

# Cambodia Development Watch

Year 2 Issue 1  
March 2006



More than 200 NGO  
Representatives Met  
at the 2006 Civil  
Society Forum  
(page 1)

Analysis of Joint  
Monitoring Indicators  
Agreed at the 8th  
Consultative Group  
Meeting (2-3 March 2006)  
(page 2)

Progress in Fighting  
Corruption and  
Increasing  
Accountability  
(page 4)

Legal and Judicial  
Reform and Protection  
of Human Rights  
(page 5)

This publication is made possible through the support provided  
by The Asian NGO Coalition for Agrarian Reform and Rural  
Development (ANGOC)



**NGO Forum**  
**on CAMBODIA**

## More than 200 NGO Representatives Met at the 2006 Civil Society Forum

On 27 February 2006, more than 200 representatives of provincial and Phnom Penh based local and international NGOs and local communities convened at the Civil Society Forum in the World Vision auditorium. The Civil Society Forum served the following purposes: i) call for the government, donors and all stakeholders to put their promises into concrete actions; ii) provide a space for Civil Society Organizations to raise their concerns regarding poverty reduction and development of Cambodia; and iii) launch the NGO Statement to the 2006 Consultative Group Meeting.

Various issues such as good governance, rule of law and judicial reform, human development, agriculture, rural development, land reform, and forestry and plantations, were raised and discussed at the Forum. After a long and tough discussion, the Forum agreed that the four priority issues to be raised at the 2006 Consultative Group (CG) Meeting are i) good governance focused on anti-corruption, ii) judicial reform, iii) human development focused on timely and transparent disbursement of funds allocated to the health and education sectors, and iv) agriculture development and natural resources management.

These priority issues were subsequently raised by three NGO Representatives at the CG meeting that was held on 2-3 March 2006 in Phnom Penh with the theme “*Implementing the National Strategic Development Plan*”. The three NGO Representatives that were selected at the Forum were Ms. Thida Khus, Executive Director of SILAKA, Ms.

Haidy-Ear-Dupuy, Manager of Communication and Advocacy Department of World Vision-Cambodia and Dr. Sin Somuny, Executive Director of MEDiCAM.

The Forum was followed by a press conference on the NGO Main Statement with the NGO Representatives to the 2006 CG Meeting, Mr. Thun Saray, President of ADHOC, and Mr. Chhith Sam



*Speakers at the opening of CS Forum (from left to right) Ms. Miwa Igawa (Forum Asia), Mr. Thun Saray (ADHOC), Mr. Chhith Sam Ath (NGO Forum), Ms. Nil Vanna (World Bank)*

Ath, Executive Director of the NGO Forum on Cambodia, speaking.

The one-day Civil Society Forum was co-organized by ADHOC, CCC, CSD, MEDiCAM, the NGO Forum on Cambodia, Oxfam America, Pact and World Vision Cambodia.

*By Mr. Ek Siden  
Development Issues Program Coordinator  
The NGO Forum on Cambodia*

*Cover photo: Participants raise priority issues for the NGO representatives to take to the Consultative Group (CG) Meeting.*

## Analysis of Joint Monitoring Indicators Agreed at the 8<sup>th</sup> Consultative Group Meeting (2-3 March 2006)

This analysis was prepared by NGO Forum to help explain to NGOs information regarding the Joint Monitoring Indicators agreed between government and donors at the Consultative Group (CG) Meeting on 2-3 March 2006. These Joint Monitoring Indicators will be monitored by the relevant government-donor Technical Working Groups (TWGs) and reported to the quarterly Government-Donor Coordination Committee (GDCC) meetings.

The “indicators” are, in most cases, really *actions* that government and donors agree should be achieved by the time of the next CG meeting. Achievement of these specific actions is considered be a good indication of progress in each sector more generally. The word “benchmarks” was previously used, but government officials requested that the

word “indicator” be used instead. The CG Meeting agreed on 60 joint monitoring indicators (JMIs), up from the 25 agreed at the 2004 CG Meeting and the 10 agreed at the 2002 CG Meeting. Due to the way JMIs have been reworded and regrouped, a direct comparison cannot be made, however the trend is obviously towards monitoring more issues and more indicators, probably at the expense of a more focused approach. There were 40 completely new JMIs. A further 20 JMIs were rolled over from the 2004 CG Meeting (following some re-wording), as they had not yet been achieved. However, 7 JMIs from the 2004 CG Meeting that had not yet been achieved were dropped. The table below shows the number of new, rolled over, or dropped JMIs in each sector. The complete list of JMIs is attached.

**Table of Joint Monitoring Indicators Agreed at the 2006 CG Meeting**

AREA	NO. OF JMIS	NEW JMIS	ROLLED OVER	DROPPED
1. National Strategic Development Plan	1	1	0	0
2. Partnership and Harmonization	3	1	2	0
3. Anti-Corruption	3	0	3	1
4. Legal and Judicial Reform	9	5	4	2
5. Public Administration Reform	4	2	2	0
6. Decentralization and Deconcentration	3	2	1	0
7. Public Financial Reform	1	0	1	1
8. Rural Livelihoods	6	4	2	0
9. Infrastructure	5	5	0	0
10. Human Development	5	5	0	0
11. Natural Resource Management	12	11	1	3
12. Private Sector	8	4	4	0
<b>TOTAL</b>	<b>60</b>	<b>40</b>	<b>20</b>	<b>7</b>

## New Joint Monitoring Indicators

Many of the new JMIs were in fact indicators or actions already being monitored by the TWGs, but previously not considered to be priority indicators requiring monitoring by the GDCC and CG. Indicators on infrastructure development, health, education, forestry and nutrition have now been included as JMIs. Many of the new JMIs are focused on the implementation of donor-supported projects.

Completely new indicators include the implementation of social land concessions and the adoption of a strategy and regulations for indigenous people's land tenure, both of which were strongly advocated by NGOs (although NGOs would have liked to have seen a more specific mention of communal title for indigenous people). Gender-related indicators include implementation of the National Action Plan to combat violence against women.

## Indicators Rolled Over

20 JMIs were rolled over from the 2004 CG Meeting, as they had not yet been achieved. This includes the rolling over of an indicator on disclosure of information about mining concessions and military zones, which was strongly advocated by NGOs.

## Indicators Not Included or Dropped

Despite general agreement that indicators agreed in 2004 but not yet achieved should be rolled over into the new set of JMIs, a number of such indicators were in fact dropped, namely:

1. The previous indicator on termination of concessions and developments illegally situated on forestland or in protected areas has been omitted.
2. The previous indicator on maintaining a moratorium on logging, transport of logs and new economic concessions has been omitted.
3. There is now no indicator calling for "application of sustainable management planning, including ESIA's, investor evaluations, consultation with local communities, public disclosure and comment

period prior to entering into new contracts for private use/management of state managed natural resources (land, fisheries, forestry, and mines)."

4. There is now no indicator calling for a Law on the Amendment of the Supreme Council of Magistrates.
5. There is now no indicator on using existing laws to prosecute cases of corruption (while we are still waiting for an anti-corruption law and implementation plan). However, semi-annual reporting on cases of corruption and convictions is included.
6. There is now no indicator calling for a "legislative framework (such as a Freedom of Information Law)". The revised indicator calls for a "clear policy framework on access to information" instead. However, experience on the Anti-Corruption Law and other laws shows that it is best to have a policy framework before drafting a law.
7. There is also now no specific mention of "timely disbursement of the budget for Health and Education as agreed in the PFM Action Plan." However, implementation of the Public Financial Management (PFM) reform program is still included.
8. A new indicator suggested by donors on protection of personal rights and freedoms has also not been incorporated (despite recent signs that the Government is keen to prove its commitment to human rights).

## Overall assessment

The omission of the above-mentioned indicators is regrettable, considering their importance as indicators of political will and their importance to Cambodians generally. Nevertheless, the new JMIs provide a good basis for monitoring Cambodia's progress, and NGOs should be ready to assist this monitoring. NGOs should also be ready to raise any and all issues that they consider to be important, and which may be important to include in the joint government-donor monitoring in future years.

## Progress in Fighting Corruption and Increasing Accountability

### Introduction

As part of the discussions in the Government Donor Coordination Committee (GDCC) meeting of December 2005 the NGO community provided their views on the progress made on the Joint Monitoring Indicators agreed upon during the Consultative Group Meeting in December 2004. The following article is an extract of this NGO Statement and discusses the progress made in fighting corruption and increasing accountability during the 12 months after the 2004 GC meeting.

**Indicator 1:** *Within the existing criminal law, reported cases of corruption shall be brought before the courts for investigation and hearing; a consistent and strategic approach shall be employed by law enforcement authorities to the prosecution of cases of corruption. Data shall be collected to enable monitoring of progress.*

As mentioned in the NGO's June statement, the Ministry of National Assembly and Senate Relations and Inspection (MoNASRI) reported the identification of possible corruption amounting to more than US\$26 million. There is still a need to bring such cases to court, as part of "a consistent and strategic approach" to prosecuting corruption cases. NGOs welcome recent moves to bring before the courts government officials involved in illegal logging in Virachey National Park. NGOs also welcome the government's resolve to tackle corruption within the courts, but remain concerned that the way in which this has been done has affected the independence of the judiciary, as explained below in the section of Legal and Judicial Reform.

NGOs would like to suggest that, in order to develop a consistent and strategic approach, funds from the national budget need to be allocated to anti-corruption efforts.

**Indicator 2:** *The existing draft law on anti-corruption shall be brought into compliance with international best practice (such as reflected in the United Nations Convention against Corruption) and enacted.*

NGOs note that no progress has been made in the improvement of the draft Law on Anti-Corruption, since the last workshop in August, despite comments made by civil society organizations and international experts, and strongly urge that further commitment by the Government is needed to make this law meet international standards. NGOs still maintain their position with regard to the draft law, as stated earlier in the Statement of the Civil Society Organizations against Corruption, and presented in the last NGO Statement to the Government-Donor Coordination Committee Meeting, 15 September 2005. These recommendations are repeated in Appendix Three of this statement. NGOs would like to encourage government to carefully review the draft and incorporate into the draft, at least, the aforementioned recommendations.

**Indicator 3:** *The Government should commence preparatory work on establishing a legislative framework (such as a Freedom of Information Law) to facilitate access to information held by public authorities. In the meantime, public authorities must change current practice by displaying a preparedness to share information with the general public and with other institutions in Government. The different TWGs will monitor specific indicators of access to information (see Annex for examples).*

There has been no progress on the drafting of a Freedom of Information Law, nor has the Government assigned a responsible agency to start to prepare this law. There has been so far only rhetoric by certain government officials on the importance of such a law but no clear sign of moving ahead with actions.

In order to ensure accountability in the reform process, we strongly appeal for a government technical working group to be urgently established to draft a Freedom of Information Law to ensure access to information, and this law must be passed as quickly as possible. Contrary to ensuring transparency and free access to information, the Parliament adopted the Archive Law without any

consultation with civil society. Preparation of an Archive Law was not a CG-endorsed indicator, and it has raised serious concerns from civil society because the Law includes several provisions which appear to contradict the CG indicators for “Fighting Corruption and Increasing Accountability” because, among other things, it reverses the presumption that all public information should be freely accessible.

A significant indicator of “preparedness to share information with the general public and with other institutions in Government” is Indicator 3 under Agriculture and Natural Resource Management. To date, release of information has been slow, despite

high-level meetings between the Prime Minister and donors on the subject.

On a more positive note, recently, the Ministry of Environment has been sharing information and requesting comments from NGOs on S/EIAs<sup>1</sup> submitted by companies for mining and tourism concessions. Such transparency has allowed NGOs to share their expertise on environmental issues and knowledge of local conditions which, if taken into account, may be valuable contributions to government decision-making.

- NGOs recommend that the above three indicators be maintained in 2006.

## Legal and Judicial Reform and Protection of Human Rights

**Indicator:** *In all benchmarks listed below, the law shall be consistent with the Constitution and international best practice (such as reflected in international human rights treaties, and by instruments such as the Basic Principles of the Judiciary and the Guidelines on the Role of Prosecutors) and prepared through a satisfactory participatory process.*

*Fundamental Legal Framework (new - but includes laws from previous unmet benchmarks)*

*Adoption of the drafts of the 8 fundamental laws by the Council of Ministers and submission to the National Assembly as a matter of urgency:*

1. Penal Code
2. Code of Penal Procedures
3. Civil Code
4. Code of Civil Procedures
5. Organic Law on the Organization and Functioning of Courts
6. Law on the Amendment of the Supreme Council of Magistracy (reflecting transparency in appointment, promotion, transfer, remuneration and disciplining of judges and prosecutors, and ensuring the independence of Judges and Prosecutors) - rolled over
7. Law on the Status of Judges and Prosecutors - rolled over
8. Law on Anti-Corruption - rolled over

NGOs are disappointed to observe that the Government has failed to meet benchmarks regarding legal and judicial reform and protection of human rights as originally promised to be achieved by December 2005.

The adoption of fundamental laws to protect the fundamental rights of individuals is a significant and a crucial part of legal and judicial reform. From this perspective, the Government pledged in December 2004 that the drafting of eight fundamental laws would be prioritized, as these laws were recognized by the Government and a number of donors to be crucial for strengthening the rule of law and independence of the judiciary, for reducing corruption and for eliminating impunity.

The slow process in adopting these eight laws demonstrates the weak commitment of the Government towards legal and judicial reform. For example, out of eight laws promised to be adopted by the end of 2005, only the Civil Procedure Code has been sent to the National Assembly for review. Three laws<sup>2</sup> are still at the Council of Ministers, and three more laws<sup>3</sup> are to be examined by the Council of Ministers in 2006. Drafting of these laws has taken many years, resulting in a backlog of laws to pass through the Council of Ministers and National Assembly. A lack of high-level commitment to the

<sup>1</sup> S/EIAs – Social and Environmental Impact Assessments

<sup>2</sup> Three draft laws include; Penal Code, Penal Procedure Code, and Civil Code

<sup>3</sup> Law on the Amendment of the Supreme Council of Magistrates; Law on the Status of Judges and Prosecutors; Law on Anti-Corruption

legal reform process is clearly evident. NGOs agree with donors that the government needs to produce a realistic and prioritized schedule for the consideration and adoption of these and other laws in the pipeline.

Of deepest concern is the stagnation in the drafting of the amended law on Organization of the Supreme Council of Magistracy. Without this strengthening of the Supreme Council of Magistracy no real reform of the judiciary can happen. In order to avoid political influence, the law on Statute of Magistrates and the amended law on Organization of the Supreme Council of Magistracy should be drafted and submitted directly to the Parliament by the Supreme Council of Magistracy. In addition, the Criminal Procedure Code needs to be quickly adopted in time for the beginning of proceedings of the Khmer Rouge Tribunal.

NGOs have submitted recommendations on the Penal Code, Penal Procedure Code and Law on Anti-Corruption, the details of which are shown in the appendices of this statement. In brief:

### **Penal Code**

A technical working group consisting of several NGOs made a number of recommendations to the Government for amendments, of which some of the most important recommendations include: to remove the crime of defamation; to remove the crime of insulting a civil servant or elected public figure (Art 4141-1); and to ensure that the hearing for a criminal case and the sentencing for the same case is heard separately.

### **Penal Procedure Code**

The NGO technical working group also made a number of recommendations to the Government on the Penal Procedures Code. The most important of these are: to include a separate chapter on the rights of the accused; the rules of evidence should cover all evidential matters; to put limitations on the appeal procedure; to include sanctions for breach of time limits; and to ensure a transparent information regime.

## **Law on Anti-Corruption**

As mentioned above, another working group of NGOs made several recommendations on the draft law. The most crucial recommendation was to call for the anti-corruption body to be truly independent, with independently elected staff and autonomy to investigate complaints. In addition, it recommended that adequate witness protection measures be ensured and that immunities to informers and witnesses be provided. Also, the Secretary-General should have the right to open the asset declarations of those suspected of being involved in corruption.

## **Concluding remarks**

We are seriously concerned about whether the Government has a genuine commitment to reforming the legal and judicial sector. Over this year we have seen very little progress made in this field. We believe that no meaningful legal and judicial reform can happen without a solid legal framework to work within. In a 2004 UN Human Rights Report, the Special Representative noted that “the past decade has seen the continuation of executive control over the judiciary”.<sup>4</sup> Indeed, this situation appears to continue. The judiciary has long been criticized for being a body which provides “‘legal’ legitimacy to abuses of power, arbitrary decision-making, and exonerating those responsible for serious human rights violations”.<sup>5</sup> While the government has been seen to take some action against corruption in the judiciary with the so-called “Iron Fist” approach, the implementation of this policy has appeared arbitrary, resulting in an even weaker judiciary that is afraid to use any discretion in applying the law.

The current Secretariat of the Supreme Council of Magistracy has been effectively controlled by the Ministry of Justice. This is a breach of the principle of separation of powers. As previously mentioned, we request the adoption of a Law on the Amendment of the Supreme Council of Magistracy (SCM) which ensures that the SCM is established as a body truly

<sup>4</sup> UN Report of the Special Representative of the Secretary-General for Human Rights in Cambodia, 20 December 2004

<sup>5</sup> UN Report, 20 December 2004, Paragraph 21.

independent of both the Legislative and Executive. Therefore, the Amendment should provide for a change in the composition of the SCM, a separate secretariat, and clear procedures for responding to complaints.

We note that, while the Government has been actively working at the technical level, planning the strategy for legal and judicial reform, and attempting to

coordinate its Ministries to carry out reforms, there has been very little action taken at the highest, decision-making levels. So until we see political decisions for real reforms being made at the highest levels, we conclude that very little real progress, if any, will be made.

- NGOs recommend that the above indicator be maintained in 2006.

## Trade and Economic Development Sectoral Issues Paper: 2006

*We have been growing for some time, and we still have poverty. It should be obvious that what grows is the reinvested surplus, and the benefits of growth go to the owners of surplus, who are not poor. Some of the growth dividends trickle down, but not many. The poor are given the sop of full employment—they are allowed to share fully in the economy's basic toil but not in its surplus—and unless we have enough growth to satisfy the dividend recipients, even the booby prize of full employment is taken away<sup>6</sup>.*

### Introduction

Cambodia's first full year of membership in the WTO was marked by a global debate on the unequal nature of the world economic order and the unwillingness of trade superpowers to surrender a portion of their advantage for the sake of developing nations. This debate culminated with the 6<sup>th</sup> WTO Ministerial conference held in Hong Kong last December – an event widely regarded by NGOs as generally ineffective at setting policies likely to promote development.

Even a deal offering tariff and quota-free access to rich country markets for products from “least developed countries” (LDCs) is far from a guaranteed boon for Cambodia (itself an LDC); with the United States expected to continue restricting textile imports and Japan proposing limits on imports of rice and fish. The agreement by rich countries to allow the tariff-free import of value-added items from LDCs however, may, in the future, aid the much-discussed development of Cambodia's agro-processing industry.

Meanwhile, here at home, the much-feared end of the Multi-Fiber Agreement (MFA) has yet to take the disastrous toll on the Cambodian garment industry that many had anticipated. In fact, it was reported that 9,000 new garment sector jobs have actually been created over the past year, with the value of exports to the US increasing by 16.6%

through October,<sup>7</sup> due in large part to the continued resistance to Chinese garment imports by the EU and the US. Citing such positive data, as well as, the expansion of the tourism, telecom and construction sectors, the World Bank upgraded Cambodia's economic growth forecast for 2005 from 2.6% to 6.1%.<sup>8</sup>

However, 2005 was also yet another year marked by growing criticism and concern over the stifling effects on the economy of patronage, corruption and the failure to tie economic growth to broad-based poverty reduction. Despite the continuing din, institutions and policies that funnel the benefits of growth away from Cambodia's poor persist. Forward-looking members of the RGC must keep pushing ahead in their difficult fight to distribute both the benefits of growth, and the stock of national capital more equitably, in order to better meet development goals.

Placing trade, finance and industrial development high on its agenda, while issues of poverty, decent work, environmental protection and universal education remain unresolved, will ultimately serve

<sup>6</sup> *Steady State Economics* by Herman Daly, Chapter 5, 1973

<sup>7</sup> The Cambodia Daily, “Garment Jobs Grow; Buyers Talk Rights” Thursday, December 8<sup>th</sup>, 2005

<sup>8</sup> Cited from XinhuaNet, 11 August 2005, available at <http://www.cdri.org.kh/webdata/flashrep/2005/Nov05.pdf>

to limit the extent to which any nation's economy is able to prosper.<sup>9</sup> In addition to concerns over corruption, ineffectual governance and a myriad of social challenges, there is cause to remain critical of the economic system itself, and to consider the sustainability of a policy approach that has led to disappointing results across the developing world.

## Key Policy Issues

### *Measures of Development*

The 2005 UN HDR is explicit in its warning that "export growth" and "export success" are not the same things. The former alone is not a sufficient indicator of development and converting a growing volume of export production into higher incomes and improved living standards can be difficult.<sup>10</sup> We see this point born out in Cambodia's own garment sector, an industry which by 2004, after years of impressive growth, accounted for 80% of total exports and 65% of the manufacturing workforce, while directly employing only 4% of the nation's total labor force.<sup>11</sup>

A 2005 ADI survey found that despite the importance of the workers' remittances home, their incomes tend to simply meet the daily needs of those they support, while contributing little to savings, investment or a meaningful rise in living standards.<sup>12</sup> The income and employment opportunities generated by garment manufacturing are more of a poverty stopgap than an avenue through which Cambodians can escape the poverty trap.

An impending demographic shift resulting in a million new job-seekers entering the labor force over the next four years<sup>13</sup>, an under-skilled, under-educated population, limited industrial capacity, and WTO regulations that disallow technical transfer and local content requirements of foreign investment projects, are all conspiring to make Cambodia's climb out of poverty more difficult.

<sup>9</sup> UNHDR 2005, Chap.4

<sup>10</sup> (Ibid.)

<sup>11</sup> Impact of the Garment Industry on Rural Livelihoods: Lessons from Prey Veng Garment Workers and Rural Households. Analyzing Development Issues Project of the Cooperation Committee for Cambodia, October 2005

<sup>12</sup> (Ibid.)

<sup>13</sup> Cambodia Economic, Watch volume II 2005;



*Special Economic Zone in Svay Rieng*

### *Regional Markets and the Need to Compete Better*

Cambodia's integration into the open, trans-national markets of Southeast Asia, while promising to reduce her dependence upon the whims of US and EU trade policy and market preferences, could either be a blessing or a detriment to Cambodia's future economic development, with investors gaining reduced-tariff access to the entire regional market regardless of which ASEAN nation they invest in. Thus Cambodia may find itself in even greater competition with its neighbors and perhaps forced to cater more aggressively to investor demands.

With endemic corruption and an insufficiently educated population already acting as major inhibitors of legitimate foreign investment and negating much of the country's comparative advantage,<sup>14</sup> one fears that many of the potential benefits arising from regional economic integration will remain unrealized, particularly when one recalls the historical importance of a well-educated labor force to the development of Asia's most successful economies.<sup>15</sup>

### *Social Impacts of Orthodox Trade Policies*

Regarding the trade of agricultural goods, policy-makers in Cambodia should not confuse building a future with exporting it. Reform focused on export-oriented farming receives tremendous government and donor support. This may generate foreign exchange, as well as jobs for a limited number of rural people, much the same as commercial

<sup>14</sup> Executive Summary, Economic Institute of Cambodia

<sup>14</sup> (EIC/World Economic Forum, 2005)

<sup>15</sup> ADB Asian Economic Cooperation and Integration p.7

concessions do, but its results merit close attention. Such an industry does not guarantee improved livelihoods for the farmers producing for non-export markets or on a small scale. Export efficiency can lead to lower levels of food-security, a loss of local capacity for producing necessary goods, and a worsening rural wealth gap<sup>16</sup>.

As extractive industry, tourism services, commercial agriculture and aquaculture have emerged in Cambodia as the sectors most expected to grow alongside the garment industry, we've seen a scenario develop in which the rich increasingly compete with the poor for the same limited supply of natural capital. Land-grabbing, opaque land concession agreements, the displacement of both rural and urban communities, and hydro-electric projects undertaken without proper social and environmental assessments can weaken eco-systems and degrade the present and future supply of available, natural capital.

If development policies degrade this capital without sufficiently replacing the wealth and livelihood opportunities that it once provided, the displaced poor will be forced to compete with one another for the limited quantity of replacement livelihoods that the nascent industrial economy is capable of creating for them. The limited number of Cambodians being employed at the Svay Rieng Special Economic Zone (SEZ) and the dearth of employment opportunities available to even vocationally trained youth in that community may foreshadow the troubles that lie ahead.

### *Strategic Resistance to the Economic Policy Dictates of External Forces*

IFI and WTO efforts at creating a global policy convergence based upon the uninhibited flow of goods and capital, rather than social stability and poverty reduction, have failed to achieve the stated WTO intentions of "ensuring full employment," "preserving the environment" and attending to different countries' "respective needs and concerns at different levels of economic development."<sup>17</sup> And yet the RGC is forbidden, (by both policy constraints and lackluster governance) from manipulating the economy in a way that may better ensure that such

<sup>16</sup> UNHDR, 2005

<sup>17</sup> The Marrakesh Agreement establishing the WTO, available at [http://www.wto.org/english/res\\_e/booksp\\_e/analytic\\_index\\_e/wto\\_agree\\_01\\_e.htm](http://www.wto.org/english/res_e/booksp_e/analytic_index_e/wto_agree_01_e.htm)

pressing social needs are addressed.<sup>18</sup>

## Recommendations

- Heed the recent World Bank advice to promote "small-holder, rather than large, concession-based agriculture" and quickly address issues of landlessness through accelerated titling and social land concessions.<sup>19</sup>
- Invest more heavily in creating a skilled and productive workforce.
- Stop ceding to the companies receiving land concessions, the freedom to themselves identify the concession areas, through an approval process that is opaque and prevents accountability.<sup>20</sup>
- Seek to negotiate with China, and other regional trade partners, greater levels of technical exchange and local content for all investment projects.
- Pursue a sequenced, strategic development that does not eliminate existing livelihood opportunities without providing a greater number of new ones.
- Develop the rural economy not just in terms of its integration into the global economy, but also in terms of its capacity to sustain itself and maximize the use of local resources for local benefit.
- Ensure that the new SEZ board under the authority of the CDC be transparent, accountable, judged primarily by its effectiveness in protecting the rights and welfare of workers, generating employment and ensuring that the local environment is protected.
- Coordinate a national working group on alternative, small-scale, and conservation based economic development.

\* Cambodia Competitiveness Report 2005-2006, Executive Summary, Economic Institute of Cambodia. September 29, 2005

*Source: NGO Statement to the 2006 Consultative Group Meeting on Cambodia.*

<sup>18</sup> UN HDR 2005, p. 121

<sup>19</sup> "Poverty Assessment-consultation draft" a World Bank Presentation to Civil Society Partners, Phnom Penh, Cambodia, January 24<sup>th</sup>, 2006

<sup>20</sup> NGO Forum, 2005 p.20