

# **AGREEMENT**

BETWEEN

**THE ROYAL GOVERNMENT OF CAMBODIA**

AND

**THE GOVERNMENT OF SWEDEN**

ON

**DEVELOPMENT CO-OPERATION**

1 JANUARY 2002-31 DECEMBER 2004

AGREEMENT BETWEEN THE GOVERNMENT OF SWEDEN AND THE  
GOVERNMENT OF CAMBODIA ON DEVELOPMENT COOPERATION  
1 JANUARY 2002 - 31 DECEMBER 2004

The Government of Sweden (hereinafter referred to as Sweden) and the Government of Cambodia (hereinafter referred to as Cambodia), together hereinafter referred to as ‘the Parties’

DESIROUS to cooperate in order to reduce poverty, to ensure sustainable economic and social development and to promote democracy, human rights and equality between men and women in Cambodia.

CONFIRMING that the overriding objective of their co-operation is to contribute to Cambodia’s own efforts to poverty reduction with specific objectives as follows;

- To promote opportunities for poor men, women and children in rural areas to influence and improve their living conditions.
- To create preconditions for good governance with emphasis on development of democracy and respect for human rights.

The development cooperation will be focused on three mutually reinforcing areas: Rural Development, Education, and Democratic Governance.

CONCURRING that the final responsibility for any development project/programme under this Agreement rests with Cambodia and that the role of Sweden is limited to the provision of resources as detailed in Specific Agreements.

HAVE THEREFORE AGREED AS FOLLOWS:

ARTICLE I THE SWEDISH CONTRIBUTION

For development cooperation between Sweden and Cambodia during the period 1 January 2002 to 31 December 2004, Sweden shall keep available at least THREE HUNDRED AND THIRTY MILLION SWEDISH KRONOR (SEK 330.000.000).

The contribution shall be disbursed in accordance with the requirements of cooperation projects and programmes defined in Specific Agreements between the Parties, and, in cases where the Parties have agreed that the Swedish contribution shall be channeled through UN

agencies, international financial institutions or non-government agencies on a co-financing or multilateral basis or otherwise, as defined in agreements between Sweden and such an organization.

The amount is subject to Swedish parliamentary appropriation of funds and shall be made available to Cambodia as a grant.

## ARTICLE 2 AREAS OF COOPERATION

The objectives of the three main areas shall be:

- to support poverty oriented rural development based on democratic governance and social and economic investments at local level.
- to contribute to the achievement of the goals of education for all within a broad based rights and development perspective.
- to strengthen the democratic process, rule of law and the respect for human rights in Cambodia.

The main areas of cooperation shall be the following:

- Rural Development including mine clearance
- Education
- Democratic Governance

In support of the main areas of cooperation a consultancy fund will be provided within this agreement.

Sweden may finance other areas of cooperation using resources from outside those provided in this Agreement, or the Parties may agree to include other areas within these resources, as long as they fall in the preamble of this Agreement.

## ARTICLE 3 DELEGATION OF POWERS

The Swedish International Development Cooperation Agency, Sida, and the Ministry of Economy and Finance in Cambodia shall be empowered to represent their respective Governments in the implementation of this Agreement.

## ARTICLE 4 REFERENCE TO OTHER AGREEMENTS

The development cooperation programme is also governed by:

- The Agreement on General Terms and Conditions for Development Cooperation between the Government of Sweden and the Government of Cambodia, dated March 4, 2002, or any agreement that may replace or amend the said agreement; and
- Specific Agreements governing the various projects and programs of cooperation.

ARTICLE 5 ENTRY INTO FORCE AND TERMINATION

This Agreement shall enter into force on 1 January 2002 and remain valid until 31 December 2004. If no new Agreement on Development Cooperation is concluded for the period after that date, the remaining funds may be utilised to fulfil the undertakings made by Sweden in Specific Agreements which are still valid in accordance with their validity clauses.

This Agreement may be terminated by six months' written notice from either party. In cases of termination by Sweden, the termination shall not apply to funds irrevocably committed in good faith by Cambodia to third parties before the date of the notice of termination, provided that the commitments were made in accordance with Specific Agreements in force on the date the commitments were made. In cases of termination by Cambodia, no funds shall be available for activities after the expiry of the Agreement.

Two originals of the text of this Agreement, written in the English language, have been signed today, the 4th of March 2002, in the city of Phnom Penh, Kingdom of Cambodia.

For the Government  
of Sweden



Bo Göransson  
Director  
Swedish International Development  
Cooperation Agency (Sida)

For the Royal Government  
of Cambodia



Keat Chhon  
Senior Minister  
Minister of Economy and Finance  
First Vice Chairman of the Council  
for the Development of Cambodia