



KINGDOM OF CAMBODIA
PERMANENT MISSION TO THE UNITED NATIONS

866 UN PLAZA, SUITE 420, NEW YORK, NY 10017
TEL: (212) 223-0676 FAX: (212) 223-0425



STATEMENT BY:

HIS EXCELLENCY MR. CHHAY THAN
SENIOR MINISTER, MINISTER OF PLANNING
HEAD OF CAMBODIAN DELEGATION

AT THE
HIGH-LEVEL MEETING ON THE MID-TERM COMPREHENSIVE
GLOBAL REVIEW OF THE IMPLEMENTATION OF THE PROGRAM
OF ACTION FOR THE LEAST DEVELOPED COUNTRIES
FOR THE DECADE 2001-2010

New York
18 September, 2006



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Statement by H.E. CHHAY THAN
Senior Minister , Minister of Planning
Head of Cambodian Delegation

at

the Mid-term comprehensive global review of the implementation of the
Program of Action for the Least Developed Countries (LDCs) for the Decade
2001-2010

on 18 September 2006, UN Headquarter, in New York, USA

Madam President, Excellencies Distinguished Delegates, Ladies and
Gentlemen,

I am honored and pleased to represent the Kingdom of Cambodia at this meeting and to brief you about the situation in Cambodia with regard to the implementation of Brussels Program of Action for the Least Developed Countries (LDCs) for the Decade 2001-2010.

After the Third UN Conference on LDCs in Brussels in 2001, Cambodia has adopted several cross-cutting priority implementing strategies to build a Cambodian society that is socially cohesive, educationally advanced, culturally vibrant, and free from hunger, disease, inequality, vulnerability and exclusion.

We adopted a National Poverty Reduction Strategy in 2002 and a set of Cambodia Millennium Development Goals in 2003. And last year we prepared a National Strategic Development Plan, 2006-2010 (NSDP) synthesising all the programs envisaged in the earlier two documents. All these were formulated with intense and broad participation of all stake holders including in particular civil society representatives. The NSDP also operationalises the Rectangular Strategy we adopted in 2004 aimed at growth, employment, equity and efficiency. The NSDP is now the

single overarching document to guide us in our development efforts which have a clear pro-poor and pro-rural focus in order to rapidly reduce poverty levels.

Some noteworthy features of our socio-economic development process, particularly since late 1998 when the country could finally achieve internal peace and political stability, have been and continue to be robust economic growth and improvements in agriculture which help 80% of our people living in rural areas, expansion of infrastructure including in rural areas, and enlarged and enhanced provision of social services to help build and strengthen our much needed human capital. The poverty level in Cambodia in comparable areas has registered a steep decline from 39% in 1993 to 28% in 2004. We are acutely conscious that there is still so much more to be done as envisaged in our NSDP.

Cambodia has put in place highly participatory system for grassroots level involvement in governance. With the commune councils in place through commune level elections in 2002 and decentralization starting with a bottom-up, integrated, participatory, decentralized rural development scheme, now in operation for over a decade, Cambodia has approved its Strategic Framework for Decentralization and Deconcentration (D & D) in June 2005. The country has adopted and pursues a multi-pronged attack on corruption and for broad based reforms in all aspects of governance.

Cambodia's accession to the WTO in September 2003, has posed both challenges of globalization and benefit from the process. For this, Cambodia has put emphasis on developing several facilitating factors such as strengthening of domestic enterprises and infrastructure; development of human resources and technological capabilities, diversifying the external sector; and creating market access.

Cambodia has taken measures to reinforce institutional support structure for the private sector to enhance their roles in national trade and domestic investment. Policies have been put in place to respond more effectively not only to the needs of the productive sectors through better integration of trade capacity building and private sector development activities but also to ensure that, national poverty reduction goals could be pursued with vigour. Our immediate challenge is to ensure that favourable trade agreements with other countries and regions could be taken advantage of by the trade sector to export diverse Cambodian products.

Cambodia's priority is to develop human and institutional capacities, remove procedural and institutional bottlenecks to reduce transactions cost, take full advantage of market access opportunities, intensify horizontal and vertical diversification especially to boost productivity and move up the value chains, and promote competitiveness and sub-regional/regional cooperation to Cambodia's exports and facilitate the integration of domestic enterprises into international economy. .

The Brussels Program of Action is not only a shared global commitment but also forms an integral component of our development vision and provides the pillars of national progress towards peace and prosperity for all Cambodians. In order to realize these commitments and successfully implement the Program of Action, Cambodia seeks continued and enhanced support from the international community and our external development partners or donor agencies. While Cambodia is taking all measures to promote a more domestic resource driven development process, success in leveraging the domestic reforms and achieving the CMDGs will critically depend on greater global support and resource flows in implementing its pro-poor policies. Such support needs to be aligned with Cambodian national priorities, as reflected in the NSDP, and managed for results that can be ensured through developing mutual accountability between the RGC and its external development partners.

Cambodia strongly urges that it gets better and more favourable access to international markets, especially in the developed countries. This should include enhanced market access for its overseas workers as well. In this respect, granting of quota-free and duty-free schemes for all Cambodian dutiable products will contribute to increased export earnings and with deeper backward linkages in the country make trade work for Cambodia's development particularly oriented to the poor.

We are confident that we will be able to realise our commitment under the Program of Action provided bold initiatives are taken by its development partners and the global community to complement its pro-poor and pro-CMDG national policies with required financial, technical and other support. This will help Cambodia to break the poverty cycle and ensure achieving critical goals including developing human resources, providing food security, removing supply-side constraints, managing forest and bio-diversity and protecting the environment.

Thank you for your attention. ■■■