



## **PLEPGING STATEMENT BY AUSTRALIAN DELEGATION**

EXCELLENCIES, COLLEAGUES, LADIES AND GENTLEMEN

AUSTRALIA HAS BEEN A LONG-TERM DEVELOPMENT PARTNER IN CAMBODIA, FROM THE EARLY POST CONFLICT RECONSTRUCTION EFFORTS UNTIL THE PRESENT DAY. THE AUSTRALIAN GOVERNMENT THEREFORE WELCOMES RECENT REPORTS THAT POVERTY IN CAMBODIA HAS BEEN REDUCED OVER THE PAST DECADE AND THAT STEADY ECONOMIC GROWTH IS BEING RECORDED.

WE COMMEND THE ROYAL GOVERNMENT OF CAMBODIA FOR ITS EFFORTS TO IMPROVE THE LIVES OF THE CAMBODIAN PEOPLE OVER THIS PERIOD, MOST PARTICULARLY THROUGH ENSURING AN END TO CONFLICT AND BY WORKING TOWARDS A PEACEFUL AND DEMOCRATIC SOCIETY.

IN THIS CONTEXT, THE AUSTRALIAN GOVERNMENT WELCOMES THE RELEASE OF CIVIL SOCIETY LEADERS AND THE PRIME MINISTER'S RECENT STATEMENTS IN REGARD TO THE DECRIMINALISATION OF DEFAMATION. WILLINGNESS TO ENGAGE IN MEANINGFUL AND OPEN DEBATE WITH CIVIL SOCIETY IS A VITALLY IMPORTANT PART OF THE DEMOCRATIC PROCESS.

IN SEPTEMBER 2005, THE AUSTRALIAN GOVERNMENT ANNOUNCED ITS INTENTION TO EFFECTIVELY DOUBLE OVERSEAS AID TO A\$4 BILLION BY 2010. HOWEVER, THE FUNDING IS CLEARLY CONDITIONAL UPON STRENGTHENED GOVERNANCE AND REDUCED CORRUPTION IN RECIPIENT COUNTRIES.

WE THEREFORE ATTACH GREAT IMPORTANCE TO CAMBODIA MAINTAINING MOMENTUM IN ITS PROGRAM OF REFORMS AS THE

DIFFICULT ISSUES OF ANTI-CORRUPTION AND GOOD GOVERNANCE ARE TACKLED IN LINE WITH THE RGC'S RECTANGULAR STRATEGY.

AUSTRALIA LOOKS FORWARD TO CONTINUING OUR DEVELOPMENT PARTNERSHIP IN THE COMING YEARS. WE NOTE, HOWEVER, THAT LEVELS AND TYPES OF AID WILL BE LINKED TO IMPROVED EFFECTIVENESS AT THE PROGRAM LEVEL, AND PERFORMANCE AGAINST THE AGREED MONITORING INDICATORS. PERFORMANCE IN 2005 HAS BEEN MIXED WITH STEADY PROGRESS MADE IN SOME AREAS SUCH AS PUBLIC FINANCIAL MANAGEMENT, BUT FURTHER DELAYS IN DIFFICULT AREAS SUCH AS THE ANTI-CORRUPTION LAW. WE TRUST THAT WITH STRONG GOVERNMENT AND DONOR SUPPORT THE 2006 INDICATORS WILL BE REACHED.

DURING 2006 AUSTRALIA WILL BE UNDERTAKING PROGRAM DEVELOPMENT IN VARIOUS SECTORS. WE WELCOME THE PREPARATION OF THE NATIONAL STRATEGIC DEVELOPMENT PLAN AND CONFIRM OUR INTENTION TO ALIGN OUR PROGRAMS WITH THIS KEY PLANNING TOOL. WE ARE ALSO COMMITTED TO HARMONISING OUR EFFORTS WITH THOSE OF OTHER DEVELOPMENT PARTNERS. THE SHAPE OF NEW PROGRAMS WILL BE INFLUENCED TO A HIGH DEGREE BY THE POTENTIAL FOR REFORM IN THE RELEVANT SECTORS.

AUSTRALIA ANTICIPATES THAT \$A42.7 MILLION WILL BE DISBURSED THIS FINANCIAL YEAR, CONSISTING OF \$A25 MILLION IN BILATERAL ASSISTANCE AND AN ESTIMATED \$A17.7 MILLION IN ADDITIONAL FLOWS TO AREAS SUCH AS HUMANITARIAN, REGIONAL AND NGO PROGRAMS. ALL FUNDS ARE PROVIDED AS GRANT AID. WE WILL CONTINUE TO FOCUS ON AGRICULTURE AND RURAL DEVELOPMENT, LANDMINE ACTION, GOVERNANCE AND PRIVATE SECTOR DEVELOPMENT.