

## CAMBODIA TODAY\*

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*H.E. Minister Sok An*

Today I am pleased to address the topic of Cambodia's reintegration into the international system. There are a number of means by which progress on reintegration can be measured. These include economic reintegration, diplomatic reintegration and so on. But all of these forms of progress could not happen if there was not the foundation of peace, stability and reconciliation in the Kingdom of Cambodia. Without these elements securely in place, there would be no possibility of Cambodia's reintegration into the world economy or the international political system. Therefore, it is appropriate to start this discussion by reviewing the current state of affairs in Cambodia, because that is the basis for all its progress on the international scene.

First, let us turn to the issue of peace. As the world knows, the peace, stability and security that Cambodia now enjoys was only won after years of hard work and sacrifice. War and genocide isolated Cambodia from the rest of the world for more than two decades. It ravaged Cambodian society, destroyed its economy and precluded its engagement with the rest of the world. In the early 1970s, Cambodia was caught up as only one victim in a larger conflict in Southeast Asia that led to the genocidal Pol Pot regime. That tragic period visited with more destruction of Cambodian society than any war could have. Following the ouster of the Khmer Rouge in January 1979, we saw more than a decade of war. Set in the larger context of the Cold War, this warfare primarily pitted Cambodian against Cambodian. The Government of Cambodia resolutely opposed any return of Pol Pot to power, and fought his forces to a standstill.

In the early 1990s, under the leadership of His Majesty King Norodom Sihanouk and the active role of other leaders of the former State of Cambodia and other key players, Cambodia broke out of its international isolation and a peace process was initiated through the auspices of the United Nations. Although a signatory

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*\*Read by H.E. Minister Sok An, Senior Minister and Minister in Charge of the Office of the Council of Ministers of the Royal Government of Cambodia, at the Asian Center, University of the Philippines, Diliman, Quezon City on August 17, 2000.*

to the 1991 Paris Peace Agreements, the Khmer Rouge Party left the peace process even before the 1993 elections and took up guns again.

Nevertheless, the die was cast—the end of Pol Pot was in sight. With the 1993 election came worldwide acceptance of Cambodia as a member of the family of nations. The long process of rebuilding the country started in earnest. And as Cambodia progressed, fissures became apparent in the ranks of the Khmer Rouge. Except for some hard-line fanatics, many of the Khmer Rouge were also tired of war. As they could see the rest of Cambodia moving forward socially and economically, not a few in the Khmer Rouge ranks began to question the leadership of Pol Pot, Ta Mok and others. In short, many of the Khmer Rouge cadres were becoming disillusioned with the endless war. And as Cambodia as a whole progressed, this political movement was being left behind.

Starting in 1996 Prime Minister Samdech Hun Sen developed his “win-win policy” by initiating dialogue with those in the Khmer Rouge who wanted to find a better way. Seeking out those elements in the rebel movement who desired peace, Cambodian Prime Minister Hun Sen began encouraging the dissidents to leave Pol Pot and rally behind the Government. Increasing numbers of Khmer Rouge did so, and the genocidal movement was permanently split. The recalcitrant elements of Pol Pot and Ta Mok stayed with their hard-line position, but the more reasonable elements accepted the Prime Minister’s plea for dialogue and reconciliation. Thus, Prime Minister Hun Sen’s policy ended the war without bloodshed, something that had not been possible even when there were 20,000 United Nations peacekeepers in Cambodia. While many so-called experts were predicting decades more of conflict in Cambodia, the win-win policy of the Prime Minister created peace without resorting to arms.

Thus did peace come to Cambodia. Today and for a number of years now, tranquility extends into every corner of the Kingdom. The guns are silent, people are secure from the ravages of war, and we look forward to permanent peace.

Since Cambodia enjoys peace today, and everyone understands that we cannot return to war, national reconciliation is critical. The peace that was negotiated by Prime Minister Hun Sen embraced the idea of inclusion. The former Khmer Rouge members were encouraged to rejoin Cambodian society, support the government and participate in the government as soldiers, policemen and civil servants, and enjoy full political rights. In all of the former areas of Khmer Rouge influence, these former foes of the Royal Government have joined in the process of national reconciliation and reconstruction.

The win-win policy of the Prime Minister laid the groundwork for the 1998 national election. Although the 1993 UNTAC-sponsored election was boycotted by the Khmer Rouge—even to the point of attacking the electoral process—the

progressive elements of the former rebel movement participated in the most recent election.

As a result of this win-win policy, peace and stability prevail all over the country. More importantly, a unified State was established and security for the country is guaranteed, since this is the first time in the last 400 years of Cambodia's history that there is no armed conflict or rebellion in the country.

Furthermore, this win-win policy and the peace it produced also contribute to the strengthening of regional peace and security. With the end of the war, Cambodia can no longer be a flashpoint for conflict and instability. Nor could it be a venue where conflicts between various international actors could be played out. Whereas Cambodia previously had been a hotbed of tension, Cambodia now contributes to regional security.

Thus, we can see that peace and national reconciliation have produced many benefits, both for Cambodia and for Southeast Asia, and even the international order. On the other hand, national reconciliation also demands that there be an accounting of the misdeeds of the Pol Pot regime. For both the international community and for all of the Cambodians who suffered through the years when the government of Democratic Kampuchea was in power, justice requires an accounting of the crimes perpetrated by the genocidal Pol Pot clique.

The nation's leaders in the Royal Government had been working very hard to create a judicial process that can lead to such an accounting of crimes. Because there are many interests at stake, and because there are numerous parties concerned with the trial, there were protracted negotiations and these had been very complicated. Arriving at a format that will satisfy everyone had not been easy. They had to deal with the issue of protecting Cambodia's sovereignty over the interest of the international community in promoting a trial with acceptable standards. They had to deal with the issues of venue and the composition of a tribunal. They had to consider the scope of the proceedings, as well as the objectives. They had to consider the limited resources of the Royal Government. The nation's leaders had to think about finding justice for the victims, but they also had to consider the effect of legal proceedings on the social stability. They had to weigh these considerations in all of the negotiations, which had been many and varied. Please remember that there had been many interested parties, both internationally and inside Cambodia, all of whom had influenced the outcome of the negotiations. In many cases, the international community had not spoken with a united voice, but had reflected many points of view.

As might be expected with something as complicated as a trial like this, three principles were adopted during the consultation process with the UN, USA, France, India and Russia to draft this legislation. The first principle is to find justice for the victims of this crime of genocide. The second principle is to ensure that this trial will not affect the peace, stability, security and national reconciliation. The third is the maintenance of Cambodia's national sovereignty. It is with both pride and satisfaction that I can tell you today that we have ironed out almost all our differences and have had considerable progress in arriving at a basic framework, which is a unique and unprecedented format to proceed. The essential elements of our plan for a judicial proceeding are as follows:

- First, our judicial proceeding will use the Extraordinary Chambers within the existing structure. Thus, the demands of Cambodian sovereignty will be recognized by using our court system, but the Extraordinary Chamber will take into account the concerns and demands of the international community.
- The second unique feature is the composition of the legal proceeding: we will use both local and foreign magistrates, and we will use both local and foreign prosecutors.
- Third, the format will incorporate the idea of a supermajority. Thus, for decision-making to be effective, there must be a consensus between the local parties and the foreign parties.
- Finally, where there is a deadlock between the co-prosecutors, the device of a pretrial chamber will facilitate the decision-making.

This unique system has been created in order to safeguard many interests in this matter. I trust that you understand that the tragic circumstances of Cambodia's past, and the current requirements of governance, have led us to this format. We have endeavored to be as inclusive as possible, so that all points of view can find this judicial structure acceptable. We hope that you will understand how difficult it has been to create this legal structure and process, and support its conclusions.

The Royal Government of Cambodia (RGC) had already adopted this draft legislation and the process of discussion with the members of our National Assembly is underway, and then the latter's Commission will consider it to become the official agenda of its full session.

It is worthy to note that the creation of a unique system for the trial of crime of genocide is but one indication of the Royal Government's commitment to

human rights. We have created the National Human Rights Commission within the government, the National Assembly and the Senate. We have created an atmosphere where nongovernmental organizations that focus on human rights can freely operate.

In addition, the Royal Government is committed to produce policies that strengthen the rule of law. In this regard, we are fortunate to have the support of many foreign governments and international institutions and donors which have actively contributed to this important but difficult initiative. Creating a system that embraces the rule of law is not an easy task, nor does it come quickly. But it is critical if Cambodia is to join the community of nations. And today, all institutions which require conformity with the rule of law, namely the Government, the National Assembly, the Senate and the Constitutional Council are already in place and they are all functioning well.

The firm element of the foundation of Cambodia's emergence in the world community has been stability. The road to a stable government and social system has not been an easy one. The 1993 UN-sponsored elections did not lead to the stability that all Cambodians desired. However, after the 1998 national elections — which were run exclusively by Cambodians—we were able to create a coalition government and achieve the stability that we had been seeking for so long. Under the leadership of Prime Minister Samdech Hun Sen, the RGC had been setting priorities and implementing the triangular strategy designed to restore Cambodia's place in the world, to improve the lives of the average citizen through the policy of poverty alleviation, and to maintain peace, stability and security.

But this stability could not be possible without the assistance and cooperation of the partner in the coalition. FUNCINPEC (French acronym for National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia) has been a partner with the Cambodian People's Party in providing leadership and working at solving Cambodia's problems. These two political parties have been working hand-in-hand since the creation of the Second Royal Government in 1998. There has been unprecedented goodwill between the parties, and the ultimate beneficiary of this cooperation is Cambodia itself.

There are a number of ways that Cambodia's progress in promoting human rights and democracy can be measured. One easy criteria is to examine freedom of the press in Cambodia. This is an important area for examination because, in many ways, a free press focuses attention on society's problems and failings of the government and public figures. I can tell you that Cambodia today enjoys a robust press. Not only are there many newspapers being published in my country,

but a number of these are unbridled in their criticism. In fact, many international observers believe that the problem with the press in Cambodia is that it is too free. They feel that many members of the press should be more responsible in what they print.

The democratization of society is embodied by hundreds of nongovernmental organizations that have been freely operating in Cambodia and participating in different levels of developmental work, which empowers the people to exercise their rights.

The political and governmental stability that has developed in this second royal government exists at all levels. This democracy has developed very fast, even down to the grassroots. But this stability will be further enhanced when we successfully hold the communal elections. As part of our commitment to building democracy, the Royal Government is planning the next round of elections. For the first time, we will have local elections. This will further solidify the gains made in promoting democracy in Cambodia.

The unity that has been achieved in the Royal Government has helped promote Cambodia overseas as well. This can be seen in two areas: diplomatic and economic. In the diplomatic arena, Cambodia has become a full-fledged member of the regional and international systems. For example, Cambodia has become a member of a number of international organizations. Most prominently, Cambodia has joined the Association of Southeast Asian Nations or ASEAN. For diplomatic and economic reasons, this is an important regional group for Cambodia. Our membership in this association has set the stage for an expanded role for Cambodia in the region and in the world. Today, I am happy to report that Cambodia fully participates in the many and varied committees and activities of the ASEAN.

Furthermore, Cambodia will continue to integrate into the international system. For example, we anticipate entry into the World Trade Organization (WTO) soon. We will join other organizations as well.

In terms of economic development, stability in Cambodia has led to renewed interest in the country as a place for investors. Cambodia was isolated from international commerce for much of the last 30 years. However, because of the stability in the government and a favorable investment environment, we now have many foreign investors coming to Cambodia. In the last two years, we have had many trade and investment delegations arriving in Cambodia, and these have spurred investments in the country. No doubt they are impressed by the opportunities that exist, since much that can be done is not being done at this time. But equally important is one of the most liberal investment laws in the region, as well as low

prices for land and labor. Among the many benefits enjoyed by investors are low tax rates, duty free imports, tax holidays and the guarantee that profits can be freely repatriated to their home countries.

The government has also successfully secured three major markets for Cambodia. The first and most important one is the US and the EU through Generalized System of Preference (GSP). The second one is through the Most Favored Nation (MFN). Currently, about 30 countries offered MFN trade status to Cambodia. The third one is the 500+ million people market of the ASEAN through AFTA.

The fact that Cambodia is rebounding economically cannot be denied. There are a number of means by which this resurgence can be measured. For example, the number of tourists arriving is growing daily, and there is no wonder in this: Cambodia has tourism potential. The Cambodian cultural heritage, such as the fabled temple of Angkor Wat, provides one of the world's greatest archeological treasures. Visitors from all over the world want to visit this extensive temple complex in northwest Cambodia. Their ability to do so has been aided by the open sky policy of the country. Starting in 1997, Prime Minister Samdech Hun Sen announced that the concept of free enterprise would be applied to the aviation industry in Cambodia. He ended the monopoly that had existed, opened Cambodian skies to more airlines and permitted direct regional flights to Siem Reap, where the Angkor Wat temple is located. This policy has greatly facilitated the growth in the number of tourists arriving in Cambodia every year.

I do not want to suggest that everything is perfect in Cambodia today. After more than 20 years of war, much needs to be done to modernize my country and adapt the state apparatus to peacetime requirement. The Royal Government is hard at work in moving the national budget from a wartime budget to a peacetime budget. This includes the difficult task of downsizing the military and reforming the civil administration. And as mentioned previously, we must reform the judiciary so as to improve the rule of law.

As the Prime Minister said at the Consultative Group meeting on Cambodia this last May 2000 in Paris: "A well-organized, functioning public apparatus in a truly democratic setting is necessary for jump-starting and sustaining the momentum of development." I might add that it is essential to poverty alleviation and social justice. To meet this objective, the royal government has embarked on a long and difficult journey to pursue good governance and to reform the administration.

In the past years, the Royal Government and other stakeholders in Cambodian society have made a lot of efforts to bring about good governance, and the rule of law in Cambodia. We have made important progress and very promising work is

underway. But our actions have been somewhat disjointed. The Royal Government is well on its way to finalizing a Governance Action Plan, in full consultation with its partners to better coordinate efforts within its jurisdiction. The plan covers a wide spectrum, from judiciary, administrative and fiscal reforms to demobilization, the further democratization of the country and the fight against corruption. These initiatives, in one way or another, all target principles of good governance, such as transparency, accountability, participation, coherence, predictability and so on. I am sure you are all familiar with the precepts of good governance.

Our approach seeks to build on significant achievements to date. The journey will bring about fundamental changes in the ways of Cambodia and Cambodians. Attitudes will change, new skills will be acquired and behavior will be overhauled. I must stress, however, that good governance is about effective partnerships among stakeholders, partnerships that are firmly anchored in Cambodia's cultural and socioeconomic reality reflecting the country's capacity to sustain the pace of actions and that are supported with adequate human and financial means.

In this context, the National Program for Administrative Reform is a top priority of the Royal Government in order to fundamentally adapt the country's institutions to the needs and means of the nation. The administration should become a potent tool of public policy, an effective partner in the economic and social development of the country and an efficient provider of services to citizens. We want the administration to become neutral, independent, transparent, closer to citizens, predictable and accountable. In effect, the government and its administration must become effective strategists, catalysts, facilitators and partners for the development of the country for it to be sustainable. *The focus and overarching objective of the administrative reform is the well-being of the people.*

The administrative reform program is an ambitious endeavor of its own. To date, we have put in place essential management tools, such as legal and administrative frameworks and management practices and procedures, to better control the workforce. We are now completing a census of public servants, we are automating the pay system and we are also automating a human resources management system. The reform program is now at the stage where we are preparing for a major overhaul of service delivery capabilities. We have just completed the testing of a functional analysis methodology and are planning full-scale implementation over the next few months. In close consultation with line ministries, we are planning the introduction of "priority mission groups" to break the logjam on the road to productivity within the administration. As you can see, Cambodia is embracing leading-edge management technologies.

The General Secretariat to the Council for Administrative Reform now employs over 160 people working on a variety of reform projects, such as the census and the functional analysis. For the most part, these people are drawn from line ministries and agencies. The administrative reform is also a training ground for future managers.

To manage such wide-ranging reform programs, the Royal Government established a network of specialized bodies to facilitate coordination and consultations among ministries. The objective is to enhance coherence among the reforms and to optimize the realization of synergy opportunities. The Supreme Council for State Reform, headed by the Prime Minister himself, spearheads the reform programs. In addition to the Council for Administrative Reform, which has also been mandated to oversee the finalization of the Governance Action Plan and to monitor its implementation, there is the Council for Economic and Public Finance Reform, the Council for Judiciary and Legal Reform, the Council for the Demobilization of Armed Forces and the Council for Military Reform.

Another important element of reform is Forestry. Cambodia has a heritage of relatively abundant natural forests that cover, according to the best estimate, some 58% of the country's land area. These forests have a key role in the subsistence and livelihood of the largely rural national population, can be a source of sustained export earning and government revenue, and represent increasingly rare forest ecosystems in the Indo-Malay realm. Overexploitation from concessionaires and other parties has reduced the size and value of the forest state at an alarming rate since the cessation of major hostilities a decade ago. This increased pressure on the forest resource base exceeded the capacity, both physical and institutional, of forest management institutions in the country to regulate production and forest management.

The RGC took the first important steps in 1999 and early 2000 to rein in rampant illegal logging and establish an institutional and regulatory framework for forest management. With the important imposition of a new royalty of US\$54 per cubic meter in 1999, reduced regional demand for wood products and a government crackdown on illegal logging, pressure on the forest declined substantially in 1999.

A number of concrete steps have been taken by the government over the past year to address problems in the forest sector, by preparing the policy and legal framework for long-term sustainable management of forest resources, and by addressing more immediate concerns on legal and illegal forest exploitation. In January 1999, Prime Minister Samdech Hun Sen issued a declaration to bring order to the forestry sector by (1) declaring the Department of Forestry and Wildlife (DFW) the sole agency responsible for the forest estate, (2) cracking down on illegal logging, (3) ordering the military and police to assist the DFW to combat

illegal logging, (4) banning the conversion of forest land, and (5) calling for a review of all concessions and the formulation and adoption of a new forest law.

The RGC is carrying through on a number of these promises, beginning with the cancellation of 12 concessionaires in early 1999 (an apparent reduction in illegal logging), the seizure of equipment and illegal harvesting of logs and wildlife, the closure of hundreds of illegal sawmills and the introduction of policy and legal initiatives. In the latter part of 1999, the RGC, with international assistance, established forest crime monitoring units and completed a review of concessions. While the donor community should applaud these efforts, the institution charged with managing forests needs a great deal of strengthening to fulfill its mandate, and the structure of the forest concessions system remains fundamentally at odds with the goal of sustainable forest management.

The RGC's initiatives are well highlighted in its determination to set up a framework and concrete action plan for a sustainable forest management in the following agenda:

- National forest policy to be passed by the government
- To review concession performance
- To establish the forest crime monitoring and reporting units with the aim of strengthening the capacity of the DFW and Ministry of Environment (MoE) for forest law enforcement and conservation
- To establish the community forestry to address the issues of forestry conservation and to meet the livelihood and subsistence needs of the nation's rural people
- To improve the revenue collection from the forest sector by increasing the royalties for cubic meter of log fell from US\$14 to US\$54 and to prepare a joint mechanism to allow adjustment to these levies
- To develop and implement biodiversity and wildlife conservation programs
- To start reforestation and rehabilitation of degraded forest lands
- To establish forest extension and support services to local communities, etc.

Though substantial achievements in 1999 and the first half of 2000 have been acknowledged, the RGC recognizes more work will be needed in the future. Issues that need to be addressed most urgently are: (1) the resources assessment, (2) the

appropriate demarcation of Cambodia's permanent forest estate, (3) the enforcement of necessary laws and sub-decrees, (4) institutional strengthening, and (5) human resources capacity building.

Because of the strategic importance to urgently strengthen service delivery, particularly in areas that directly impact on the well-being of people, we are also considering the establishment of an additional council. The Council for Social Development will be responsible to better coordinate the efforts of the royal government's Poverty Reduction Strategy.

Cambodia is a small and poor country that is very reliant on foreign capital inflow through the Official Development Assistance, foreign investment and exportation.

In order to follow this condition, the Government has been focusing on the improvement of institutional and legal frameworks so as to support the private economic activities. This means that consistency and flexibility are the indispensable potentials of economic policy of the Royal Government of Cambodia.

Economic growth is the engine of economic development, but it is not sufficient for social development and social justice. This requires the intervention of the government to spread the fruits of growth and insure a more equitable distribution of wealth. For growth, we rely on a few sectors: agriculture, agro-agriculture, tourism and labor-intensive manufacturing.

We are resolute in our determination to improve the life of our citizens and to contribute to the region. We are heartened by the fact that many of the countries represented in the ASEAN and other neighbors in the region have traveled the same road that we now are on. We are sure that we can enjoy the same success that others have had.