

# Cambodia New Vision

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## Opening Speech to the Cambodia Consultative Group Meeting

TOKYO, JAPAN 25-26 FEBRUARY 1999

*During his stay in Tokyo for the Cambodia Consultative Group Meeting, Samdech Hun Sen called on HE Prime Minister of Japan Keizo Obuchi.*



At the outset, I would like to thank the World Bank and the Government of Japan in organizing this meeting and making such excellent preparations for it. Both of them, as many others, have been steadfast supporters of Cambodia in times of triumph and travail, advising us and helping us, and sometimes also pointing out to us harsh, clear and candid perspectives, always in furtherance of welfare and progress of Cambodia. I also thank all of you for coming here today to hear us and share with us your views.

This meeting is a very important occasion for Cambodia and all our friends and well wishers of the Cambodian people. This is the first international meeting in over one and half years to consider Cambodia's past achievements and performance, its current status, its potential and promise as well as its needs and requirements. All of you are here to perform this task and to take back with you information and views that would shape your programs of assistance to Cambodia. Let me thank you for your generosity in giving us valuable advice and assistance in the past and for

your continued commitment to support Cambodia's march towards a better tomorrow.

The Royal Government has an experienced senior level delegation led by H.E. Keat Chhon to give you all the information you need about various aspects of our socio-economic situation and needs. We have also presented various background documents. We will take back with us and most seriously consider your comments, criticism and recommendations for we know you make them for our betterment, progress and prosperity. I would therefore urge you to be forthcoming in your statements and views in the true spirit of partnership that continues in our relationships.

We are just at the beginning of a term of the new Royal Government established less than 90 days ago. I have therefore thought it best to be with you here this morning and to share with you some important perspectives on the overarching matters engaging our attention in order to inform and help your deliberations here.

What I am going to say today, I have said in various forums in and outside Cambodia. We have achieved much in short time of just 86 days but not everything is well known. Let me elaborate.

As we all know, accomplishment or prevalence of peace is not great news compared to continuity of conflict, which grabs headlines and provides photos. The biggest news about Cambodia of the past more than two months, if one has to single out one of the many achievements, is that Cambodia and Cambodians are at peace for the first time in three decades. This is indeed a uniquely historic, highly laudable and noteworthy accomplishment. This peace has been brought about by relentless efforts, mutual accommodation and compromise. They say politics and democracy are ultimately the fine art of compromise towards a common cause, between individuals, between opposing viewpoints, and between divergent opinions and paths.

We did achieve this compromise in 1991 through the Paris Accords but under considerable influence and with involvement of external powers each with own agendas. The external community conducted a general election for us in 1993 resulting in the establishment of a coalition government. But differences continued and led to the event of July 1997. Thereafter, although with the benign help of some of our external partners, the Cambodians themselves have been in the lead to reach compromises and agreements without external influences. We passed our own electoral laws, and established constitutional institutions to conduct the elections and to resolve disputes.

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Cambodians, with significant technical and financial assistance from our external partners, organized and conducted the general elections by themselves. The elections of 26 July 1998 were witnessed, observed and commented upon by thousands of external and internal observer teams from registration of voters to counting of votes. There was near unanimous view that the elections were blissfully peaceful in a land written off as in eternal strife and that the results clearly reflected the unfettered and free choice of the population. People described it in such glowing terms as the "miracle on the Mekong." Indeed it was a miracle, entirely brought about by calm and persevering leadership and hard work and above all by the will of the people at large.

The differences among the major parties elected by the people were resolved in the interests of Cambodians and of Cambodia's future under the sagacious presence and influence of our beloved monarch and father of our nation, King Norodom Sihanouk. So Cambodia is at peace.

In addition, Cambodia in one integrated self-contained territory under one government, without separatists and rebels, for the first time in over three decades. In just 25 days of its new term, the Royal Government managed to dismantle the political and military organization of the Khmer Rouge. Now in Cambodia there are no more Khmer Rouge rebels, leaders, or troops. All have come into one fold. What was intended in the Paris Peace Accords of 1991, but could not be ensured by UNTAC, is now a reality because Cambodians have come together among themselves, not at the behest or prodding of external forces. There are those who criticize us about the formation of a Senate, which we as Cambodians feel is important for our nation on the model of what existed before 1970. There have been some procedural delays before we have this august body in place. But these are neither for external elements to comment on nor interfere with.

Peace is priceless but is difficult and demanding to attain and to keep. Compromise is key to ensuring co-existence and cooperation and avoidance of division and conflict. So, when important Khmer Rouge leaders, surrendered voluntarily 60 days ago on their own, it was a golden

opportunity for Cambodia to regain peace and heal the wounds of decades of conflict. Cambodia has struggled towards and achieved peace on its own. Should we disturb this fragile fabric before the starches of time strengthen it; or should efforts at long drawn out revenge and retribution take Cambodia back to the dark ages? What aspects of crimes over what period should be considered? Who will bear the responsibility and who will suffer should the war erupt again? The choices are not simple, easy or straightforward. In the end, Cambodia's past should yield to its future. The solution to be lasting should be Cambodian remedies.

We all know that human progress has been achieved by a dynamic, changing, interaction and equilibrium among various important factors -- i.e. political, security, social, economic and others including lately environmental. Overly emphasizing one over another causes tension and rupture and is in the end counterproductive, retrograde and unsustainable. Harmonious adjustments within and between these essential factors are a pre-condition for growth and development. This can be achieved only by compromise and unity of purpose over common goals.

Let me assure all of you and through you the rest of the world that this is what we have achieved in Cambodia. The new coalition government is not a mere expedient of getting together of hitherto opposing parties to share power; it is far more importantly to implement a shared, proactive, unified vision for the country through an agreed common platform. I understand you all have copies of this common national agenda; even our otherwise critical opposition endorsed it in the National Assembly on November 30 last year.

This common agenda or platform for progress was arrived at and agreed upon after intense discussion and consideration. It has been widely embraced and accepted. We held a four-day conference only three weeks ago to disseminate the agenda to all-important levels of our government machinery. Over 800 people participating in the meeting considered all aspects of it and came up with recommendations for practical implementation of the agenda. Now, it is truly a nationally owned agenda for reform actions.

Our program stresses that the country has

irrevocably adopted a pluralist democracy as the only way ahead. A true "Rule of Law" with equity of opportunities and redress to all will be ensured. Already in the past five years much has been done to codify laws and to train personnel. Judiciary would be independent, capable and above board. Strenuous efforts are being made to achieve these goals since much has to be done to build and strengthen human and institutional capacity. Our civil society organizations and media are many and they are unfettered, fully free and vigilant.

Our agenda also comprehensively covers protection of human rights in all aspects as internationally understood and practiced, both in regard to political and economic rights, encompassing rights to food, shelter, and clothing. We are determined to identify, apprehend and deal with recent unfortunate violent incidents in March and July 1997 and thereafter. We have set up our own human rights groups. The politically peaceful climate now prevalent has also helped in security being improved and crimes diminishing. The communal elections to be held by the end of this year will engender two important benefits for the Cambodian people: (i) it will strengthen democracy at the grassroots level by people choosing the leaders they like; and (ii) it will improve the efficiency of the public services at the delivery level. These two factors will contribute to the enhancement of democracy, the respect of human rights, the efficiency of the management and the country's development in all aspects.

Building on newly gained peace, stability and unity of territory and goals, the new Royal Government's most important agenda is speedy poverty alleviation and economic progress. I have repeatedly said long before and frequently after the elections, and this has been nationally endorsed, that the new government is for Economic Development. Our strong pillars for this are very clear.

First, the government will safeguard political and social stability and security through democracy, rule of law, and freedom of speech and activity.

Second, the government will ensure human capacity building through attention

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to and investments in social sectors like education and health.

Third, it will provide, strengthen and maintain essential infrastructure and the enabling stable and predictable environment to attract and foster private sector investment. Necessary regulations would be in place to protect public interests in this regard.

Fourth, the government would fully protect and preserve the overall natural environment for prosperity. As recently shown in the case of the much-publicized waste disposal in Sihanoukville, we will be ever vigilant to protect our people from environmental exploitation. For this purpose, Cambodia is now working to become a party to the Basle convention the soonest possible.

Fifth, we will do all we can to enhance national revenues with full transparency and accountability in disposal of state assets and rights and by strictly adhering to the established law on taxation, and in matters like incentives including exemptions for investments. To achieve all these we will make the needed short-term sacrifices for we realize that short-term pains may have to be borne to reach long-term gain.

Sixth, within this environment, the private sector will be our engine of growth, investment, and employment creation. The society will encourage and foster private individuals to realize their full potential and contribute to their own welfare and growth and to national progress.

We are conscious of the over-riding need to enhance the quality of Public Governance in Cambodia. Government operations and functioning need to be clearly predictable, equitable, transparent, readily accessible and efficient. Corruption in all forms needs to be and will be rooted out. A set of well understood laws should be in place along with a competent and qualified judiciary. These goals and aspirations need to be met, and fast.

Though we have started in right earnest in many areas, there is so much still to be done and we will address these needs. Much of these could be achieved only by experience and building of healthy institutional traditions and practices, which need

evolutionary time. We shall however fast tracks our effort relentlessly.

Also, as part of governance, we need to revamp the structure, shape and size of Public Administration and strengthen the public machinery to work efficiently and effectively. There is an urgent need to raise public sector salaries and to reform the civil service. We already have proposals before you in this regard.

Long years of internal conflict have necessitated the existence and used of rather large military arms sapping away a large chunk of our resources. With stability in hand, and the rebel setup dismantled, we are in a position and are determined to reshape and reform the military and security apparatus to make it competent and politically neutral. Over the next five years, the Royal Government plans to downsize 55,000 soldiers and 24,000 police force. The downsizing of the armed

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forces will allow us to save certain amount our budget which will be earmarked for the benefit of other social sectors, in particular health and education. Furthermore, this will transfer a large number of disciplined people into the productive occupations.

As a clear measure of separation of powers, I have already relinquished my functions of the Commander-in-Chief of the armed forces, leaving the leadership now in professional hands answerable to elected political executives as in all democracies. We have already finalized the plan for demobilization with help from the World Bank. My colleague, H.E. Sok An, Senior Minister in charge of the Office of the Council of Ministers and Chairman of the National Commission for Demobilization and Reintegration of

Ex-soldiers, will elaborate in more detail on this issue.

We will make this a very transparent, civilian driven process. We do hope you will consider these in earnest give us your advice as well as technically and financially help us implement and monitor the plans in an orderly and phased manner.

A matter of most serious concern to us in Cambodia and one that has repeatedly attracted international attention and comment is the issue of sustainable management of forestry resources. Unsettled internal atmosphere and continuing sporadic internal conflict led to anarchic destruction of our forest resources on a large scale in the past few years. We are determined and have commenced allocating our energies and efforts to curb this malice and bring back sanity in the system. Forests are not merely a source of sustained income for us; we look at it more importantly as contributing to our ecological and bio-diversity balance, a source so vital for our future generations. Our water, agriculture, and fish depend upon this resource.

I have taken personal interest in this matter and am charging all my ministers and military officials to pay maximum attention. The Council of Ministers has adopted several strict measures in this regard.

Already the results are beginning to emerge. Illegal log exports have fallen, many illegal logging and processing equipment and facilities have been destroyed and a large amount of logs seized. Several high-ranking military and government officials involved have been removed from their positions or transferred to other jobs. I have cancelled twelve concessions of nine parties covering more than two million hectares of forests. All others are being and will be reviewed with a view to cancellation and/or renegotiations as appropriate under the law. Now new processing units will be allowed to get established; and existing ones will be encouraged to modernize to increase value-added. We are now preparing a new, comprehensive forestry legislation to be approved by the National Assembly. We have already decided to raise the level of loyalty from a mere \$14 per cm to \$54

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per cm.

On 19 February 1999, I have instructed the Ministry of Environment to establish urgently an independent logging, log-processing and log-export monitoring unit in accordance with the provision of the Declaration of the Royal Government of Cambodia on the Measures to Manage and Eliminate the Anarchy in the Forestry Sector, dated 25 January 1999, in order to provide periodic reports to us and to the international community. Reports from this unit will be speedily addressed by the enforcement agencies. We will use international technical expertise to run and strengthen this unit. To assist us in our efforts, we would need external assistance, both technical and financial. Some are already in the pipeline such as from the ADB and the World Bank. We welcome all other assistance and advice.

HE Chan Tong Yves, Secretary of State for Agriculture, Forestry and Fishery, will elaborate further in more detail on this very important matter.

Our goal is poverty alleviation and continuing economic and social progress for all. A prerequisite for this is proper macro-economic management and vigilance. Our track record so far has been very favorably commented on and appreciated. Many corrective measures supported by the IMF and the World Bank have been already put in place by the Royal Government, though some of them involve strict and difficult decisions in the short term. You will hear more in detail about these matters from H.E. Keat Chhon.

Macro-economic management has to go hand in hand with prudent fiscal policies and practices. The goal here is to ensure maximization of domestic revenues through broadening the tax base and prevention of leakage; attaining efficiency and equity in expenditure allocations by allocating more and more to human development endeavors; and finally, effectiveness of public expenditure.

All these call for clear transparency, accountability and speed in every sphere of government activities. Those are also the pre-requisites for reduction of scope for corruption, which we are determined to root out from our society.

Economic growth needs improvement in production and productivity both quantitatively and qualitatively. There is immense potential waiting to be unleashed in our agricultural sector both in staple and cash, animal husbandry and in agro-processing. Improvements in this sector will at once have a beneficial impact on our rural areas where 90% of Cambodians live and toil in the hope of a better future. Our highest priority is therefore this sector.

Our manufacturing sector especially in the garment sector has been growing exponentially adding investments and employment and skills to a large number of our young people. Our services sector has also been growing. The early signs of revival of tourism bode well and we will do all we can to make our historic sites and our cultural heritage attract more and more tourists.

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I do not want to take much of your time going into all details and all aspects. My intention is to assure you of our unity, sincerity and seriousness of purpose in pursuing progressive policies and measures in all spheres. It is also to emphasize to you that we have achieved much in a very short time compared to many other countries which took decades to reach where we are from where we were just a few years or even months ago. Sure, we have several challenges ahead and many milestones to cross rapidly. But, what we have achieved so far gives us confidence that we shall overcome obstacles and difficulties ahead.

The road ahead is long and difficult, but you will agree that the long distance trav-

ersed so far in a short time by a society resurrecting itself from destruction is a clear pointer of future potential.

Let me also assure you that our goals, policies, and programs are not to please anyone in Cambodia or outside or to gain temporary reprieve from criticism. They are truly nationally owned and accepted because we believe in them and we wish to adhere to them for the benefits of Cambodians today and to be born. My colleagues and I are committed to fully inform the Cambodian people on a regular basis of the progress we are making to realize our policy platform and programs, and of the challenges ahead. Likewise, we will hold in-depth dialogue with our external partners once every three months to do joint-stock-taking of performance against goals and to consider suggestions and recommendations.

Your assistance to us these past few years has been very valuable and well spent. External assistance to Cambodia is not to help one party or personality but to get Cambodia on its feet to move ahead. Slackening of this effort keeps Cambodians below poverty line and hurts Cambodians most and indirectly it affects regional balance and growth and in turns global balance.

There are some discordant and sometimes destructive voices, which for short-term political reasons advocate stoppage of aid. But they are wrong and anti-Cambodian. Most of our external partners indeed implement their own programs by agreement with the government, which does not control, not to speak of use, these resources. You can rest assured that your resources go to bolster up a once strong and proud nation to get back its place.

I wish to thank you all for your patience in listening to me. Your deliberations here and your decisions about assistance to us are very important as we all step into the next century in another ten months. Before the first decade of the next century ends, Cambodia would like to fully reclaim its destiny, be a real partner in regional and global affairs and be well on its way to becoming a truly free nation, free from want and poverty above all.../□