

How to give money and still not influence people

Year	Agreed Reforms	Progress towards reform priorities	Donor comments	NGO comments	Media comments	RGC comments	Aid requested	Aid given <sup>1</sup>
2002	<p><u>Set in 2001</u><sup>ii</sup> Key requests: - Anti corruption law adopted - Forest law adopted and completion of negotiations with concessionaires - Adoption of land law</p>	<p>- Anti-corruption law not passed.<sup>iii</sup> - Continued impunity and high level corruption.<sup>iv</sup> - Chaotic forest/natural resource management.<sup>v</sup></p>	<p>UK – “Overall disappointing progress against the action points agreed at the 2001 CG [The] pattern of increased donor support should not be regarded as a given. We need to see that Government is doing its part [...] The passage of an anti-corruption law is still awaited.”<sup>vi</sup></p>	<p>NGO Forum – “The progress in policy has not translated into progress in impact [...] Corruption and the culture of impunity remain rampant”<sup>vii</sup></p>	<p>- “[Analysts] warned [that] the slow pace of reforms, endemic corruption and a failure to try surviving Khmer Rouge leaders was testing donor patience, and could result in conditions being attached to aid for the first time.”<sup>viii</sup></p>	<p>Hun Sen — “The Royal Government is committed to finalize the draft of the Anti-Corruption Law before end June 2003.”<sup>ix</sup></p>	US\$485 million	US\$530.9 million
2003	No meeting held							US\$539.5 million
2004	<p><u>Set in 2002</u><sup>x</sup> <u>Anti-corruption</u> - ‘Reported cases of corruption investigated and prosecuted appropriately within existing legal framework.’ Due immediately - ‘Anti-corruption law submitted to National Assembly.’ Due 30 June 2003. <u>Concessions</u> - ‘Public disclosure and opportunity for independent experts [to] comment on Sustainable Forest Management Policies and Environmental and Social Impact Assessments prior to finalization of Government review’ <u>Information disclosure</u> - ‘Increased transparency of terms of Government contracts.’ Due immediately</p>	<p>- Anti-corruption law not passed.<sup>xi</sup> - Very limited action on corruption.<sup>xii</sup> - Suspension of forest concessions, but continued illegal logging.<sup>xiii</sup> - Poor implementation of existing policies and laws.<sup>xiv</sup></p>	<p>World Bank – “Corruption is endemic [...] The volume of bilateral and multilateral donor support needs to be conditioned on the adequacy of Cambodia’s reform effort.”<sup>xv</sup></p>	<p>NGO Forum - “NGOs feel there are currently a proliferation of plans, policies, and strategies in circulation. The challenge at this point is to ensure that these plans are being implemented [...] How confident are donors that funds are being used <i>efficiently</i> and have a <i>positive impact</i> on <i>improving livelihoods</i>, rather than being used to support unnecessary technical assistance,</p>	<p>- “Despite the government failing to fulfil many previously set benchmarks, international donors pledged \$504 million dollars in aid to Cambodia for next year, but warned that future support will directly hinge on real changes in 2005 [...] ‘It’s a repackaging of the same old system that hasn’t seemed to work before,’ said one Phnom Penh based diplomat involved in the CG meeting.”<sup>xvi</sup></p>	<p>Sok An- “[The Anti-Corruption] law will be resubmitted to the National Assembly and the Senate as a matter of urgency.”<sup>xviii</sup> Hun Sen – “Reform is not a just shallow word”.<sup>xix</sup></p>	\$500m <sup>xx</sup>	US\$555.4 million

				fuel corruption and widen social inequity? <sup>xxvi</sup>				
2005	No meeting held							
2006	<p><u>Set in 2004</u><sup>xxi</sup></p> <p><u>Anti-corruption</u></p> <ul style="list-style-type: none"> <li>- 'Reported cases of corruption shall be brought before the courts for investigation and hearing.'</li> <li>- 'The existing draft law on anti-corruption shall be brought into compliance with international best practice'</li> </ul> <p><u>Concessions</u></p> <ul style="list-style-type: none"> <li>- 'Enforcement of Article 18 of Land Law, that private sales transactions on state lands are illegal'</li> <li>- 'Increase transparency of state management of natural resources through immediate public disclosure of existing contracts and compliance status (royalties and other key provisions) of contracts governing economic land concessions, mining concessions, fishing lots and continued disclosure of status of review of forest concessions'</li> <li>- 'RGC disclose the location and legal status and process for termination of mining concessions, Military Development Zones, economic land concessions and other development arrangement situated on forest land or in protected areas and inconsistent with law governing management of these areas.' [In annex]</li> </ul> <p><u>Information disclosure</u></p> <ul style="list-style-type: none"> <li>- 'Public authorities must change current practice by displaying a preparedness to share information with the general public'</li> </ul>	<ul style="list-style-type: none"> <li>- Anti-corruption law not passed.<sup>xxii</sup></li> <li>- Partial disclosure of information on concessions, but limited detail.<sup>xxiii</sup></li> <li>- Illegal logging and land grabbing continued.<sup>xxiv</sup></li> </ul>	<p>Germany – "The still unsolved problems of land grabbing and land speculation are of great concern [...]. We hope the information provided on economic land concessions will be quickly followed up with more complete disclosure."<sup>xxv</sup></p>	<p>NGO letter to CG attendees – "there has been an increase in the misuse of natural resources and other public assets by elite families and crony companies."<sup>xxvi</sup></p>	<ul style="list-style-type: none"> <li>- "The request was for \$513 million, but the pledges amounted to \$601 million,' said Finance Minister Keat Chhon<sup>xxvii</sup>. [...]</li> <li>'Donors have praised the achievements under Prime Minister Hun Sen.'<sup>xxviii</sup></li> </ul>	<p>Hun Sen – "A draft of the Anti-Corruption Law [...] is in its final stages of consideration within the government before being sent to the National Assembly."</p> <p>- "Reform is not a just shallow word."<sup>xxix</sup></p>	US\$513 million	US\$601 million
2007	<p><u>Set in 2006</u><sup>xxx</sup></p> <p><u>Anti-corruption</u></p> <ul style="list-style-type: none"> <li>- 'Finalize and approve Anti-corruption Law, based on best international practices.' Due End June 2006.</li> </ul> <p><u>Concessions</u></p>	<ul style="list-style-type: none"> <li>- Anti-corruption law not passed.<sup>xxxi</sup></li> <li>- Limited transparency on the awarding of</li> </ul>	<p>World Bank representative – "We are very concerned that provisions for transparent bidding on ELC contracts are</p>	<p>President of Cambodian Human Rights organisation Licadho – "The meeting has become a routine. We know</p>	<ul style="list-style-type: none"> <li>- "I worry that maybe the time for being firm with the government has passed,' said one source with extensive</li> </ul>	<p>Hun Sen – "the Royal Government is committed without any hesitation to fighting corruption</p>		US\$689.2 million

	<p>- 'Periodically disseminate information on economic land concessions'. 2<sup>nd</sup> quarter 2006</p> <p>- '[Disseminate] all relevant sector information on the activities of government agencies, including information on mining concession and military development zones, as well as donors and NGOs by periodically postings on TWG-F&amp;E website.' Due 4<sup>th</sup> quarter 2006</p> <p>- 'Strengthening the enforcement of the Forestry Law, especially combating forest land clearing and encroachment'</p> <p><u>Information disclosure</u></p> <p>- 'Develop a clear policy framework on access to information'. Dec 2006</p>	<p>ELC contracts.<sup>xxxiii</sup></p> <p>- Poor management of natural resources.<sup>xxxiii</sup></p>	<p>being circumvented.<sup>xxxiv</sup></p>	<p>that nothing will change. There will be promises from the government - the same promises as last year - and after the meeting everything will remain the same.<sup>xxxv</sup></p>	<p>experience of donor-government meetings, who requested anonymity. 'I worry that the donor community have missed their opportunity now.' [...] A year on and the anti-corruption law is still languishing in draft form, judicial reform is progressing at a glacial pace, and the government's management of natural resources is being lambasted from all sides.<sup>xxxvi</sup></p>	<p>by undertaking many concrete actions to meet this objective including the drafting of the Anti-corruption Law itself."</p> <p>- "Reform is not a shallow word"<sup>xxxvii</sup></p>		
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<sup>i</sup> Total money given out, 1997-2006: *The Cambodia Aid Effectiveness Report 2007*, Annex 6, Table 1, 'Development Partner Disbursements 1992-2006', [http://www.cdc-crdb.gov.kh/cdc/first\\_cdcf/aer\\_report/annex\\_vi.htm](http://www.cdc-crdb.gov.kh/cdc/first_cdcf/aer_report/annex_vi.htm); Indicative figure for 2007: 'Multi-Year Indicative Funding Framework 2007-2009', [http://www.cdc-crdb.gov.kh/cdc/first\\_cdcf/session4/myiff2007-2009.htm](http://www.cdc-crdb.gov.kh/cdc/first_cdcf/session4/myiff2007-2009.htm)

<sup>ii</sup> GTZ, 'Overview of Government – Donor Coordination Events, Cambodia 1992 – 2005', p. 8, [http://www.donorplatform.org/component/option,com\\_docman/Itemid,/task,doc\\_download/gid,313/](http://www.donorplatform.org/component/option,com_docman/Itemid,/task,doc_download/gid,313/)

<sup>iii</sup> 'Cambodia Consultative Group Meeting, 19-21 June 2002: United Kingdom Brief', [http://www.cdc-crdb.gov.kh/cdc/statement\\_united\\_kingdom.htm](http://www.cdc-crdb.gov.kh/cdc/statement_united_kingdom.htm)

<sup>iv</sup> 'Statement of the Presidency, on behalf of the European Union, at the Consultative Group Meeting on Cambodia, June 19 - 21 2002, in Phnom Penh', [http://www.cdc-crdb.gov.kh/cdc/statement\\_behalt\\_european.htm](http://www.cdc-crdb.gov.kh/cdc/statement_behalt_european.htm); 'Executive Summary' in 'NGO Statement to the 2002 Consultative Group Meeting on Cambodia, Phnom Penh, 19-21 June, 2002', [http://www.ngoforum.org.kh/Development/Docs/ngo\\_2002/1.htm](http://www.ngoforum.org.kh/Development/Docs/ngo_2002/1.htm)

<sup>v</sup> 'Cambodia Consultative Group Meeting, Phnom Penh, 19-21 June, 2002: Denmark brief on Specific Areas', [http://www.cdc-crdb.gov.kh/cdc/denmark\\_specific\\_areas.htm](http://www.cdc-crdb.gov.kh/cdc/denmark_specific_areas.htm)

<sup>vi</sup> 'Cambodia Consultative Group Meeting, 19-21 June 2002: United Kingdom Brief', [http://www.cdc-crdb.gov.kh/cdc/statement\\_united\\_kingdom.htm](http://www.cdc-crdb.gov.kh/cdc/statement_united_kingdom.htm)

<sup>vii</sup> 'Executive Summary' in 'NGO Statement to the 2002 Consultative Group Meeting on Cambodia, Phnom Penh, 19-21 June, 2002', [http://www.ngoforum.org.kh/Development/Docs/ngo\\_2002/1.htm](http://www.ngoforum.org.kh/Development/Docs/ngo_2002/1.htm)

<sup>viii</sup> 'Cambodia banking on donors for annual handout after a troubled year', *AFP*, 12 June 2002

<sup>ix</sup> Hun Sen, 'Opening address at the Cambodia Consultative Group Meeting, Phnom Penh, 20 June 2002' <http://www.camnet.com.kh/ocm/government/government127.htm>

<sup>x</sup> '2002 Cambodia Consultation Group Meeting: Priority Areas for Joint Monitoring', [http://www.cdc-crdb.gov.kh/cdc/priority\\_areas.htm](http://www.cdc-crdb.gov.kh/cdc/priority_areas.htm)

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- <sup>xi</sup> ‘Consultative Group meeting: Presentation by H.E. Sok An’, 6 December 2004, [http://www.cdc-crdb.gov.kh/cdc/7cg\\_meeting/7cg\\_document/speak\\_not\\_sokan\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/7cg_meeting/7cg_document/speak_not_sokan_eng.htm)
- <sup>xii</sup> ‘Promoting Good Governance: Fighting Corruption And Increasing Accountability’, Remarks on Behalf of the Donor Community by Ambassador of the United States, CG Meetings, December 6, 2004, [http://www.cdc-crdb.gov.kh/cdc/7cg\\_meeting/7cg\\_document/fighting\\_corrupton\\_usa\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/7cg_meeting/7cg_document/fighting_corrupton_usa_eng.htm)
- <sup>xiii</sup> ‘Cambodia: 7<sup>th</sup> Consultative Group Meeting, Phnom Penh, December 6-7, 2004, Concluding Remarks by Co-Chair, Ian C. Porter’, [http://www.cdc-crdb.gov.kh/cdc/7cg\\_meeting/7cg\\_document/concluding\\_remark\\_wb.htm](http://www.cdc-crdb.gov.kh/cdc/7cg_meeting/7cg_document/concluding_remark_wb.htm)  
Country Director for Cambodia, World Bank
- <sup>xiv</sup> *Main Statement of NGOs to the 2004 Consultative Group Meeting*, [http://www.ngoforum.org.kh/Development/Docs/CG%202004/main\\_statment.htm](http://www.ngoforum.org.kh/Development/Docs/CG%202004/main_statment.htm)
- <sup>xv</sup> World Bank, *Cambodia at Crossroads*, 2004, p.3, p. 24, <http://siteresources.worldbank.org/INTCAMBODIA/Resources/Overview.pdf>.
- <sup>xvi</sup> *Main Statement of NGOs to the 2004 Consultative Group Meeting*, [http://www.ngoforum.org.kh/Development/Docs/CG%202004/main\\_statment.htm](http://www.ngoforum.org.kh/Development/Docs/CG%202004/main_statment.htm)
- <sup>xvii</sup> Liam Cochrane, ‘Cambodia takes scolding, \$500 million from donors’, *Phnom Penh Post*, 17 December 2004
- <sup>xviii</sup> ‘Consultative Group meeting: Presentation by H.E. Sok An’, 6 December 2004, [http://www.cdc-crdb.gov.kh/cdc/7cg\\_meeting/7cg\\_document/speak\\_not\\_sokan\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/7cg_meeting/7cg_document/speak_not_sokan_eng.htm)
- <sup>xix</sup> Hun Sen, ‘Opening remarks at the Cambodian Consultative Group Meeting, Phnom Penh, 6 December 2004’, [http://www.cdc-crdb.gov.kh/cdc/7cg\\_meeting/7cg\\_document/opening\\_remark\\_hunsen\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/7cg_meeting/7cg_document/opening_remark_hunsen_eng.htm)
- <sup>xx</sup> Liam Cochrane, ‘Cambodia takes scolding, \$500 million from donors’, *Phnom Penh Post*, 17 December 2004
- <sup>xxi</sup> ‘2004 CG Monitoring Indicators’, [http://www.cdc-crdb.gov.kh/cdc/7cg\\_meeting/7cg\\_document/2004cg\\_monitoring.htm](http://www.cdc-crdb.gov.kh/cdc/7cg_meeting/7cg_document/2004cg_monitoring.htm); Annex: ‘2004 CG Monitoring Indicators: Annex’, [http://www.cdc-crdb.gov.kh/cdc/7cg\\_meeting/7cg\\_document/2004cg\\_monitoring\\_annex.htm](http://www.cdc-crdb.gov.kh/cdc/7cg_meeting/7cg_document/2004cg_monitoring_annex.htm)
- <sup>xxii</sup> Consultative Group Remarks Delivered by US Ambassador Joseph A. Müssomeli on Behalf of the Donor Community ‘Concrete Steps for Fighting Corruption’, 2 March 2006, [http://www.cdc-crdb.gov.kh/cdc/8cg\\_meeting/session3/delivered\\_usa\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/8cg_meeting/session3/delivered_usa_eng.htm)
- <sup>xxiii</sup> Consultative Group Meeting for Cambodia, 2-3 March 2006, ‘Joint Donor Statement on Natural Resources Management, Land and Agriculture by the German Representative’, [http://www.cdc-crdb.gov.kh/cdc/8cg\\_meeting/session3/joint\\_german\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/8cg_meeting/session3/joint_german_eng.htm)
- <sup>xxiv</sup> Ibid.
- <sup>xxv</sup> Ibid.
- <sup>xxvi</sup> Letter quoted in ‘Human rights groups reprove government's benefactors’, *Phnom Penh Post*, 24 February 2006
- <sup>xxvii</sup> Global Witness wrote a letter to Keat Chhon in October 2008 to ask for his comments on the main issues raised in this report as involve or relate to him. At the time of the report’s publication, Global Witness had not received a response. For information on the content of this letter to Keat Chhon please contact Global Witness via [mail@globalwitness.org](mailto:mail@globalwitness.org).
- <sup>xxviii</sup> Charles McDermid and Vong Sokheng ‘RGC counts \$601 million blessings’, *The Phnom Penh Post*, 10 March 2006
- <sup>xxix</sup> Hun Sen, ‘Opening Address at the Cambodia Consultative Group Meeting, 2 March 2006’ [http://www.cdc-crdb.gov.kh/cdc/8cg\\_meeting/session1/opening\\_address\\_hunsen.htm](http://www.cdc-crdb.gov.kh/cdc/8cg_meeting/session1/opening_address_hunsen.htm)
- <sup>xxx</sup> Items for change, 2006: ‘Joint Monitoring Indicators for 8<sup>th</sup> CG Meeting’, [http://www.cdc-crdb.gov.kh/cdc/8cg\\_meeting/session3/yanara\\_jmis\\_final\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/8cg_meeting/session3/yanara_jmis_final_eng.htm)
- <sup>xxxi</sup> Development Partner’s Consensus Statement On Governance For The Cambodian Development Cooperation Forum, 19-20 June, 2007’, [http://www.cdc-crdb.gov.kh/cdc/first\\_cdef/session1/consensus\\_statement.htm](http://www.cdc-crdb.gov.kh/cdc/first_cdef/session1/consensus_statement.htm)
- <sup>xxxii</sup> ‘1<sup>st</sup> Cambodia Development Cooperation Forum 19-20 June 2007: Statement on Agriculture and Natural Resources Management Mr. Michael Brownell, Director, Southeast Asia Programme, CIDA’,

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[http://www.cdc-crdb.gov.kh/cdc/first\\_cdcf/session1/statement\\_cida.htm](http://www.cdc-crdb.gov.kh/cdc/first_cdcf/session1/statement_cida.htm)

<sup>xxxiii</sup> Global Witness, *Cambodia's Family Trees: Illegal logging and the stripping of public assets*, June 2007

<sup>xxxiv</sup> 'First Cambodia Development Cooperation Forum, Phnom Penh, June 19-20, 2007: Opening Statement by Lead Development Partner Coordinator, Ian C. Porter, Country Director for Cambodia, World Bank', [http://www.cdc-crdb.gov.kh/cdc/first\\_cdcf/opening\\_session/statement\\_wb.htm](http://www.cdc-crdb.gov.kh/cdc/first_cdcf/opening_session/statement_wb.htm)

<sup>xxxv</sup> Quoted in Cat Barton and Vong Sokheng, '\$690 million: pledges, promises and faint praise', *Phnom Penh Post*, 29 June 2007

<sup>xxxvi</sup> Cat Barton, 'Government deeds to face CG', *Phnom Penh Post*, 15 June 2007

<sup>xxxvii</sup> Hun Sen, 'Opening Address at the First Cambodia Development Cooperation Forum, 19 June 2007', [http://www.cdc-crdb.gov.kh/cdc/first\\_cdcf/opening\\_session/open\\_hunsen\\_eng.htm](http://www.cdc-crdb.gov.kh/cdc/first_cdcf/opening_session/open_hunsen_eng.htm)