



The Royal Government of Cambodia

National Employment Policy 2015-2025

(Unofficial Translation)

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1. Introduction

On top of complete peace, national unity and political stability, Cambodian economy has continued to prosper in all sectors and reached a stage in which economic structural changes occur as reflected by a shift from an agriculture-dependent country to the one dependent on industry. Cambodia is also realising its middle-income country status in the near future. Meanwhile, increased urbanisation along with fast growing trading and investment activities in urban areas have bolstered labour migration from countryside, especially in a demographic situation where exists abundant young labour force. Providing this young labour force with vocational trainings would hence contribute high benefits to economic growth through ensuring decent jobs which improve livelihood, dignity and social harmony. Failure in such provision, however, would have social and political consequences that hinder poverty reduction processes of the government.

Responding to the changing socio-economic context aforementioned, the Royal Government of Cambodia in its fifth mandate of the Constitution has launched the **Rectangular Strategy Phase 3** for “**growth, employment, equity, and effectiveness in Cambodia**” in which more employment generation for Cambodian people is a priority among the four key strategic targets. At the same time, the government has also launched the **Cambodia Industrial Development Policy 2015-2025** with a vision to promote changes and to upgrade industrial structures in Cambodia from a labour intensive industry to a high-skilled one by 2025. It aims to shift from a low-value added industry to the one with high value addition and to improve competitiveness and labour productivity. The achievement of this vision would contribute to development of national economy with high growth, sustainability and inclusiveness; employment generation for Cambodian people; value addition for the economy; and an increase in decent income for Cambodian people.

Albeit these impressive successes, Cambodia has faced some challenges, particularly in improving people’s incomes and productive job opportunities in rural areas, addressing the lack of high quality and capable human resources to meet the needs of socio-economic development, and improving the national competitiveness. Moreover, socio-economic progress also brings about a new set of challenges in the labour market.

To contribute to a successful implementation of policy framework and strategies and to cope with the challenges above, the government has set out the **National Employment Policy 2015-2025** (henceforth referred as the Policy) aiming to increase decent employment opportunities for Cambodian people and labour productivity, to promote skills and human resource development, and to enhance labour market governance so that needs arisen from socio-economic development and changes in economic architecture both in the country and in the region can be met.

This Policy aims to overcome key challenges currently faced by the Cambodian labour market which include:

First, a lot of Cambodian men and women work: in 2008, the employment-to-population ratio of people aged 15 years and above stood at 80 per cent for men and 75 per cent for women. Thus, more than three-quarters of Cambodian people of working age are engaged in some form of employment. In 2012, this estimate ranged from 67 per cent (Labour Force Survey 2012) to 84 per cent (CSES 2012, population aged 15-64). Types of work people undertake need to improve, and income needs to be secured across seasons. Past growth in employment had been largely absorbed by agricultural sector and in informal types of work. And past economic growth had been driven by construction, crops, garments and footwear, and tourism. Such limited sources of growth suggest that the work experiences and job-related skills that the labour force had been accumulating are also likely to be limited. As stipulated in the new Rectangular Strategy, there is a recognized need to diversify the country's economic base, both within agriculture and beyond. Such diversification strategy needs to be accompanied by active and promotional strategy to further develop and diversify the profiles of the country's labour force, in terms of skills and work experience.

Second, much of the population is also young, with a consequence that the employed population is also young. Between 1998 and 2008, it has been estimated that around 230,000 joined the labour force every year. A slightly bigger magnitude of labour force entries has been estimated for the period up to 2015. And of those who joined the labour force, most became employed, with almost two-thirds of young people finding work in agriculture. Generally, most of labour force starts work in the agriculture sector then moves to industry and services sectors when reaching a legal working age. In 2008, 68 per cent of the employed in industry were below 30 years old, versus around 39 per cent in agriculture and services. Some proportion of new labour force entrants are composed of youth who dropped out of compulsory education. Hence, on the one hand, preparing the future entrants to the dynamic and diversifying economy becomes critical; and on the other hand, there is a need to ensure that youth who are already in the labour force also have chances of developing and diversifying their skills and work experience.

Third, low population density can seasonally make labour supply relatively short and necessitates investment to raise land productivity and increase in capital supply. Most ASEAN member states, other than Brunei Darussalam, Lao PDR, and Myanmar, have more people per square kilometre than in Cambodia. And much of this 'scarce' labour in Cambodia has been concentrated in the agricultural sector, even though concentration of people in the urban areas (particularly in Phnom Penh) is likely to increase notably in the coming decade. Hence, to diversify the economy and achieve a high growth in the future, Cambodia needs to invest more in health, education, and skills that can be gained from work. It also makes spatial and sectoral policy coordination all the more critical, to ensure that people who already have some skills and labour market experiences have better income or career prospects from work in the prioritized economic sectors. This situation poses considerable challenges in terms of regularly updating, analysing and disseminating labour market information and improving working conditions in sectors which are in need of more workers.

Fourth, continued and accelerating economic integration among ASEAN member states will bring new labour market challenges. While also bringing benefits, such economic integration process is very often accompanied by considerable uncertainty and adjustment costs in the labour market. Moreover, ASEAN Economic Community (AEC) 2015 envisages free movement of skilled workers in a limited number of occupations and some specific sectors; and it also requires anticipation whether more labour mobility would occur, especially semi-skilled and low-skilled labour forces, due to demographic imbalance and different levels of socio-economic development of ASEAN country members. Adequate preparations are needed to manage potential negative impacts of freer trade and labour mobility on the domestic labour market and to grasp any new emerging economic opportunities. Along with labour market measures, social protection measures need to be in place to safeguard migrant workers and other labour force who suffered unemployment or underemployment.

Fifth, industrial development in labour-intensive sectors along with labour migration out of the country have put increasing pressure on domestic wages, which quickly reduces the national competitiveness.

It requires additional investment to maintain the balance between wage increase and productivity growth. This in turn requires investments at the macro, establishment and individual levels. The challenge is to constantly raise labour productivity at the individual level, which includes investment in education and vocational training and on-the-job trainings.

Sixth, industrial relation remains a big challenge in the labour market. Cambodia has made considerable progress. Comprehensive labour law has been put in effect and freedom of association has been promoted. Development of institutional arrangement for labour conflict resolution has taken place, such as tripartite mechanism and off-court labour Arbitration Council. Nevertheless, challenges remain for effective economy-wide mechanism for social dialogue. As Cambodia aims to diversify its industrial base toward light manufacturing sectors, there is a need for robust and harmonious industrial relations that supports structural change and distributes benefits of economic growth between the workers and the employers.

The challenges are numerous and not all challenges can be met by the government policy alone. Effective delivery of the Policy requires active participation and inputs from the social partners and subnational administration. The Policy below outlines the proposed actions and mode of implementing and monitoring the decent employment outcomes.

This Policy represents a concerted effort of all stakeholders toward decent and equal employment opportunity for all Cambodian people, so as to enhance national productive capacity and to be competitive and dynamic within the regional context and to effectively contribute to the economy in obtaining a sustainable and inclusive growth. This in turn calls for concerted efforts to ensure that:

- people are offered jobs that are motivating and attractive;
- people can afford education, skills and work experiences that they aspire to;

- people feel that they are equally treated in the labour market; and
- people can look forward to better jobs and earning opportunities in the future.

2. Vision

The vision of this Policy is to improve livelihood and dignity of the people and social harmony by providing them with equal opportunities of decent and productive employment.

3. Goals and objectives

The goals of this Policy are to provide a roadmap, a policy framework, strategies and policy measures, a coordinating framework, implementation, and arrangement of institutional mechanism promoting the development of employment sector, which eventually contribute to the achievement of the vision stated above.

3.1. Goals

Goal 1: To increase decent and productive employment opportunities;

Goal 2: To enhance skills and human resource development;

Goal 3: To enhance labour market governance.

3.2. Objectives

To achieve Goal 1 “To increase decent and productive employment opportunities”, this policy sets out the following objectives:

- 1.1 To promote decent and productive employment opportunities in macroeconomic policy framework;
- 1.2 To promote decent and productive employment opportunities in the sectoral development policies; and
- 1.3 To promote decent and productive employment by enabling the transition of workers and economic unit from the informal to the formal economy, by ensuring the preservation and improvement of the existing livelihood during the transition.

To achieve Goal 2 “To enhance skills and human resource development”, this policy sets out the following objectives:

- 2.1 To enhance and expand the development of soft skills;
- 2.2 To improve the quality of, in compliance with national, international and ASEAN standards, and access to education and technical and vocational education and training (TVET);

- 2.3 To improve relevance of education and TVET to labour market needs.

To achieve Goal 3 “To enhance labour market governance”, this policy sets out the following objectives:

- 3.1 To strengthen information system and database of labour market;
- 3.2 To strengthen employment service effectiveness and expand outreach;
- 3.3 To improve conditions of work and protection of workers;
- 3.4 To harmonize industrial relations and strengthen wage-setting mechanisms;
- 3.5 To conduct a feasibility study to establish unemployment scheme;
- 3.6 To oversee and protect migrant workers in obtaining decent employment and skill recognition.

4. Strategies

The underlying strategy of this Policy is to fill in gaps related to employment needs and increasing decent work opportunities so that objectives and actions can be implemented and achieved, and to promote decent work in specific sectors and localities within the broader national economic development policies.

4.1. Goal 1: Increase decent and productive employment opportunities

In order to increase new opportunities for decent and productive employment, the government has to create an economic development environment which is conducive toward generation of such productive activities. Hence, the implications of macroeconomic and sectoral development policies on labour market structure shall be assessed from decent and productive employment perspectives. The government will conduct a concrete study on macroeconomic, sectoral and enterprise policies by considering decent work perspective in order to ensure that those policies promote decent and productive employment creation. This Policy is also in line with the goals and priorities of the Cambodia Industrial Development Policy 2015-2025.

4.1.1. Objective 1.1: To promote decent and productive employment opportunities in macroeconomic policy framework

Macroeconomic policy framework refers to a set of fiscal and monetary policy interventions and targets. It determines the overall economic growth path and aggregate demand in the economy. This in turn influences the overall number of employment opportunities available and scope for improving labour market outcomes, including earnings and level of affordable protection.

As it is clearly stated in the Rectangular Strategy Phase 3, more attention will be paid to increasing the fiscal space, while keeping public debt at a manageable level. It calls for a

proactive macroeconomic policy to support growth by enhancing development of the private sector and the labour market. To ensure that macroeconomic policy delivers to the working population at large, the government will regularly monitor and analyse its impact on the economy and decent employment opportunities.

Measures:

1. Annually monitor and assess macroeconomic performance with regards to productive employment opportunities.
2. Engage in policy dialogue through an inter-ministerial forum on the progress made to increase decent and productive employment in the country.
3. Set and monitor employment targets, including a separate target for men and women, which reflect quantity and quality of employment.
4. Build capacity and technical expertise of the inter-ministerial committee to set and monitor employment targets.

4.1.2. Objective 1.2: To promote decent and productive employment opportunities in the sectoral development policies

Development of sectors and diversification into new sub-sectors with high employment potentials generate large productivity gains. The sectoral development and diversification strategies produce very important role that this Policy needs to play: to ensure prioritization of sectors that have high employment potentials and the availability of adequately skilled workforce to support sectoral development.

Implementation of strategies proposed under Rectangle II (“**The Development of Physical Infrastructure**”) of the Rectangular Strategy Phase 3 heavily influences development of agriculture, industry, and services, including strengthening of the inter-linkages across sectors. Development and diversification of agriculture sector pursued under Rectangle I (“**Promotion of Agriculture Sector**”) along with development of industrial and service sectors proposed under Rectangle II and III highly influence on creation of decent employment opportunities for Cambodian people. In particular, Industrial Development Policy (IDP), Agricultural Strategic Development Plan, and Small and Medium Enterprise Promotion Policy Framework have important implications for employment in the sub-sectors.

Measures:

1. Assess the employment needs for both males and females at the sectoral and sub-sectoral levels.
2. Identify and prioritize the sub-sectors with high employment potentials.
3. Promote employment in the priority sub-sector(s) through enterprise development and support to SMEs in both urban and rural areas.
4. Encourage domestic investment and FDI in priority sub-sectors which have high employment potentials.

5. Coordinate with proposed activities under Goal 2 and 3, to fill the potential employment needs.

4.1.3. Objective 1.3: To promote decent and productive employment by enabling the transition of workers and economic unit from the informal to the formal economy, by ensuring the preservation and improvement of the existing livelihood during the transition

The businesses in the informal sector are defined as those without formal registration with the relevant competent authorities. The analysis result of the Cambodia Economic Census 2011 shows that only 3.4 per cent of total establishments of 505,134 registered with Ministry of Commerce; the rate is even lower, mostly at less than one per cent, for registrations with other ministries or agencies. Labour force in informal-sector businesses are mostly the vulnerable group of workers and in need of better conditions of employment. Transforming the informal sector businesses into formal ones can lead to more decent and productive employment opportunities, if appropriate measures are in place for business expansion.

This objective is to be implemented in coordination with the relevant competent authorities. It also needs to coordinate with Goal 3 of this Policy.

Measures:

1. Promote formal business registration by simplifying the registration process.
2. Raise awareness among the informal sector businesses on the benefits of registration.
3. Orientate informal and formal sector workers and employers on Labour Law and other related regulations.
4. Study, assess and disseminate employment, incomes and productivity implications of formalizing the informal sector businesses.
5. Provide incentives for those transforming their informal businesses into formal sector, with intention to encourage participation in decent employment creation.
6. Promote entrepreneurship.

4.2. Goal 2: Enhance skills and human resource development

Diversifying the economic base and producing high-value added outputs require investment in skills of Cambodia's current and future labour force. Skills shortages and gaps have been identified as one important factor that inhibits some enterprises to develop a new product line or increase outputs. Skills development of young women and men and of workers, who currently engage in low-productivity and low-income jobs, is clearly the way forward. In this regard, education and training institutions need to provide relevant trainings, including soft skills, of good quality.

Education and technical and vocational education and training (TVET) can play very important roles in both providing social protection to vulnerable workers and promoting

employment and economic development. The skills and sectoral focus that will be placed on strategies in this section should be closely informed by assessments undertaken under **Goal 1** of this Policy. It also needs to connect with, or be an integral part of, strategies proposed under Rectangle IV on “**Capacity Building and Human Resource Development**”, particularly with side 1 “**Strengthening and Enhancing Education, Science and Technology, and Technical Training**”.

4.2.1. Objective 2.1: To enhance and expand the development of soft skills

To achieve economic development and diversification, Cambodian people should be equipped with technical and soft skills so that they will have enough capability to find jobs in both wage and self-employment and live in good living standards. Measures below are proposed to achieve this particular objective:

Measures:

1. Ensure that trainees, students and workers are equipped with soft skills for their life-long employment through education and TVET programmes.
2. Ensure that soft skills are mainstreamed in secondary school study curriculum, TVET programmes and entrepreneurship trainings.
3. Increase and spread short-course training programmes on soft skills for trainees, students and workers.
4. Promote and encourage the participation of public and private sectors in soft skill development programmes.

4.2.2. Objective 2.2: To improve the quality of, in compliance with national, international and ASEAN standards, and access to education and technical and vocational education and training (TVET)

To ensure that Cambodian people are equipped with skills relevant to and responding to market needs, it requires an enforcement of quality of education and TVET.

Measures:

1. Improve national competency standards, testing and certification, and accreditation system in line with industry/private sector standards. The competency standards should be benchmarked to the ASEAN standards.
2. Strengthen connections and coherence between education and TVET policies as well as the Cambodia Industrial Development Policy 2015-2025.
3. Develop TVET Centres of Excellence and Competency Testing Centres in support of priority skills and occupations.
4. Provide bridging programme to allow students to re-enter education and TVET.
5. Increase accessibility of education and TVET schemes for disadvantaged groups (drop outs, poor people, orphans, people with disabilities, etc.).
6. Enhance second chance education schemes to adult population.

7. Increase the supply and enhance quality of teachers who have adequate knowledge and experience.
8. Strengthen the institutional quality and increase the number of education and TVET institutions.
9. Monitor and evaluate the effectiveness and efficiency of education and TVET.
10. Develop the National TVET Policy.

4.2.3. Objective 2.3: To improve relevance of education and TVET to labour market needs

Substantial investments in sectors, now and in the future, generate sector-specific demands for skills. Responding to this demand requires establishment of mechanisms by which the labour force can obtain job-related skills, through participation and support from the employers.

Measures:

1. Develop sector-based approaches in education and TVET for higher-level skills in priority sectors (linked to Goal 1, objective 1.2 of this Policy).
2. Strengthen connections between education and training providers, with the private sector to reduce skill gaps.
3. To encourage work-based learning, promote internship and apprenticeship.
4. Strengthen and further develop existing institutional mechanism and create new mechanism to allow for better and regular dialogue among the stakeholders of education and training.
5. Promote and encourage the private sector to play an active role in providing inputs to policy formulation, skills development, training delivery, and financing training.
6. Develop mutual recognition of skills programme within ASEAN.
7. Conduct research and development (R&D) on new technologies.
8. Monitor and evaluate the relevance to the labour market of education and TVET.

4.3. Goal 3: To enhance labour market governance

The governance of the labour market occurs through development of labour market institutions and services, and this Policy is intended to strengthen these institutions and services.

4.3.1. Objective 3.1: To strengthen information system and database of labour market

Labour market information is the most basic piece of input necessary to overcome skills and spatial mismatch. Labour market information system requires collection, analyses and dissemination of nationally representative statistics and other types of relevant data. The Policy aims to build upon on-going efforts.

Measures:

1. Conduct annual labour force survey regularly.
2. Broaden and enrich labour market information database.
3. Enforce existing regulations on data collection and compilation of labour market information.
4. Regularly conduct annual analyses of the labour market information obtained from national and supplementary data sources.
5. Disseminate the results of the analyses to different target audiences, including policymakers, jobseekers, employers, and youth.
6. Strengthen capacity of responsible institutions on data collection, management and analyses.

4.3.2. Objective 3.2: To strengthen employment service effectiveness and expand outreach

An important means of improving the functioning of the labour markets is through effective delivery of employment services. The services include assistance to job search and placement, counselling, and implementation of other labour market programmes. These services can contribute to meeting the employment needs in the priority sub-sectors. The present network of job centres in the country will be strengthened through the following measures.

Measures:

1. Strengthen the delivery of employment services.
2. Strengthen guidance for different target groups on career, vocational and employment, in coordination with relevant stakeholders.
3. Facilitate matching of jobseekers and employers' needs in the priority sub-sector(s).
4. Regularly conduct national and local employment fora to bring together jobseekers and employers.
5. Strengthen networks among education and TVET institutions, employers, and jobseekers.
6. Establish additional job centres.
7. Raise awareness among jobseekers and employers on the services provided by the job centres.
8. Allow private companies to provide domestic recruiting services.

4.3.3. Objective 3.3: To improve conditions of work and protection of workers

Improving conditions of work and protection of workers leads to better well-being of the workers and increases in the productivity of enterprises. It requires strengthening of the

mechanisms to monitor and regulate conditions of work. It also needs to be accompanied by an extension of social protection.

Measures:

1. Strengthen labour inspection mechanism.
2. Develop database of enterprises for monitoring conditions of work (and employees).
3. Study the possibility of ratifying relevant conventions that are applicable to the Cambodian context.
4. Amend the Labour Law.
5. Strengthen cooperation with different stakeholders.
6. Expand coverage of social protection, in line with the **Social Protection Strategy**; and improve health and safety at works.

4.3.4. Objective 3.4: To harmonize industrial relations and strengthen wage-setting mechanisms

Organization, representation and social dialogue lie at the core of decent work and good labour market governance. Harmonious industrial relations through constructive social dialogue and collective bargaining contribute to further development of both formal and informal sectors of the economy and labour force. Efforts should be made to improve the representativeness of trade unions through, inter alia, addressing unfair labour practices by both unions and employers, including anti-union discrimination. Greater efforts need to be made to promote the effective recognition of the right to collective bargaining. Continued support for the Arbitration Council and Labour Advisory Committee will be vital for the emergence of harmonious industrial relations in the future.

Measures:

1. Review and assess legal and regulatory framework, including the Labour Law 1997, with a view to ensuring a harmonious and representative industrial relations, in line with ratified ILO conventions.
2. Strengthen the Arbitration Council and the Labour Advisory Committee to be more effective in its consultation process, in line with international standards.
3. Build a more robust and evidence-based wage-setting system, including through an annual review of minimum wages.
4. Strengthen labour dispute settlement mechanism and create the Labour Court.
5. Develop capacity on the system of representation and collective bargaining at different levels (national, sectoral, enterprise).

4.3.5. Objective 3.5: To conduct a feasibility study to establish unemployment scheme

Unemployment scheme plays an important role in protecting workers in times of downturns and acts as an automatic stabilizer for the economy. The government will conduct a comprehensive assessment and adequate preparation, prior to designing such scheme that is applicable to the Cambodian context and in line with the National Social Protection Strategy.

Measures:

1. Conduct feasibility assessment on establishing an unemployment scheme in line with the National Social Protection Strategy.
2. Increase awareness among stakeholders on the cost and benefits of unemployment scheme.
3. Conduct initial stakeholder consultations on unemployment scheme.

4.3.6. Objective 3.6: To oversee and protect migrant workers in obtaining decent employment and skill recognition

In line with the strategic priorities of the Policy on Labour Migration for Cambodia 2014, provide support to Objective 3 “**reviewing and harnessing benefits obtained from labour migration for development**”, in particular upon return of the migrant workers to the country and their re-integration processes.

Measures:

1. Governance of labour migration.
2. Protect and empower migrant workers.
3. Strengthen service provision for social and economic reintegration for return migrants, as proposed in strategy 3 (connecting labour migration towards development) of the Labour Migration Policy adopted and implemented in 2014.
4. Improve information management system on migrant workers sent abroad and returning.
5. Enforce and promote the implementation of the Labour Law, Immigration Law and other regulations related to the management of foreign manpower who come to work in Cambodia.

5. Monitoring and Evaluation

In order to ensure constant progress, effectiveness and consistency of policy implementation, the Royal Government of Cambodia (RGC) mandates the **Ministry of Labour and Vocational Training (MoLVT)** as its secretariat responsible for coordination, monitoring and evaluation of the implementation of the **National Employment Policy (NEP)**.

The MoLVT has to coordinate preparation of semesterial and annual reports to be reviewed by the RGC on progress and challenges faced during the implementation of the NEP in line with objectives and indicators defined above; and makes a decision on immediate and necessary measures needed to cope with the identified challenges.

The inter-ministerial sub-committee leading the monitoring and evaluation of the NEP will be established by a sub-decree.

For each proposed measure, time-bound implementation plan shall be developed to accompany this Policy. The implementation plan shall contain feasible and monitorable number of outcomes and outputs, as well as a budget required to attain them. Implementing

budget of the NEP can be sourced from the RGC, the International Labour Organisation (ILO), development partners, and employers.

6. Conclusions

The **National Employment Policy 2015-2025** is a government's roadmap to develop labour market institution and to ensure decent job opportunities for all Cambodian people. This Policy is appropriate and timely measures to reap benefit of young and dynamic population cohort in more diversified economy, to equip Cambodian youth with quality work experience and proper workplace organization that transform them into capable workforce that support sustainable and inclusive economic development.

The employment policy is comprehensive measures that embrace three broad goals of labour market system (1) to **increase decent and productive employment opportunities**, (2) to **enhance skills and human resource development** and (3) to **enhance labour market governance**.

With this Policy, government is determined to move Cambodia to a higher level of development through providing better education and skills for better employment opportunity with ultimate outcome that Cambodian people share prosperity, have high income and good living in a harmonious society.

Annex 1. Glossary

No.	Key Word	Explanation
1.	Productive employment	A job which provides a good opportunity in both self-development and generates decent earning income to feed his/her-self or family.
2.	Productivity	Ratio of output for a given set of inputs (labour, capital, land, input materials) in a specific period.
3.	Labour productivity	Ratio of output per labour in a specific period (e.g. per hour).
4.	Inclusiveness	Inclusion of all stakeholders or equitable distribution of economic gains.
5.	Diversification	Increasing types of activities or sectors.
6.	Informal economy	Economic activities which are mostly family-based and have no official registration.
7.	Dynamism	Full of energy (both at present and future) or having strength over time.
8.	Unemployment	Having no jobs, actively seeking for a job and available if offered a job.
9.	Industrial relation	Collective relations between employers and employees, between employers and trade unions, or between employers, unions and the government.
10.	Goal	A statement showing the overall intended achievement at the aggregate level. There can be many objectives under one goal.
11.	Objective	A statement showing the intended achievement at the more disaggregated level, which is an integral part of the goal. Under one objective, there can be many implementing strategies or measures.
12.	Migration	Moving from one country to another.
13.	Migrant worker	Person who moves from one country to another for employment reasons.
14.	Decent employment outcomes	Benefits obtained from working, including decent income level, opportunities for self-development (in the career path), etc.
15.	Unemployment scheme	Public services to provide benefits during spells of unemployment. Benefits may be based on unemployment insurance system.
16.	Soft skill	General skills (including moral, communication, etc.), other than technical skills.

Annex 2. Policy Matrix

Goals and Objectives	Measures	Target Year	Responsible Institution
Goal 1: To increase decent and productive employment opportunities			
Objective 1.1: To promote decent and productive employment opportunities in macroeconomic policy framework	1. Annually monitor and assess macroeconomic performance with regards to productive employment opportunities.	2016 - 2025	- MEF - NBC - SNEC - ECOSOCC - CDC - MoP
	2. Engage in policy dialogue through an inter-ministerial forum on the progress made to increase decent and productive employment in the country.	2016 - 2025	- MoLVT - NEA - SNEC - ECOSOC - CDC
	3. Set and monitor employment targets, including a separate target for men and women, which reflect quantity and quality of employment.	2016 - 2025	- MoLVT - NEA - CDC - MEF
	4. Build capacity and technical expertise of the inter-ministerial committee on NEP to set and monitor employment targets.	2016 - 2025	- MoLVT - MEF
Objective 1.2: To promote decent and productive employment opportunities in	1. Assess the employment needs for both males and females at the sectoral and sub-sectoral levels	2016 - 2025	- MoP - MoLVT - NEA - MoWA - CDC

Goals and Objectives	Measures	Target Year	Responsible Institution
the sectoral development policies	2. Identify and prioritize the sub-sectors with high employment potentials.	2016 - 2025	- MoP - MoC - MAFF - MoT - MIH - CDC
	3. Promote employment in the priority sub-sector(s) through enterprise development and support to SMEs in both urban and rural areas.	2016 - 2025	- MoLVT - NEA - MIH - CDC - MRD - MAFF
	4. Encourage domestic investment and FDI in priority sub-sectors which have high employment potentials.	2016 - 2025	- MoC - MEF - CDC - MAFF
	5. Coordinate with proposed activities under Goal 2 and 3, to fill the potential employment needs.	2016 - 2025	- MoLVT
Objective 1.3: To promote decent and productive employment by enabling the transition of workers and economic unit from the	1. Promote formal business registration by simplifying the registration process.	2016 - 2025	- MoC - MIH
	2. Raise awareness among the informal sector businesses on the benefits of registration.	2016 - 2025	- MoC - MIH

Goals and Objectives	Measures	Target Year	Responsible Institution
informal to the formal economy, by ensuring the preservation and improvement of the existing livelihood during the transition	3. Orientate informal and formal sector workers and employers on Labour Law and other related regulations.	2016 - 2025	- MoLVT
	4. Study, assess and disseminate employment, incomes and productivity implications of formalizing the informal sector businesses.	2016 - 2025	- MIH
	5. Provide incentives for those transforming their informal businesses into formal sector, with intention to encourage participation in decent employment creation.	2016 - 2025	- MIH
	6. Promote entrepreneurship.	2016 - 2025	- MoLVT - MIH - MoEYS - MoC
Goal 2: To enhance skills and human resource development			
Objective 2.1: To enhance and expand the development of soft skills	1. Ensure that trainees, students and workers are equipped with soft skills for their life-long employment through education and TVET programmes.	2016 - 2025	- MoLVT - MoT
	2. Ensure that soft skills are mainstreamed in secondary school study curriculum, TVET programmes and entrepreneurship trainings.	2016 - 2025	- MoEYS
	3. Increase and spread short-course training programmes on soft	2016 - 2025	- MoLVT - MoEYS - MoT

Goals and Objectives	Measures	Target Year	Responsible Institution
	skills for trainees, students and workers.		
	4. Promote and encourage the participation of public and private sectors in soft skill development programmes.	2016 - 2025	- MoLVT - MoEYS
Objective 2.2: To improve the quality of, in compliance with national, international and ASEAN standards, and access to education and technical and vocational education and training (TVET)	1. Improve national competency standards, testing and certification, and accreditation system in line with industry/private sector standards. The competency standards should be benchmarked to the ASEAN standards.	2016 - 2025	- MoLVT - MoT
	2. Strengthen connections and coherence between education and TVET policies as well as the Cambodia Industrial Development Policy 2015-2025.	2016 - 2025	- MoLVT - MoEYS
	3. Develop TVET Centres of Excellence and Competency Testing Centres in support of priority skills and occupations.	2016 - 2025	- MoLVT - MoT
	4. Provide bridging programme to allow students to re-enter education and TVET.	2016 - 2025	- MoLVT - MoEYS
	5. Increase accessibility of education and TVET schemes for disadvantaged groups (drop outs, poor people, orphans, people with disabilities, etc.).	2016 - 2025	- MoLVT - MoEYS
	6. Enhance second chance education schemes to adult population.	2016 - 2025	- MoEYS

Goals and Objectives	Measures	Target Year	Responsible Institution
	7. Increase the supply and enhance quality of teachers who have adequate knowledge and experience.	2016 - 2025	- MoLVT - MoEYS - MoT
	8. Strengthen the institutional quality and increase the number of education and TVET institutions.	2016 - 2025	- MoLVT - MoEYS - MoT
	9. Monitor and evaluate the effectiveness and efficiency of education and TVET.	2016 - 2025	- MoLVT - MoEYS - MoT - Other related ministries and institutions
	10. Develop the National TVET Policy.	2016 - 2025	- MoLVT - MoEYS - Other related ministries and institutions
Objective 2.3: To improve relevance of education and TVET to labour market needs	1. Develop sector-based approaches in education and TVET for higher-level skills in priority sectors (linked to Goal 1, objective 1.2 of this Policy).	2016 - 2025	- MoLVT - MoEYS
	2. Strengthen connections between education and training providers, with the private sector to reduce skill gaps.	2016 - 2025	- MoLVT - MoEYS
	3. To encourage work-based learning, promote internship and apprenticeship.	2016 - 2025	- MoLVT - MoEYS

Goals and Objectives	Measures	Target Year	Responsible Institution
	4. Strengthen and further develop existing institutional mechanism and create new mechanism to allow for better and regular dialogue among the stakeholders of education and training.	2016 - 2025	- MoLVT - NEA - MoEYS
	5. Promote and encourage the private sector to play an active role in providing inputs to policy formulation, skills development, training delivery, and financing training.	2016 - 2025	- MoLVT - NEA - MoEYS
	6. Develop mutual recognition of skills programme within ASEAN.	2016 - 2025	- MoLVT - Other related ministries and institutions
	7. Conduct research and development (R&D) on new technologies.	2016 - 2025	- MoEYS - MoLVT - MIH - MoP
	8. Monitor and evaluate the relevance to the labour market of education and TVET.	2016 - 2025	- MoLVT - NEA - MoEYS
Goal 3: To enhance labour market governance			
Objective 3.1: To strengthen information system and database of labour market	1. Conduct annual labour force survey regularly.	2016 - 2025	- MoP
	2. Broaden and enrich labour market information database.	2016 - 2025	- MoLVT - NEA - CDC - MoP

Goals and Objectives	Measures	Target Year	Responsible Institution
	3. Enforce existing regulations on data collection and compilation of labour market information.	2016 - 2025	- MoLVT - NEA
	4. Regularly conduct annual analyses of the labour market information obtained from national and supplementary data sources.	2016 - 2025	- MoLVT - NEA
	5. Disseminate the results of the analyses to different target audiences, including policymakers, jobseekers, employers, and youth.	2016 - 2025	- MoLVT
	6. Strengthen capacity of responsible institutions on data collection, management and analyses.	2016 - 2025	- MoP - MoLVT
Objective 3.2: To strengthen employment service effectiveness and expand outreach	1. Strengthen the delivery of employment services.	2016 - 2025	- MoLVT - Other related ministries
	2. Strengthen guidance for different target groups on career, vocational and employment, in coordination with relevant stakeholders.	2016 - 2025	- MoLVT - Other related ministries and institutions
	3. Facilitate matching of jobseekers and employers' needs in the priority sub-sector(s).	2016 - 2025	- MoLVT - NEA
	4. Regularly conduct national and local employment fora to bring together jobseekers and employers.	2016 - 2025	- NEA

Goals and Objectives	Measures	Target Year	Responsible Institution
	5. Strengthen networks among education and TVET institutions, employers, and jobseekers.	2016 - 2025	- MoLVT - MoEYS - NEA
	6. Establish additional job centres.	2016 - 2025	- NEA
	7. Raise awareness among jobseekers and employers on the services provided by the job centres.	2016 - 2025	- NEA
	8. Allow private companies to provide domestic recruiting services.	2016 - 2025	- MoLVT
Objective 3.3: To improve conditions of work and protection of workers	1. Strengthen labour inspection mechanism.	2016 - 2025	- MoLVT
	2. Develop database of enterprises for monitoring conditions of work (and employees).	2016 - 2025	- MoLVT
	3. Study the possibility on ratifying relevant conventions that are applicable to the Cambodian context.	2016 - 2025	- MoLVT
	4. Amend the Labour Law.	2016 - 2025	- MoLVT
	5. Strengthen cooperation with different stakeholders.	2016 - 2025	- MoLVT
	6. Expand coverage of social protection, in line with the Social Protection Strategy; and improve health and safety at works.	2016 - 2025	- CARD - MoLVT - MIH - Other related ministries and institutions

Goals and Objectives	Measures	Target Year	Responsible Institution
Objective 3.4: To harmonize industrial relations and strengthen wage-setting mechanisms	1. Review and assess legal and regulatory framework, including the Labour Law 1997, with a view to ensuring a harmonious and representative industrial relations, in line with ratified ILO conventions.	2016 - 2025	- MoLVT
	2. Strengthen the Arbitration Council and the Labour Advisory Committee to be more effective in its consultation process, in line with international standards.	2016 - 2025	- MoLVT
	3. Build a more robust and evidence-based wage-setting system, including through an annual review of minimum wages.	2016 - 2025	- MoLVT
	4. Strengthen labour dispute settlement mechanism and create the Labour Court.	2016 - 2025	- MoLVT - MoJ
	5. Develop capacity on the system of representation and collective bargaining at different levels (national, sectoral, enterprise).	2016 - 2025	- MoLVT
Objective 3.5: To conduct a feasibility study to establish unemployment scheme	1. Conduct feasibility assessment on establishing an unemployment scheme in line with the National Social Protection Strategy.	2016 - 2025	- MoLVT
	2. Increase awareness among stakeholders on the cost and benefits of unemployment scheme.	2016 - 2025	- MoLVT

Goals and Objectives	Measures	Target Year	Responsible Institution
	3. Conduct initial stakeholder consultations on unemployment scheme.	2016 - 2025	- MoLVT
Objective 3.6: To oversee and protect migrant workers in obtaining decent employment and skill recognition	1. Governance of labour migration.	2016 - 2025	- MoLVT - MoI - MFAIC
	2. Protect and empower migrant workers.	2016 - 2025	- MoLVT - MoI - MFAIC
	3. Strengthen service provision for social and economic reintegration for return migrants, as proposed in strategy 3 (connecting labour migration towards development) of the Labour Migration Policy adopted and implemented in 2014.	2016 - 2025	- MoLVT - MoWA - MoSVY
	4. Improve information management system on migrant workers sent abroad and returning.	2016 - 2025	- MoLVT
	5. Enforce and promote the implementation of the Labour Law, Immigration Law and other regulations related to the management of foreign manpower who come to work in Cambodia.	2016 - 2025	- MoLVT - MoI - MFAIC

Note:

CARD Council for Agricultural and Rural Development
ECOSOCC Economic, Social and Cultural Council
MEF Ministry of Economy and Finance
MIH Ministry of Industry and Handicraft
MoEYS Ministry of Education, Youth and Sports
MoLVT Ministry of Labour and Vocational Training
MoWA Ministry of Women Affairs
NBC National Bank of Cambodia
SNEC Supreme National Economic Council

CDC Council for the Development of Cambodia
MAFF Ministry of Agriculture, Forestry and Fisheries
MFAIC Ministry of Foreign Affairs and International Cooperation
MoC Ministry of Commerce
MoI Ministry of Interior
MoP Ministry of Planning
MRD Ministry of Rural Development
NEA National Employment Agency
MoJ Ministry of Justice