

Public Administration Reform
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Statement on Behalf of Development Partners for the 2006 CG Meeting

Excellencies, colleagues, ladies, and gentlemen: with the Rectangular Strategy and its National Strategic Development Plan, the Royal Government of Cambodia has set itself on an ambitious path to reduce poverty and improve public service delivery.

Public Administration Reform is one of four core governance reforms to be undertaken by the Government. As expressed by the Prime Minister, “the Royal Government recognises the crucial necessity to install and strengthen proper institutions of governance, processes and procedures through well thought out reforms to ensure sustainable development.”¹ Improving the efficiency and effectiveness of Cambodia’s civil servants is not a “stand-alone reform” but *the* fundamental prerequisite for reform programmes in all other ministries and sectors in the country.

The public administration had to be rebuilt after the Khmer Rouge. A key issue at that time was to secure peace and stability. This was partly done by incorporating the different factions from the conflict into the government and into the administration through provision of positions and employment.

Cambodia has come a long way since then, and the functions of the public administration should adjust to these positive developments. As the Prime Minister concluded in the NSDP, “The RGC has achieved and ensured steady peace without any internal conflicts of the past since 1998. It is time now that resources begin to be properly directed and effectively used to maximise the benefits for the disadvantaged and the deprived to lift them into the mainstream.”²

A comprehensive national programme for administrative reform, the NPAR, has been developed. However, there is a need to prioritise between the many activities in the programme. This has been achieved with the selection of the joint monitoring indicators (JMIs), which have been agreed by all parties in the PAR TWO. Three of the four agreed JMIs for Public Administration Reform in 2006 are a continuation of work that has been achieved under the JMIs from last year.

Despite the effort put into developing these policies, strategies and indicators, progress has yet to be made in translating them into tangible results for Cambodia’s citizens. The challenge for the Government is to create a civil service that uses public resources efficiently to reduce poverty and promote growth. In some areas of public administration reform, this will require developing new policies, while in others it will require consistent and forceful implementation of already agreed policies and programs.

It is of the utmost importance that the Government develops a new pay policy. Donors and the Government have agreed to do so this year and one of the JMIs focuses on this important work. All acknowledge that current pay levels are too low—without adequate incentives, the civil service will not be able to attract and retain high quality staff, and problems of moonlighting and absenteeism will continue to cripple attempts to improve service delivery. Small, across the board increases in pay will not solve the problem. Rather, a targeted approach in which high priority sectors and functions are raised up to competitive salary levels is what makes sense, given fiscal constraints. The Government has taken steps in this direction with the PMG and MBPI programs. More

¹ Message by H.E. Prime Minister Samdech Hun Sen, NSDP, 2006-2010.

² Message by H.E. Prime Minister Samdech Hun Sen, NSDP, 2006-2010.

resources need to be directed to these programs in order to facilitate their roll out across the public administration.

A second JMI that will require forceful implementation this year is the agreement to phase out salary supplement practices. The strategy to phase out salary supplements has now been agreed, but its success will depend on support from all ministries and donors alike—including NGOs. If successfully implemented the strategy is a first step in moving away from the salary supplementation practices that distort the development of the public administration.

A third priority indicator in 2006 is the strengthening of meritocratic practices in the civil service. In February, His Excellency, the Prime Minister, announced that the practice of political appointments to civil service positions will no longer be accepted. H.E. Samdech Hun Sen also recently criticized the practice of buying and selling public service positions. These practices are deeply embedded and will be difficult to root out. But development partners congratulate the Royal Government for identifying these difficult problems. We hope that shining a light on these practices can pave the way for more merit-based approaches when appointing staff in the civil service and when placing them where there is a documented need.

The 2006 JMIs are thus clearly focused on the right challenges, but they are a tall order. The Council for Administrative Reform (CAR) and its Secretariat has been tasked by the Royal Government with implementing its public administration reform agenda. This is not an easy task, not only because of the complexity of the challenges, but also because of the cross-cutting nature of the work. CAR cannot succeed without the full support of all central and line ministries. To make this happen ministries and institutions, as well as donors, will need to increase their engagement with CAR in implementing PAR policies and strategies. This will require greater support from partners to assist with developing CAR's capacity and enable them to engage more effectively at the ministerial level.

In addition to focusing on immediate priorities, the CG meeting also affords an opportunity to take a broader perspective on the issues of public administration and service delivery. A large share of Cambodia's service delivery is at present handled by NGOs or other external partners. Should these functions in future be absorbed within the public administration or is it preferable to contract-out or outsource additional non-core government functions to civil society and the private sector? Are the right numbers of civil servants with the right qualifications employed in the right places? The upcoming government reform on decentralization and deconcentration and the new Organic Law, which will be presented to the National Assembly in 2006, will also affect the modalities of public administration and service delivery at local levels.

These are critical and urgent issues to be addressed by Government. A medium and long-term vision for service delivery needs to be initiated this year. As the NSDP states, "much work lies ahead to reach the overall goals in Public Administration to make it a truly efficient, effective and responsive outfit."³

³ NSDP 2006-2010, p.16.