

# Regional Meeting on National Transfer Accounts in Asia 24-25 February 2014, Thailand

## The Importance of National Transfer Accounts (NTA) for policy making in Cambodia



by  
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# Outline



- ◆ Background of NTA Cambodia
- ◆ Population age structure of Cambodia: 1950-2050
- ◆ Major Cambodian NTA indicators
- ◆ What policy making may be made from NTA indicators
- ◆ Issues and Challenges
- ◆ Conclusion

# Background of NTA Cambodia



- ◆ NIS Cambodia constructed the NTA framework in 2009 as reference year.
- ◆ NIS/MoP team participated in the training workshop on NTA in December 2010 (Hua Hin, Thailand). Then,
- ◆ NIS has collaborated with NUPRI under the project “*Intergenerational Transfers, Population Aging and Social Protection in Asia*”. The training workshop on NTA was hold on 19-23 December 2011 with technical assistance from the NUPRI.

# Background of NTA Cambodia



- ◆ The NTA of Cambodia is compiled in consistency with the National Accounts System of Cambodia to explore the major indicators such: labor income, consumption by population age structure. The first demographic dividends, economic life cycle and support ratio by age

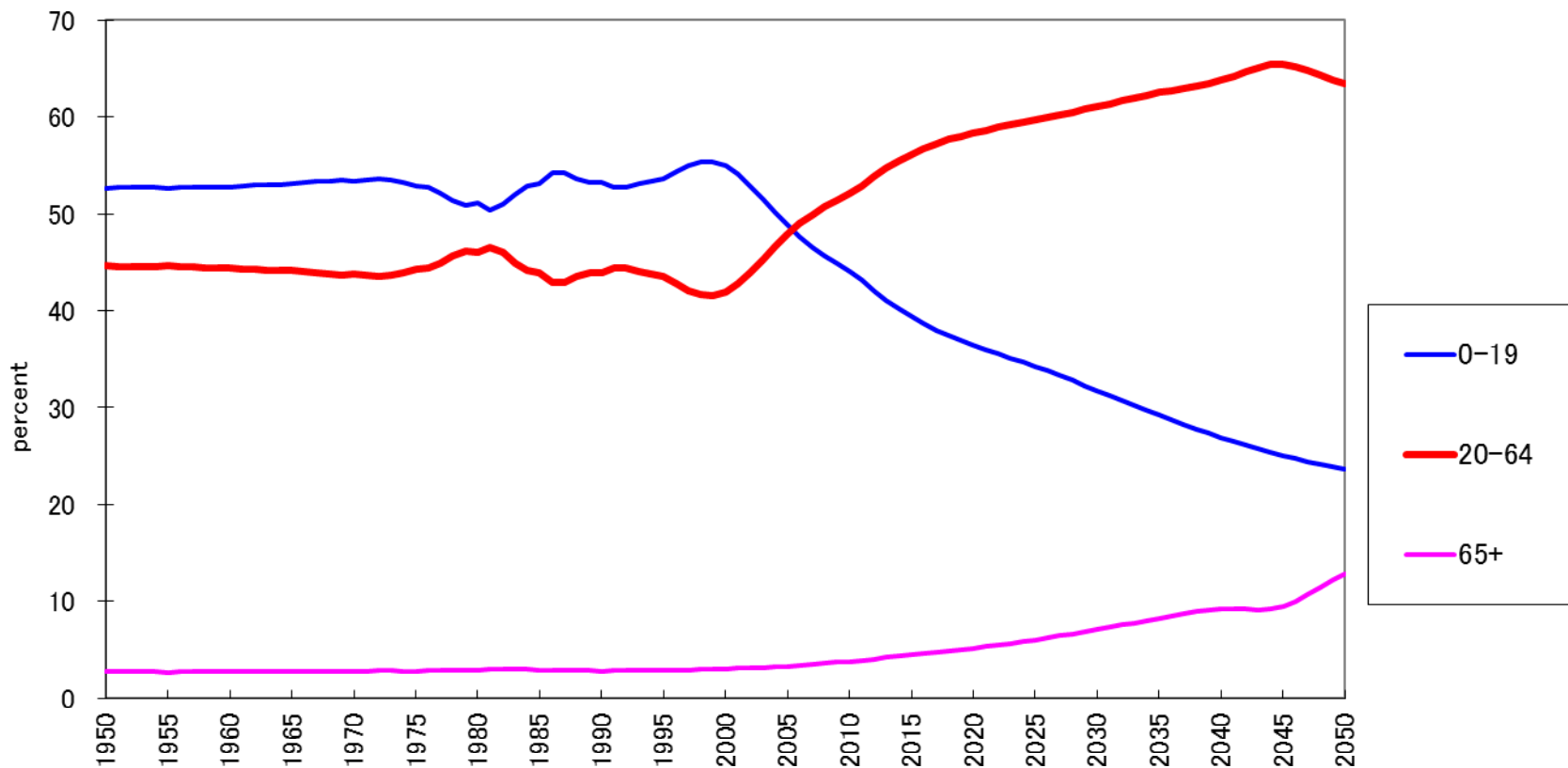
# Population Age Structure of Cambodia 1950-2050



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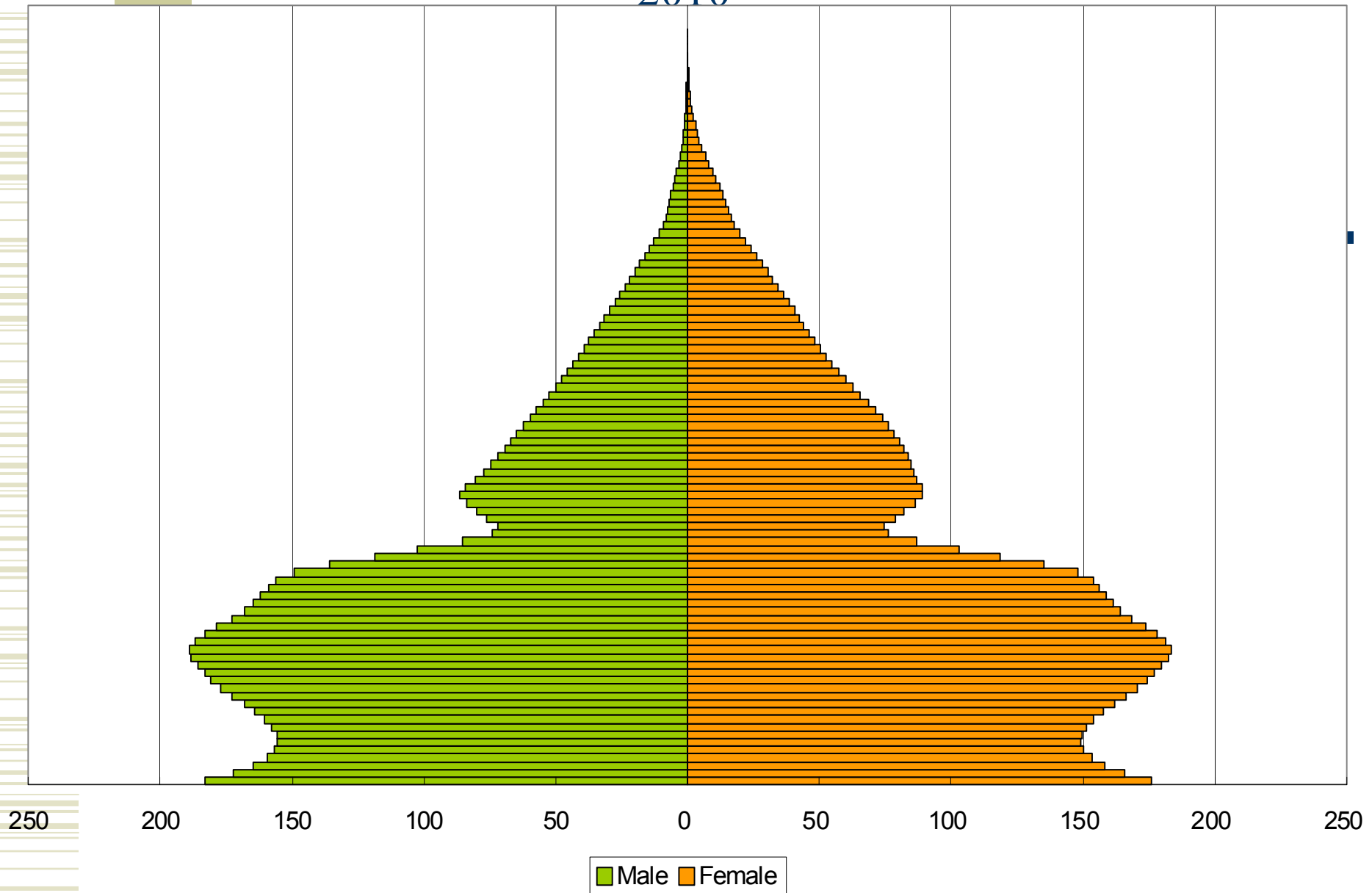
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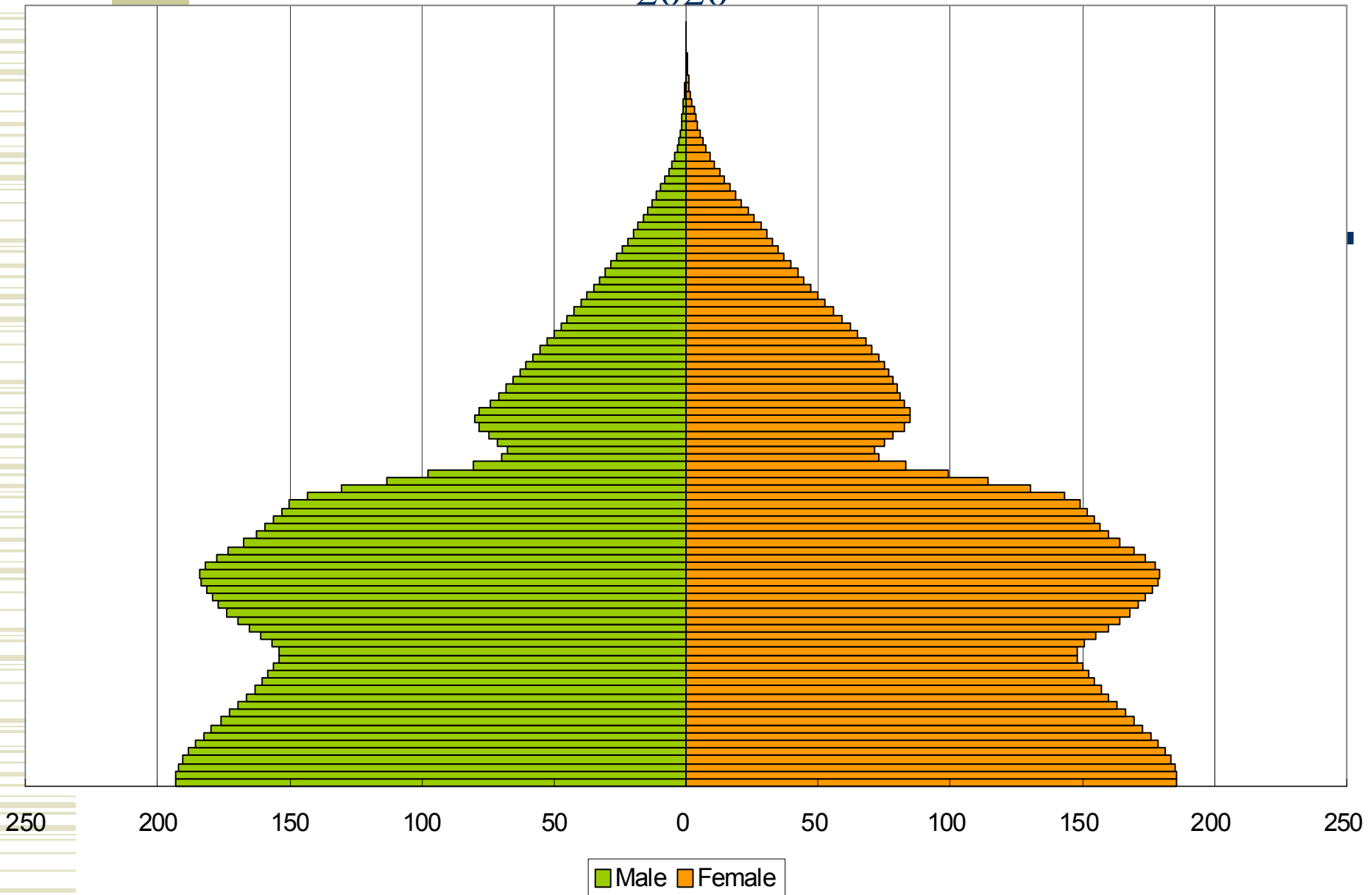
Source: World Population Prospects, the 2010 Revision: 1950-2050

2010



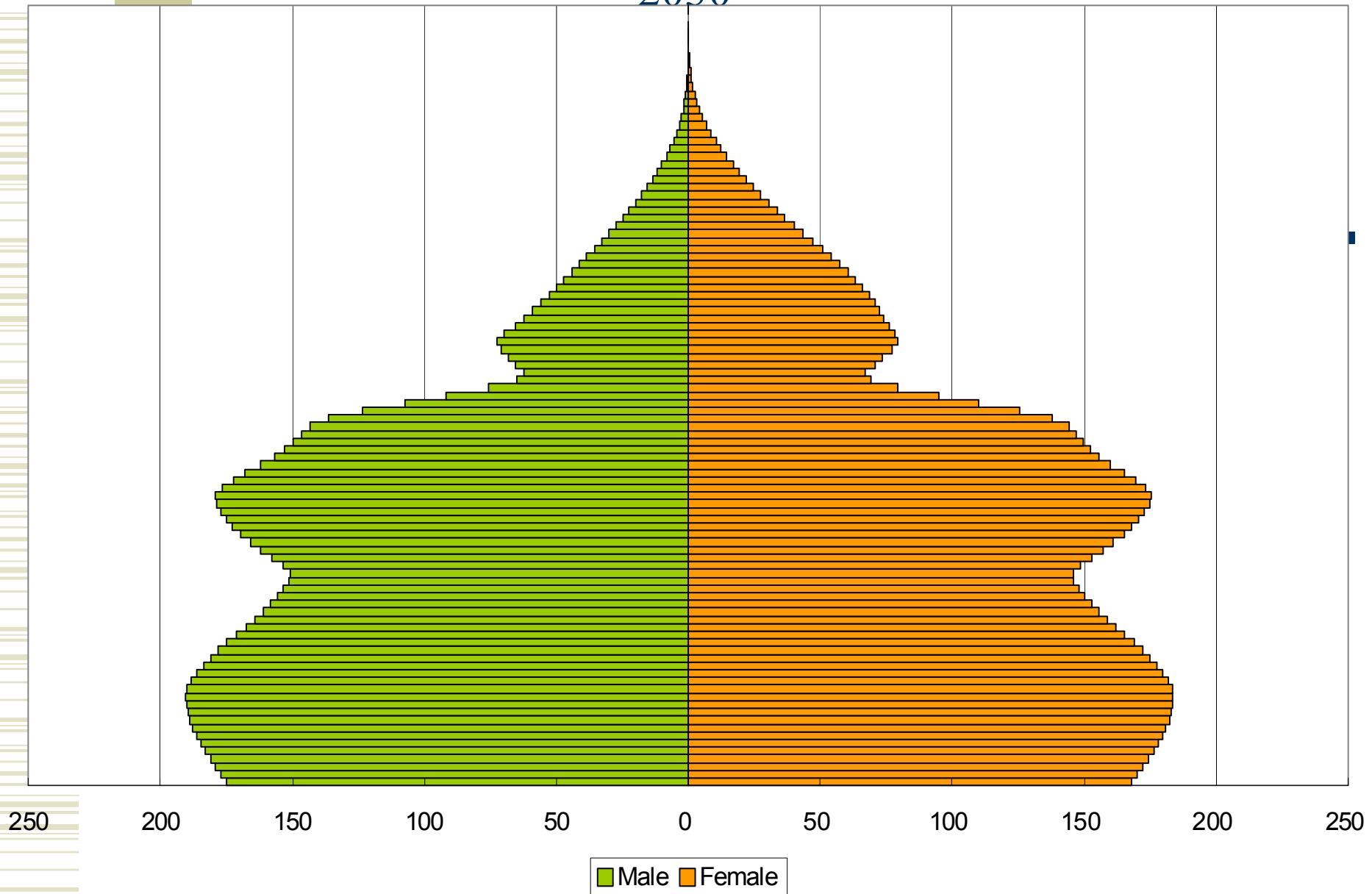
Source: World Population Prospects, the 2010 Revision: 1950-2050

2020



Source: World Population Prospects, the 2010 Revision: 1950-2050

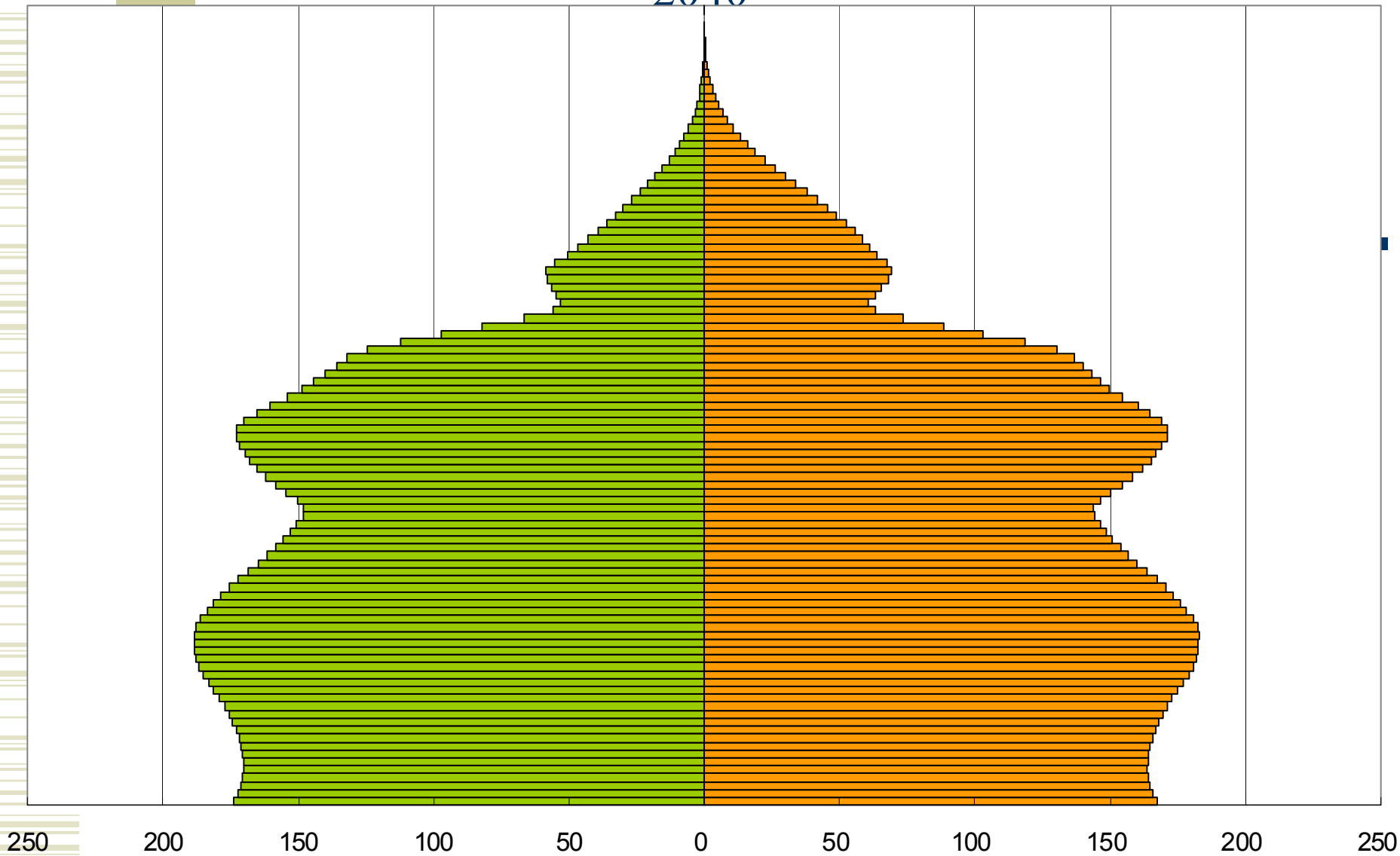
2030



Source: World Population Prospects, the 2010 Revision: 1950–2050



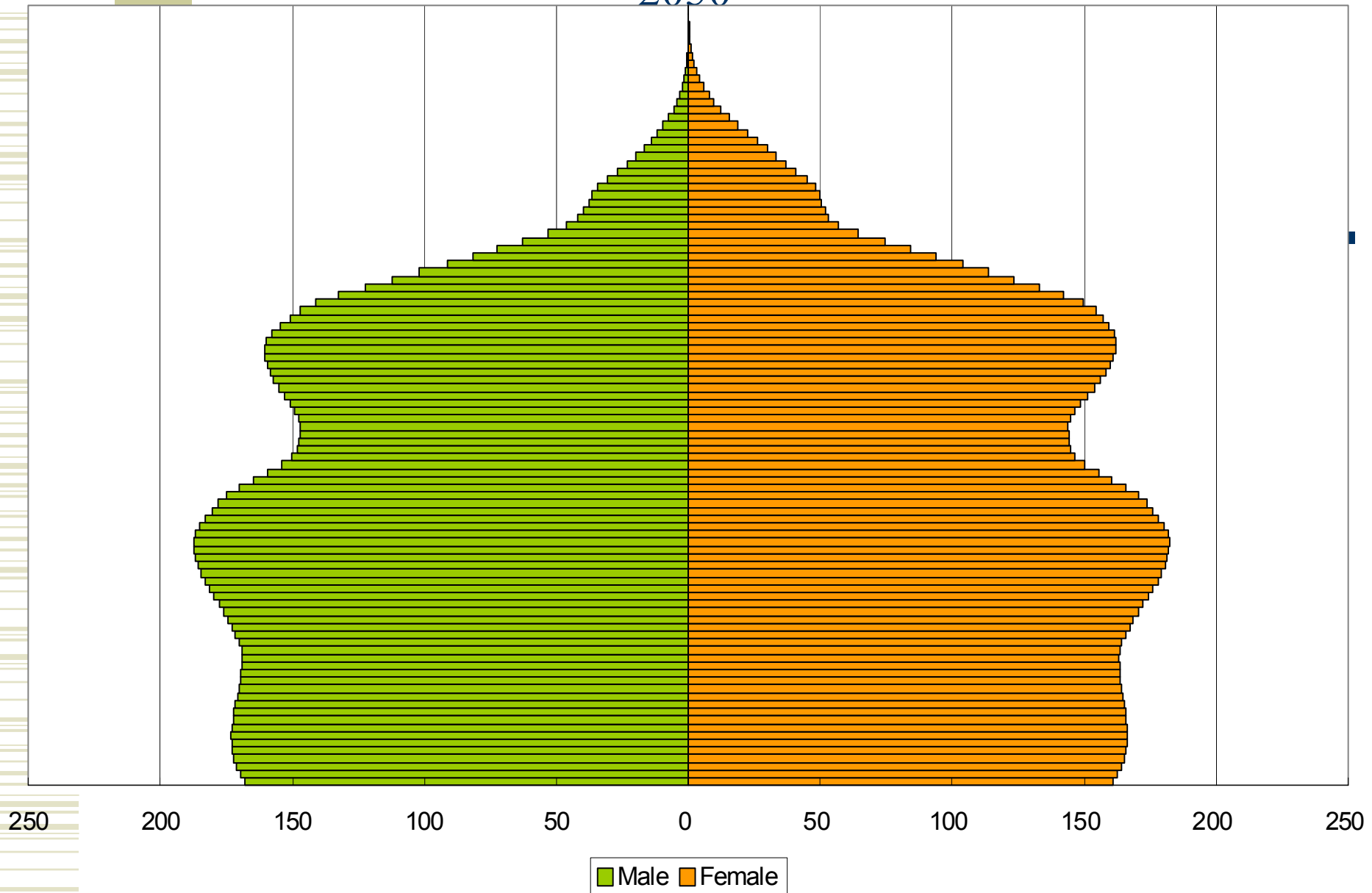
2040



Male Female

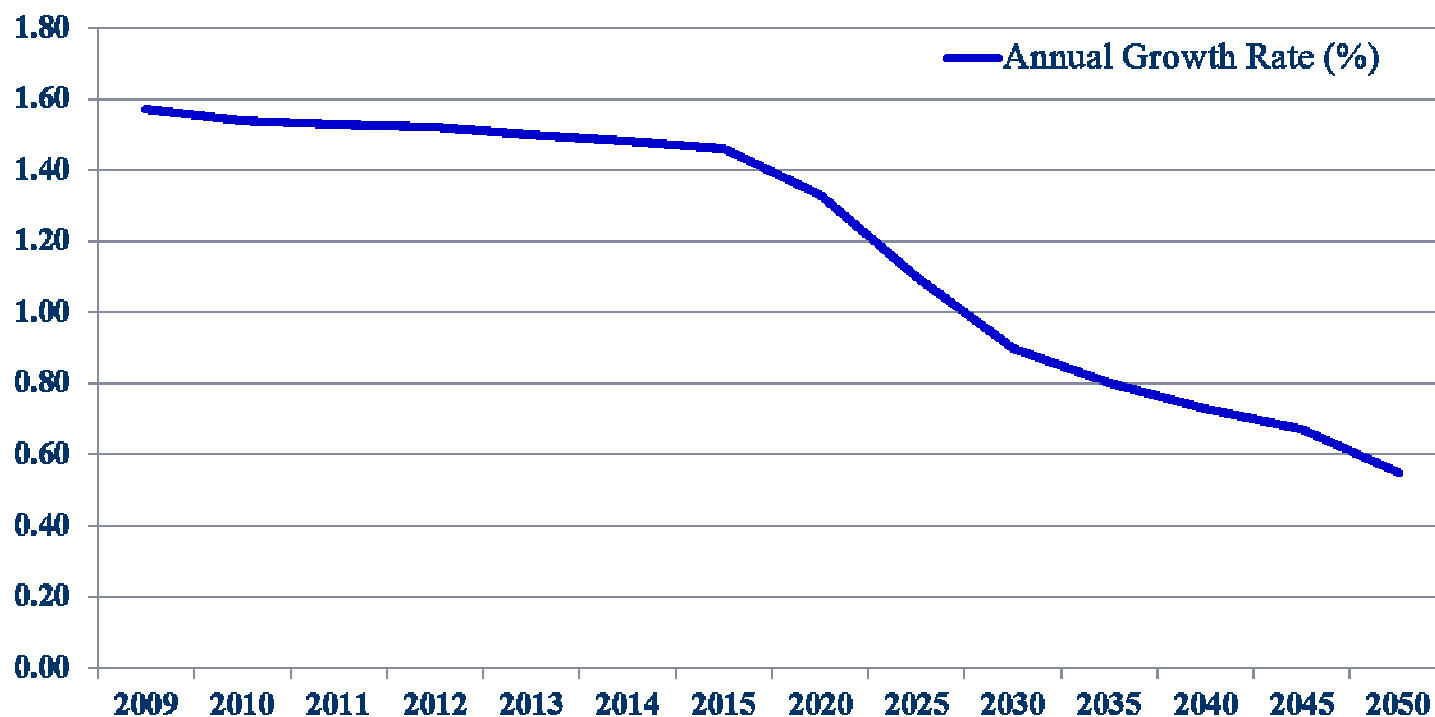
Source: World Population Prospects, the 2010 Revision: 1950–2050

2050



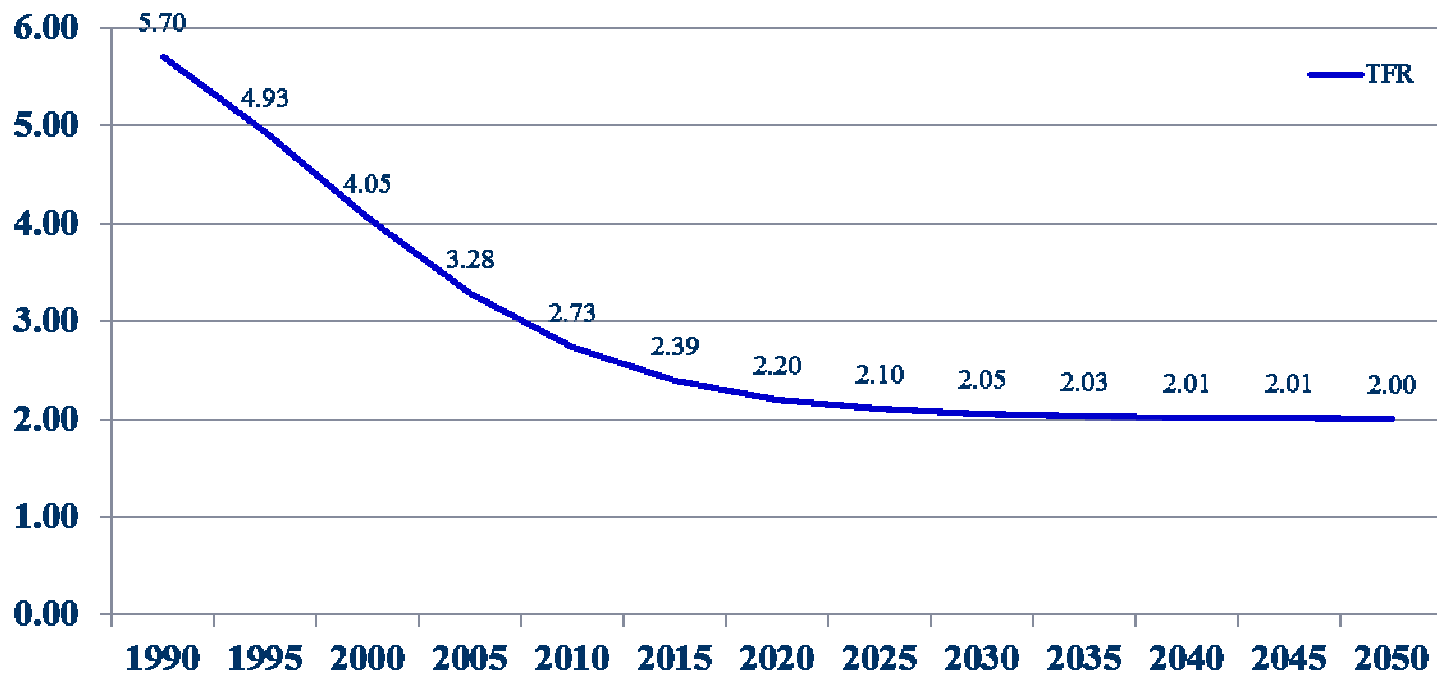
Source: World Population Prospects, the 2010 Revision: 1950-2050

# Annual Growth of Cambodian Population 2009-2050



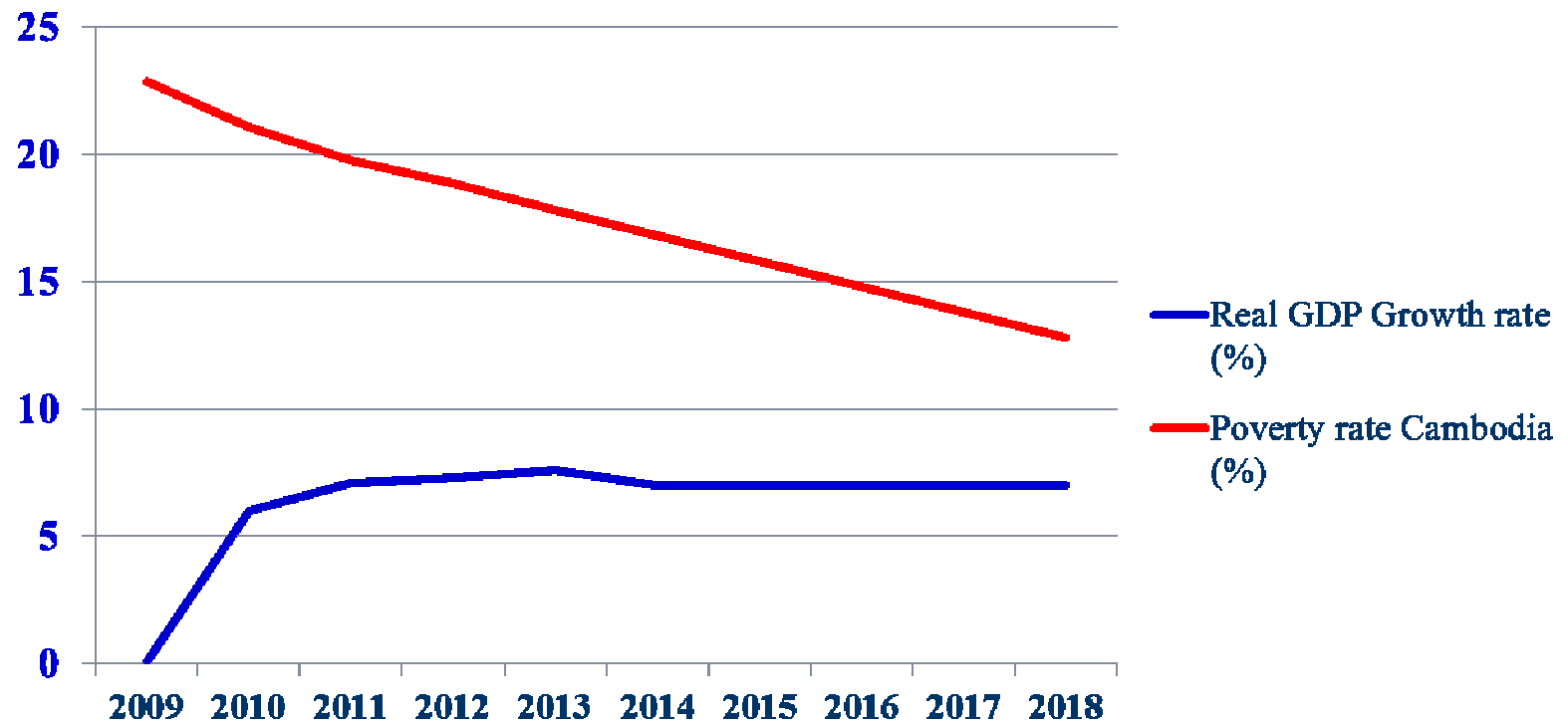
Source: Cenus2008 and Projection, NIS Cambodia

# Cambodia: Estimated and Projected TFR, 1990-2050



Source: Cenus2008 and Projection, NIS Cambodia

# Cambodia Economic Growth



Source: NSDP2009-2013, 2014-2018

# Major Cambodian NTA indicators

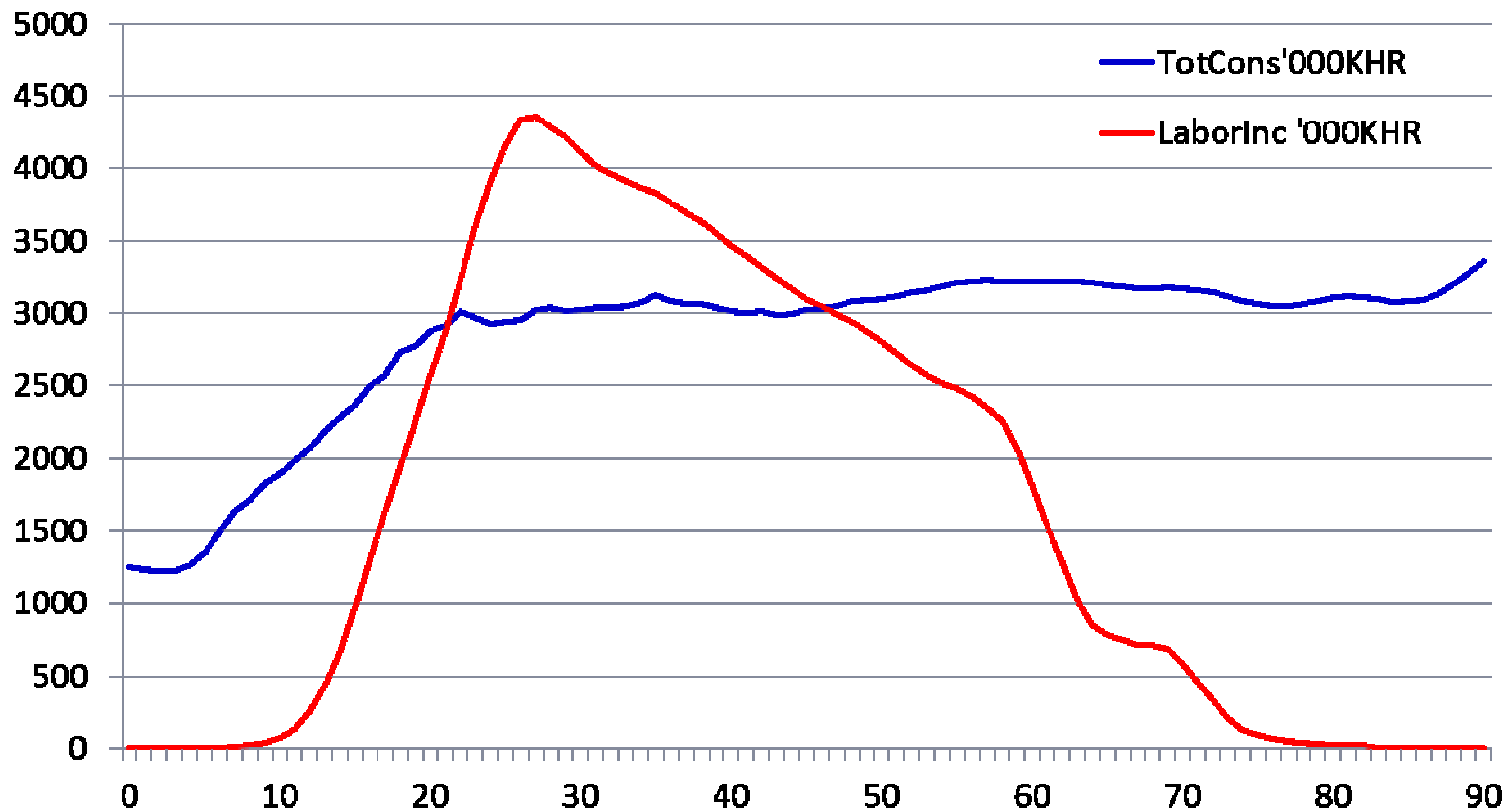


- Per Capita labor Income by age
- Per Capita total consumption by age
- Lifecycle Deficits by age group in 2009
- Per capita economic lifecycle deficit by age
- The First Demographic dividend in Cambodia
- The effective Cambodian support ratio

# Per capita Total Consumption and Labor income by age in 2009



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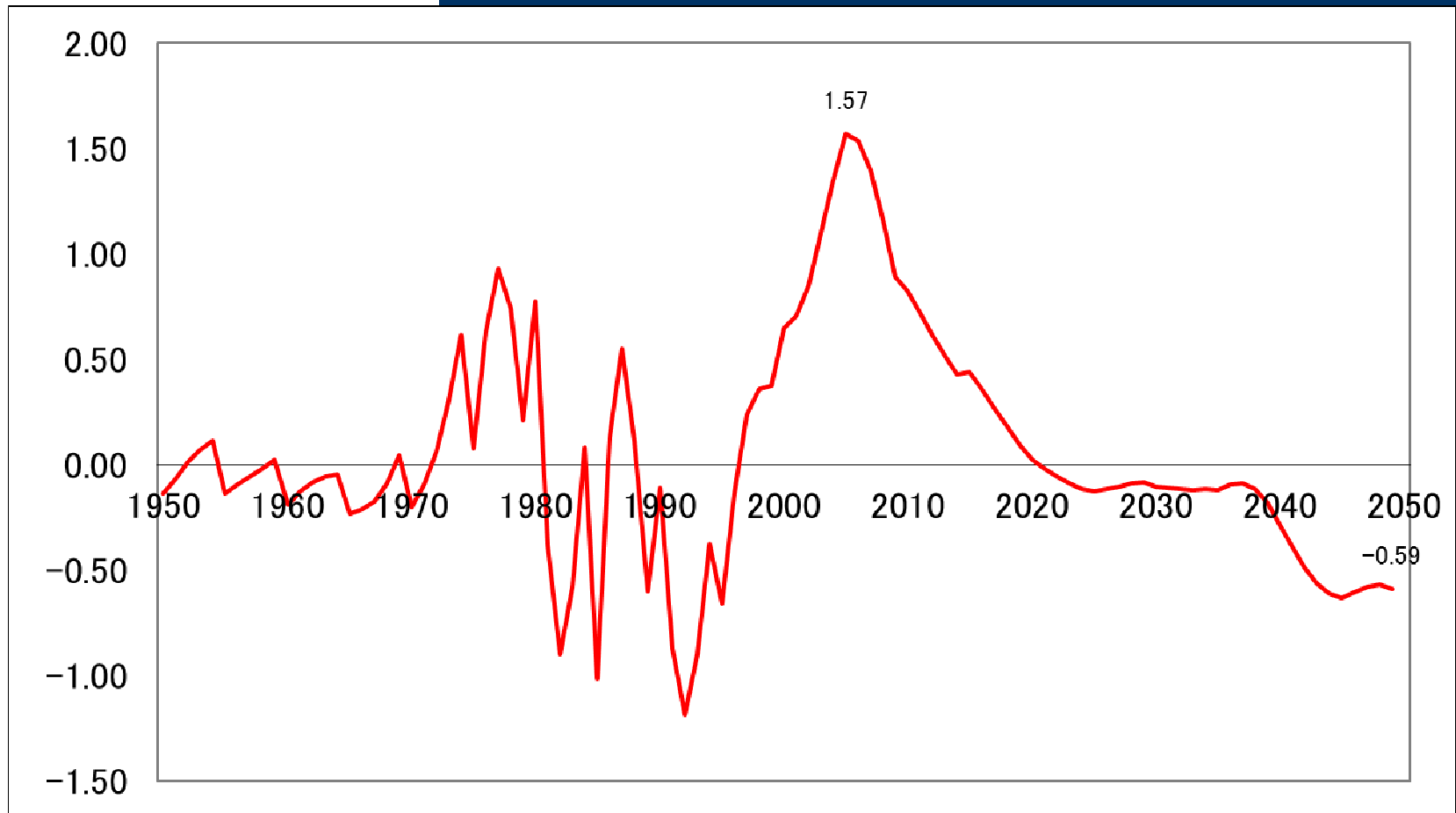
# The First Demographic dividend, Cambodia 1950-2050



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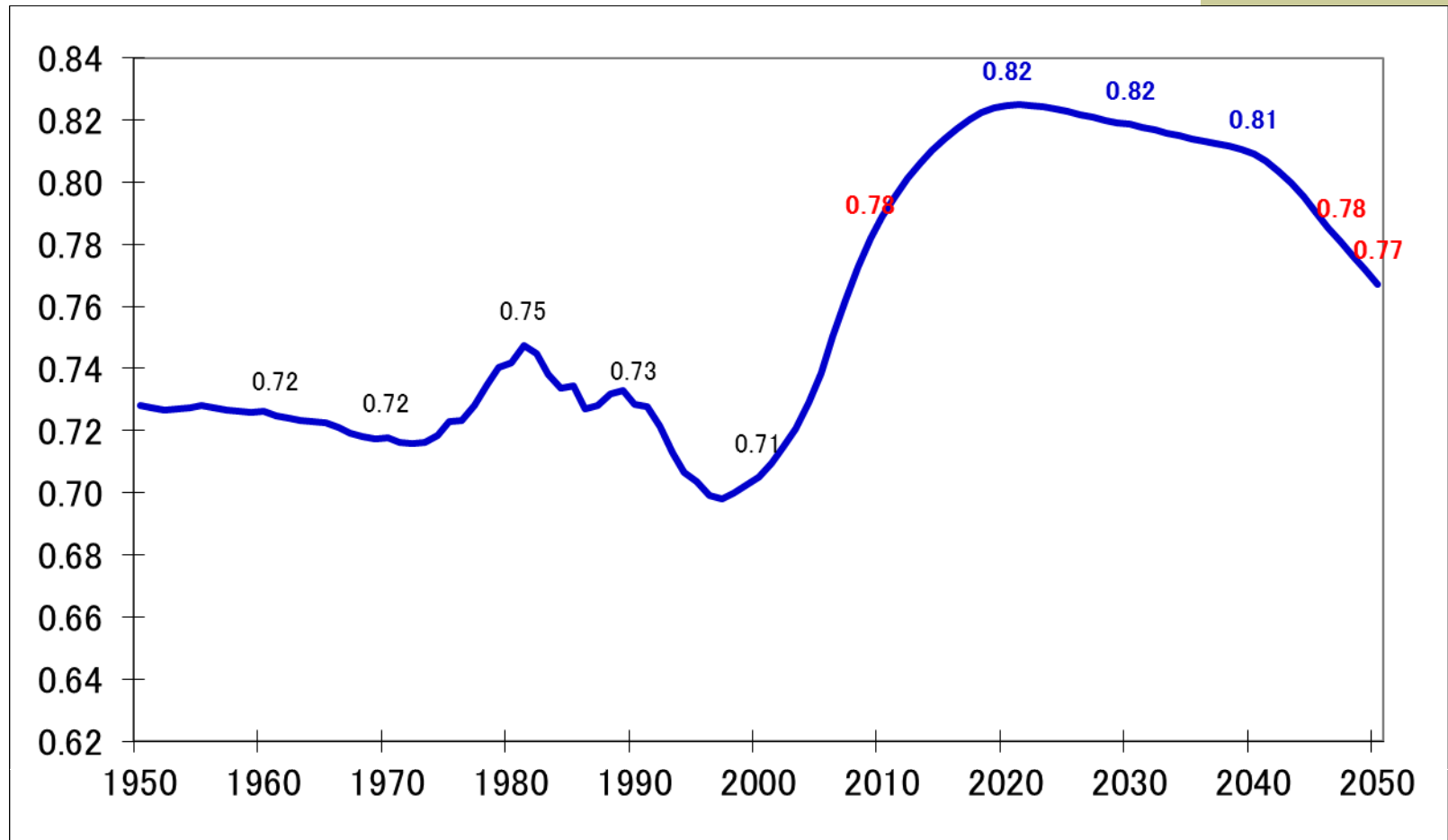


# The effective Cambodian Support Ratio, 1950-2050



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# What policy making can be made from NTA indicators ?



## Policy making:

- Rectangular Strategy;
- National Strategic Development Plan (NSDP);
- Sectoral Strategic Plan;
- National Population Policy of Cambodia (update);
- Population Bonus and Policy implication;
- Social Security System
- Aging policy in Cambodia
- Gender Equality and Equity policy
- Programs for Children, Youth and Elderly
- Improve labor market, labor productivity
- Improve education and human resources
- Improve the health services in Cambodia

# Issues and Challenges



- ◆ Need to improve the capacity building on the NTA (human resources)
- ◆ Coordinate and Introduce more on NTA to the policy makers, policy planning of the line ministries or government agencies.
- ◆ No financial supports is provided for the NTA research. No technical assistance is provided to the country for in-depth research and analysis of NTA. So, need to seek for funding support from donors and government.

# Conclusion



- ◆ NTA provides major indicators that are useful for policy makers to know how economic resources are produced and consumed by different age groups and demographic change for the policy making.
- ◆ Indicators such economic lifecycle, first demographic dividend and support ratio by age profiles are very important for the policy making.
- ◆ Policy programmes would response for the national development. For in fact,

# Conclusion



- ◆ The support ratio and the first demographic dividend are low which may indicate that productivity in term of labor income is very low because the number of effective consumers are larger than the number of effective producers, which affects economic growth.
- ◆ However, starting 2020, Cambodia will have the potential to increase the number of effective producers and labor income (productivity) because of the age structural changes in the population.

**Thank you**

**Q & A**