

Summary Observation Report

on

Outputs Indicative of the Progress Achieved by the Royal Government of Cambodia, the National Assembly and Parliamentarians towards the fulfillment of promises made in their 73 points political platforms for the Third Legislature

First Year, July 2004 - December 2005

I. Introduction

COMFREL has observed and studied the progress made towards promises and commitments made in the political platform of the Royal Government of Cambodia (RGC) for the third legislature of the National Assembly (NA) since its formation and up to the end of 2005. This observation, which is called "political platform fulfillment (PPF)" has focused on the outputs of indicators of the PPF implemented by the RGC. These are the actual results which can be measured in terms of action taken or actual implementation. They are expressed according to: the time-frame specified for the action; the precise numbers and/or amount, for example, of adoption of laws, creation of new institutions; and new and/or reduced and/or increased activity by key actors in relevant areas. The RGC's political platform is divided into three main sectors; Political, Economic, and Social Affairs - the latter includes education, health, employment, women, children and culture. Together they span the original 73 points as summarized below:

1. Political Aspect

- **Domestic Politics**

- Strengthening Peace, Exercising Free-Multipartite Democracy and Respecting of Human Rights; Freedom of Press and Expression; Role of Oppositions;
- Participation of Civil Societies; The Rule of Laws;
- Reforms of Public Administration, Legal and Judicial Systems, Armed Forces and Demobilization, Combating Corruption, Economics and Finance, Land Administration, Natural Resource Management;
- National Defense and Security Policy;

- **Foreign Policy**

2. Economic Sector

- General Principles of Economic Policy
- Macro-economic and Public Finance Management
- Sectoral Economic Policy

- Agriculture; Industry; Physical Infrastructure; Commerce; Tourism;

3. Education, Health, Social Affairs and Culture

- Education; Youth and Sports; Health; Social Affairs and Employment; Women and Children; Culture

Below is the summary of the outputs indicative of the political platform fulfillment (PPF) of the RGC.

II. Summary of the promised outputs indicative as committed to be completed by the end of 2005

The RGC committed to implement the political platform described above by the end of 2005. It included at least six points. The initial observation found only one point where the RGC had indeed fulfilled its promise. This is the adoption of the Law on Organization and Functioning of the Council of Royal Wealth (point 15, part: Legal and Judicial System Reform). The other five points that have not yet been implemented by the RGC are as follows:

- 1- *The Law on Demonstrations and Strikes has not been adopted (point 8);*
- 2- *The Law on NGOs and Associations has not yet been passed (point 11);*
- 3- *Village chiefs, deputy village chiefs and village members have not yet been organized (point 15, part: Public Administration Reform).*
- 4- *The demobilization of the remaining listed soldiers intended for the end of 2004, has not so far, been completed. (point 15, part: Reform of Armed Forces and Demobilization).*
- 5- *The Anti-Corruption Law has not yet been adopted and an independent and neutral institution to fight corruption has not yet been established (point 15, part: Combating Corruption).*

III. Outputs Indicative by Sector

III.1 Political Aspect

RGC's PPF on political aspects has been observed with the following outputs indicative (law adoption, institutions establishment, etc). The RGC:

- 1- **“Has not yet” established the National Committee for Human Rights and an Office responsible for human rights that will replace the current Human Rights Commission of the RGC** (point 6). According to the observation, discussions only have been conducted through workshops with participation by government officials.
- 2- **“Has fulfilled some but not yet fully completed” its democratic obligations to enter in to active dialogue and debate with the NA’s members** (point 7). The observation

found that there were at least ten letters of invitation issued by the NA members for RGC's members to clarify main issues in NA's sessions but most of the time, there were no responses. The only responses were through two letters and two actual appearances of ministers at NA sessions.

- 3- **“Has not yet” adopted the Law on Organization and Function of the National Congress and the Law on Demonstrations and Strikes.** The plan is to draft the Demonstration and Strikes Law before the end of 2005 after consulting other relevant interests (point 8).
- 4- **“Has not yet” amended and adopted the Law on Political Parties** in the sense of improving the role of oppositions (point 9).
- 5- **“Has not yet” developed the Law on NGOs and Associations** for the purpose of supporting and protecting the rights of citizens to establish such associations (point 11). Concerns over the development of this law have been expressed by NGOs and associations that the law would reduce essential rights and freedom to perform their activities and it would increase the control of government over such work in communities.
- 6- **Point 15: Public Administrative Reform**
 - **“Has partly fulfilled but not yet fully completed” the establishment of “single exit-entrance” mechanism**, such as the foundation of nationwide offices for citizens, in the decentralization policy at commune/sangkat level in order to simplify public service and reduce bureaucracy. The government has established only two mechanisms in two districts, Battambang and Siem Reap district with support from the European Union.
 - **“Has fully” fulfilled the increase of salaries for all civil servants from 10% to 15% per year.** However this increase has only partly contributed to the rise in costs and standard of living because of the large increase in product prices and so the public services are still not yet effective. There is an increase in the bureaucracy because of the coalition agreement between the parties that increased the number of the government member in this third mandate to 171 persons- an extra 80 persons - nearly twice compared with those in the second mandate. Moreover, the legislative procedure of the service acceptance to be easier through the mechanism of the single entry has been a few implemented.
 - **“Has not yet” selected village chiefs, deputy village chiefs and village members within 2005** in accordance with the principle of commune\sangkat decentralization policy (Law on the Administration of the Commune/Sangkat Council).
- 7- **Point 15: Law and Judicial System Reform**
 - **“Has not yet” submitted to the NA the draft of basic laws** such as the Statute of Judges, the Law on Organization of the Courts, the Criminal Code, the Law on Criminal Procedures, the Civil Code, the Law on Civil Procedures, the Law on the Organization and Functioning of Public Notaries, and the Law on the Organization and Functioning of Bailiffs.

- **“Has not yet” established some specialized courts** such as: a Commercial Tribunal, Juvenile Tribunal, Labor Tribunal, and Administrative Tribunal.
- **“Has performed some but not yet fully completed” the original intention to compulsorily retire judges at age 60.** The Royal Decree on the retirement of judges who are 60 years of age or more was signed, but so far, none have been required to retirement. **A number of judges have been allowed to continue on the grounds of shortage of judges and backlogs of cases.**
- **“Has not yet” established institutions for the training of court clerks, bailiffs and notaries.**
- **“Has fully fulfilled” the adoption of the Law on Organization and Functioning of the Council of Royal Wealth** in accordance with the Constitution. The law was adopted in October 2004.

8- Point 15: Reform of Armed Forces and Demobilization

- **“Has not yet prepared” the change to bring the remuneration systems of the national police and military to be consistent with those of civil servants.** The salary ranges and system of the police, military and civil servants are still different. Police and military, for example, still receive additional allowances such as rice.
- **“Has fulfilled but not yet completely” demobilized the remaining listed soldiers that the government pledged to complete by the end of 2004** (The demobilization process refers to the the RGC’s program supported by its principal donor, the World Bank). The RGC’s efforts to demobilize the soldiers has been suspended since 2003 as the World Bank withdrew a USD 6.3 million component in the project worth USD 18.4 million due to irregularities in the procurement process for issue of materials in the compensation package of 15, 000 soldiers. This problem has not yet been resolved.

9- Point 15: Combating Corruption

- **“Has not yet” adopted the Anti-Corruption Law and “has not yet” established an independent and neutral institution to fight corruption by the end of 2005.** After delay, the law has just passed the Council of Ministers. There are concerns that the draft law is mostly influenced by the United Nations (UN) standard does not meet recognized international standards.
- **“Has fulfilled (some) but not yet (fully)” established proper permissions by direct and relevant ministries and institutions to examine all commercial contracts and concession contracts over use of natural resources and state assets.** Based on the observation, the leaders of the ministries and institutions, most of the time, responded that they either knew nothing or referred enquiries to others when interviewed by journalists in relation to contracts for selling or allowing concessions for use of state assets.

10- Point 15: Land Administration Reform

- **“Has fulfilled some but not yet fully” the review of the state’s holdings of unused land or private sector holdings of state’s land that do not comply with the**

legal framework and procedures that are already in place. There is continuing acquisition of and encroachment in to unused state owned land by powerful interests according to NGOs, human rights and legal organizations

- **“Has not yet” fulfilled the allocation of land within the framework of social land concession.**
- **“Has fulfilled partly but not yet fully” the provision of land ownership in particular for the poor and vulnerable.**

11- Point 15: Natural Resource Management

- **“Has fulfilled partly but not yet fully completed” the transformation of some fishing lots, where concession contracts have expired, into protected fish sanctuaries, thereby helping increase natural fish stocks, and preserving them for people’s consumption.** The observations of NGOs working in those communities show that until now no transformation has taken place of expired fishing lots in to protected fish sanctuaries.
- **“Has fulfilled some but not yet fully completed” the suspension and review of all the remaining forest concessions.** Illegal use of forest concessions is still often reported by the media and national and international monitoring organizations.

12- “Has not yet fulfilled” the establishment of the Ministry of Immigration and Citizenship at an appropriate time to enforce the implementation of the Law on Immigration and Citizenship (point 21). The government has studied and appears to be unwilling to agree to this change.

13- “Has not fully permanently fulfilled” the establishment of a supreme national council in charge of border issues. This national council was created for only a short period of time through Royal Decree before it was dissolved. The RGC took the view that despite being chaired by former King Sihanouk it was not needed, and the Prime Minister concluded arrangements with the Government of Vietnam. This decision aroused controversy that led to defamation law suits and detention of critics.

Conclusion of the Political Aspect

Outputs indicative in relation to political aspects show that apart from the RGC completely fulfilling the increase of salaries of civil servants from 10% to 15% per year, **most of the outputs have not been achieved or not yet fully** such as:

- **More than 80% of the promises in establishing, amending and the adoption of important laws have not yet been fulfilled**
- **Key national institutions have not yet been established** as promised including the establishment of the National Committee for Human Rights, Ministry of Immigration, the organization of village chiefs, deputy village chiefs and village members, the establishment of some specialized courts as needed (for Commercial, Juvenile, Labor and Administrative affairs), and the foundation of institutions for the training of court clerks, bailiffs and notaries. While the

Supreme National Council in charge of border issues was established for a short period of time through the Royal Decree, later it was dissolved.

- **Has fulfilled some but not yet fully completed some promises** including the active participation of ministers in debates with NA members, the establishment of a single exit-entrance local service for citizens, demobilization of remaining listed soldiers, permission processes for direct and relevant ministries and institutions to examine all commercial contracts and concession contracts over natural resources and state assets, the review of the state's unused land or private sector holding of state land, the transformation of the fishing lots where concession contracts have expired, and the suspension and review of all remaining forest concessions.

III.2 Economic Sector

RGC's PPF on the economic sector has been observed with the following outputs indicative of progress: The RGC:

- 1- **“Has completely fulfilled”** its target for **economic growth** with more than **7% over** the previous year as promised at a rate of 6% to 7% per year with single-digit inflation (point 32). This growth has contributed to the increase in the national budget by 5% in 2005 and 20% in 2006.
- 2- **“Has not yet fulfilled”** the preparation, drafting and adoption of the **Law on Casino Management** (point 33).
- 3- **“Has not yet fulfilled”** the proposal to promote accessible rural finance by providing credit, charged at the lowest rate of interest possible, by for example considering similar interest rates charged to the poor as in other ASEAN schemes.
- 4- **“Has completely fulfilled”** the tax exemption policy on agricultural land cultivated for family subsistence (point 36).
- 5- **“Has not fulfilled”** the establishment of **the agricultural vocational training centers** in a number of provinces and **agricultural development centers and model farms** in a number of districts (point 37). Only the existing centers are being operated although it is acknowledged that major donor-funded projects in this sector were proceeding by the end of 2005.
- 6- **“Has not yet fulfilled”** the adoption of the **Law on Industrial Zones** (point 41) thus **the industrial zones, export processing zones and the national standards institute and the national laboratory** have not yet been established. Only the preparation and draft of a legal instrument concerning the standards of products and quality control systems have been activated.
- 7- **“Has fulfilled partly but not yet fully completed”** the review and evaluation of the **contract concerning the private sector concession for levying of toll charges on National Road #4** (point 48). Although there were serious complaints from taxi drivers insisting that the toll fee be decreased to a reasonable level, observation shows that the fee was decreased only slightly from USD 0.77 to USD 0.69 per toll.

- 8- **“Has fulfilled partly but not yet fully completed”** the establishment of additional **international private ports** in some potential areas (point 52). Only one construction of an international private port was reported.
- 9- **“Has not yet fulfilled”** all effective actions **to maintain a more reasonable price of gasoline** by considering and comparing the price of gasoline with neighboring countries (point 53). The price of the gasoline is still comparatively high in Cambodia and has been the main factor in prompting rises in basic commodities.

Conclusion of the Economic Sector

The output indicative in the economic sector has found that most of the promises, up to almost 80% had either not been fulfilled at all or were only partly completed at this date. Only two key promises have been met - economic growth has achieved the target of more than 7% and tax exemption on agricultural land.

III.3 Education, Health, Social Affaires and Cultural Sectors

RGC's PPF on the social affairs sector of the political platform has been observed with the following outputs indicative: The RGC:

1. **“Has fulfilled but not yet fully completed” the commitment to ensure a minimum of nine years basic education for every child** (point 58). 58% of children, 1.3 million, do not finish primary school. It is estimated that 10% of boys and 16% of girls aged between 6 and 11 never attend school or 260,000 children.
2. **“Has fulfilled but not yet fully completed” the increase of its budget expenditure on the education sector especially for the subsidy of the teacher and ensuring training quality** (point 59). Observation shows some efforts such as the increase of the national budget for the expenditure of the action program as priority in the education sector up to 8.8% for 2005, when compared to the implementation estimate in 2004. However, the RGC spent only 2% of the total annual Gross Domestic Product (GDP) for investing in the education sector. This increase as calculated is considered to be too small in order to improve the quality of education which focuses on the 11 main programs prioritized in education and for improving the living standards of school staff and teachers (point 59).
3. **“Has fulfilled but not yet fully completed” the increase of the public resources utilization the commitment to provide free health care for poor citizens in referral hospitals and health centers** (point 61). Most people at the public forums complain about continuing high service fee payment in hospitals and health centers.
4. **“Has fulfilled but not yet fully completed” the plan to increase the quantity and deployment of competent health officers to serve in referral hospitals and health centers** (point 61). Although the Ministry of Health in 2004 had increased the number of midwives

for health centers, arranging staffing for rural facilities is still a serious problem as people want to stay in urban areas where they can make extra private income. The RGC does not have an effective policy to motivate rural working. This failure is the key cause of 2/3 of health centers being unable to provide full services.

5. **“Has completely fulfilled”** the establishment of the **Ministry of Labor and Vocational Training** now separated from the Ministry of Social Affairs (point 64).

Conclusion of Education, Health, Social Affairs and Cultural Sectors

The outputs that are indicative in the social affairs sector, as observed, shows that **most of the promises have either not been fulfilled or have not yet been completely fulfilled** by the RGC and only one promise was completely fulfilled which is the establishment of Ministry of Labor and Vocational Training.

Other outputs that are indicative of some progress but not yet fully completed include the commitment to nine years basic education for every child, the increasing of the budget expenditure for the education sector, providing free health care for poor citizens at referral hospitals and health centers, increasing the quantity and distribution of competent health officers to serve in referral hospitals and health centers.

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COMFREL's mission is to help to create an informed and favourable democratic climate (1) **for free and fair elections** through lobbying and advocacy to establish a permanent and suitable legal framework; education to inform citizens of their rights; and monitoring activities that both discourage irregularities and provide comprehensive data to enable an objective, non-partisan assessment to be made of the election process, and (2) for the general public to **fully understand democratic processes not just before elections but after and between them. It arranges, towards this end,** educational sessions and public forums to encourage citizens to participate in politics and decision-making. It encourages constructive advocacy and lobbying for electoral reforms that increase the accountability of elected officials. Finally by providing comprehensive observation and monitoring it enables objective, non-partisan assessments to be made on the progress of commitment made in political platforms and on the performance of elected officials.