

**Consultative Group Meeting on Cambodia
Phnom Penh, December 6-7, 2004**

2004 Priority Monitoring Indicators

The RGC and donors are committed to working together to implement the Government's Rectangular Strategy and achieve the goals set out in the NPRS and CMDGs. To promote joint efforts, 17 government-donor Technical Working Groups (TWGs) have been established for key sector and thematic areas. The TWGs will serve as the mechanisms for ongoing dialogue, coordination, issue identification, operational planning and resource mobilization. Each of the TWGs has developed action plans and monitoring indicators for joint work over the next year.

The lead implementing agency will be the Government chair of the relevant TWG and the indicators will be monitored jointly by the relevant TWG. This applies for all indicators except the first two under the first area “**Fighting Corruption and Increasing Accountability**”, since no TWG exists for this area. Therefore, for these two indicators, the implementing agency will be the Office of the Council of Ministers and the indicators will be monitored by the Government-donor Coordinating Committee (GDCC).

The priority areas for action/joint monitoring outlined in the matrix are a selection of the key cross-cutting indicators which have wide-reaching implications for development across sectors, as well as indicators which are unmet and rolled over from the 2002 CG. It is proposed that, unless otherwise specified, all benchmarks are to be met the next CG Meeting (December 2005). Progress on these indicators, however, will be monitored on a quarterly basis and will be discussed at the quarterly meetings of the Government-Donor Coordination Committee (GDCC).

Government and donors also stress their commitment to working to achieve the other indicators identified in the TWG action plans, all of which are important, and which will be monitored by the appropriate TWG.

Government and donors are committed to ensuring that other important cross-cutting issues, such as gender equality, HIV/AIDS and poverty reduction, are taken up by each TWG in their respective activities, and given primacy in the formulation, implementation and monitoring of the next government 5 year plan for 2006-2010.

<i>Areas</i>	<i>Indicators</i>
<p>(1) Fighting Corruption and Increasing Accountability: The key thrust of the RGC's strategy to fight corruption is to take concrete actions that attack the roots of corruption (RS)</p>	<ol style="list-style-type: none"> 1. Within the existing criminal law, reported cases of corruption shall be brought before the courts for investigation and hearing; a consistent and strategic approach shall be employed by law enforcement authorities to the prosecution of cases of corruption. Data shall be collected to enable monitoring of progress. 2. <i>The existing draft law on anti-corruption shall be brought into compliance with international best practice [such as reflected in the United Nations Convention against Corruption or other instruments] – pending agreement on wording</i> 3. The Government should commence preparatory work on establishing a legislative framework (such as a Freedom of Information Law) to facilitate access to information held by public authorities. In the meantime, public authorities must change current practice by displaying a preparedness to share information with the general public and with other institutions in Government. The different TWGs will monitor specific indicators of access to information (see Annex for examples).
<p>(2) Legal and Judicial Reform and Protection of Human Rights: The RGC will promote LJRs and ensure the independence of the court system through the implementation of key policies and strategies ...to strengthen the rule of law, promote social justice, reduce corruption, eliminate the culture of impunity, and strengthen the culture of peace and the primacy of law (RS)</p>	<p>In all benchmarks listed below, the law shall be consistent with the Constitution and international best practice (such as reflected in international human rights treaties, and by instruments such as the Basic Principles of the Judiciary and the Guidelines on the Role of Prosecutors) and prepared through a satisfactory participatory process.</p> <p><i>Fundamental Legal Framework (new - but includes laws from previous unmet benchmarks)</i></p> <p>Adoption of the drafts of the 8 fundamental laws by the Council of Ministers and submission to the National Assembly as a matter of urgency:</p> <ol style="list-style-type: none"> 1. Penal Code 2. Code of Penal Procedures 3. Civil Code 4. Code of Civil Procedures 5. Organic Law on the Organization and Functioning of Courts 6. Law on the Amendment of the Supreme Council of Magistrates (reflecting transparency in appointment, promotion, transfer, remuneration and disciplining of judges and prosecutors, and ensuring the independence of Judges and Prosecutors) - rolled over 7. Law on the Status of Judges and Prosecutors - rolled over 8. Law on Anti-Corruption - rolled over
<p>(3) Public Administration Reform: The RGC recognizes that the strengthening of institutional capacity is crucial to sustainable development. The administrative system and the civil service must be neutral, transparent, professional, responsive and responsible (RS)</p>	<ol style="list-style-type: none"> 1. Agreement between government and donors on a strategy to phase out donor-funded salary supplements and redirect them in support of pay reforms in priority areas by June 2005. (<i>Ref. to RGC's Action Plan for Harmonization and Alignment, Section D.1.c and NPAR priorities section 2.1.3</i>) 2. The Council of Ministers approve by November 2005 for implementation starting in January 2007, a phased medium-term civil service remuneration plan to improve civil service pay selectively to appropriate levels, that <u>will allow</u> the public

<i>Areas</i>	<i>Indicators</i>
	<p>administration to attract and retain talent. The plan shall be coherent among State institutions, sustainable and consistent with the RGC approved Medium-term Expenditure Framework. (Ref. to NPAR priorities section 2.1.1, 2.1.3 and 5.1 and PFM Consolidated Action Plan measures 2.3 and 2.4).</p> <ol style="list-style-type: none"> 3. <u>Pilot</u> implementation of pay and employment reform initiatives -- that are fully consistent with each other -- and that reward performance and promote merit in at least 3 sectors or professional streams during 2006 4. Gradual reduction of cash transactions in the payment of salaries through the use of the banking system and electronic transfers. Parameters and preparation of pilots for payments via electronic bank transfers completed by November 2005 (Ref. to NPAR priorities section 2.1.2 and PFM Consolidated Action Plan 7.12). 5. A meritocratic human resource policy with a detailed and sequenced implementation plan will be adopted by the Council of Ministers.
<p>(4) Decentralisation & Deconcentration (D&D): Decentralization must be implemented in conjunction with de-concentration to build capacity at the municipal, provincial and district levels ... (RS)</p>	<ol style="list-style-type: none"> 1. The RGC National Policies, Strategic Framework, Action Plan finalized by March 2005 and submitted to Council of Ministers for approval. 2. The first draft prepared for consultation of the D&D organic Laws on the Management of Provincial & District, Municipalities and the Capital, produced within the D&D strategic framework.
<p>(5) Public Financial Management : The maintenance of strict budget discipline is crucial to ensure a favourable macroeconomic and financial environment to consolidate the foundation for sustainable and equitable economic growth (RS)</p>	<ol style="list-style-type: none"> 1. Implement RGC's PFM reform agenda: first 12 months of platform 1
<p>(i) Cross-cutting for Agriculture and Natural Resources Management: It is necessary to enhance and broaden the base for economic growth by opening and utilizing the potentials in other sectors, especially in the high potential agricultural and agro-industrial sectors, so that the nation will obtain larger positive windfall gains in the improvement of the livelihoods of the rural people (RS)</p>	<ol style="list-style-type: none"> 1. Pass/enact key laws and sub decrees, governing natural resources management, including fisheries law and community fisheries sub decree (rollover), state land management and economic land concessions sub decrees and enforcement of Article 18 of Land Law, that private sales transactions on state lands are illegal and hence should not be validated by officials. Joint development of a medium term sector strategy for agriculture, including irrigated agriculture, has been commenced by March 2005, with an overall policy and strategic framework completed by December 2005. 2. Maintain suspension/moratorium on logging, transport of logs (except those which have been already inventoried and for which royalties have been paid in full), and new economic land concessions pending completion of applicable review processes and/or a legal framework

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	<ol style="list-style-type: none"> 3. 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 4. Application of sustainable management planning, including ESIA's, investor evaluations, consultation with local communities, public disclosure and comment period prior to entering into new contracts for private use/management of state managed natural resources (land, fisheries, forestry, and mines) 5. RGC disclose the location and legal status and process for termination of mining concessions, Military Development Zones, economic land concession and other development arrangements situated on forest land or in protected areas and inconsistent with law governing management of these areas
<p>(ii) Private Sector Development: The RGC considers the private sector as the engine of economic growth, while the Government plays its role as the strategist in creating an environment conducive to enhanced private enterprise and the manager of the development process (RS)</p>	<ol style="list-style-type: none"> 1. The Government will establish a single entry point, or Single Window, that will allow parties involved in trade to fulfill the documentary requirements for import or export in a single transaction. Multiple interactions with agencies will be replaced by information sharing within Government. This will be achieved as a key step toward an automated Single Window process including CED and other relevant agencies. 2. The revised PPI process articulated in the draft Law on Concessions will be adopted by the Council of Ministers and submitted to the National Assembly during 2005. Implementing Regulations will be issued by June 2005. Beginning June 2005, any new PPI deals will be done in conformity with the law as submitted to the National Assembly and the implementing regulations. 3. The Council of Ministers will approve an SME development framework, including a definition of SMEs to be used among all Government agencies, developed by the SME committee and in coordination and consultation with other line ministries and private sector representatives. 4. The draft Law on Commercial Arbitration is adopted by the Council of Ministers and submitted to the National Assembly. As evidence that the law is implemented, at least one recognized arbitration center, with appropriately trained and respected staff and a roster of trained and respected arbitrators will have issued at least two arbitration judgments.

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Session III: Supporting Human Development	
Gender, Poverty, and HIV/AIDS	<ol style="list-style-type: none"> 1. These will be treated as cross cutting issues to be addressed under the broader umbrella of formulating the next 5 year National Strategic Development Plan for 2006-2010 2. Gender Equality: Put in place the Legal Framework for Protection <ul style="list-style-type: none"> • Draft Domestic Violence Law is adopted by the Council of Ministers and submitted to the National Assembly and a Prevention Plan adopted • Draft Anti Trafficking Law is adopted by the Council of Ministers and submitted to the National Assembly and a Prevention Plan adopted
Health & Education Harmonisation & Alignment	<ol style="list-style-type: none"> 1. Timely disbursements of the budget for Health and Education as agreed in the PFM Action Plan 1. Implement—and monitor implementation progress on a six monthly basis—the Harmonization Action Plan and the Partnership Principles