- Complete roll-out of around 20 SSOs by 2015
- Harnessing technology to improve operations
- New models of collaborating with partners
- Continuous listening and observing ground issues

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INCEPTION REPORT

Grassroots Economic Development and Poverty Alleviation Project

From 19 - 23 August 2013

Bangkok, Thailand

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Country : Viet Nam

Organization and present position: Head Poverty Reduction and Rural social security Division, Department of Cooperatives and Rural Development (DCRD)

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1. Introduction

During the past eleven years, agricultural production and the rural economy in Vietnam have continued to grow, achieving great success. The agricultural development and rural reform has made important contributions to political, economic and social stability, successfully paved the way for the next development and been a solid foundation for the process of national renewal.

The achievement of agricultural development has practically contributed to hunger alleviation and poverty reduction. In terms of growth rate of production value in agriculture, forestry and fishery, during the period 2000 - 2012, output value in agriculture, forestry, fishery continued to increase with an average rate of 5.3% / year, fishery has the fastest growth with 9.7% per year, followed by agriculture with the growth rate of 4.3% per year and fishery with the rate being only 2.6% per year. In terms of value added, GDP of agriculture, forestry and fishery increased continuously from 2000 to 2011 with an average rate of 3.6% per year. Compared to other Asian countries, the growth rate of agriculture in Vietnam stabilizes at relatively high levels. During the period of 2000 - 2011, the growth rate of agriculture in Vietnam averaged 3.6% while China is 4.1%, Philippines is 2.9%, Thailand is 2.5% and so on.

Agricultural production gradually developed met the domestic market demand. In spite of market volatility, natural disasters and epidemics in over 10 years, food production continues to grow, so that provisions per capita increased from 445 kg in 2000 to 535 kg in 2011, practically contributing to hunger alleviation and poverty reduction. Compared with other countries in this area, commodity prices, especially food prices in Vietnam stand at a relatively low price level to keep labor costs being low and

attractively draw foreign investment and significantly contribute to the economic growth and social stability in Vietnam.

Not only does Vietnam suffice food domestic demand but now Vietnam also stands along with Thailand becoming the leading rice exporters in the world with the figure reaching 5-7 million tons per year. This figure is equivalent to 8-12 million tons of rice and about a quarter of the total national product.

2. Current situation and constraint on development of the region you are in charge

Basically, Vietnam has deleted poverty. Poverty alleviation programs are focusing on promoting and targeting at disadvantaged groups in the remote areas or ethnic minority. Thus, the poverty rate under the government's poverty criterion issued for the period of 2006-2010 decreased from 18.1% in 2004 to 10.7% in 2010. During the period 2011-2012, it declined from 2% in 2010 to 9.6% in 2012 with an annual average rate being 2%.

Calculated at current prices, the income per capita of rural households increased from 3.3 million per person in 2002 to about 12.9 million per person in 2012. From 2001 to 2012, cumulative saving of rural households increased 5.3 times, from 3.2 per million to 16.8 million per household.

Many communes and villages in rural areas of the Northern Delta, the Central Region has basically completed the cottage deleting; many districts and communes in northern and central region has basically "tile" their house. Mekong Delta region, with the implementation of Resolution "Economic and social development, security and defense ensuring in Mekong Delta during the period of 2001 - 2010", has built over 1,100 clusters and resident line, arranging for about 200 thousand households who often live in flooded areas and "live with floods" when having a bid flood. In 2002, the proportion of semi-permanent and temporary housing in rural areas is 59.2% and 28.2% respectively while in 2010. This figured dropped to 32.9% and 16.7%. Meanwhile, the rate of permanent housing increased from 12.6% in 2002 to 50.5% in 2012.

(1) There are 1800 communes with special difficulties in coastal areas and islands basically building essential infrastructure according to construction standard.

(2) There are 6.2 million transaction of the poor borrowing preferential credit loan.

(3) Supporting agriculture - forestry - fishery, technology transfer, business guidance for 3.7 million poor people.

- (4) Free or reduced tuition for 150 thousand people who study to get job.
- (5) There are 76 million poor households provided with health insurance for five years.
- (6) The remission of tuition and other school-contributed fees for 19 million poor students, of which there are 9 million elementary school students
- (7) Training for capacity enhancing for 180 thousand workers involved in poverty reduction at any level of administration, containing 95% being base-level officials
- (8) There are 550 thousand poor households supported houses from many programs and projects
- (9) 98% of poor people demanded receive legal assistant with free of charge.

Although gaining important achievements in agricultural production and poverty reduction, but Vietnam still faces the challenge of food security in the context of rapid population growth and the decline of agricultural land. Climate change also poses major challenges for agricultural production and sustainable development.

This achievement is originated from a fact that Vietnam has issued a lot of policies to support poverty reduction and these policies are gradually brought into play. Many achievements in hunger eradication and poverty reduction in recent years have contributed to cement sustainable economic growth and implement social justice, which is recognized and appreciated by the international community.

However, the result in poverty reduction is unstable. Many households have escaped from poverty but their income is adjacent to the poverty standard (70% -80%). The annual percentage of household re-getting poor remains high (7% -10%). Wealth disparities among regions, population group are not reduced, especially in the districts, communes with high poverty rate.

3. Development goal or purpose of the region above (If you are involved in any project in this field, describe its goal and purpose.)

Restructuring agricultural production and promoting rural development has made an increase in farmers' income, thereby, reducing the national average rate of poverty with 2% per year;

Some supporting policies which is highly subsidized have descended (no conditions) to encourage the activeness, the effort of the poor and expand policy supporting for poor households and households which have escaped from poverty. The time in support for poor households is up to 3 years. During that time households which is lack of their will

to strive or always look forward, relying on others and don't want to get out of poverty will temporarily not be supported to ensure fairness in the implementation of these policies.

There continues studying, proposes a number of additional policies to directly assist for poor ethnic minority households to stabilize their lives, such as food assistance policy for poor families which are not able to produce food. There are other policies which are policy supporting synchronously for boarding students from ethnic minorities; policies supporting livelihood in consistence with the characteristics of each area such as human resource development, technology transfer, production support materials, loans and market access.

In terms of community development: expand and create advantages to enhance people's participation in community activities: defining development need, planning, arranging, implementing at villages and communes; managing sources; monitoring and evaluating.

4. Responsible organizations, beneficiaries/target group, and related stakeholders for development (If you are involved in any project in this field, describe its stakeholders.)

The policies and projects are implemented for the group of beneficiaries which is the poor and near-poor households and ethnic minorities. Particularly, :

- Support the development of infrastructure: transport, irrigation, electricity, schools, health care for difficult areas having a large amount of population in poor
- Support the development of production in order to increase income for poor households and the poor.
- Support the development of education and health care.
- Support living houses

5. Rural existing/potential resource of the region above for development (If you are involved in any project in this field, describe its resource.)

The potential for agricultural development in Vietnam in eradicating hunger and poverty is some advantages on agricultural development, focusing on plants and animals with high value such as development of aquaculture, fruit trees, flowers, rural development to create more jobs for rural laborers.

The potential from the projects of new rural construction is that Vietnam is launching a movement of new rural construction, mobilizing capital and labor of the society to participate (including the state budget, enterprises and citizens' contribution) in

building rural infrastructure (roads, electricity, schools, health care and so on) and agricultural development, rural development to increase income and people's cultural and spiritual life.

6. Idea for the intervention/project for grassroots economic development and/or poverty alleviation for this region (If you are involved in any project in this field, describe its progress.)

I have been involved in projects to support production development in order to reduce poverty for the poor and ethnic minorities.

The implementation of this project is that State issued policies to support plant varieties and animal, support technical training to help people adopt new production progress to gain high productivity, which is conducive to high and stable income and sustainable poverty reduction.

This project has been carried out by Vietnam Government since 2001 and currently has continued to conduct.

The farmers involved in the project have changed the old production progress; apply new technology in producing so their results are higher than others.

7. Major issues and challenges that hamper implementation of above intervention/project mentioned in

Problems and challenges of this project are to support with free of charge? Many of them are not self-learned and active in the production progress and rely heavily on state support.

Their products are hardly sold due to low scale of land, fragmented production, a low number of products and difficulties in approaching market to sell their products.

The solution: Vietnam is studying in declining supports with free of charge. Instead of that is technical training, capacity building for farmers and providing them easier access to cheap sources of capital and consumption market, connecting to enterprises in order to produce and consume agricultural products.



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