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**KINGDOM OF CAMBODIA**

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**Welcoming Remarks**  
**by Permanent Deputy Prime Minister KEAT CHHON, MP**  
**First Vice-Chairman of CDC**

**The First Cambodia-Korea Policy Dialogue**  
**on Development Cooperation**

Palais du Gouvernement  
Phnom Penh, 14 August 2014

- *Her Excellency **Oh Youngju**, Head of the Delegation of the Government of the Republic of Korea for the first policy dialogue*
- *Ms. **Baek Sook Hee**, Representative of the KOICA Cambodia Office*
- *Ms. **Kim Hye-won**, Representative of the Embassy of the Republic of Korea to the Kingdom of Cambodia*
- *Excellencies, and colleagues from the Royal Government of Cambodia*
- *Excellencies, Ladies and Gentlemen*

1. It is my great honor and pleasure to welcome you all, Excellencies, Ladies and Gentlemen, to this First Policy Dialogue on Development Cooperation between the Royal Government of Cambodia and the Government of the Republic of Korea. Let me extend my warm welcome to Her Excellency **OH, Youngju**, Head of the Delegation of the Government of the Republic of Korea, Ms. **BAEK, Sook Hee**, Representative of the KOICA Cambodia Office, Ms. **KIM, Hye-won** Representative of the Embassy of the Republic of Korea to the Kingdom of Cambodia, and all members of the Korean delegation, especially those from the headquarters. My special welcome is also extended to all my colleagues from the Royal Government who are present at this dialogue.

Excellencies, Ladies, and Gentlemen

2. Our dialogue today is being held at the time that Cambodia has enjoyed peace, political stability, security, and social order along with macroeconomic stability and high economic growth of around 7% and poverty reduction by more than 1% point per annum over the past decade; and in the context of shifting from a Low-Income Country to a Low-Middle Income Country status in the very near future. These achievements are evidence of the effective ownership and leadership of the Royal Government of Cambodia under the leadership of **Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia**. In order to further strengthen and build on these achievements, the Royal Government of Cambodia has put in place the **National Strategic Development Plan 2014-2018**, a policy tool to achieve the strategic objectives and priorities as set out in the **Rectangular Strategy – Phase III** for attaining sustainable,

inclusive, and equitable socio-economic development of Cambodia. Alongside, the Royal Government has also promulgated the **Development Cooperation and Partnerships Strategy** to continue the implementation of the commitments made at the Busan High Level Forum on Aid Effectiveness in order to strengthen the management and coordination of external assistance, by identifying principles, tools, and mechanisms necessary for promoting development effectiveness in Cambodia.

Excellencies, Ladies, and Gentlemen

3. In terms of development cooperation, the Republic of Korea is an important development partner that has provided official development assistance in the form of bilateral cooperation that contributes to the socio-economic development of Cambodia. The partnership of both countries has been strengthened and widened through the implementation of the **Country Partnership Strategy 2012-2015** which focuses on 4 areas, including transportation, agriculture and rural development, health, and education. These areas are indeed priority sectors of the Royal Government as outlined in the **Rectangular Strategy – Phase III**. According to the Cambodia ODA Database of the Cambodian Rehabilitation and Development Board, up to 2013 the Government of the Republic of Korea has provided approximately 516 million US dollars in development assistance, which includes 111 million US dollars for grants and 405 million US dollars for concessional loans. Moreover, the size of the official development assistance has grown rapidly within the last 5 years, from 16 million US dollars in 2009 to 54 million US dollars in 2013, of which grant aid and concessional loan are of the similar size. The development assistance is estimated to increase up to 82 US million dollars in 2014. In this spirit, on behalf of the Royal Government of Cambodia, I would like to express our sincere appreciation to the Government of the Republic of Korea and its people for their support and effort in increasing the development assistance up to **80 million US dollars per year**, of which grant aid taking up to 40%, as per Korea's commitment in the meeting on 20 December 2011. In this regard, the support provided from the Republic of Korea has helped us to accelerate poverty reduction and human resource development to achieve the Cambodian Millennium Development Goals, as well as to speed up the shifting of Cambodia's status from a Low-Income Country to become a Middle-Income Country. In addition, in June 2014 both governments' representatives signed agreements on the provision of 21 million US dollars in grants to continue supporting the implementation of the four priority areas as outlined in the Country Partnership Strategy 2012-2015. As for regional cooperation, the Republic of Korea plays a key role in promoting the development of the Mekong Region, especially regional infrastructure development. To sum up, the resources from the Republic of Korea have been aligned with the priority needs of the Royal Government of Cambodia as identified in the **Rectangular Strategy** and the **National Strategic Development Plan**. In this spirit, the partnership between our both countries has been well-grounded and focuses on achieving results based on the principles of **ownership, committed partnership, and leadership of the Royal Government**. For our future development cooperation, the Republic of Korea has planned to prepare the **Partnership Strategy 2016-2018** to continue to support the Royal Government's efforts in the new context of Cambodia and to synchronize its timeframe with the **Rectangular Strategy – Phase III** and other strategies of the Royal Government. The Council for the Development of Cambodia stands ready to cooperate with its counterpart in formulating this important Strategy.

Excellencies, Ladies, and Gentlemen

4. The Republic of Korea is a successful country with good experience in rehabilitating and developing itself from a country emerging from being an aid recipient to become a developed country, an aid provider, and a member of the Organization for Economic

Cooperation and Development (OECD) in 2011. Alongside, the Republic of Korea hosted the 4<sup>th</sup> High Level Forum on Aid Effectiveness in December 2011 in Busan and has strictly implemented the agreed principles of the Busan Partnership for Effective Development Cooperation. In its own national development, the Republic of Korea has successfully implemented the **New Village Movement – Saemaul Undong** and has been sharing this experience with Cambodia. The Royal Government highly values and welcomes the initiative in preparing as well as implementing this **New Village Movement** project, which is suitable for the Cambodia's context, by providing comprehensive package of supports, ranging from basic infrastructure development for improved livelihoods and well-being of the people, increased productivity, to processing, distributing, and marketing of the community-based products, as well as for human resources development. In order to promote more effective implementation of this project, in March 2014, the Royal Government of Cambodia has decided to create a working group for organizing, facilitating and implementing rural development policies, based on the **New Village Movement** approach.

Excellencies, Ladies, and Gentlemen

5. Today's dialogue on development cooperation is the first consultation that has been organized under the collaboration between the Cambodian Rehabilitation Board of Cambodia of the Council for the Development of Cambodia and the Embassy of Korea. This dialogue will provide us with the opportunity to:

- i) Promote understandings of policy and procedures in providing and managing development assistance as well as of the priorities of both parties to ensure that Korea's development assistance is used in compliance with its International Cooperation Policy and stipulated national development priorities of Cambodia in order to promote effective and efficient use of development assistance.
- ii) Jointly monitor progress and challenges in implementing projects and programs within our development cooperation framework.

The Royal Government of Cambodia considers this dialogue an important step in the process to further strengthen our development cooperation partnership. In the mean time, I have also realized that yesterday the Korean Delegation met with representatives from the Ministry of Economy and Finance and the Cambodian Rehabilitation and Development Board of the Council for the Development of Cambodia to discuss, at working level, the priority projects of the Royal Government as the basis for the provision of future development assistance.

6. Before ending, I would like to express my sincere appreciation and gratitude to the Government of the Republic of Korea and the Korean people for providing continued supports and being a good development partner of Cambodia. Once again, I would like to assure the Government of the Republic of Korea and the Korean tax payers that their money has been used in a transparent and accountable manner for the sake of Cambodia's development. To conclude, I would like to thank you all, Excellencies, Ladies and Gentlemen, for your participation in today's dialogue. I declare the dialogue open and wish for fruitful results.

Now, I would like to invite Her Excellency **Oh Youngju**, Head of the Delegation of the Republic of Korea, to take the floor for her Opening Remarks.

Thank You for your kind attention.