

**TWG network retreat**  
**21-22 October 2015, Phnom Penh**

Opening Comments

**Ms Fiona Ramsey, EU Head of Cooperation**  
**and Lead Development Partner Facilitator (LDPF)**

H.E Chheng Yanara, Minister attached to the Prime Minister, Secretary General of CDC and CRDB.

Excellencies

Government, development partner and civil society colleagues

This is my first opportunity to join the TWG Network Retreat as Lead Development Partner Facilitator and it is with great pleasure that I make these remarks on behalf of all development partners in Cambodia.

I would like to thank H.E Yanara for his opening remarks which reflected on the Royal Government's perspective on some of the key events this year, notably the 2030 Agenda for Sustainable Development, that helped shape global and national development policies and related emerging plans and actions. There is indeed an ambitious agenda ahead of us.

This TWG Network retreat presents a welcome opportunity for dialogue on the effectiveness of our development partnerships, for a joint review of our results and for mutual learning so that we can make improvements going forward. Effective dialogue is at the core of any effective partnership: ensuring the partnership and dialogue arrangements set out in the Development Cooperation and Partnerships Strategy are used for effective dialogue is one of the key reasons that we are here today.

Like HE Yanara, I would like to start by reflecting briefly on the outcomes of the 3<sup>rd</sup> Conference on Financing for Development which emphasised that post-2015 development agenda cannot be achieved through aid alone. Existing sources of development finance and most notably domestic resource mobilisation are complemented by increasingly diverse public and private funding sources. While Cambodia has been performing above expectations in the area of domestic resource mobilisation (tax as % GDP), which is an encouraging trend, fiscal space is still limited and many public services remain underfunded. In this regard, development partners will continue to support the Royal Government in implementing the necessary

reforms to collect revenue at both central and sub-national levels, as well as to promote budget transparency to ensure a coordinated approach to funding that leads to greater development impact. This work must also be applied at the sector level so we welcome TWG dialogue on this topic.

We welcome the Royal Government's plans for localisation of Sustainable Development Goals (SDGs) while keeping focus on "unfinished business" of CMDGs. Cambodia is an early achiever in many CMDG areas (reducing income poverty, increasing primary enrolment, and fighting HIV and malaria) with other areas looking achievable (primary completion rate and gender parity at the secondary level). It is perhaps useful to note that the 'unfinished' business in Cambodia in the areas of nutrition, de-mining, environmental sustainability, access to clean water and sanitation possibly remain so challenging as they involve cross-cutting issues with multiple actors and entry points. What can we learn from our work together on cross-cutting issues to date?

The SDGs are both wider and more complex than the MDGs: their outcomes rely on multi-sectoral and inter-governmental coordination to a much greater extent than the MDGs. However, this challenge also provides the potential to involve a greater diversity of actors than ever before. Within this diversity, a coordinated approach to funding, implementation and monitoring is important. How can we broaden our partnerships to be inclusive of both traditional and emerging donors (China, India Vietnam)? How can we better manage potential diversity of financial flows, including the expected new/additional climate financing, and integrate them in the budget? CDC's leadership is very welcome and we look forward to learning more.

Development partners also welcome the proposed discussion on ODA (both grants and loans), role in supporting the recently launched Industrial Development Policy and specifically complementing domestic investment and FDI. The IDP outlines clear Government priorities in supporting economic growth in the coming years, particularly relevant in the context of Cambodia's imminent graduation to Lower Middle Income Status. We look forward to further engaging on how to ensure growth remains equitable and sustainable in Cambodia, noting that the large share of population remains highly vulnerable to poverty while urban poverty may be rising. It is useful in this regard to reflect jointly on the geographic distribution of provincial support presented in the development cooperation and partnerships report and the possible mis-match with needs on the ground.

The SDGs and the IDP emphasise a sustainable development agenda. The notion of "sustainable" development relates to social, economic, financial and environmental sustainability, all of which depend on having effective (and accountable) institutions. We would welcome an opportunity to discuss effectiveness of institutional capacity

building and share information on good practices that can strengthen the sustainability of our joint capacity development efforts.

The session on Development Cooperation and Partnerships report provides a good opportunity to review progress and look at work we have done so far, including completing the strengthening exercise of TWGs and reviewing the progress on JMIs. The presentation of progress on the implementation of the JMIs in the framework of the Rectangular Strategy priorities (and subsequent NSDP priorities) is particularly helpful in highlighting where extra efforts need to be made and where momentum needs to be maintained.

We all contributed to the revision of the TWG Guidelines and are keen to understand better how we will apply them in practice, particularly in strengthening cross-reform work and cross-sectoral coordination (ref. above). In that respect we welcome the new coordination mechanism established by the Royal Government to coordinate three governance reforms - PFM, SNDD and PAR - key elements along with Legal and Judicial reform at the core of the Rectangular Strategy. It would be useful to discuss this cross-reform coordination further at this meeting and to understand how this mechanism complements TWG efforts and how DPs can provide support.

We appreciate receiving the information on the upcoming 2<sup>nd</sup> monitoring survey of the Global Partnership for Effective Development Cooperation. Monitoring of Busan commitments is important for both learning and accountability and we look forward to participating in this exercise.

I hope that our discussions will lead to proposals for action that will further strengthen our partnerships and improve our results.

Thank you.