



8th Consultative Group Meeting for Cambodia
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Session IV: External Financing Requirements and Pledging Session

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Royal Government of Cambodia

Colleagues from the Royal Government of Cambodia
Representatives of Development Cooperation Partners
Distinguished Guests, Ladies and Gentlemen

1. I would like to begin by reaffirming the Royal Government's commitment to continue to vigorously implement our reforms agenda. The alleviation of poverty among Cambodia's population through economic progress and social development remains the highest priority of the Royal Government. The Royal Government has made significant progress in each area of the Joint Monitoring Indicators (JMIs) that were agreed to at the last CG Meeting. The document "Enhancing Development Cooperation Effectiveness to Implement the National Strategic Development Plan" that is included in the folder of documents on your table, presents details of progress that has been made on each JMI in Section 4 of Chapter 2, on pages 13 to 25. I would like to note, however, that as in any human undertaking, the Royal Government's efforts and achievements have not been exempt from insufficiency of actions and some weaknesses.

2. An important commitment that the Royal Government had made at the last CG meeting was to prepare a single National Strategic Development Plan for the next five years to implement Royal Government's Rectangular Strategy and to achieve Cambodia's Millennium Development Goals. This has been done. The development vision of the Royal Government of Cambodia is to have a socially cohesive, educationally advanced and culturally vibrant Cambodia without poverty, illiteracy and disease. A society that enjoys peace, security and justice, stability and social order, democracy and respect for human rights, sovereignty, and sustainable socio-economic development that

is equitable, and in which all citizens have an equal opportunity to be gainfully engaged in productive activities of the nation and prosper with dignity.

3. *The NSDP: 2006-2010, is the single, overarching document containing RGC's priority goals and strategies to reduce poverty rapidly, and to achieve other CMDGs and socio-economic development goals for the benefit of all Cambodians.* Also, a Public Investment Program for 2006-2008 has been prepared to support the implementation of the NSDP. These two documents have been formulated to guide our development cooperation partners to align and harmonize their efforts to improve aid-effectiveness and to secure a higher "net transfer of resources" than has been the case in the past. I would like to urge all development cooperation partners to ensure that their country assistance strategies are aligned with the priorities outlined in the NSDP and that their development programs and projects are aligned with the PIP.

4. The total cost of the Government's planned development programs, both on-going and new programs, over the next three years (2006-2008) is estimated to be around US \$ 1,975.0 million. The Royal Government of Cambodia has committed from its own resources US \$ 350.0 million for these development programs. Thus, *the total requirements for additional resources over the next three years will be US\$ 1,625 million that averages to US\$ 541.7 million per annum.*

5. I am pleased to report that some of our multilateral and international development cooperation partners have already committed to provide US\$ 1,117.3 million to support the implementation of the programs and projects in the PIP 2006-2008. Therefore, a gap of US \$ 563.4 million in the financing of these development programs and projects over the next three years remains at the present time for which the RGC is seeking additional support from its traditional and non-traditional development cooperation partners.

6. The resources needed for planned programs and projects in 2006 according to PIP 2006-2008 is estimated to be US\$ 600 million, of which the Royal Government has committed to provide US\$ 87 million. Therefore to implement these programs and projects an additional US\$ 513 million is needed in the year 2006 for which we are seeking support from our development cooperation partners.

Thank you.