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PM ANNOUNCES THE FUNAN TECO CANAL TO BREAK GROUND IN AUGUST 2024



Cambodian Prime Minister Samdech Moha Borvor Thipadei Hun Manet mentioned that the Funan Techo Canal project is scheduled to break ground in August this year.

“The project is a big national symbol and a historical achievement of Cambodia,” he said at the inauguration ceremony of achievements of the Buddhist Cultural Centre of Cambodia in Phnom Sruoch district, Kampong Speu province, on 30 May 2024.

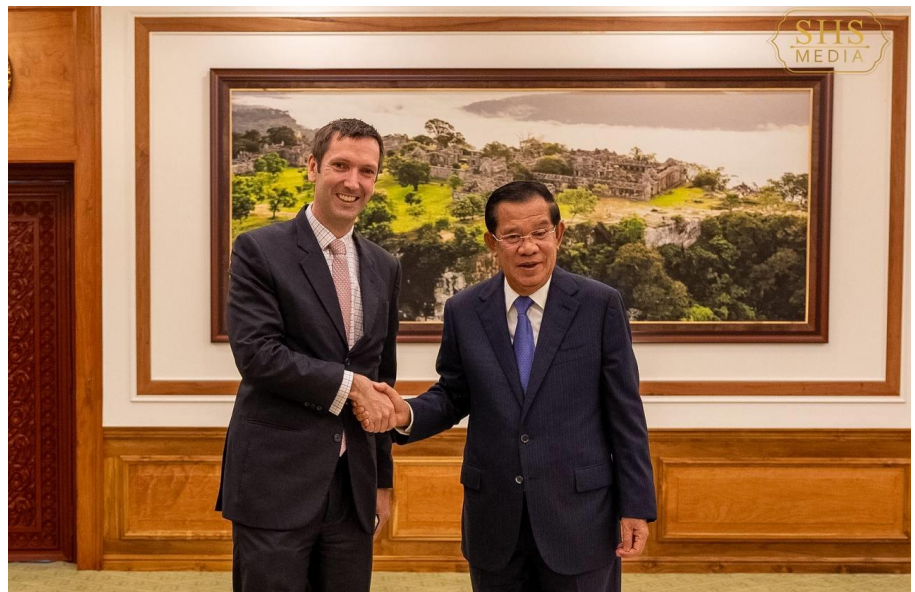
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DEPUTY PRIME MINISTER AND FOREIGN MINISTER CONCLUDES FRUITFUL VISIT TO CHINA

His Excellency Deputy Prime Minister SOK Chenda Sophea, Minister of Foreign Affairs and International Cooperation of the Kingdom of Cambodia paid his first official visit, with fruitful outcomes, to the People’s Republic of China from 23rd to 25th May 2024, at the invitation of His Excellency WANG Yi, Member of the Political Bureau of the Communist Party of China (CPC) Central Committee, Director of the Office of the Central Commission for Foreign Affairs, and Minister of Foreign Affairs of the People’s Republic of China.

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UK ENCOURAGED TO WORK WITH NEW CAMBODIAN GOVERNMENT TO BOOST BILATERAL TRADE



Samdech Akka Moha Sena Padei Techo Hun Sen encouraged the United Kingdom to continue working with the new Royal Government of Cambodia to further boost trade between the two countries.

The President of the Senate of Cambodia made the encouragement while receiving a courtesy call from H.E. Dominic Williams, British Ambassador to Cambodia, at the Senate Palace in Phnom Penh, on 30 May 2024.

The British diplomat highlighted the development of relations between the two countries, especially the opening of a British University in Phnom Penh in September 2023, the signing between the UK and the Cambodian Ministry of Economy and Finance to develop green infrastructure projects, the defence cooperation, and the docking of British ships at Sihanoukville Autonomous Port in Preah Sihanouk province.

Samdech Techo Hun Sen said he was pleased that the UK had achieved his goal of opening a

British university in Cambodia. Another notable thing, he continued, is the establishment of a green industrial park invested by the UK, in addition to those invested by Korea and Japan.

The senate president requested the British side to assist Cambodia in the inspection issue by providing modern technology to manage human resources as well as negative acts.

Samdech Techo Hun Sen and the British ambassador also exchanged views on the situation in Myanmar, the Russia-Ukraine crisis, the situation in the Middle East, and the South China Sea issue.

The former Cambodian Prime Minister expressed his concern about the rich Indo-Pacific strategies, including those of Japan, Australia, the United States, the European Union, Canada, India, and South Korea. Anyway, he reaffirmed Cambodia’s firm stance that all Indo-Pacific strategies must serve peace and development, not against any country, and must respect the ASEAN Centrality.

DEPUTY PRIME MINISTER AND FOREIGN MINISTER CONCLUDES FRUITFUL ...



During the official visit, His Excellency Deputy Prime Minister SOK Chenda Sophea paid a courtesy call to His Excellency HAN Zheng, Vice President of the People's Republic of China, prior to holding a bilateral meeting with His Excellency WANG Yi and meeting with His Excellency Zhang Jianhua, Member of the CPC Leadership Group of the National Development and Reform Commission (NDRC) and Chairman of the National Energy Administration.

The bilateral talks between His Excellency SOK Chenda Sophea and His Excellency WANG Yi were held in a cordial atmosphere with an in-depth discussion covering a number of prioritized works to be implemented in order to promote the Comprehensive Strategic Partnership including cooperation in politics, security and defense, trade and investment, energy, infrastructure development, people-to-people exchange, education, tourism, and culture.

The two Foreign Ministers expressed their satisfaction with the outcome of the 7th meeting of the Inter-Governmental Coordination Committee held last month, including the progress of the implementation of the consensus reached by the leaders of the two countries under the Diamond Cooperation framework, in particular the establishment of the "Industrial and Technological Corridor" and "Fish and Rice Corridor", cooperation in clean energy development, railway development and the promotion of growing trade volume by the effective implementation of Cambodia-China Free Trade Agreement.

With the aim to further expand economic relations and cooperation, His Excellency WANG Yi welcomed His Excellency Deputy Prime Minister

SOK Chenda Sophea's proposals for the Chinese side to explore the possibility of expanding or establishing more new special economic zones in Cambodia and to provide technical and vocational training to increase more skilled workforce in the Kingdom as well as affirmed support for major infrastructure development projects in Cambodia, such as in transportation, logistics and irrigation system as well as the strategically important Funan Techo Integrated Water Management project considering China's long experience in these sectors. Meanwhile, His Excellency WANG Yi also pledged to encourage Chinese companies and enterprises to invest in Cambodia and increase the import of agricultural products from Cambodia. Both sides also agreed to further promote cooperation in various key and potential areas, such as education, tourism, modern agriculture, connectivity, digital economy, and artificial intelligence.

His Excellency SOK Chenda Sophea and His Excellency WANG Yi also discussed and exchanged views on regional and international issues of common interest, and reaffirmed the enhancement of closer cooperation both bilateral and multilateral frameworks, including in ASEAN-China, Mekong-Lancang, and the United Nations to contribute to peace, stability and prosperity in the region and beyond.

His Excellency Deputy Prime Minister SOK Chenda Sophea and the Chinese leaders highly valued the growing from strength to strength of the ironclad friendship and excellent cooperation between the two countries, encouraged by frequent high-level exchanges of visits and communication, and concurred to continuously increase the exchanges and communication more actively and closely in both executive and legislative frameworks. The Chinese leaders underscored the continued support for Cambodia in choosing a development path suited to her national conditions and in playing a more important role on the international stage. His Excellency SOK Chenda Sophea also emphasized Cambodia's principled position on adhering to the "One China Policy" and considering Hong Kong,

PM ANNOUNCES THE FUNAN TECO ...

Regarding this project, Deputy Prime Minister and First Vice President of the Council for the Development of Cambodia H.E. Sun Chanthol said it had been thoroughly studied by a group of nearly 50 experts.

The Funan Techo Canal project has very little impact, while the economic analysis and evaluation show that it will provide great benefits for the areas of trade, tourism, urban planning and construction and so on, he underlined.

According to the project's feasibility study, the US\$1.7 billion Funan Techo Canal project is 180 kilometres long and 100 metres wide upstream and 80 metres downstream with two navigation lanes. The construction would take around four years to complete.

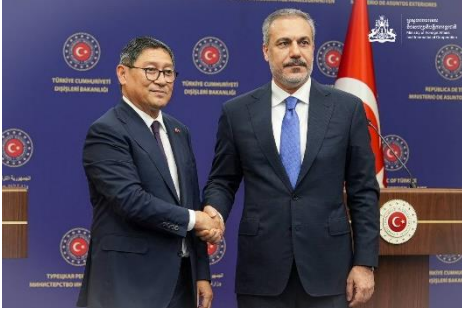
The canal will link Prek Takeo of Mekong River to the sea in Kep province crossing four provinces: Kandal, Takeo, Kampot and Kep with a total of 1.6 million people living on either side of the waterway.

Taiwan, Tibet, and Xinjiang as China's internal affairs, as well as continuously supporting China's active role in international affairs. Both sides recognized the importance of people-to-people exchanges as well as cultural exchanges and agreed to work closely to enhance these exchanges, especially among the youths.

His Excellency SOK Chenda Sophea also exchanged views with His Excellency Zhang Jianhua, Member of the CPC Leadership Group of the NDRC and Chairman of the National Energy Administration, on the advancement of the Comprehensive Strategic Partnership of Cooperation within the Diamond cooperation framework with the focus on the development of clean energy which is crucial for supporting the development of the "Industrial and Technological Corridor" and "Fish and Rice Corridor".

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CAMBODIA LOOKS TO PROMOTE TRADE AND DIRECT FLIGHT FROM TÜRKIYE



Cambodia is looking for trade promotion, investment, tourism and direct flight from Türkiye, according to a press release from Ministry of Foreign Affairs and International Cooperation.

The remarks were made by Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation H.E. Sok Chenda Sophea's three-day official visit to Türkiye early this week.

During the visit from May 27 to 29, H.E. Sok Chenda Sophea stressed the need to strengthen bilateral relations and expand the depth and scope of cooperation in various fields, particularly

in boosting bilateral trade to US\$1 billion.

On trade and investment, both Cambodia and Türkiye agreed on the need for direct flights between Türkiye and Cambodia, as Türkiye will endeavour to encourage Turkish Airlines to start direct flights to Cambodia as soon as possible to facilitate trade, investment, and tourism.

The two sides acknowledged the vast potential for future investments in areas such as agro-industry, education, food processing, green energy development, and tourism.

On regional and international issues, the two sides shared the view that Türkiye's Asia Anew Initiative for economic and trade cooperation with Asian partners fits well with Cambodia's priorities and cooperation under the ASEAN Outlook on the Indo-Pacific (AOIP). They committed to further consolidating and expanding cooperation in regional and global fora and reached common ground on major international crises.

THE NATIONAL BANK OF CAMBODIA PREDICTS HEALTHIER ECONOMIC GROWTH IN 2024



The National Bank of Cambodia (NBC) has predicted a healthier economic growth rate coupled with a decline in inflation for Cambodia in 2024 amidst a global economic climate facing headwinds due to geopolitical tensions and rising interest rates.

In its latest report issued on 20 May, the central bank forecast that Cambodia's Gross Domestic Product (GDP) is expected to expand

by a robust 6 percent in 2024, supported by improved external and domestic conditions. Global growth was predicted at 3.2 percent this year by the IMF, higher than the previous forecast, mainly on account of greater-than-expected resilience in the U.S. and faster economic recovery in China, which are also Cambodia's main trading and investment partners, stated the central bank.

"The Cambodia's economy is supported mainly by exports both garment and non-garment products, increasing of tourism sector and related sectors, while agricultural sector grows at a slower pack," said NBC Governor H.E. Dr. Chea Serey in a workshop on an occasion of

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DEPUTY PRIME MINISTER AND ...

His Excellency SOK Chenda Sophea also met with about 250 Cambodian students studying in Beijing and Tianjin, China, during which he conveyed to the participants the all best wishes from Samdech Moha Borvor Thipadei HUN Manet, Prime Minister of the Kingdom of Cambodia, and offered some advice and shared important experiences with the students.

ADB LAUNCHES NEW COUNTRY PARTNERSHIP FOR CAMBODIA

The Asian Development Bank (ADB) has launched a new country partnership strategy for Cambodia, spanning the period 2024–2028.

The new strategy, closely aligned with the first phase of the national Pentagonal Strategy for the same period, aims to strengthen pathways for a sustainable, inclusive, and resilient economy in Cambodia, an ADB's news release pointed out on 29 May 2024.

The five-year strategy focuses on working with the government and other partners to accelerate private-sector-led economic diversification, advance human development, and strengthen climate resilience, said the source, adding that the comprehensive strategy also incorporates crosscutting priorities to address climate change, enhance governance and institutional capacity, improve gender equality, promote digitalization, and deepen regional cooperation and integration.

"Shaped in close collaboration with diverse stakeholders, ADB's new country strategy is a partnership with Cambodia for its prosperity, its people, and the planet," said ADB Vice-President for East and Southeast Asia and the Pacific Scott Morris. "It heralds an exciting new chapter of growth and opportunity in Cambodia's development journey, one that aims to set the country on the path to high-income status in the decades ahead."

According to the news release, the strategy emphasises prosperity by accelerating economic

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ADB LAUNCHES NEW COUNTRY PARTNERSHIP ...



STRENGTHEN PATHWAYS TO A MORE SUSTAINABLE, INCLUSIVE, AND RESILIENT ECONOMY



diversification, recognising the pivotal role of the private sector in driving sustainable growth. Key to this approach is enhancing high-quality, climate-resilient infrastructure to attract private sector investments, and creating an enabling business environment, particularly beneficial for micro, small, and medium-sized enterprises.

Placing people at the heart of the development agenda, the strategy seeks to ensure inclusive access to quality and affordable services, including education, skills development, health care, and clean water supply and sanitation services. ADB will also ramp up its efforts to enhance digital service delivery by subnational administrations and improve food security and nutrition for those most in need, thereby paving the way for enhanced economic productivity.

Aligned with ADB and the government’s climate commitments, the strategy aims to strengthen climate resilience through targeted climate adaptation initiatives spanning agriculture, water resource ecosystems, and urban infrastructure. Further, it prioritises the expansion of renewable energy sources and mobilisation of concessional climate finance, in a concerted effort towards a greener and more resilient future for Cambodia.

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members—49 from the region.

CAMBODIAN RICE SEEKS MARKETS IN AFRICA, MIDDLE EAST

The Cambodia Rice Federation (CRF) is optimistic of expanding the rice market after a fruitful participation in the Saudi Food Expo held in Riyadh on 21-23 May, attracting significant interest from potential buyers across the Middle East and Africa.

The CRF’s delegation, composed of four leading rice millers and exporters, showcased Cambodia’s premium rice varieties. The high quality and distinct flavours of Cambodian rice impressed attendees,

with many foreign buyers expressing a strong interest in forging partnerships, CRF Secretary-General Lun Yeng said. The CRF’s participation in the Saudi Food Expo aligns with the Cambodian government’s initiative to diversify rice export markets.

Markets in both regions have grown significantly. Rice export to the Middle East market increased from 1,398 tonnes in 2015 to 7,521 tonnes in 2023 and to the African market increased from 4,284 tonnes in 2015 to 52,828 tonnes by 2023.

THE NATIONAL BANK OF CAMBODIA ...

launching of the Financial Stability Review 2023 held on May 20.

“The Regional Comprehensive Economic Partnership (RCEP) and other Free Trade Agreements (FTAs) could attract more FDIs and help Cambodia to diversify its productions and exports,” she said.

The report acknowledged potential challenges, including geopolitical tension, prolonged tightening of monetary policies in advanced countries, weaker-than-expected growth in China, and climate change. Those risks could cause slower global economic and trade activities, which could affect exports, investment, and capital flows into Cambodia.

Central bank governor, however, highlighted the resilience of Cambodia’s banking system amid successive external challenges.

“Facing these potential challenges, the NBC will continue collaboration with relevant authorities to ensure the strength of Cambodia’s banking system and will introduce necessary measures forward to support economic growth and maintain the national financial stability,” H.E. Dr. Chea Serey said.

Cambodia’s economic growth is mainly driven by garment export, tourism, agriculture, as well as construction and real estate.

NBC predicted that inflation in Cambodia to remain low and manageable. The inflation rate, which reached a peak of 2.1 percent in 2023 due to rising global fuel and food prices, is projected to fall to 2 percent by year-end.