



**Welcome Address By
H.E. Chhay Than
Senior Minister, Minister of Planning
At the National Launching Ceremony
of the National Strategic Development Plan (NSDP) Update 2009-2013
(Inter-continental Hotel July 7, 2010)**



H.E. Deputy Prime Minister, Minister of Economy and Finance, Revered Representative of Samdech Akka Moha Sena Padei Techo HUN SEN, Prime Minister of the Kingdom of Cambodia, Excellencies, Distinguished Guests, Ladies and Gentlemen,

1. First of all, I wish to convey my profound respect and my very warm welcome to H.E. Deputy Prime Minister, Minister of Economy and Finance, Revered Representative of Samdech Akka Moha Sena Padei Techo HUN SEN, Prime Minister of the Kingdom of Cambodia. I would also like to express my deep gratitude to H.E. Deputy Prime Minister for his presence to preside over this ceremony to launch the National Strategic Development Plan (NSDP) Update 2009-2013. Besides, I would like to warmly welcome and sincerely thank all of you for your presence in this event.

2. Excellencies, Ladies and Gentlemen! I am very delighted with our today gathering owing to the fact that today would be a historical day for us as we are conducting the Launching Ceremony of *NSDP Update, 2009-2013*, which will serve as the fundamental policy instrument for the implementation of Rectangular Strategy Phase II (RS II), just on the Second Anniversary of the listing of Preah Vihear Temple as a UNESCO World Heritage Site.

3. NSDP Update 2009-2013 as the 4th socio-economic development plan is another new product that has been prepared in close collaboration between Ministry of Planning and other RGC's ministries and agencies and other stakeholders. In this regard, I would like to express my sincere thanks to government officials of line ministries and agencies, National and International Organisations for their cooperation in providing inputs and comments to the Ministry of Planning for NSDP Update 2009-2013 preparation, which makes this policy document conceptually consistent with RGC's prioritised policies and responsive to current situations in the region and the world. I would also like to convey my sincere thanks to UNFPA for their contribution to the organisation of this launching ceremony.

**H.E. Deputy Prime Minister,
Excellencies, Distinguished Guests, and Ladies and Gentlemen,**

4. I wish to take this important occasion to give this very meeting a brief account of three main aspects of the process of NSDP Update 2009-2013 preparation; **First**, *the purpose of NSDP update preparation*; **Second**, *the preparation process of NSDP Update*; and **Third**, *the structure and contents of NSDP Update*.

I. Purpose of preparation of NSDP Update, 2009-2013

5. The **NSDP Update, 2009-2013** has been prepared to achieve two primary goals. **First**, to synchronise the timeframe covered by the **NSDP Update** with the term of the Fourth Legislature of the Royal Government in order to ensure that the actions, programmes, and projects of all Ministries and Agencies are aligned to implement the prioritised policies of the RGC that are outlined in Rectangular Strategy Phase II. **Second** goal is to ensure that works to be proposed by line ministries and agencies (LMs/LAs) to implement these prioritised policies are prepared taking into account potential impacts of the global financial crisis and economic downturn on socio-economic development of Cambodia.

II. Preparation Process of NSDP Update 2009-2013

6. Referring to the RGC's Sub-Decree No. 03 SD dated 28 May 2009 on the Preparation of NSDP Update 2009-2013, the Ministry of Planning in close collaboration with other three central agencies (MEF, CRDB/CDC, and SNEC) and other RGC's LMs/LAs has updated NSDP 2006-2010 to be the NSDP Update, 2009-2013 in order to achieve the aforementioned goals. The NSDP Update 2009-2013 to be launched today has been prepared in collaboration between the MOP and LMS/LAs and in several steps including the processes of preparing inputs, consultative meetings of technical staff, consultative meeting of the four central agencies and the inter-ministerial meeting. In addition, this plan document was discussed in other three meetings at Office Council of Ministers including the meeting of Economy Socio and Cultural Council and Council of Jurists on 9 and 11 March 2010, the inter-ministerial meeting on 19 March 2010 and a meeting presided over by H.E. SOK AN, Deputy Prime Minister, Minister in charge of Council of Ministers, on 23 March 2010. The NSDP Update 2009-2013 was endorsed by the Cabinet Meeting on 26 March 2010 and approved by the legislative bodies, the National Assembly and Senate, on 31 May and 17 June 2010 respectively. Finally, on 30 June 2010, His Majesty, the King of Cambodia, has signed a ROYAL KRAM to promulgate the NSDP Update 2009-2010.

7. To strengthen the RGC's ownership and leadership in the process of formulation of this important national policy document as outlined in the above-mentioned RGC's Circular, each government ministry and agency has been required to set up a working group for NSDP Update 2009-2013 chaired by a Secretary of State to lead the preparation of inputs necessary for the drafting of NSDP Update in collaboration with MOP. In order to ensure the participation of other stakeholders including Development Partners (DP) and Civil Society Organisations (CSO) in the process of NSDP Update 2009-2013 preparation, the consultative process to provide comments on this plan document has been encouraged to take place at sectoral ministry level through joint RG-DP Technical Working Group (TWG) that is chaired by government.

III. Structure and Outline of NSDP Update 2009-2013

8. The NSDP Update 2009-2013 is configured following the structure of RGC's Rectangular Strategy Phase II, which covers Cambodia's social, economic, cultural, and security sectors and specific reform measures that are reflected in the 24 angles of Rectangular Strategy. On the other hand, some sectoral and cross-sectoral issues, viz. *Combating Drugs, Environmental Protection, Conservation, and Climate Change; Rural Development*, which are not explicitly outlined in the Rectangular Strategy Diagram, are placed in the appropriate sites of RS II.

9. To ensure the efficient implementation of the paragraph 111 of RS II which underlines that “*This Strategy will be implemented mainly through the National Strategy Development Plan*”, the methodology to outline contents of this Plan has been refined focusing on: **First**, the nexus between all prioritised actions raised by LMs/LAs and RGC’s prioritised policies outlined in the RS II; **Second**, the costing of prioritised actions based on the five-year year Macroeconomic Framework 2009-2013; and **Third**, estimates of the total amount of resources, from all sources, that are likely to be available or would need to be mobilised to achieve the Plan targets.

10. The NSDP 2009-2013 is organised in seven Chapters.

11. **Chapter I** presents an overview of the developments in the implementation of RGC’s policies and the historical background of the preparation of national development plans that has taken place since 1993; the rationale for the updating of the NSDP 2006-2010 to become the NSDP Update 2009-2013; and a refined methodology to render NSDP Update 2009-2013 an instrument or a road map for the implementation of RGC’s prioritised policies outlined in RS II.

12. **Chapter II** gives a brief account of major achievements and challenges faced in the implementation of NSDP 2006-2010 until 2008.

13. **Chapter III** outlines the macro-economic framework for the timeframe of NSDP Update 2009-2013 focusing on 5 main aspects: **First**, the Economy at the Start of NSDP Update 2009-2013; **Second**, Macro-Economic Management: 2009-2013; **Third**, Economic Outlook: 2009-2013; **Forth**, Capital Investment Required to Achieve Projected GDP Growth; and **Fifth**, Budget Revenues and Expenditures: 2009-2013.

14. **Chapter IV**, as the crucial part of the plan, presents RGC’s key policies and actions attached to each integral part of RS II. Based on the new methodology of the plan preparation, the role and responsibilities of each LMs/LAs has been defined for the implementation of the RGC’s prioritised policies outlined in each component of RS II. This Chapter depicts two main parts that contains policy-based inter-relations. Part I outlines the prioritised policies for the fourth legislature of RGC, which are entirely copied from RS II; and Part II illustrates the prioritised actions, programmes and projects identified by LMs/LAs to implement the prioritised policies stated in part I.

15. **Chapter V** deals with issues of costs, resources and programming for implement the actions, programmes and projects proposed by LMs/LAs in this Plan. In order to achieve the overall and sectoral GDP growth targets for the period covered by the NSDP Update 2009-2013, total capital investments of 62,020.7 billion CR (US\$ 15.127 billion), in which private sector capital investments are estimated to be 44,480.1 billion CR (US\$ 10.848 billion) – accounting for 71.7 percent of total capital investments and public sector capital investments are estimated to be 17,540.6 billion CR (US\$ 4.278 billion) – accounting for 28.3 percent of total capital investments, will be required. To implement this Plan, based on macroeconomic framework and resources available from domestic and external sources, the total outlay required shall be 25,740.6 billion CR (US\$ 6.278 billion) in which capital investments are to account for 17,540.6 billion CR (4.278 billion US\$) and other non-capital expenditures are to account for 8,200 billion CR (2 billion US\$).

16. **Chapter VI** outlines the monitoring and evaluation mechanism for the implementation of NSDP Update 2009-2013. This mechanism is featured in two distinct types. *Type 1* constitutes the regular monitoring and evaluation of the implementation of actions, programmes and projects conducted by each ministry-agency. *Types 2* constitutes the regular monitoring and evaluation through the preparation of annual progress report (APR) and mid-term review (MTR) in order to present an overview of the plan implementation by reflecting progress as well as identifying challenges, occurring in the efforts to achieve the pre-determined broad goals based on “Core Monitoring Indicators-Targets” of the Plan.

17. **Chapter VII**, the last chapter of this plan, provides a conclusion that the implementation of NSDP Update 2009-2013 to achieve RGC’s prioritised policies outlined in RS II, in particular continued efforts in making progress in poverty reduction in rural areas will require periodic adjustments in resource allocations to respond to on-going and emerging challenges caused by changes in the external environment.

18. Finally, on behalf of Ministry of Planning, I would like once again to express my profound thanks to H.E. Deputy Prime Minister KEAT Chhon, Minister of Economy and Finance, Revered Representative of Samdech Akka Moha Sena Padei Techo HUN SEN, Prime Minister of the Kingdom of Cambodia, for his presiding over this event. I would also like to convey my sincere thanks to Excellencies, Ladies and Gentlemen for your presence in this ceremony. In the upcoming implementation of NSDP Update 2009-2013, I sincerely hope that we are all, MOP and LMs/Las, will continue our close collaboration as we have so far been committed to in order to efficiently monitor the implementation of this Plan. I wish H.E. Deputy Prime Minister, Ladies and Gentlemen the Four Buddha Blessings.

Thank you !