Twelfth Meeting of the
Government-Development Partner Coordination Committee (GDCC)
Phnom Penh, Cambodia, 4 March 2008

Opening Remarks
by Sr. Minister KEAT CHHON, M.P.
Minister of Economy and Finance
First Vice-Chairman, Council for the Development of Cambodia
Chairman, GDCC
Royal Government of Cambodia

- Colleagues from the Royal Government
- Excellency Ambassadors and Distinguished Representatives of Development Partners
- Ladies and Gentlemen

1- Welcome to the Palais du Gouvernement for our twelfth meeting of the Government-Development Partner Coordination Committee - the GDCC. To those of you who are attending this meeting for the first time, you are warmly welcome. I would to like request Ian Porter in his capacity as Lead DP Facilitator to pass on our best wishes to Ms. Nisha Agrawal, the former World Bank Country Manager, and also thank her for the significant contribution she made in making these GDCC meetings an opportunity for reflection, stock-taking and dialogue.

Excellencies, Ladies and Gentlemen

2- Our discussions today are very much rooted in our on-going dialogue at Technical Working Group level, and are also a continuation of previous discussions we have had here at the GDCC as well at the First Cambodia Development Cooperation Forum (CDCF) in June 2007. I believe - and I hope you will agree - that this shows that our dialogue is both substantive and enduring, and that this is a further indicator of our maturing and strengthening partnership. We have together established a comprehensive framework to build and strengthen our partnership and we can be proud of our common efforts directed toward the implementation of the Rectangular Strategy and the National Strategic Development Plan (NSDP) and the meeting of the Cambodia Millennium Development Goals (CMDGs).

3- Our agenda today is therefore intended to follow up on our previous dialogue as well as to chart new directions. Our main agenda items concern public administration reform and human resource management; legal and judicial reform, with an up-date on

progress towards strengthening the fight against corruption; human development issues, including the anticipated impact of the Organic Law on service delivery; and land management, and the application of the law regarding land use. I am pleased to announce that the Council of Ministers has adopted on 29 February 2008 the draft Organic Law on the Administration and Management of Capital, Province, Municipality, District and Khan; the draft Law on the Organization of the Election of Capital, Province, Municipality, District and Khan Council; and the draft Law on Public Finance System which is consistent and coherent with the above-mentioned Organic Law.

Excellencies, ladies and gentlemen

4- It is clear that the over-arching focus of our discussion today relates to the pace and direction of reform. More specifically, it concerns the development of the capacity that is required to establish a national vision, to implement agreed actions, and then to be able to demonstrate that results have been achieved for the benefit of Cambodian people. With regard to these core reforms, I have shared my views at previous GDCC meetings but please allow me to comment further.

5- Cambodia is attempting to implement simultaneously an ambitious reform programme that would be challenging for any country, no matter its stage of development. For Cambodia, with its legacy of limited human and institutional capacity, this challenge is compounded. There is therefore a need to balance our common desire for accelerated progress with a pragmatic recognition of the complexity and difficulty of reforms such as these. In this way we may then establish a consensus on what we might realistically expect to achieve in the short-to-medium term and how we might work together most effectively.

6- Development is about nurturing a process of change in a society; it is not simply about implementing programmes designed in the capitals of our development partners. And we must therefore take a longer-term review that takes full account of a county's history and its own vision for the future. There is a considerable common interest in supporting a reform programme that promotes broad-based economic growth that can accelerate poverty reduction. These reforms are of course imperative to the provision of the necessary legal, social, economic and environmental safeguards that are required to ensure that Cambodia and its people can prosper and take their rightful place on the regional and global stage.

7- From my own perspective - which I suspect is much longer-term than for most of you - I see significant progress in establishing the foundations for a more equitable and rules-based society, with stronger systems and accountability in place. This is the case in many areas, particularly in Public Financial Management Reform Program. We have made significant progress in preparing an Action Plan to implement PFM Platform 2. This will mean that financial accountability, both in terms of collecting revenue from all sources and managing expenditures, will be extended on a compulsory basis at all levels, including to all ministries and agencies at national and sub-national level. This, together with other actions of the Royal Government, will further enhance our efforts to

tackle corruption and create the institutional norms that place everyone equal before the law.

Excellencies, ladies and gentlemen

8- I hope my introductory remarks have helped to shape and inform our discussions this morning. I would also like to bring your attention to other processes that can inform the context of our discussions. In particular, I would like to make reference to the TWG Progress Reports that have been discussed and agreed by the Chair or Co-chairs and their respective Lead Development Partner Facilitator, and that have been consolidated by my colleague Chhieng Yanara and his colleagues at CRDB. This consolidated report shows that our TWGs are making good progress following the review in mid-2006 and I hope that the capacity that is being developed will translate into stronger partnerships and accelerated implementation of the Joint Monitoring Indicators and the associated reform programmes and sector activities. I was also pleased to learn of development partner initiatives to review the Lead Development Partner Facilitator role and I trust that this will further enhance the management of TWG work. It is also important for all TWGs to focus on the implementation of activities related to CDCF-JMIs., and I welcome recent initiatives to review and focus activities in many TWGs.

9- We are also mid-way through the second survey that monitors progress in implementing the principles of the Paris Declaration on Aid Effectiveness, and we are also preparing to undertake the Mid-term Review of the NSDP. I trust that both of these exercises will show that the progress we have made as partners is having a demonstrated impact on achieving the development results that we are striving for.

10- Excellencies, Lathes and Gentlemen, this concludes my opening remarks. I thank you for your kind attention and, before turning to the first of our agenda items, please allow me to invite any of you who wishes to speak to have the opportunity to do so.