

Cambodia New Vision

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EXTENSIVE EXCERPT OF TOAST PROPOSED BY SAMDECH PRIME MINISTER HUN SEN AT THE OFFICIAL DINNER IN HONOR OF HE KEIZO OBUCHI, PRIME MINISTER OF JAPAN, AND MADAM
(11 JANUARY, 2000, INTER-CONTINENTAL HOTEL)



First of all, on behalf of the Royal Government of Cambodia, please allow me to express my warmest welcome to Excellency Prime Minister Keizo Obuchi and Madam, and members of the delegation which are present here for an official visit to the Kingdom of Cambodia.

The visit of Excellency Prime Minister of Japan at this moment, a few days after we all have entered the new millennium, records a great significance for the whole Cambodian nation and offers us a good opportunity to exchange views on bilateral relations for the sake of strengthening and expanding our good and cooperative relations of friendship on all fields, between the two Governments and peoples, and on regional issues.

May I take this opportunity to have your attention that thanks to the four-point peace initiative and

assistance rendered for the elections in 1998, Japan has become one of the two midwives together with the European Union in setting up the current coalition Government, which is the most important factor to lead Cambodia out of crisis towards peace, stability, national reconciliation, democracy and on the way to development.

At present, as the biggest donor to Cambodia, Japan not only contributes for peace, enormous financial and technical assistance for the elections in the past 1998, the rehabilitation and development of Cambodia, but also helps gather contributions and assistance from the international communities to the cause of rehabilitation and development of Cambodia after nearly three-decade-long destructive war.

I could recall with cheer and pride that right after the establishment of a new coalition Government, I went for a working visit to your country and participated in the third Consultative Meeting of the donor community which was held in February 1999 in Tokyo.

At that meeting, countries and donor institutions have pledged to offer US\$ 470 million as financial assistance to Cambodia.

In this amount, Japan alone con-
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Address by Samdech Prime Minister Hun Sen to the Conference:
"Cambodia in the New Millennium: Managing the Past and Building the Future"
(13 January, 2000, Cambodiana Hotel)

It is a great honor and pleasure for me to address the national conference on **"Cambodia in the New Millennium: Managing the Past and Building the Future"** to share with you all, distinguished participants, the ideas and concepts related to Cambodia's strategic agenda in the new millennium. I would like to take this auspicious opportunity to express my appreciation to the Cambodian Institute of Cooperation and Peace (CICP) for organizing this very useful conference. I wish also to thank the Friedrich Ebert Stiftung (FES) for providing generous support for this conference.

This conference is organized very timely. Just 13 days ago, we all marched into the New Year and a new millennium. The dawn of the new millennium has opened to us the opportunities, but also compel us to think together about the past and plan for the future of Cambodia. Today, I wish to take the opportunity provided by this conference to share with you, Ladies, Gentlemen and compatriots, a number of my main concepts about the Government's long-term strategy and policy with regard to our top priorities, poverty alleviation and sustainable development

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tributed US\$ 100 million for the reconstruction of Cambodia's infrastructure and economy.

The final achievement of the meeting could never be realized if it were not because of the determined role played by Japan.

These gestures are source of encouragement to RGC to absolutely implement to the most effective its socio-economic development programme.

Presently we are marching forward for a successful implementation in all prioritized areas as has been outlined in the political platform of the Royal Government, i. e. the acceleration of the economic growth and the reduction of poverty among its people.

Please allow me to offer my highest appreciation to the fact that the Japanese Government has specifically focused on country members of ASEAN as important partners for a regional progress, peace and cooperation -- the state of which would enable ASEAN and Japan to respond effectively to the new era of globalization and information technology.

I wish to offer my greetings and support with pleasure to initiatives that Excellency Prime Minister has proclaimed in the occasion of the ASEAN Informal Summit in Manila last November, from which some could be recalled here:

- 1) Obuchi plan to stimulate development and exchange on human resources in East Asia;
- 2) Continuation of assistance in the development of social safety net; and
- 3) Cooperation for the development of ASEAN with a special focus on the development of the Me-

kong River Basin and the reduction of economic disparities among ASEAN countries.

A strict pursuance by Japan of its role for safeguarding interest of the East Asian nations in the G-8 Summit is seen as a pride by Cambodia as well as by countries in the region.

I have strong hope that in the G-8 Summit which is scheduled to take place in Kyushu, Okinawa, in July 2000, Japan will have even more appropriate opportunity to illustrate an Asian vision in the forum.

Once again, on behalf of the Royal Government of Cambodia and its people, I would like to express my sincere gratitude to the Government and people of Japan who have been actively supporting and incomparably assisting the Cambodian nation.

In this joyous occasion I would also like to express my greetings to Excellency Prime Minister for the re-election to the post which culminates a high level of confidence of the Japanese people on you in leading Japan toward prosperity, happiness and in the course of strengthening an active pioneering role of Japan in the international arena..."

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with equity in Cambodia. I wish to stress that I gave serious and thorough thought during my previous tenure in office to the subject of today's presentation. This has also been the topic of many presentations that I made at numerous meetings and conferences held both inside and outside of Cambodia. Moreover, I do not have a monopoly over all these concepts and ideas. In fact, they are the products of collective brainstorming within the government, and were touched upon and highlighted in many important government documents.

Before the onset of the new millennium, Cambodia has definitely closed the recent, tragic pages of its own history and has marched into a bright future. We have closed, once and for all, the bitter history, dominated by chaos, violence, insurrection and conflicts. These events were not spontaneous. They are the products of careful calculation by developing strategies, policies and endeavors in order to implement these strategies and policies. Cambodia is at peace and is in one integrated, self-contained territory under one government, without separatists, rebels, turmoil or internal strife for the first time in over many decades. Benefiting from these favorable developments, the Royal Government of Cambodia (RGC), especially I myself as a Prime Minister have more time to think about the economic reconstruction and development, as well as addressing the pressing issues and legacy of many decades of wars and internal strife. Cambodians from all walks of life, while enjoying these favorable conditions, can full devote their physical, intellectual and mental energy to Cambodia's reconstruction and improving

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their own living standards. This is the end of an era and the beginning of a new age, full of pride and hope.

It was not by chance that even before the 26 July 1998 elections were held, I had decided that if my party won the elections and I was elected Prime Minister, I would establish a new government, which will be specially devoted to economic development.

The main objectives of the "Economic Government" are geared towards the alleviation of poverty, which has plagued the country. For the first time in my opening remarks to the Consultative Group (CG) meeting held in Tokyo, Japan, from 25-26 February 1999, as well as in many other fora, subsequently held inside and outside of Cambodia, I stated that "Before the first decade of the next century ends, Cambodia would like to fully reclaim its destiny, be a genuine 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." This is my own long-term vision, and it is also shared by the Royal Government.

In 20 to 30 years, I want to see Cambodia developed to the level of neighboring advanced economies in the region and the Cambodian people attaining a proper and decent living standard, and enjoying progress, prosperity and happiness. In fact, I understand that these are not my personal ambitions; rather they represent the virtuous aspirations of the Cambodian people.

What should we do to attain this goal of poverty reduction? I am confident that Cambodia can have this vision materialize through the achievement of high annual economic growth of 6 to 7 percent over the next two to three decades. Without high, sustainable economic growth, Cambodia cannot hope to

alleviate the poverty of its populace. Moreover, the principle of poverty alleviation also requires equitable sharing of the fruits of economic growth.

Indeed, this is an ambitious goal. However, achieving high economic growth for 20 to 30 years is not an impossible task. We can look at the experience of some neighboring countries in the region. For the last 30 years, the majority of ASEAN members managed to attain high annual economic growth of 5 to 7 percent.

Some 30 years ago these countries were at levels of economic development similar to that of Cambodia today. Thanks to high economic growth during almost the last 30 years, the economic structure and image of these countries changed considerably. Therefore, if Cambodia can maintain high annual economic growth at 6 to 7 percent during the next 20 to 30 years, our nation will be able to attain the level of progress and prosperity enjoyed by our ASEAN neighbors today, notably Singapore, Malaysia and Thailand.

It is highly regrettable that during the last 30 years Cambodia lost not only the opportunity for such high economic growth, but also experienced untold suffering and destruction caused by externally induced wars, genocide and internal conflict.

We should acknowledge that a number of prerequisites are required for achieving long-term, high economic growth. But if we look at the current situation very carefully, we can be confident that Cambodia has the ability and opportunity to achieve these ambitious goals. I have some grounds for being optimistic.

First, during the first term of the Royal Government, between 1993 and 1996, Cambodia managed to maintain high economic growth,

even if peace and stability did not fully prevail in the whole country. The economy grew 6-7% annually between 1994 and 1996. Though growth dropped to 1 percent in 1997 and 1998 due to the adverse impacts of the domestic political developments and the regional economic turmoil, in 1999 GDP growth rebounded to 4 percent. Overall, Cambodia managed to maintain an average annual growth rate of 4 percent from 1994 to 1998.

Second, the accomplishment of peace, stability and security in all corners of the country and for all our people, as I elaborated earlier are the most important prerequisite to sustainable development.

Third, the restoration of Cambodia's image in the international arena and rapid integration of the Cambodian economy into the region and the world are instrumental in gaining the confidence of the donor community and foreign investors. This has provided Cambodia with the opportunities to attract more foreign aid and foreign direct investment (FDI) for the purposes of development.

As you are fully aware, the regaining of Cambodia's seat at the UN, the successful CG meeting held in Tokyo, Cambodia's full membership of ASEAN and the recent normalization of relationships between the RGC and the IMF are the most invaluable achievements of the RGC in these endeavors.

Fourth, demonstrating a strong political will, the RGC has implemented its political platform in order to create a foundation for long-term economic growth and sustainable development.

The key areas of reform include military and police demobilization and public sector reform, including the reform of the civil service and

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the judiciary, aimed at strengthening democracy, promoting the respect for human rights, improving and increasing the efficiency of public services and enhancing the rule of law. The economic reform focuses on ensuring macro-economic stability, strengthening the banking and financial sectors, implementing fiscal reform measures, securing sound management of public property, sound management and utilization of natural resources, increasing public investment in the area of physical and social infrastructure and promoting human resource development.

Through these reform programs, the RGC hopes to ensure a favorable environment conducive to promoting economic activities and further strengthening the confidence of the international community and foreign investors in Cambodia.

These are the main factors that give me the confidence and optimism about Cambodia's future economic development. As a matter of fact, we have noticed that one year after the reforms were launched there are good signs of encouraging progress including:

- Growth is expected to rebound to 4%.
- Inflation will drop to 1%, compared to 12.6% in 1998, lower than the projected 5% at the beginning of the year;
- The exchange rate is broadly stable, fluctuating within the band of 3,750-3,850 riels per 1US\$;
- Foreign exchange reserves increased by 8% from US\$390 million in late 1998 to US\$421 million in late 1999;
- Tax revenue increased by 47%, following the introduction of the VAT;
- Good forest management. Less trees were felled, while more timber royalties collected. For-

est revenue increased by 80%;

Impediments to reforms have been gradually removed. The government's political platform and reform programs have been fully supported by the donor community. At the same time, while foreign investment approvals in 1999 experienced a decline, actual investment disbursement has substantially increased.

Given the favorable political and security developments, should the implementation of the reform programs mentioned earlier continue smoothly, Cambodia is expected to experience GDP growth of 5.5 percent in 2000 and 6 percent in the years after. Inflation will be kept under the 5-percent benchmark. The riel-dollar exchange rate will be broadly stable and government revenue is expected to increase from 11 percent of GDP in 1999 to 14 percent of GDP in 2004.

Poverty alleviation cannot be achieved over a period of one or two years. At present, 36 percent of the Cambodian population is living below the poverty line, against 39 percent in 1993. This means that even though the overall situation in the country was not very favorable, during its first term of office the RGC managed to liberate 3% of our populace from the shackles of endemic poverty.

I am confident that under the current circumstances we will be able to deliver our services more efficiently. However, we need some time and strategies as well as concrete plan of actions, which should be comprehensive and realistic, coupled with strong political will to implement this plan. In addition, mobilization of the forces from all social strata is instrumental to attaining the targets.

As part of these endeavors, I would like to elaborate on a number of key factors that constitute the core of the government strategy for poverty al-

leviation.

First, the consolidation of peace, stability and social order: As you all are aware, during the last few months, concrete actions have been taken, as a matter of urgency, by the RGC to maintain and upgrade these achievements.

Security and social order in the country have been boosted and improved from time to time. The guarantee of the right and freedom of expression, as well as immediate measures successfully implemented to crack down on murder, kidnapping, armed robberies, the recently imposed ban on the use of weapons and the confiscation of tens of thousands of illegal weapons, especially tough measures taken recently to clean up and strengthen the courts, reflect the endeavors and the resolve of the RGC to protect human rights, promote democracy, strengthen security and social order and establish a favorable environment for promoting long-term sustainable development.

Second, investment promotion: Cambodia has currently enjoyed favorable conditions, which will enable economic take-off. This is comparable to the plane leaving the ground into the sky requires the acceleration of the speed, Cambodia needs massive influx of investment during the next few years to generate economic energy and accelerate the speed for the take-off. As the economy has reached a level of development, which can maintain the normal speed, investment requirements will be reduced to an appropriate level in order to ensure growth and sustainable development. Therefore, I have sought the understanding of Cambodia's development partners and donors on this important point and we are looking for an increase in aid in the next few years, so that Cambodia is well pre-

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pared for the economic take-off.

According to the experience of emerging economies in the region, an annual economic growth of 7 to 8 percent can be sustained by a yearly investment of more than 30 percent of GDP. This is the most important prerequisite to long-term, high economic growth. Within this region, investment was primarily financed by high domestic savings in the respective countries. In the case of Cambodia, the current overall investment is in the order of US\$600 million per year, representing approximately 20% of GDP, of which around US\$200 million is public investment and another US\$400 million is private investment. Domestic savings in Cambodia are very low, at 9 percent of GDP. The bulk of the investment--around 14 to 15 percent of GDP--has been financed by foreign savings through foreign aid and FDI. Low tax revenue has limited the government capacity to increase public investment, of which foreign aid accounted for about 90 percent.

Faced with this reality, Cambodia's short and medium-term economic growth is dependent on foreign aid and FDI inflows. That is why special attention was given by the RGC to the mobilization of foreign assistance and the promotion of private investment.

As you may be aware, recently the RGC was very successful in mobilizing foreign aid for the country's development. At the CG meeting held from 25-26 February 1999 in Tokyo, the donor community gave its full support to the government's political platform and various reform projects, pledging a total of US \$470 million to Cambodia for 1999.

The RGC has made tremendous efforts to attract foreign direct investment and is working on the improvement of investment climate. Atten-

tion is accorded to ensuring a social environment conducive to stability, security, transparency, accountability and predictability, which will favor and promote investment in Cambodia. At the Government-Private Sector Forum held on 21 December 1999, I put forth a number of concrete steps to improve the investment climate. However, these are still inadequate. We should move faster in order to modernize the legal and institutional systems and upgrade our practices to the level of international and regional standards.

Third, Domestic resource mobilization: In terms of long-term strategy, Cambodia cannot forever rely on foreign capital. Therefore, endeavors should be geared toward increasing domestic savings, including both public and private savings. The RGC must take action and implement budget and fiscal reforms, aimed at enhancing revenue, enlarging the tax base, improving and cleaning up tax and customs administration, rationalizing tax incentives granted to investment projects and ensuring sound management of state assets. On the expenditure side, priority should be given to rationalizing and programming public expenditure outlays by gradually cutting defense and security expenditures and earmarking the savings for public investment in physical infrastructure and social sectors. Our ultimate objectives are to eradicate the deficit and increase gradually the current budget surplus with a view to creating and enhancing savings to finance public investment. Over the long term, Cambodia should increase its tax revenue from 9 percent of GDP to 20-25 percent of GDP within the next 10 to 15 years.

The development and strengthening of the financial industry and institutions, financial markets and the banking system are key to encouraging private savings. The National Bank of Cambodia (NBC) and the

Ministry of Economy and Finance (MEF) should take the lead and ensure close cooperation in order to achieve these objectives. To this end, Cambodia should draw lessons from the experiences of its neighbors in the region, in particular, lessons learned from the Asian financial turmoil, to develop a sound and efficient financial and banking sector. The RGC will ensure rigorous implementation of the Banking and Financial Institution Law to strengthen the prudential and regulator framework and upgrade the supervisory capacity of the NBC over the activities of commercial banks. The monetary policy should be geared towards reducing the inflation, avoiding bank financing of the budget deficit and maintaining a sustainable levels of external debt.

Fourth, Placing investment priority on priority sectors and improving the productivity of agriculture: Cambodia has some important comparative advantages and potentials in agriculture, agro-industry, labor-intensive industry, processing industry, tourism and in some other production and services, due to its endowment in land area, soil, climate, natural resources, cheap but honest and disciplined workforce yearning to learn and acquire knowledge, historical heritages and the beautiful scenery of its beaches, rivers, lakes and forests. These potentials are awaiting investment and sustainable development. The development of these sectors, especially agriculture, will provide strong foundation for economic take-off.

Given that 90 percent of the poor live in the rural areas, the strategy for poverty alleviation should be placed on the improvement of agriculture productivity, through the use of high-yielded seeds, the research on rice and industrial crop production, rigorous implementation of wa-

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ter policy, the combat against landlessness, the development and implementation of sound land tenure and land use policy and environmental protection. At the same time, attention is being given by the RGC to the strengthening and expansion of the micro-finance institutions in order to expand economic opportunities and create employment in the rural areas.

Indeed, infrastructure and essential supporting facilities, such as road, irrigation, water supply, electrical power and telecommunications will play a crucial role in turning these tremendous potentials and comparative advantages into reality. Given the current pace of investment, we can hope that in the next five years we will be able to build up the earlier mentioned infrastructure network to the extent that will meet the fundamental needs of the economy. More investment in these sectors are required for economic take-off.

Fifth, Building institutional capacity and strengthening good governance: This is key to the concept of sustainable development with equity, which will have direct impact on poverty alleviation and trickle down economic growth to all strata of the society. This is also linked to the establishment of the rule of law, administrative reforms, the strengthening of transparency and accountability and the combat against corruption. Notwithstanding, tremendous difficulties and impediments, the RGC has made substantial progress in this area. The cracking down on illegal logging, the increase in tax revenue, the removal of ghosts from the army and the confiscation of land, which has been sold off or held illegally, were among the measures aimed at tackling corruption.

Moreover, a number of important laws have been drafted and submitted to the National Assembly, such

as the Audit Law and the Budgetary Discipline Law, which are designed to establish a mechanism and institution to combat corruption and ensure transparency and accountability in public finance management. In October 1999, an Anti-Corruption Unit was established by the RGC, with members drawing from various government agencies in order to promote research and develop measures and action plans for the combat against corruption.

Sixth, Integration of the Cambodian economy into the region and the world: Economic integration will result in close relationships among participating members, through the free movement of goods, services, capital and labor, the coordination of economic and financial policies, the legal system, standards and good quality and information sharing network. These are factors that stimulate the process of economic globalization, increase the economies of scale, improve factor mobility and reduce the prices of imported and exported products. Therefore, the integration of the Cambodian economy into the region and the world will increase the attractiveness of Cambodia to investors, promote higher factor productivity, create and develop comparative advantages of the nation, through the participation in international competition and specialization. If economic integration can be properly implemented and handled, it will play a crucial role and have positive, direct or indirect impact, on economic development and poverty alleviation. In this sense, Cambodia is participating in various ASEAN's economic initiatives, in particular the ASEAN Free Trade Area (AFTA), ASEAN Industrial Cooperation Scheme (AICO), the ASEAN Investment Area (AIA) and the cooperation in the service sectors, aimed at promoting service liberalization. Moreover, Cambodia has actively participated in a number of regional and sub-regional ini-

tiatives, such as the Greater Mekong Sub-Region (GMS). The RGC is actively prepared for the accession to the World Trade Organization (WTO).

Seventh, Human resource development: The experience of a number of developing countries show that investment in human capital, especially investment in education and health, is key to ensuring economic take-off and reducing poverty. As I stated earlier, massive investment, in conjunction with physical, intellectual and mental energy of highly qualified human resources is required for economic take-off. Human resource development, therefore, is even more important and is very urgent within the context of the integration of Cambodia's economy into the region and the world. The RGC has deployed considerable efforts in increasing investment in these areas, through both the budget and foreign aid mobilization.

I have elaborated on a wide-range of visions, which I believe to pave the way for Cambodia's marching into the new millennium, by burying the bitter pages of its recent history, full of national dissension, foreign colonialism, genocide and economic and moral degradation. Cambodians should unite as one to open a new page of their own history by turning the first decade of the new millennium into the decade of economic growth, the decade of combat against poverty, for social progress and prosperity for Cambodia and Cambodians. The strengthening of the peace culture and the struggle for development will become my own and our war at the dawn of the new millennium. These endeavors will help us gain unity in diversity, upgrade the national soul and national identity and bolster up a once strong and proud nation to get back its place... ■

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Information Approach: The process of monitoring, evaluating and reporting is an important part of the whole approach. As long as the three steps are being implemented seriously, we would then gather information in a timely and accurately manner.

Monitoring, evaluating and reporting will provide a systematic collection of information which skills of information management is required to prepare a database on forestry issues upon which effective measures could then be taken to suppress and/or prevent illegal logging. Due to lack of information approach so far, though RGC vehemently declared cessation of issuance of license for logging business operator to load and transport logs, besides the Ministry of Agriculture, Forestry and Fisheries, and in the mean time only few exits were allowed, our competent authority was deceived still with fraudulent licenses which dishonest businessmen can produce easily. As I have observed so far, we have two weak points: we have not conducted the three-step process of monitoring, evaluating and reporting timely and concurrently, and numerous reports so far were either insufficient or unclear and/or disguising facts or exaggeration. They exaggerated when they were meant to create a negative image of Cambodia from non-existing fact, and they disguised it otherwise when they were meant to hide facts from their superiors. I expect that after taking part in this seminar, the two type of reporting that I have just mentioned above are not existing in our working procedure any more.

Suppression: As has always been held, in the past as well as in the

present, and to the future, this measure -- I wish to make it clear here that no particular person, no matter what rank he/she may have, civilian or military -- can escape from the rule of law. Though we, I myself and RGC as a whole, have taken certain measures with impressive achievements in fighting against illegal logging, still we have never been satisfied and, because of this, we never neglect the measure to suppress the situation.

I am sure that this measure of suppression will gain its level of effectiveness if the previous two mentioned measures are to be appropriately implemented together with honesty and will provided by our local authorities and armed forces. It will be a deep humiliation (for the country and firstly for the Government) if any individual, in the local authority or armed forces, would offer (their privileges) to be the backbone or to collude with those dishonest businessmen to continue the illegal logging business operation. Having found to have done so, those dishonest will have to be brought to a punishment through a court trial. We could not say this measure of suppression is effectively implemented if we let those governors and officials, military and police officers to go unpunished for the mistakes they have done. Over the past one year in our efforts to suppress the logging anarchy, we had destroyed only the operating machines, saw mills, etc. This can not be said sufficient to the level of achievement we wanted. From now on, we will mete out the measure of trial and punishment to every individual found operating the illegal logging business, which is the even better measure... ■

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conciliation the same as we need to do to our own eyes. Peace and national reconciliation possess a value equally important to life not only in the past or at the present but also in the future of the country.

The trial of the Khmer Rouge leaders will be a fair ending of its political organization after they were finished politically and militarily. We will not forget about justice as we will never forget about national reconciliation, peace and stability. The two objectives could be compared to heart and lung of every one of us, .i. e. we can not go without either one of them. On the other hand, so as to move towards development, we will need both cooperation and friendship with every nation.

In my opinion, the second Kingdom should be a political regime that is not subjected to further change. The current Kingdom is best for Cambodia, for stability, national reconciliation, peace and development. The role of His Majesty Preah Bat Samdech Preah Norodom Sihanouk bears incomparable value. For many hundreds of years to come, the Cambodian history will remember His Majesty's role in the search for and strengthening of national reconciliation, peace and stability. It is a point, strongly important for Cambodia, about which I have illustrated clearly in my speech on January 1st, 2000. Attacks by any individual on the Kingdom could not be considered an act without a purpose. On the contrary, such an attack should be considered a thorough analysis by such individual who knows definitely what to gain from that. It is anything but a test for the second Kingdom of how firmly has it been defended. Let me reassure that the Kingdom of Cambodia -- a country with independence, neutrality, peace, freedom, democracy and human rights -- as you all have seen, shall be existing without ever ending... ■

Excerpt of Samdech Hun Sen's Speech on
Monitoring, Evaluating and Reporting over Anarchic Logging Issues
(14 January, 2000 - Ministry of Agriculture)

"... The campaign to combat anarchic logging has been gaining effectiveness since the issuance of my order on October 22, 1998. The move not only reduced the amount of logging to a lesser extent but also scored in 1999 an income from forest sector at 155 percent higher than in 1998. In 1999, the competent authorities filed 364 illegal logging cases in which 243 cases were to get fined and 121 others were brought to court..."

"... Forest resource, with its essential repercussion on other fields related, is a very important policy to be implemented by RGC. It is therefore prime to work on a sustainable forestry management and development. Noting its importance and for the sake of reaching this objective, I wish to outline here the following three immediate measures:

Prevention: No matter there are or there are not problems of illegal logging, this measure is to continue to be essential because it will help define appropriate policy, by-laws and other norms, as well as the work of management and organization. Efforts should be made to provide education and dissemination of information widely to each and every one for a good understanding so that the civilian and military officials and/or the publics will actively participate. Without appropriate policy defined for logging, we will continue to face with endless problems of ineffective and unsustainable exploitation of forest, imbalance between logging and re-forestation, all of which would lead to a loss of economic potentiality of the forest en-

vironment. In absence of by-laws and norms, we would predict an inefficient operation by competent authority and court. This situation would then bring about a situation where illegal operators are not being brought to justice, while in the same time our measure of prevention is inapplicable. Also in absence of improvement of management and organization, whatever we wish to accomplish will not be achieved. The same is true, if we do not resolutely exercise education and dissemination efforts, we could never have an combined force in combating the problem of illegal logging. In the course of implementing these objectives, I did issue on October 22, 1998 -- an order to end illegal activities related to logging; on November 30, 1998 -- a political platform of the Economy-Oriented Government; on January 6, 1999 -- another order on logging end; on January 25, 1999 -- a Prokas number 01; and on September 27, 1999 -- another Prokas number 06 together with various other measures. In this context, I would urge the Ministry of Agriculture, Forestry and Fisheries to expedite its drafting of a policy vis-à-vis forest use and management, and the related laws, so that the Council of Ministers would give its review and comment, and send to the National Assembly for approval. The Ministry of Information and other institutions related at all levels must continue to educate the public and encourage movement to safeguard forest, especially to deal with illegal logging actions and operators for the sake of setting example to others.

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Excerpt of Samdech Hun Sen's
Speech to Welcome the Third
Asian-German Editors Forum
(January 31, 2000 - Hotel Le Royal)

May I take this opportunity to express my gratefulness to Konrad Adenauer Foundation --Cambodia and the Philippines Program, for its efforts to make such a meaningful event possible. The new millennium has now become 31 days old. The Y2K concerns have caused no serious problem for mankind yet. But the truth is otherwise proved by time. Certain matters took Cambodia up to 20 years to attain its justice. Some others consumed hundred of years before they are resolved. Time has taught the Cambodians to learn to unite -- the basis of which Cambodia can resolve key issues prior to the end of the previous millennium. The Cambodian national reconciliation and peace were sacred results which enable Cambodia to step towards new millennium free from fear of the return of the Genocide. Cambodia possesses now the rights to look far into the future and everything for building a brighter future is waiting for the Cambodian own efforts.

I think it is best to give everyone of you the role as an evaluator for your judgment to be made on the current situation of Cambodia. What I can share in this efforts is the triangle strategy which I have put out. Now it serves as a starting base and continues to expand in the combat against poverty, a kind of war that we all have to struggle and fight. To develop Cambodia in its complicated situation has not been a simple task. Essentially, one needs to have a clear and correct vision before one can develop Cambodia as a process.

What concerns Cambodia most in order to allow the economy-oriented Government to move in full speed forwards is the safeguarding and maintaining peace and national rec-

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