



ROYAL EMBASSY OF CAMBODIA

64 Brondesbury Park, Willesden Park, London NW6 7AT, Tel: 020 84517850, Fax: 020 8451 7594
Email: cambodianembassy@btconnect.com, Website: www.cambodianembassy.org.uk

2008 Media Releases

FOR IMMEDIATE RELEASE

26 November 2008

Reducing Poverty Reduction with Oil and Gas Revenues: A Commitment by the Royal Government of Cambodia to play a leading role in making best use and managing potential revenues from the discovered oil and gas reserves

[A response to Global Witness's Immediate Release, 25 November 2008]

The Royal Embassy of Cambodia to the United Kingdom found the press release by Global Witness (*"Cambodia's donors risk disaster with blind eye to poor governance of country's oil and mineral"*, November 25th) a little curious and inflammatory, just days before the upcoming Cambodia Development Cooperation Forum. If we are talking about the improved governance and transparency of Cambodia's oil and mining sectors it may be splitting and coloring Global Witness Campaigns Director Gavin Hayman's hairs to concentrate only on malicious report designed to start, once again, their villain campaign to discredit the image of Cambodia.

In order to have a balanced reporting on the issue raised by Global Witness, the Embassy should have an equal number of positive reports to contradict the actions and insinuations made by Global Witness Campaigns Director, Gavin Hayman. It is naive from Global Witness to think Cambodia's international donors do not well aware of their ill-intentioned purpose of damaging Cambodia's past and recent economic developments.

Recently, at the International Conference, *Fuelling Poverty Reduction with Oil and Gas Revenues - Comparative Country Experiences*, in Phnom-Penh, Cambodia, Deputy Prime Minister H.E. Mr. Sok An said, "The Cambodian Government intends to play a leading role in managing potential revenues from the country's recently discovered oil and gas reserves and has appealed for continued knowledge sharing from different stakeholders" and vowed that the Cambodian Government would not take a back seat. "We do not want to be mere spectators in our petroleum industry," he said.

The Deputy Prime Minister said Cambodia's petroleum companies would endeavor to involve local people and businesses as much as possible in their operations. He added that any input from experienced countries would also help the development of the petroleum sector.

"I appeal for positive contributions from stakeholders in the same manner that this conference has been a positive hearing of sector themes and issues," he said. "It has been a wonderful forum for the sharing of petroleum sector knowledge and learning."

The Deputy Prime Minister said the Government was committed to finding long-term positive outcomes. "The translation of the capital value of oil resources into the stored capital value of our people through improved health, social conditions and education is very important for the long-term prosperity of Cambodia," he said.

He also called for multiparty collaboration between the Cambodian National Petroleum Authority and other players. "It needs the cooperation of all other stakeholders, be their Government Ministries or Government Agencies, donors, civil society or the media," he said.

The Cambodian Government recognizes the importance of having a good set of laws in place to manage the petroleum sector and is committed to putting such mechanisms in place. "The Government is working hard to establish a comprehensive set of petroleum laws that will provide a sound framework for oil production with best practices reflected, including the principles of transparency and accountability," the Deputy Prime Minister said.

This conference has brought together more than 500 participants – including senior policymakers, high-ranking officials, and global energy experts – from Cambodia and around the globe to examine ways in which resource-rich developing countries can harness their newfound resource wealth to reduce poverty. Panels discussed best practices that have been successfully employed in other countries, including Norway and Timor-Leste. They also outlined the potential dangers of not putting appropriate regulations and frameworks in place before starting production.

Speakers at the event included the global energy and development experts, economists from the World Bank, IMF, International Energy Forum and ADB, senior executives from Chevron and PETRONAS, and high-level energy officials from developed and developing countries. The event was organized by UNDP Cambodia in partnership with the Cambodia National Petroleum Authority, Supreme National Economic Council, and Norwegian Agency for Development Cooperation, Norwegian Petroleum Directorate and Petrad.

Over the past few years, UNDP has been working closely with the Government of Cambodia, the Norwegian Government, OXFAM America, and other partners to explore ways Cambodia can best develop and manage its new found resource wealth. Cambodian officials have been linked up with energy experts in countries around the world which have faced similar opportunities and challenges, notably Norway, and more recently, Timor-Leste. The aim has been to share experiences and expertise on how to maximize resource wealth for the benefit of all. This conference is part of the ongoing open dialogue.

Again and again, the Royal Embassy of Cambodia is urging to Global Witness' Trusts and foundations, Development organizations (Concern Worldwide Humanist Institute for Co-operation with Developing Countries (Hivos)Oxfam Novib Trocaire) and Governments (Canadian Department of Foreign Affairs and International Trade, Irish Aid – Irish Department of Foreign Affairs, Netherlands Ministry of Foreign Affairs, Swedish International Development Co-operation Agency (Sida) to ask for an urgent review of Global Witness ' program of activities and policies and, a strict control to poor management and leadership of Global Witness which requires a new vision for a trusted partnership and, not a policy based on smear campaign that, would certainly damage the reputation of Global Witness' Trusts and foundations, Development organizations and Governments with the world, in particular, the developing nations.



Media Inquiries: Ambassador's office 020 8451 7947

- Unit Media Liaison 020 8451 7930

Copyright © ROYAL EMBASSY OF CAMBODIA - LONDON