

**RESPONSE
BY
HE PRUM SOKHA

TO

JOINT DONOR STATEMENT
ON
DECENTRALIZATION AND DECONCENTRATION
CG MEETING 2-3 MARCH 2006**

Chairperson, Excellencies, Ladies and Gentlemen

At the outset I wish to express the appreciation of the Government for the expressions in the Joint Donor Statement of on-going donor cooperation and support with regard to establishing, expanding and strengthening democratic development at all sub-national levels through decentralization and deconcentration.

This government-donor partnership, especially including a common understanding and appreciation of the principal issues and complexities, is very important for the success of this reformation and reconstruction.

In this respect it is essential for me to refer to the extremely strong references to the Seila Program in the Donor Statement, and to try and resolve any misunderstandings.

More specifically, it is not possible or appropriate for the Government to agree with the assumption in the Joint Donor Statement that the Seila Program will end in December 2006.¹

From a governmental perspective, particularly during 2006, there is a clear and overriding need and desirability for all institutions and agencies to manage and conduct their affairs so that there are no major commitments that might expressly or impliedly prejudice, predetermine, or prejudice:

- o the best development of policies for sub-national reform, reconstruction and the Organic Laws; or
- o the rights and responsibilities of the National Assembly and the Senate.

¹ The government has indicated consistently since 2005, that Seila and the Seila Program (in common with certain other programs) should continue until the end of 2006, always bearing in mind —

- o the fundamental changes and uncertainties for governmental systems and structures that are required by the Strategic Framework for D&D¹ and the further development of that Framework;
- o the vital need to have an independent study to determine the best modalities and options for on-going donor support in this new governmental environment, including Seila;
- o the preparation and submission of the draft Organic Laws; and hopefully
- o the start of preliminary steps for implementation at the start of 2007.

These matters do not in any way mean or imply that Seila programs and activities, or any other programs and activities, must stop at the end of December 2006. However, what is required is that *as and when necessary* from 2007 there should be a logical, clear, and phased preparation, transition and transformation of existing structures, systems and other arrangements and processes into the new national and sub-national arrangements.

In common with many other institutions and agencies, the structures and processes of Seila should also be subject to this kind of review during the second half of 2006 and into the future, always bearing in mind the fundamental requirement that the operational business of government and donors (including financial mechanisms and systems) must be protected and continue with as little disruption as possible. These matters will therefore be clarified in a timely fashion in the coming months of the year.

The government also indicated that during early 2006 it will develop a preliminary and provisional implementation strategy for change and change-management over the coming years, so that donors and the government will each be able to evaluate and assess the implications.

This and allied matters have been introduced to this meeting and dealt with further by the Deputy Prime Minister.

Thank you.