



KINGDOM OF CAMBODIA
PERMANENT MISSION TO THE UNITED NATIONS

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SPEECH

BY

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PERMANENT SECRETARY

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ON

TURNING ASSETS INTO USABLE

CAPITAL IN LDCs - CONTRIBUTING TO THE MDGs

AT

THE MINISTERIAL ROUNDTABLE BREAKFAST

OF THE HIGH LEVEL SEGMENT OF THE ECONOMIC

AND SOCIAL COUNCIL SUBSTENTIVE SESSION OF 2004

NEW YORK, JUNE 30, 2004

Madame President,
Distinguished Delegates,

1. At the outset, I would like to express the pleasure of my delegation to participate in this Council High Level Segment General Debate with the theme “Resources Mobilization and enabling environment for poverty eradication in the context of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010”. It offers us a unique opportunity to take stock of our accomplishments so far and to determine a course of action for further implementation of those achievements.
2. I would like to commend you, Madame President, and the Economic and Social Council for the outstanding work carried out during the past years and thank the Secretary-General for the comprehensive report before us. I would also like to associate fully myself with the statement of H.E. Mr. Ahmad Bin Abdullah Al-Mahmoud, Minister of State for Foreign Affairs of Qatar on behalf of the Group of 77 and China.

Madame President,

3. It is obvious that the advantages of globalization and liberalization of economies, which have marked international relations in recent years, are still beyond attainment for most citizens of Least Developed Countries.
4. As a LDC, Cambodia must not only overcome the challenges of poverty, but also rebuild simultaneously all key infrastructure networks, institutions and human resources after twenty four years of war, genocide, conflicts and international isolation.
5. It has made a long way in the last decade. The Government could sustain macro-economic stability. Over the period 1999-2003, the economy grew at an annual average rate of 6.7 %, while the exchange rate was stable. Inflation was kept very low at 1.57 %. The level of international reserves has almost doubled to cover three months of import.
6. Nevertheless, poverty has shown a slight decline of 3 % from 39 to 36 percent between 1994 and 1999, mainly due to the rapid pace of

population growth of 2 to 3 % annually. If past trends continue, poverty incidence would decline to 28 percent by 2015, far from the goals indicated in the Brussels Plan of Action towards halving the incidence of extreme poverty in LDCs by 2015.

7. Hence, the Royal Government has focused its domestic policy on poverty reduction and formulated in March 2003 its first National Poverty Reduction Strategy (NPRS). It has actively implemented reform agenda in all sectors. It has put good governance at the core of its development priorities for the incoming period 2004-2008, of which the following areas have been identified as the main thrusts: (i) strengthening agriculture; (ii) promoting private sector development and employment generation; (iii) building physical infrastructure; and (iv) stimulating human resource development.

Madame President,

8. While welcoming the important achievements and decisions of the Third UN Conference on LDCs held in Brussels in May 2001, we share the view that most LDCs would be unable to achieve the above said objectives of the Brussels Plan of Action.
9. Active participation by the development partners is crucial for attaining the Millennium Development Goals. In fact, disparities in income and wealth between nations are widening. Rich nations and other donors should also assume their part of responsibilities, as poverty leads to political upheavals and violence to name the few. Their role in creating an enabling environment that is supportive of national development in LDCs is crucial for the achievement of greater political stability and predictability in the world arena. They are called upon to support building human and institutional capacities, make available financial resources and transfer technologies to developing countries. More importantly, they should remain firm in their commitment to increase ODA flows to the LDCs to the level of 0.15 to 0.2 % of their GNP by 2006 and take necessary steps to reverse the declining trend of ODA. We call on them to improve preferential market access for LDCs by removing tariffs and non-tariffs barriers, in particular for their agricultural goods. The rapid globalization process should not be allowed to divide the world into winners and losers.

Madame President,
Distinguished Delegates,

10. In conclusion, complex problems related to poverty eradication would require complex solutions designed in a comprehensive and holistic manner. We are living in a fast changing world when the pace of globalization and interdependence is gaining speed. Peace, stability and prosperity are interrelated. They affect all nations and people. It is essential that the entire international community join hands under the auspices of the Economic and Social Council in this uphill struggle, if we are to succeed in our painful efforts to combat the rapid surge of violence, extremism and terrorism.

Thank you for your kind attention