Donors' response to Rectangular Strategy (Anti-Corruption)
H.E. TAKAHASHI Fumiaki, Ambassador of Japan to Cambodia
Pre-Consultative Group Meeting 2004
10 September, 2004, at (venue)

We welcome and appreciate very much that Samdech Prime Minister Hun Sen has put Good Governance as a core policy of his Rectangular Strategy and thereby showing clearly the Government's commitment and will to tackle the most daunting task.

In Good Governance, fighting corruption is the most important challenge the Government is facing. The Rectangular Strategy, acknowledging this, lists "Fighting Corruption" as a top priority. Corruption is a matter that encompasses the Cambodian society as a whole thus requiring comprehensive approach on a variety of challenges.

Just to cite some, the Government has to tackle by concrete actions legal reform and making laws, judicial reform, improvement of law enforcement capacity, public administration reform, civil service capacity enhancement, increasing revenue through fiscal reform, controlling tax evasion, military and police reform, and education reform.

Corruption not only damages the fabric of the society but also distort allocation of economic resources and thus prevents sound economic growth. It could also adversely affect the functioning of national economic system, increase trading cost and discourage Foreign Direct Investment.

In order to fight against corruption and implement a comprehensive policy, strong political leadership is needed. We, as development partners of Cambodia, are very much encouraged that the Rectangular Strategy seems to understand this reality and are looking forward to its vigorous implementation.

Adoption of the Anti-corruption law and its enforcement is what all development partners are paying full attention to for fighting corruption. The draft Law on Anti-Corruption passed the cabinet meeting on 20th June 2003 and was then submitted to the National Assembly 25th June 2003. However, it is said that the bill has been returned to the Government. On this score, I would like to make two questions.

First, I would appreciate it if the Government could clarify current situation of the draft and how it is going to proceed. Second, although the draft suggests

establishment of a new organization called “Supreme National Council for Anti-Corruption” and empowering it to investigate and prosecute corruption cases, it is questionable that the proposed organization’s power and jurisdiction could overlap with those of other existing public entities such as police, prosecutor and courts. More than two competent organizations’ involvement in the same crime may bring about further complication and another corruption. We would appreciate it if donors will be kept informed of the progress of the draft Law.

Adoption of an anti-corruption law is not only a measure in fighting corruption. Other concrete measures in those fields that I have already mentioned within the context of a comprehensive approach are necessary as well, such as: enhancing legal framework. Capacity building for law enforcement, particularly for crime investigation and police, human resource development of the judiciary, strengthening revenue base through increasing tax income, and thereby assuring realistic salary standard of civil servants, and fostering competitive human resource of the civil service.

We sincerely hope that under a strong leadership of Samdech Prime Minister Hun Sen, concrete measures towards elimination of corruption will be taken and anti-corruption policy pursued vigorously and tenaciously to change the situation on the ground. We on our part are prepared to support such reform efforts.