

**Aid Effectiveness**  
**Charlotte Seymour Smith, Director, Asia Division, DFID**  
**Statement on Behalf of Development Partners for the 2006 CG Meeting**

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1. The Royal Government of Cambodia is to be congratulated on the advances it has made with the Harmonisation, Alignment and Results agenda. Its activities have not only helped to move things forward at home but have also built an international reputation for Cambodia as a country that is making real progress on Harmonisation and Alignment issues.
2. Over the 15 months since the last CG, the Royal Government has produced its National Strategic Development Plan, which is the strategic document that will guide all of our activities. To encourage development partners to align assistance to the NSDP and to better strengthen harmonise the delivery of that assistance, the Royal Government has updated its Harmonisation, Alignment and Results Action Plan to include the commitments made in the Paris Declaration of March 2005. It has also produced a Strategic Framework for Development Cooperation Management and a set of National Operational Guidelines for Development Cooperation Grant Assistance. Additionally, Cambodia has offered to be a pilot country for testing the next DAC questionnaire, and the team is expected here at the end of this month. These are important achievements.
3. These documents commit both donors and government to some ambitious targets in the months and years to come. The Paris Declaration (which we have all signed) identifies Ownership by government, Alignment, Harmonisation, Managing for Results and Mutual Accountability as the areas in which we will strive to improve our performance. For all of us, achieving the targets will mean changes in behaviour and culture, both in the ways that we relate to each other as Development Partners or as different arms of government, and also in the interactions between government and donor groups as we seek to construct new relationships and improved ways of working.
4. In working towards these targets, it is important that all Development Partners work with you, the Royal Government, to strengthen relevant Technical Working Groups and to build opportunities for policy dialogue and discussion between the different stakeholders working on development in Cambodia. I hope that in addition to reviewing and agreeing annual JMIs, that future GDCCs and CGs can also make time for constructive dialogue, analysis and lesson learning on what has and hasn't worked over the last year. This will allow us to understand why some JMIs have not been met and to focus on how we might work together to resolve such challenges.
5. Discussions around the Paris declaration emphasise country ownership which includes both state and non-state actors. We would encourage you to involve a wider range of non-state actors in policy dialogue, including but not limited to those who are delivering government services to poor people. This could be complemented by greater openness to multiple voices and opinions on a variety of development and social issues facing Cambodia. In this regard CG and GDCC processes can be commended for including civil society voices during important steps along the way.

6. We would highlight the importance of the Technical Working Group on Partnership and Harmonisation, which underlies the Aid Effectiveness agenda. With its sub-working groups, this TWG will have even more work to do over the next year, and we encourage the Government to establish a momentum through meetings, interaction and activities, and together with Development Partners provide sufficient resources to support the carrying out of its ambitious programme. We are pleased that a Multi-Donor Support Programme to underpin the implementation of the Strategic Framework for Development Cooperation Management has been signed, and hope that we can all provide the support necessary to enable the full implementation of this Programme.
7. Understandably, the early stages of the harmonisation process have emphasised meetings and action plans. While important, these alone are not enough to achieve the desired results and attain the most vital element of all improved development impact. Among other things, this requires pragmatic, action oriented approaches that emphasise not only public statements but also effective implementation. Just as the commercial environment for entrepreneurs in Cambodia needs to be streamlined and made more transparent, the environment for delivering effective assistance needs to be streamlined and made more transparent as well. The Mutual Accountability component of the Paris Declaration commits us to this, emphasising transparency, predictability and, together with you the Government, sharing the responsibility for delivering more effective assistance in a more streamlined way, and ultimately achieving the NSDP goals of poverty reduction with growth.
8. Challenging though these goals might be, we believe that it is important to work towards improving our performance over the next year, particularly in some of the more difficult areas like TA and salary supplements. We hope that by the CG in 2007 we will be able to record clearly identifiable progress, and that we can work together in the Partnership and Harmonisation TWG to monitor and measure that progress throughout the year.
9. Let's not forget how much progress Cambodia has made in a relatively short time. Cambodia has a good and interesting story to tell about aid effectiveness and I am very glad that Your Excellency Keat Chhon, and your colleague, His Excellency Chhieng Yanara, will have the opportunity to share this with other Asian leaders at the Asia 2015 conference that the UK, World Bank and ADB are hosting in London next week.