



BACKGROUND

According to the USAID funded Economic Institute of Cambodia (EIC) report on corruption in the Cambodia's private sector "only about 25% of potential tax was collected from the private sector in 2005." This is estimated to have cause up to \$400 million in loss revenue in 2005.

The impact of corruption extends to all aspects of daily life and creates a corrosive affect on the economy, political life and society. Corruption causes distortion of the market, impairs Cambodia's competitiveness, lowers investment, reduces the collection of legal revenues, and diverts funding from badly needed social services.

USAID Cambodia's Strategy Statement 2006-2010 has placed anti-corruption as a central focus for future USAID work.

PARTNERS

Pact Cambodia: The Mainstreaming Anti-Corruption for Equity (MAE) Program (\$4.2 million) was launched in September 2006 as the second phase of USAID's Anti-corruption work that started in October 2004. The main objective is to strengthen the ability of the citizens of Cambodia to hold public officials more accountable for the use of public resources.

WildAid: WildAid's program fights illegal trafficking of forest and wildlife products.

The Program Focus is to:

- Build Government Ownership of Anti-Corruption Issue;
- Inform the Public Debate about the Cost of Corruption;
- Obtain Passage and Implementation of the Anti-Corruption Law;
- Support Policy and Regulatory Reform to Prevent the Oil Curse;
- Implement a tangible Sector by Sector Anti-Corruption fight.

RESULTS TO DATE

- Organized a team of international legal experts who engaged Government Ministry staff to incorporate international standards into the draft Law on Anti-Corruption (LAC).
- Initiated Technical Assistance to drafting a Freedom of Information Policy Framework.
- Expanded the number of NGOs from one to over 30 who speak with a unified voice and support tangible anti-corruption activities.
- Over 300,000 people signed treaties asking the government to fight corruption and pass an Anti-Corruption Law that meets international standards. New Million Signature Campaign to be launch on World Anti-Corruption Day, December 9, 2007.
- Forest-rangers have conducted over 4,000 patrols and bi-monthly aerial helicopter surveys to protect over 1 million hectares of forest in the Cardamom and Bokor Mountain Ranges.
- The Rangers have submitted over 300 cases of land encroachment, apprehended 180 wildlife traffickers, confiscated over 550 sq. meters of timber, over 100 chains saws, and destroyed 3 illegal saw mills.
- Introduced the first "wildlife trafficking hotline" in Cambodia in order to solicit civil society participation.
- 40 cases have been submitted to court with 7 prosecutions as well as the removal of two high ranking government officials.
- Trained 600 government officials on preventative anti-corruption measures techniques.
- 28 Khmer language print and radio journalists have received intensive training in investigative reporting and have produced 90 stories. Several stories have prompted the Prime Minster to order investigations into corrupt practices.
- Provided 30 sub-grants to 29 local NGO's that include fact based data research; placement of Cambodia on annual Transparency International Corruption survey;
- Created the "Clean Hands Brand" used to market the Anti-Corruption movement (76% Brand recognition). (see logo lower right corner). New Clean Business Campaign to be launch in 2008.
- Played a significant role in supporting the donor coordination efforts to ensure that the donor community continues to speak with a unified message regarding corruption issues.
- Promoted linkages across USAID programs to include anti-corruption techniques.

