



KINGDOM OF CAMBODIA

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Ministry of Foreign Affairs and International Cooperation

INFORMATION BULLETIN

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Samdech Prime Minister HUN Sen Participates in the 9th ASEAN Summit

At the invitation of Her Excellency Mrs. Megawati Soekarnoputri, President of the Republic of Indonesia, Samdech HUN Sen, Prime Minister of the Kingdom of Cambodia, led a high delegation to participate in the 9th ASEAN Summit, the ASEAN+3 Summit, ASEAN+1 Summits with China, Japan, the Republic of Korea, and the ASEAN + India Summit held in Bali, Indonesia, on 7-8 October 2003.

The delegation included His Excellency Senior Minister HOR Namhong, Minister of Foreign Affairs and International Cooperation, His Excellency Mr. CHAM Prasadh, Minister of Commerce, and other high ranking government officials.

On the sidelines of the 9th ASEAN Summit, Samdech Prime Minister HUN Sen had some bilateral meetings as well.

Opening Remarks by Samdech HUN Sen at the First Session, 9th ASEAN Summit "Towards an ASEAN Economic and Security Community"

Here is the integral text of the Opening Remarks delivered by Samdech Prime Minister HUN Sen at the First Session of the 9th ASEAN Summit held in Nusa Dua, Bali, 7th October 2003:

I would like to express my heart-felt thanks to the Government of Indonesia for the excellent arrangements for the 9th ASEAN Summit and the hospitality extended to my delegation and me. I wish to take this precious opportunity to express the solidarity of the

Government and People of Cambodia to the Government and the People of Indonesia in the fight against terrorism.

In the past year, we were able to establish a cohesive ASEAN framework for combating terrorism by taking concerted efforts to crack down and dismantle terrorist organizations, implement regional capacity building programs and establish ASEAN focal points on counter-terrorism. However, at a regional level, there is an urgent need for enhancing collaboration on how to prevent terror attacks by analyzing and solving the root causes of terrorism and tailoring responses to specific circumstances.

In this regard, I believe that what is needed is an “axis of stability” among ASEAN countries. Indeed, we cannot neglect a need for focusing on improving the efficiency of both multilateral and regional policy implementation in combating the manifestations of terrorism. In this spirit, May I suggest to the Heads of State/Government of ASEAN to task our Ministers concerned to elaborate an Action Plan on Strengthening Security in ASEAN.

The security issue on the Korean peninsula is of serious concern to ASEAN. I believe that a peaceful Korean peninsula is important for peace and stability in East Asia. I am therefore convinced that the current engagement policy would be beneficial to all parties concerned, as it would increase mutual understanding and strengthen peace and stability in the region. Moreover, there is no doubt that the inter-Korean dialogue is key to reducing tensions and improving the situation on the Korean peninsula.

We believe that the ARF can and should play an active supporting role to the solution of the nuclear issue and the peace process in the Korean Peninsula. Cambodia welcomes the Six-party talks held in August 2003 in Beijing and appreciates efforts by all concerned parties. We hope that future dialogue will break the deadlock so that we can find ways to defuse the tension in the region.

In the past recent years, Cambodia has taken all its efforts to obtain the accession to the WTO at the recent ministerial meeting in Cancun. I would like to express my sincere gratitude to all the ASEAN members to provide all kinds of supports to Cambodia in our active campaign for WTO membership. Cambodia will use all the opportunities of

the membership to enhance the implementation of a comprehensive policy reform agenda in order to achieve sustainable development.

ASEAN has taken serious strides to deepen economic integration, possibly leading to the formation of an ASEAN Economic Community by the year 2020, as we have discussed in Phnom Penh. Indeed, the signing of the Declaration of ASEAN Concord II (Bali Concord II) at the current summit will provide a roadmap for achieving these noble objectives. In this sense, I fully support the recommendations of the High-level Taskforce on ASEAN Economic Community, especially the degree of flexibility that enable those member states that are ready to proceed the first step to the Regional Economic Community. But concurrently, in order to ensure that such implementation will not let to widening and deepening the development gaps inside ASEAN, which constitute our main impediment, I would suggest that we all should give top priority to the mobilization of resources both within and from outside ASEAN to expedite the implementation of the Initiative for ASEAN Integration including the expansion of the coverage of the ASEAN Integration System of Preferences (AISP). This will allow least developed member countries to be able to fully and effectively participate in the Regional Economic Community and to benefit from the integration process.

Cambodia welcomes the efforts made by some ASEAN countries aimed at intensifying sub-regional cooperation. As part of the Initiative for ASEAN Integration (IAI), in Phnom Penh last year, we have taken a step further to intensify GMS development, which will greatly contribute to the diminution of the gaps among the ASEAN economies. Moreover, Cambodia is also keen to strengthen economic cooperation with neighboring countries such as Cambodia, Vietnam and Lao PDR Development Triangle, and Cambodia, Lao PDR and Thailand Development Triangle. In this context, I welcome the first meeting of Foreign Ministers on the *Economic Cooperation Strategy* (ECS) between Cambodia, Lao PDR, Myanmar and Thailand (CLMT), recently held in Bangkok on 1 August 2003. We are convinced that this initiative will provide us with unique opportunity to increase trade and investment, enhance competitiveness and generate more employment and improved income and quality of life of the peoples in the sub-region.

I am pleased to notice that at the 9th ASEAN Summit we will discuss the Maritime Cooperation in ASEAN. Cambodia supports the proposal to establish an ASEAN Maritime Forum (AMF) in order to address maritime-related issues in a comprehensive manner. However, I propose that we should clearly establish a Term of Reference for the AMF, and also provide flexibility for some issues, which require bilateral discussion on a confidential basis, since we all know that not all issues can be resolved on a multilateral basis.

**Opening Remarks by Samdech HUN Sen
at the ASEAN+3 Summit
"Deepening East Asia Cooperation"**

Following is the integral text of the Opening Remarks delivered by Samdech Prime Minister HUN Sen at the ASEAN +3 Summit held in Nusa Dua, Bali, 8th October 2003:

Your Majesty,

Excellencies,

Ladies and Gentlemen,

I would like to join the ASEAN Leaders in welcoming the participation of the Leaders of the People's Republic of China (PRC), Japan and the Republic of Korea at this summit.

Since the last Phnom Penh Summit, ASEAN+3 countries have made a substantial progress in intensifying our multi-faceted cooperation.

Cambodia highly appreciate the concrete actions taken by the +3 countries in implementing various initiatives aimed at accelerating ASEAN integration, such as: the *Initiative for the Development in East Asia (IDEA)* initiated by the Prime Minister of

Japan, the *East Asia Vision Group* (EAVG) and East Asia Study Group (EASG) proposed by South Korea, and (c) *Framework Agreement on ASEAN - China Comprehensive Economic Cooperation*.

Taking this opportunity, I would like to thank the Republic of Korea for the pledge of US\$830,000.00 for the feasibility study of Singapore-Kunming rail link, which passes through the new ASEAN member countries namely Cambodia, Laos, Myanmar and Vietnam. Specifically for Cambodia, thanks to Malaysia's commitment to building the missing link from Poipet to Sisophon. In order to complete the whole project, I would like to propose to the +3 countries to help build the missing link from Phnom Penh to Ho Chi Min City.

Cambodia warmly welcome prompt actions taken by our +3 partners in implementing the short-term recommendations proposed by the EASG namely, the implementation of the East Asia Forum (EAF) by Korea, the building of East Asia Think-Tanks by China, and the ASEAN+3 Study Group for the Facilitation and Promotion of the Exchange of People and Human Resources Development by Japan. Speedy implementation of these initiatives is important in order to promote and deepen cooperation in East Asia.

Despite the significant progress and development were made in many fields of our cooperation, ASEAN+3 still faces many challenges, which required concerted efforts to deal with. Particularly, the existing gap of development level in East Asia is the key main challenge.

In this regard, the successful conclusion of the first ministerial meeting of IDEA was highly complementary to ASEAN+3 process to deepen the cooperation and integration of East Asia. IDEA has its importance and strength as synergy to deepen East Asia cooperation and integration. Moreover, Japan's emphasis on the close links between ODA, FDI and trade facilitation for developing countries shows Japan's strong support and commitments to ASEAN's continuous efforts to accelerate ASEAN integration, thereby helping reduce gaps between Northeast and Southeast Asian development.

Cambodia was so pleased with the result of the Fukuoka Symposium on the IDEA held on 30 August 2003 in Japan. The symposium took place as a follow-up activity to look for ways and means to implement recommendations of the IDEA-1 Ministerial Meeting. By now, I believe, government officials, academics as well as private sector have taken the IDEA into their heart.

Thus, to keep the momentum and translate the IDEA into implementation, Cambodia welcomes Japan's offer to host the second IDEA Ministerial Meeting, so that we can look into concrete development issues and strategic areas of cooperation such as infrastructure, HRD, ICT, and other forms of regional economic integration.

Besides HRD cooperation, the success of this our region still much depends on mutual-understanding among people in East Asia. So far our people don't have a strong sense of East Asian identity, which is of significant for having people realize the common fate of the region and to change the way of thinking on future regional community.

The final report of the EASG presented to us in Phnom Penh last November, provides clear direction for the ASEAN+3 cooperation through the 17 short term measures and 9 medium-to long term measures. We agreed on the vision of the ASEAN+3's gradual evolution into East Asian Summit and eventually East Asian free trade area as our long term objectives.

Since we have also agreed that building block approach is the best way forward for the evolution of ASEAN+3, Cambodia is of the view that ASEAN and the +3 countries have to further accelerate sub-regional FTAs as so far we have witnessed East Asian development in good shape. To point out, ASEAN-China FTA negotiation is well in progress, and ASEAN-Japan CEP is about to start its consultations /negotiations by next year. I am of the view that sub-regional FTAs would likely work as building block and could help to ease an establishment of EAFTA more than a network of bilateral FTAs which would be possibly difficult to hammer out the differences in terms of FTA coverage, trade and investment regimes and especially the rule of origin, if we are seeking an EAFTA is our regional ultimate goal.

Specifically, Cambodia views that by promoting Sub-regional FTAs between ASEAN and the Plus Three countries, no one members will be left behind and ASEAN could also maintain its appropriate role as a driving force in the ASEAN+3 process.

Once again, I highly appreciate the initiatives and generous support provided by our ASEAN+3 Partners that have contributed to the development of our region.

**Samdech Prime Minister HUN Sen
Attends the 12th East Asia Economic Summit**

At the invitation of His Excellency Mr. Goh Chok Tong, Prime Minister of Singapore, Samdech HUN Sen, Prime Minister of the Kingdom of Cambodia, led a high delegation to participate in the 12th East Asia Economic Summit held in Singapore on 12-14 October 2003.

The delegation included His Excellency Senior Minister HOR Namhong, Minister of Foreign Affairs and International Cooperation, and other high-ranking government officials.

The Summit brought together leaders from governments, regional and international businesses, the media and other organizations to jointly address Asia's economic Future.

**Samdech Prime Minister HUN Sen' s Keynote Address
at the East Asia Economic Summit:
*"Cambodia's Perspective on Regional Integration"***

Following is the integral text of the Keynote Address delivered by Samdech Prime Minister HUN Sen at the East Asia Economic Summit held in Singapore, 12-14 October 2003:

Excellencies,

Ladies and Gentlemen,

At the outset, I would like to express my sincere thanks to the World Economic Forum and the Government of Singapore for inviting me to address this august summit. I am honored to be here today to share with all distinguished delegates some of my thoughts on regional integration and Cambodia's efforts towards this goal at present and its beyond.

The new technology revolution and globalization have brought about profound changes to the political, economic, cultural and social fabrics of East Asia. It presents to us both opportunities and challenges.

The Asian financial crisis has brought East Asian countries together and provides a strong impetus and thrust for ASEAN and East Asia towards a regionalism with an enhanced institutional identity. In this regard, I am convinced that an assessment on dynamism of ASEAN and East Asia should be made based on these developments.



Samdech Prime Minister Hun Sen (right) shakes hands with Deputy Prime Minister Sar Kheng before leaving for Singapore to participate in the 12th East Asia Economic Summit. (Photo: AKP)

Within the ASEAN framework, we have taken serious strides to deepen economic integration, leading to the formation of an ASEAN Economic Community by the year 2020 as the ASEAN Leaders have discussed in Phnom Penh in 2002. The Declaration of ASEAN Concord II (Bali Concord II) signed at the recent 9th ASEAN Summit in Bali, provides a roadmap for achieving these noble objectives. I believe that in the near future the nations of ASEAN will be living together in a community where goods, services and people move more freely, where personal security is protected.

Cambodia fully supports the recommendations of the High-level Taskforce on ASEAN Economic Community, especially the degree of flexibility that enable those member states that are ready to proceed first can go ahead towards the ASEAN Economic Community. However, to ensure that such flexibility will not lead to widening development gap within ASEAN, which is the key impediment to our move towards a full economic integration in the region, ASEAN has to give priority, particularly to resource mobilization from both inside and outside the region to expedite the implementation of the Initiative for ASEAN Integration (IAI), including the expansion of the coverage of "the ASEAN Integration System of Preferences-AISP". This will allow less developed member countries to fully and effectively participate in an ASEAN Economic Community and can benefit properly from ASEAN integration.

ASEAN Countries have agreed that intensifying sub-regional cooperation is a part of the Initiative for ASEAN Integration (IAI). Based on this philosophy, last year in Phnom Penh we have taken a step further to intensify GMS development which, we all expect, will greatly contribute to the diminution of the gaps among the ASEAN economies. In this regard, Cambodia is also keen to strengthen economic cooperation with neighboring countries by promoting a triangle development area between Cambodia, Lao PDR and Vietnam, as well as between Cambodia, Lao PDR and Thailand, called "emerald development triangle", and by implementing the initiative on the *Economic Cooperation Strategy* (ECS) between Cambodia, Lao PDR, Myanmar and Thailand (CLMT). We are convinced that these initiatives will provide us with unique opportunity to increase trade and investment, enhance competitiveness and generate more employment and improved

income and quality of life in the sub-region, in which most are the less developed new members of ASEAN.

Within the ASEAN+3 framework, we have introduced a number of initiatives and concrete projects, aimed at accelerating regional integration and building an identity of East Asia such as: the *Initiative for the Development in East Asia (IDEA)* initiated by Japan; the *East Asia Vision Group (EAVG)* and *East Asia Study Group (EASG)* proposed by South Korea; *Framework Agreement on ASEAN -China Comprehensive Economic Cooperation*; and similar arrangements between ASEAN and Japan; as well as the ongoing discussion between ASEAN and the Republic of Korea on trade liberalization, investment, and economic cooperation including the establishment of ASEAN-ROK free trade area.

The final report of the EASG presented to ASEAN Leaders in Phnom Penh last November, provides clear direction for the ASEAN+3 cooperation through the 17 short term measures and 9 medium-to long term measures. ASEAN warmly welcomed prompt actions taken by our +3 partners in implementing the short-term recommendations proposed by the EASG namely, the implementation of the East Asia Forum (EAF) by Korea, the establishment of East Asia Think-Tanks Network by China, and the ASEAN+3 Study Group for the Facilitation and Promotion of the Exchange of People and Human Resources Development by Japan. Speedy implementation of these initiatives is important in order to promote and deepen cooperation in East Asia.

Thus, in general, I am of the view that the most critical challenge for ASEAN and East Asia now is to ensure that these initiatives work as a "synergy" and complement to the establishment of a strong regional community in the long run.

In this spirit, we have agreed that the building block approach is the best way forward for the evolution of ASEAN+3. Therefore, ASEAN and the +3 countries decided to give a special attention to the acceleration of sub-regional FTAs that so far can help to maintain East Asian development in a good shape. To point out, ASEAN-China FTA negotiation is well in progress, and ASEAN-Japan Closer Economic Partnership (CEP), and ASEAN-ROK CEP is about to start its consultations/negotiations in the near future. I am of the view that sub-regional FTAs would likely work best as a building block,

because promoting sub-regional FTAs between ASEAN and the Plus Three countries can ensure that no one members will be left behind and ASEAN could also maintain its driving seat in the ASEAN+3 process.

Cambodia is very proud of being able to specifically and appropriately contribute to regional efforts toward firm security and peace since the first days of its membership in ASEAN. Cambodia's strict adherence to the principles of democracy, respect for and protection of human rights, ensuring peace and genuine national reconciliation, the elimination of the Khmer Rouge political and military structure have been significant and meaningful contribution for ASEAN and East Asia.

The Royal Government of Cambodia (RGC) has doubled efforts to meet the requirements of ASEAN membership- from changing laws to bringing finance, investment, commerce and trade sectors into alignment with ASEAN standards. Indeed, Cambodia's agenda does not end up only with the membership in ASEAN and the implementation of other related forms of cooperation such as ASEAN+3 and ASEAN+1, but Cambodia has a greater ambition. Our agenda is to integrate our national economy into the world trade system at large. To achieve this goal, Cambodia has prepared itself through utmost effort during the last several years to achieve the accession into the WTO at its Ministerial Meeting on 12 September 2003 in Cancun, Mexico.

Cambodia has been commended for being able to meet the stringent and voluminous conditions for WTO membership. This highlights the fact that Cambodia has been on the correct track by committing herself to democracy, respect of human rights and transparency, and modernization of national economy, and in particular, liberalization of trade and investment in order to enable the people of this poor country to benefit from globalization.

However, the government is conscious that becoming an effective member of the WTO may even be more difficult than the process of attaining membership. To this end, Cambodia must exert its utmost efforts to face the numerous challenges, difficulties and obstacles by forcefully implementing and deepening the reform programs in all sectors, especially by strengthening production base, diversifying export, revamping legal and judicial system, building institutional capacity and developing human resource, a process which takes time and requires strong commitment, determination and political will.

During the last five years, the Royal Government of Cambodia (RGC) has been actively implementing reform agenda in all sectors. These efforts generated a powerful momentum, reflected by Cambodia's robust economic performance. Over the period of 1999-2003, the economy grew at an annual average rate of 6.7 percent, while the exchange rate was stable. Inflation was kept very low under 3 percent. The level of its international reserves has almost doubled.

Nevertheless, the Royal Government of Cambodia admits that reform is not built in a day nor completed in one giant step. It must be a steadfast and continuous process. In *The Road to Serfdom* (1944), the Nobel laureate F.A. Hayek said that "If we are to build a better world, we must have the courage to make a new start." In this regard, I am proud that the Cambodian people and government have a clear understanding that Cambodia has no better way, but to continue the reforms that we have started in all our earnest. I thank you for your attention.

Senior Minister HOR Namhong Participates in the High Level Dialogue on Financing for Development

At the invitation of His Excellency Mr. Jan Kavan, President of the Fifty-seventh session of the General Assembly of the United Nations, His Excellency Senior Minister HOR Namhong, Minister of Foreign Affairs and International Cooperation, led a delegation to participate in the High Level Dialogue on Financing for Development held in New York from 29 to 30 October 2003.

The High-Level Dialogue on Financing for Development focused on domestic, regional and global aspects of Financing for Development and to facilitate the implementation of policies, goals and objectives agreed upon at the International Conference on Financing For Development (ICFFD) held at Monterrey, Mexico from 18 to 22 March 2002.

Australian Senator Praises Development in Cambodia

In his letter dated 13 October 2003 on the occasion of the first anniversary of the establishment of the Australia/Cambodia Parliamentary Friendship Group, The Honorable **Brett Mason**, Australia's Senator for Queensland, as Chairman of the Group, praised the improving political situation in Cambodia, the improving life of the Cambodian people, the July elections as well as Cambodia's continuing commitment to building an open, democratic society.

"In 1992/93, as part of the United Nations Transitional Authority in Cambodia, I was lucky to be present at the birth of Cambodian democracy. Since that time, I have maintained a keen interest in Cambodian affairs as well the friendship of many Cambodians with whom I worked in those exciting years. I had a chance to return to Cambodia in 2001, and will be visiting again in November with a Joint Parliamentary Delegation. **It gives me an enormous personal satisfaction to witness first hand the improving political situation in Cambodia as well as improving life of the Cambodian people.**

" Last July, the Cambodian people went to the polls for the third time since the Paris Peace Accords to democratically elect their government. In its report, the Australian Parliamentary Delegation led by Mr. Michael Johnson, MP , agreed with the general consensus that **"the administration of the election was handled very effectively and generally in accordance with the electoral law and procedures."** Australian Parliamentarians also noted **the Cambodian people 's " remarkable enthusiasm for their right to vote and their opportunity to take part in the political process."**

"As somebody with a deep and long standing interest and affection for Cambodia,

I am greatly encouraged by Cambodia's continuing commitment to building an open, democratic society.

“Australia is very happy to support these efforts. Recently, the Australian Government provided through the United Nations Development Programme around A\$ 1 million towards the cost of conducting the July 2003 general election.---Australia's support for Cambodian democracy is only a small part of the broader development assistance programme, which in 2003/ 04 is expected to reach A\$ 44,4 million.

“As Chairman of the Australia/ Cambodia Parliamentary Group, I am eager to see the strengthening of friendship and understanding between our two countries.”
