

NGO STATEMENT FOR THE DONORS' REVIEW MEETING

PHNOM PENH, CAMBODIA

February 25, 1993

The NGO community welcomes the opportunity to reflect on progress made since the Tokyo Ministerial Conference of June 1992 and sincerely thanks the organizers of this Review meeting for inviting NGO participation.

NGOs wish to commend the "Report on Rehabilitation and Development in Cambodia", prepared by the UNTAC Rehabilitation Office for realistically depicting the achievements and weaknesses in rehabilitation efforts and for clearly highlighting the tremendous gap between the intent expressed in Tokyo, and the translation of that intent into concrete action.

The overwhelming support, expressed in Tokyo, to the rehabilitation of priority sectors such as food security, health, housing, training, education, transport, public utilities and basic infrastructure, had raised hopes that the reconstruction effort would contribute to creating the more neutral environment necessary for peace and stability. It is disappointing to note that the limited concrete response to these sectors, which reflect the immediate needs of people in all parts of Cambodia, has led to a further deterioration of the public service sector and further erosion of the confidence and motivation of Cambodians.

Yet, in spite of the difficult political environment and limited resources, there are successes and signs of recovery, fragile as they may be.

- Over 270,000 refugees have been repatriated to Cambodia. UNHCR is to be commended for its flexibility in modifying their original plan and for the implementation of a highly difficult and complex operation. This could not have been achieved without the generous support and commitment of the donor community.
- Deliberate efforts to stabilize the economy have resulted in a GDP growth of approximately 8% and reflects the increasing participation of the private sector in reconstruction. However, concern remains over the sustainability of this economic growth and its concentration limited to Phnom Penh.
- Rural development and rural credit programs have increased and expanded to reach a greater number of rural communities in numerous provinces.
- Efforts to encourage and support local initiatives have led to the emergence of over 20 officially registered local NGOs and civic associations.
- Legislation and control measures have been adopted and put in place in order to curb excessive exploitation and to protect Cambodia's natural resources.
- Positive strides have been made in the Human Rights field, especially regarding education and extension activities.

In the last eight months, since the Tokyo conference, NGOs have responded to newly created opportunities to expand their activities both in scope and in geographic location.

NGO involvement in Cambodia thus spans a diversity of sectors, all recognized by the Declaration on the Rehabilitation and Reconstruction of Cambodia and by Cambodians themselves, as a priority for the well being of the Cambodian people. These sectors include among others:

- community development and rural credit
- the provision of humanitarian assistance to displaced persons
- demining
- training
- water supply
- health, agriculture, and education
- macro-economic management
- the resettlement and reintegration of returnees

In these activities NGOs have focused on strengthening local capacity and on encouraging local initiatives.

Committed to the spirit of cooperation, NGOs have also made a significant impact in their work as project partners of the multilateral and bilateral organizations. Experience has shown that large scale funding inputs do not of their own ensure project success; more positive results could be achieved through proper attention to PROCESS.

As the international community pauses to take stock of the achievements to date, it seems appropriate to also review what movement has been made in response to concerns raised last June by the NGO community over initial trends in the rehabilitation process.

As a relevant guideline by which to measure progress, we wish to reinvoke, once again, the basic principles embedded in the Declaration on the Rehabilitation and Reconstruction of Cambodia, which is part of the Paris Accords.

Of particular importance are:

1) **Sovereignty:** which assigns to the Cambodian people and the government decided after free and fair elections, the primary responsibility for determining reconstruction needs. It states further that "no attempt should be made to impose a development strategy on Cambodia from any outside source".

2) **Respect for Local Capacity:** Assistance to Cambodia should "complement and supplement local resources."

3) **Balance:** Assistance to Cambodia should benefit all areas, "especially the more disadvantaged."

The need for PEACE and for the creation of a neutral environment were unanimously recognized and underlined by the donor community in Tokyo, as an absolutely essential prerequisite for the rehabilitation and development of Cambodia. Yet it is painfully obvious that Peace remains elusive and that the consequences of prolonged war affect all sectors of society. The future and social security of demobilized soldiers is crucial to creating a neutral environment.

In order to avoid further deterioration of public service delivery and to insure that fragile progress made to date not be reversed, we strongly urge that the international community reaffirm, through concrete activity, their commitment to the rehabilitation, reconstruction, and development of Cambodia and that the pledged assistance not be further postponed.

As regards **Sovereignty**, we acknowledge the positive efforts made through the Technical Advisory Committee to ensure that Cambodians have the opportunity to review and approve projects which respond to their needs. However, the process of project appraisal and consultation with Cambodians must be further

strengthened. The Cambodians most directly involved must participate from the very beginning in the definition of guidelines and criteria for these projects.

We wish to encourage the donor community to support in depth studies for each sector, which recommend a number of different options and alternatives for addressing the problems. Without information and choices, Cambodians are constrained to accept whatever the donors wish to offer.

Immediate donor support to infrastructure and public administration would decrease the pressure on Cambodians to accept loans which might be avoided if more time were available to identify alternative solutions.

As regards **Respect for Local Capacity**, we endorse a number of recent Mission reports that attest that, " skills do exist in the administration to carry out much of the rehabilitation excersice," (World Bank report, June 1992). However, the concern over " limited absorptive capacity" has too conveniently been invoked as a reason for delaying urgently needed assistance and has not been supported with the commensurate investment in training and capacity building projects. Of particular importance are the need to strengthen Cambodian planning capacity and Cambodian coordination of aid.

The rehabilitation program is weakest in its efforts to include Cambodians in the design and planning phases of projects and in facilitating the transfer of information technology so necessary to the process of decision making. Information relevant to project planning and project appraisal, as well as information technologies themselves appear to be concentrated in, and under the control of, the expatriate community, while Cambodians are relegated more and more to the role of passive actors in the rehabilitation process. Too often Cambodians are the last to be informed regarding new developments. More efforts to provide essential documentation and reports in the Khmer language would help to increase Cambodian participation in all aspects of the rehabilitation and development process.

In a similar vein, it is disconcerting to note that key Cambodian officials and planners were advised of this donor's review meeting only a few days prior to the meeting itself.

Another concern in the rehabilitation phase is the propensity of donors to create new structures more easily identifiable as their own, rather than to upgrade existing educational institutions and strengthen on-going programs. We therefore strongly urge the SNC and Cambodian decision makers to assume more responsibility and assertiveness in directing international assistance towards appropriate ends.

As regards **Balance**, a number of unfavorable trends have developed and must be reversed if more serious social and economic consequences are to be averted. Some of these imbalances can be observed in the following areas:

- Imbalance regarding the populations to which aid is being directed, i.e. disproportionate assistance to returnees vs. the large proportion of other needy Cambodian people and internally displaced persons.
- Geographical imbalance, i.e. a concentration of international assistance to the three northwestern provinces of Pursat, Battambang and Banteay Meanchey, and within those provinces to areas of returnee relocation.
- Sectoral imbalance. i.e. a disproportionate investment in urban areas vs. rural areas, where a majority of the Cambodian population resides.

- Disbursements thus far made also demonstrate a preponderance of assistance for relief vs. longer term reconstruction and development programs, especially for the rehabilitation of infrastructure and training.
- Women, who make up the majority of the adult population, are most often bypassed when new work or training opportunities are created through projects.

The consequences of these imbalances are self evident. Favoring returnee communities while neglecting other needy populations further complicates the already complex task of reintegration of the returnees themselves. This is not an argument for decreasing assistance to returnees but rather to provide the same level of assistance to other groups and geographic areas.

Neglecting the rehabilitation of the rural and agricultural sectors, which employ the majority of the Cambodian population, leads to an influx of people to urban centers where infrastructure and public services are already inadequate to respond to existing needs, and further widens the gap between rich and poor. An uneven distribution of the resources to limited geographic locations and sectors inhibits the development of the country as a whole.

PRIORITIES REQUIRING URGENT ATTENTION

1. Public Administration and Infrastructure

As we have earlier drawn attention to some of the positive achievements realized since the last Tokyo meeting, we also wish to draw special attention to a number of setbacks requiring immediate intervention; foremost is the deteriorating capacity of the public service sector to deliver essential services.

Support to public administration and infrastructure were recognized in the Secretary General's Appeal as not only crucial but indispensable for the successful implementation of every other aspect of the rehabilitation program. Yet, these two sectors have received the least attention and financial resources.

We urge the international community to make resources immediately available to support public administration in the delivery of essential services and to allow the post-election administration to make a smooth transition without further disruption of those services.

At the same time we ask that the resources also be made available to restore the necessary civic and physical infrastructures so that they can function adequately and facilitate other aspects of reconstruction and development.

2. Reintegration of Returnees and Displaced Persons

The resettlement of over 270,000 returnees is undoubtedly a major accomplishment. Yet, it is not an end in itself. A more formidable task still lies ahead - reintegrating the returnees and ensuring that they possess the necessary resources, material and skills, to become productive and self-sufficient. We are concerned to see in the "Report on Rehabilitation and Development in Cambodia", that "resettlement related activities including, food security and agriculture, will be phased out quickly." We therefore urge the international community to show the same type of commitment, flexibility, and responsibility for the reintegration of returnees as they have already shown for the relocation of those populations.

At the same time we are deeply concerned by the neglect of efforts to reintegrate 180,000 internally displaced persons (IDPs). While they have received some food and agricultural assistance, demining of their home villages has not been

recognized as a priority and other basic necessities are still lacking. Finally, we are deeply troubled that the needs of IDPs have not been addressed in the UNHCR/UNDP/WFP appeal.

3. Demining

Four to five hundred Cambodians per month continue to be maimed or killed by mines. Over 700,000 hectares of prime rice land is made unusable by the presence of mines. Per capita, more Cambodians have been injured by mines than in any other country in the world.

The Cambodian Mine Action Center (CMAC), in collaboration with NGOs and Cambodians are to be applauded for the commendable and highly hazardous work they are doing in mapping, training, and de-mining.

The work of CMAC and collaborating agencies is limited mainly by lack of financial resources and lack of supervisors for the large number of newly trained personnel.

Additional resources can be absorbed and well utilized by CMAC and a number of NGOs willing and able to participate in this field of activity.

We strongly appeal to donors to make a long term commitment to the demining operation and to make the financial resources available so that the critical work of mapping and surveying can be expanded and demining activity extended under adequate supervision.

4. Human Resource Development

It is heartening to see in the UNTAC report prepared for the Donor's review meeting, the importance attached to Human Resource Development. Shortage of human resources, spanning every sector in society, remains the foremost constraint to the reconstruction and development of the country.

Recognizing this, we urge the international community to strengthen existing human resources through the support of training activities in every profession and especially through the upgrading and rehabilitation of existing educational institutions.

Particular attention needs to also be paid to develop the human potential of the adult population that has been deprived of educational opportunities in the last two decades.

Women, who constitute a valuable resource in Cambodia, must be given access to skills and training opportunities in non-traditional sectors.

Programs for skill training of the handicapped must be expanded and special considerations must be adopted for their employment.

Charting the available human resources, as well as the human resource requirements for the country's future, is a prerequisite for undertaking any rehabilitation of the education sector and requires urgent attention and financial and technical support.

5. Agriculture and Rural Development

The importance of the agricultural sector, in which over 80% of the Cambodian population are engaged, cannot be emphasized enough. However few of the resources promised by the international community have been disbursed for agricultural rehabilitation and development.

While recent land and economic reforms have encouraged farmers to improve land and production capacity, insufficient availability of resources are still a major constraint to increased production and self-sufficiency.

Furthermore, adequate resources invested today in making the rural areas a more hopeful place for the younger generation will help to prevent the urban disasters which are so prevalent in a number of the world's capitals today.

We therefore recommend that promised assistance to the largest and poorest sector of Cambodia's society be disbursed immediately. Assistance to rural development and agriculture programs must respect the social, economic and environmental concerns of the participants. Economic interests of donor countries should not take precedence over sustainable local development priorities.

We also recommend that the Donor's Appeal be adjusted to recognize the distinct difference between food aid and agricultural aid and separate the two categories accordingly.

6. Aid Coordination and ICORC

As we prepare for the next phase of reconstruction it is important that NGOs, multilateral and bilateral agencies seek to improve communication and coordination between themselves and particularly between themselves and the Cambodians. The mechanism for mutual consultation and dialogue, which has deteriorated in recent months, needs to be further developed and strengthened. In order to enhance the NGO contribution to this dialogue the Cooperation Committee for Cambodia (CCC) is preparing to engage a development analyst.

We also ask that the necessary resources be made available to Cambodian policy makers at the national and provincial levels to enhance capacity for planning, appraisal, monitoring and coordination of the process of rehabilitation and development according to Cambodian aspirations. This would ensure that Cambodians have the opportunity to participate more fully and more competently in the development process.

At the same time it is important that available donor resources for all sectors be more equitably distributed to all parts of the country and over a longer sustainable period of time.

NGOs welcome the establishment of the International Committee on the Reconstruction of Cambodia (ICORC) and look forward to a close and fruitful cooperation with this international planning and coordination body.

However, it has become clearer in the last eight months that there is also a pressing need for a Cambodian mechanism to address the day to day functions related to the planning of international assistance, project screening and coordination. Such a body, working in close consultation with the international organizations and NGOs, would identify priorities for international assistance and ensure that the assistance provided appropriately responds to national priorities. We strongly urge the international community to fully support, with the necessary resources, the establishment and functioning of a central Cambodian aid coordination and planning unit.

Most important of all, the well being of Cambodians and the future of Cambodia depends on Peace. The NGO community takes this opportunity to reaffirm its commitment to cooperate fully with all partners involved in the Peace process. We ask the international community to implement more effective measures for dealing with the Khmer Rouge problem. At the same time we ask all Cambodian parties to make a stronger commitment to reconciliation and peace.