

Background

Cambodia has experienced remarkable economic growth and macroeconomic stability since the early 2000s. It ranks among the world's most rapidly growing economies and continues to achieve strong economic growth. The government is making significant progress, but Cambodia continues to face fundamental development challenges. Ninety percent of Cambodia's poor live in rural areas and about 1.5 million Cambodians are under the poverty line. Poor rural households are constrained by lack of human, financial and social capital, particularly access to finance and markets. Despite the growth in the formal financial sector in Cambodia, the poor are still forced to take informal loans at high rates.

Between 2010 and 2012, the Livelihood Enhancement and Association of the Poor (LEAP) Project design was piloted in six communes in Siem Reap province, and an impact evaluation found it to be effective in encouraging savings and productive investments through self-help groups. The LEAP project will consolidate and scale up these early achievements in Siem Reap and extend to cover poor communities in Phnom Penh.



About the Project

The project aims to improve access of poor and vulnerable households in selected rural and urban communities to sustainable local savings and credit services, opportunities for generating income, and small-scale infrastructure. This will be achieved through:

- Helping to establish and develop informal Self-Help Groups (SHGs), Producer Groups, and more formal Agricultural Cooperatives. Seed grants will be provided directly to groups that have developed Investment Plans for members. Larger grants would be provided to Commune Level Federations of SHGs to provide a sustainable basis for ongoing financing and SHG support.
- Providing technical assistance for producers to increase access to assets, skills, technology and markets.
- Skills training through a voucher scheme, job search and placement assistance for individuals from poor households for new or improved employment.
- Supporting target communes/sangkats with infrastructure to improve access to reliable and affordable water supply and sanitation services, small-scale irrigation, drainage, and community access roads.

Beneficiaries and Results

The target beneficiaries are approximately **25,000 families** in the project communities in **47 communes in Siem Reap province** and **13 Sangkats in Phnom Penh**. Families from these communities will receive livelihood support and will benefit from better small infrastructure improvement.



Location:

The project covers **47 communes** in Siem Reap province and **13 Sangkats** in Phnom Penh.

Financiers:

- The World Bank (The International Development Association): **US\$20.17 million**,
- Royal Government of Cambodia: **US\$2.00 million**.

Implementing Agencies:

- The Ministry of Interior,
- Ministry of Agriculture, Forestry and Fisheries,
- Phnom Penh Municipality and
- Siem Reap Provincial Government.

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