Cambodia CG Meeting, Phnom Penh, 6-7 December 2004

Statement by Sweden

Sweden acknowledges and welcomes a number of positive developments in Cambodia since the last CG meeting in mid-2002. Peace has been maintained, the national elections in 2003 were held in an orderly manner and despite a drawn-out process, a Government was eventually formed based on the e lection results. The succession of the Head of State proceeded smoothly and without incident. The National Assembly of Cambodia has ratified the WTO accession treaty. Considerable progress has been recorded in the fight against the spread of HIV/AIDS. Other achievements include improvements in literacy rates and increased school enrolments, particularly among girls. In addition, allocations and disbursements to social sectors have increased.

The CG meeting provides an opportunity to discuss outstanding issues and urgent matters to be resolved in the near future. We are aware of the importance of selecting and highlighting a number of these, as part of the agreed benchmarking process, and indicating attainable — and necessary — goals for the year to come.

Good governance, placed at the very centre of the Rectangular Strategy, is also a main objective of the Swedish development cooperation programme with Cambodia. Support for improved governance could be given through the government but also through civil society. Sweden believes both these avenues should be used. We consider the introduction of an anti-corruption law that meets international standards to be a necessary element in the recently declared “war on corruption”. We also strongly believe that it is necessary to bring before the courts a number of reported cases of corruption, for investigation and hearing, and to do away with the culture of impunity so damaging to the society. It is important to remember that efforts to combat criminality in any form must be in line with human rights obligations and the rule of law.

The process of legal and judicial reform is now under way. In the coming year, several new laws need to be put in place, and during this process, every effort must be taken to safeguard human rights. Protecting human rights is not merely about not violating or restricting the rights of women and men; it is also a question of protecting human beings from abuse, maltreatment and exploitation or trafficking by others, and of fulfilling everyone’s right to an adequate standard of living. Even in a poor country like Cambodia, every possible option must be explored in an effort to achieve this objective.

An encouraging case in point in the fight against human trafficking is the Memorandum of Understanding recently signed by the six Mekong countries. The agreement specifically refers to the guidelines for combating trafficking issued by the UN High Commissioner for Human Rights.

If poverty is to be reduced in Cambodia, the rights of the poor must also be protected. Urgent measures should be taken to ensure that all concessions are in line with the principles of good governance, rule of law, and sustainability. In Sweden's view, full respect for the right of expression and information and the rule of law are central to sustainable economic development. Civil society can — and should be allowed to — make important contributions to the achievement of a just and prosperous society.

The valuable work of the Special Representative of the UN Secretary General o n human rights continues to support efforts to further the implementation of human rights in Cambodia. The Cambodia office of the UN High Commissioner for Human Rights plays an important role in supporting this implementation. Promotion and protection of human rights in cooperation with the UN system needs to be continued.

Sweden welcomes the ratification by the National Assembly of Cambodia of the agreement with the UN on the Khmer Rouge trials and looks forward to the full implementation of the agreement.

Sweden has long supported the decentralisation and deconcentration efforts in Cambodia as a means to promote local governance and locally agreed and implemented investments in order to reduce poverty. We are committed to continuing this support. However, a policy framework for the continued support to decentralisation and deconcentration efforts needs to be put in place by early 2005. This framework should demonstrate the way forward and show how past experiences will be put to best use for the future. This process is now at a critical juncture and efforts must be made on all sides to establish a workable programme that will attract the support of the joint donors.

Furthermore, work is ongoing to put a new ambitious Public Finance Management programme into place. This could be seen as an example of good governance in practice, and a way to develop a more transparent system of increased accountability in the use of public funds. Sweden has contributed to these efforts and will continue to do so.

With regard to the development of the agricultural sector and Natural Resources Management, which has been indicated as a main path forward for the Cambodian economy, a number of issues need to be addressed. Two aspects should be tackled urgently. There should be increased transparency of state management of natural resources through immediate public disclosure of existing contracts and of royalties and other key provisions of contracts governing land concessions. A proper monitoring system should also be established and sanctions applied when contracts are breached. Concerning demining activities, supported by Sweden for many years, there is an urgent need for the Government to fully assume its leadership and coordination role by setting up a well-functioning and adequately resourced coordinating agency for the sector within the next year.

The promising results achieved in the education sector, supported by Sweden in the context of a sector-wide approach, have been mentioned earlier. However, it remains a concern that in the past, disbursements to the sector have been slow and insufficient. Equally, there is a need to consider the salary levels of teachers as part

of a general salary reform also addressing other problems rotated to poor performance within the public sector.

In its work with Cambodia, Sweden has consistently applied a harmonised approach to development cooperation and coordination. This means that we have channelled the bulk of our support to Cambodia through multilateral institutions and bilateral partners. This *modus operandi* has been well recognized by the government and Sweden is now a partner in sector programmes within education as well as decentralisation and deconcentration. In the last two years, Cambodia has made remarkable progress in the area of harmonisation, increased ownership and encouragement to donors to align with government efforts in various sectors. The formation of the Technical Working Groups, officially declared during the pre-CG meeting in September this year, will be an important tool in this context. Sweden fully supports these efforts and will continue to be a committed partner in this process aiming at increased and more efficient cooperation and coordination.

Overall Swedish development assistance to Cambodia in 2003 amounted to some SEK143 million, equivalent to approximately USD 20 million, including support through NGOs. Development assistance in 2004 is anticipated to be in the same range. In 2005, the planning frame for the Swedish contribution will be the same as in previous years, although agreements are coming to an end in all the sectors supported by Sweden. Planning for continued support to education, rural development, decentralisation and governance interventions is ongoing. Overall disbursements for 2005 are expected to remain in the range of USD 20 million, including some USD 3 million for NGOs, human rights interventions and training.