

**CONSULTATIVE GROUP REMARKS
DELIVERED BY US AMBASSADOR JOSEPH A. MUSSOMELI
ON BEHALF OF THE DONOR COMMUNITY
“CONCRETE STEPS FOR FIGHTING CORRUPTION”
(THURSDAY, 2 MARCH 2006)**

Excellencies, colleagues, ladies and gentlemen.

I welcome this opportunity to summarize the consensus donor perspective on effective approaches to tackling corruption, a theme that is central to good governance as well to this Consultative Group (CG) meeting.

The Royal Government of Cambodia candidly acknowledges that corruption directly affects the country's future development prospects. In Cambodia as well as in other countries, it has been variously described as a disease, a plague and a cancer. It may well be the most important challenge that any government faces. Left unchecked, corruption inhibits foreign investment; corrodes the social and moral capital of the country; deprives governments of hundreds of millions of dollars in lost revenue; and increases rather than decreases reliance on the international donor community.

While rhetorical statements can help draw attention to a problem, it is tangible action that brings real and lasting change.

Immediately following the December 2004 CG meeting, His Excellency Prime Minister Samdech Hun Sen appointed the Ministry of National Assembly and Senate Relations and Inspection (MONASRI) to establish a new drafting committee to revise the June 2003 draft anti-corruption law. MONASRI then convened a committee composed of national experts from government and civil society. In August 2005, a national workshop provided civil society, national and provincial officials and international technical experts an opportunity to review the draft law. These positive and productive steps, providing government ownership of the drafting process, while also ensuring substantial civil society involvement, are deserving of praise.

The revised draft law that is now before the Council of Jurists within the Council of Ministers represents a significant improvement over the draft version submitted to parliament in 2003. Importantly, the process that was followed ensured thoughtful and technically sound input from government, civil society and the international community in ways that improve the draft law with a view toward meeting international best practices, one of the important benchmarks agreed upon at the December 2004 CG meeting.

However, as the drafting and review process moves toward a conclusion, four critically important issues remain:

- First, operational and budgetary independence of the Anti-Corruption body (ACB) that is established;
- Second, operational control by the Secretary General over ACB investigators;
- Third, timely access to asset declaration documents by the Secretary General; and
- Fourth, harmonization of criminal offences with UNCAC and draft penal and criminal procedure codes.

At this point, the current draft law falls short in addressing these concerns, as a result, does not yet meet the international best practice standard highlighted at the December 2004 CG. A new anti-corruption law is one of the most important legacies of this government. When it comes to measures to combat corruption, neither the government nor the people of Cambodia should settle for “second best”—indeed, they deserve a law that surpasses rather than falls below international standards, one that should be the envy of the region.

The donors believe that passage of an anti-corruption law that meets best practices is urgent, but any rush to pass a law that fails to meet those standards would be a setback for Cambodia which would undermine donor and investor confidence. It is time to do it; but it is also time to do it right.

2006 is a pivotal year in the ongoing war on corruption. While a law that should be consistent with the constitution and meets international standards is being finalized, tangible, concrete and pragmatic steps need to be taken that will ensure the law can be implemented, as soon as it is approved by the National Assembly. This includes the development of an implementation plan for the new Anti-Corruption Body (ACB), which emphasizes open and transparent administrative systems and ensures adequate budget and staffing.

Even as the new ACB is established, existing laws can and should continue to be used to pursue corruption cases. As requested at the last CG meeting, the donor community would welcome regular public reporting from government on cases that have been brought before courts as well as statistics on convictions or administrative actions taken to resolve corruption cases. Despite all our concern and commitments, thus far in a country with endemic corruption, as far as we are aware, there have been few if any convictions based on corruption charges. We believe the government has the will to change this and we look forward to concrete results.

Cambodian officials from the Prime Minister on down have commendably emphasized the importance of fighting corruption. Recent statements by the Prime Minister aimed at decriminalizing defamation; the ongoing work to modernize the peaceful assembly law; and this year’s joint monitoring indicators calling for the development of a clear policy framework on “access to information”—these and other measures are important and we look forward to implementation of these institutional changes which will be effective tools in the continuing effort to effectively address corruption in Cambodia.

The passage and implementation of a new anti-corruption law that meets international standards should be a priority. The new law, combined with new institutions and effective implementation, will be critical in combating corruption.

On behalf of all development partners, I affirm our support for your continued efforts to fight corruption in Cambodia. Thank you.