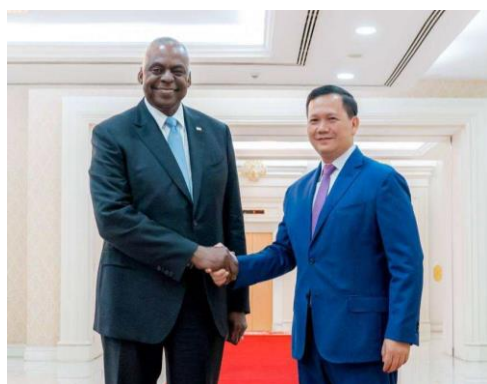


# VISIONS of CAMBODIA

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## U.S. TO SEEK BETTER COOPERATION WITH CAMBODIA ON ASEAN MECHANISMS AND BILATERAL RELATIONS



As Cambodia will be the ASEAN-US Dialogue Coordinator Nation in 2024, visiting U.S. Defence Secretary H.E. Gen. Lloyd Austin expressed his pleasure to work closely with Cambodia.

The information was made known during his courtesy call on Cambodian Prime Minister Samdech Moha Borvor Thipadei Hun Manet at the Peace Palace on 4 June 2024.

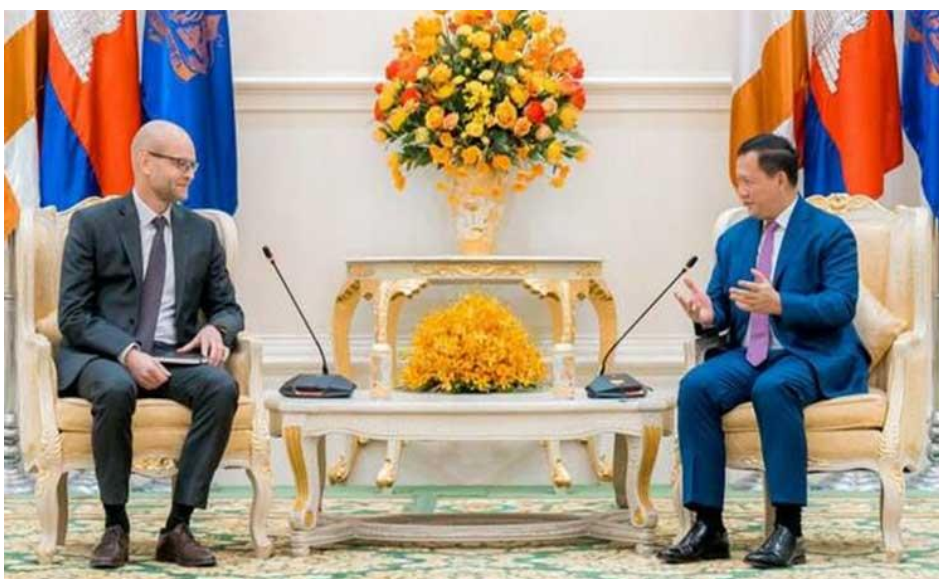
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## DPM TAKES PART IN THE FOURTH MEETING OF FRANCOPHONE ENTREPRENEURS

At the invitation of Mr. Geoffroy Roux de BEZIEUX, President of the Alliance des Patronats Francophones (APF) and Mr. Chakib ALJ, President of the Confédération Générale des Entreprises du Maroc (CGEM), His Excellency Deputy Prime Minister and Foreign Minister SOK Chenda Sophea took part in the Fourth Meeting of Francophone Entrepreneurs in Marrakesh from May 30<sup>th</sup> to 31<sup>st</sup> 2024. More than 1,000 companies took part in the meeting.

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## CAMBODIA AND FINLAND VOW TO FURTHER STRENGTHEN THE COOPERATION



Cambodia and Finland will further strengthen and expand their cooperation in numerous fields, including education, vocational training, trade, health, and environment.

This was made known here on 4 June when H.E. Jyri Järviäho, the outgoing Bangkok-based Ambassador of the Republic of Finland to the Kingdom of Cambodia bid farewell to Cambodia's Prime Minister Samdech Moha Borvor Thipadei Hun Manet.

In the meeting, H.E. Jyri Järviäho informed the Cambodian leader of his four-year diplomatic mission in Cambodia, which he has contributed to the strengthening and expansion of cooperation and support for socio-economic development in Cambodia and other numerous fields including demining, land management, and registration, the Extraordinary Chambers in the Courts of Cambodia (ECCC), and the social development.

The Ambassador also stressed the need to continue to deepen and expand cooperation between the two countries in the fields of education, vocational training, health, trade, and the environment.

In response, Samdech Thipadei Hun Manet thanked and appreciated H.E. Jyri Järviäho's efforts in contributing to the strengthening and expanding diplomatic relations and cooperation between the two nations during his diplomatic mission.

The Cambodian Prime Minister reaffirmed that the Royal Government of the 7th legislature of the National Assembly will continue to implement the policy to promote the education sector.

For the vocational training, Samdech Thipadei Hun Manet also stated that the Royal Government has set priority policies for the development of professional and technical skills to respond to the needs of the labor market with flexibility and practical needs, as well as strengthen additional capacity, through reskilling and upskilling.

The Cambodian premier also welcomed and encouraged the Government of Finland to further strengthen and expand cooperation in the fields of education, health, trade, and environment through cooperation with relevant ministries and institutions of the Royal Government of Cambodia.

## DPM TAKES PART IN THE FOURTH MEETING OF FRANCOPHONE ...



In an address to the opening session, His Excellency the Deputy Prime Minister highlighted steps taken by the Royal Government of Cambodia to support the development of companies. Two points are essential, he said. The first is to meet and listen to companies to understand their needs. The second is to help companies adapt better to new circumstances in areas such as human resource development and professional training.

On the sidelines of the meeting, His Excellency the Deputy Prime Minister met with Mrs. Louise MUSHIKIWABO, Secretary General of the Organisation internationale de la Francophonie (OIF), to discuss Cambodia's candidacy to host the Twentieth Francophone Summit in 2026. He outlined actions already taken by Cambodia to prepare for the Summit if its candidacy is confirmed in October. He also met with the

Honorable Olivier CADIC, the French Senator for citizens living abroad, and His Excellency Franck RIESTER, the French Minister Delegate for Foreign Trade, Economic Attractiveness, Francophonie, and French Nationals Abroad. The two sides discussed issues related to the Francophone community in Cambodia.

The meeting in Morocco was an opportunity to confirm the agreement of Cambodian authorities to host the Sixth Meeting of Francophone Entrepreneurs in 2026. The APF President and the OIF Secretary General both welcomed the announcement and Cambodia's dynamism among French-speaking countries and territories.

In exchanges with the private sector, His Excellency the Deputy Prime Minister met with the APF and CGEM presidents as well as Mouvement des Entreprises de France (MEDEF) President Patrick MARTIN, French Foreign Trade Advisors (CCEF) President Sophie SIDOS-VICAT and Mr. Karl BLACKBURN, President of Conseil du Patronat du Québec (CPQ) and APF Vice President for the Americas. In addition, His Excellency the Deputy Prime Minister met with Mr. David MEAS and Mrs. Catherine JOFFROY from Dentons, the world's largest law firm. All looked forward to Cambodia hosting the Francophone Summit and the Sixth Meeting of Francophone Entrepreneurs in 2026.

## CAMBODIA ATTRACTS US\$246 MILLION INVESTMENT IN MAY

Cambodia attracted fixed-asset investment of US\$246 million in May, the Council for the Development of Cambodia (CDC) said in a news release on 10 June 2024.

CDC approved 25 investment projects in May which could create approximately 15,000 jobs, the CDC added.

The approved projects span various sectors, including manufacturing, tourism, agriculture, and special economic zones.

This diversification highlights Cambodia's efforts to attract investment beyond its traditional garment industry, fostering a more robust and resilient economy.

"In May, investment from China tops the list, accounting for almost 50 percent of the total investment capital, while 30 percent other is from domestic sources," CDC stated in the report.

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## U.S. TO SEEK BETTER COOPERATION ...

At the courtesy meeting, H.E. Gen. Lloyd Austin also confirmed that this was his second visit to Cambodia after his attending the ASEAN Defense Ministers' Meeting Plus in Siem Reap province in 2022.

H.E. Gen. Lloyd Austin said that this second visit is aimed to strengthen and expand good relations and cooperation with Cambodia in many areas where the two countries can work together, especially in the field of defense, and the United States ready to work closely with Cambodia to set up mechanisms to build better relations and cooperation.

The U.S. Defence Chief also praised the Cambodian Army's demining skills and expressed his confidence that the United States and Cambodia would continue to cooperate in that field.

In response, Samdech Thipadei Hun Manet, expressed his warm welcome to H.E. Gen. Lloyd Austin and the delegation. He thanked and appreciated the good cooperation and relations between Cambodia and the United States.

The relations between the two countries will be further strengthened and expanded, especially in the field of defense and believed that this will provide new opportunities to expand the defense cooperation between the two countries to combat terrorism, human trafficking and drug trafficking.

Samdech Thipadei and H.E. Gen. Lloyd Austin also discussed and exchanged views on regional and international issues including security and stability, peace, unity and prosperity in the region and internationally, as well as providing mutual benefits between the two countries.

## WORLD BANK FORECASTS CAMBODIA'S ECONOMIC GROWTH AT 5.8 IN 2024

World Bank forecasts Cambodia's economic growth at 5.8 percent in 2024 driving by goods exports and service boosting the economic activities.

In its Cambodia's Economic Update issued on June 6, World Bank said Cambodia's economic activity picked up in the first quarter of 2024, driven by a revival of services and goods exports, despite subdued domestic demand.

"To sustain economic growth, Cambodia needs to maintain macro-financial stability by restoring fiscal space and safeguarding its financial sector," World Bank Country Manager for Cambodia Mrs. Maryam Salim said.

"Cambodia can also strengthen competitiveness by improving the business climate, streamlining trade procedures at borders, making the energy supply more reliable, and strengthening education," she added.

International tourist arrivals continued to improve in the first quarter to 84 percent of pre-pandemic levels, the report said, adding that exports of garments, travel goods, and footwear rebounded, while non-garment exports, especially those of agricultural commodities, remained resilient.

## CAMBODIA EARNS ALMOST US\$220 MILLION FROM RICE EXPORTS IN FIRST FIVE MONTHS

Cambodia exported 302,592 tonnes of rice in the first five months this year, up 8.7 percent from 278,184 tons recorded in the same period last year, a report from the Cambodia Rice Federation (CRF) showed 06 June 2024.

The milled rice export earned revenue of US\$219 million, up 14 percent from US\$191 million recorded in the same period last year, read the report, adding that milled rice was shipped to 63 destinations through 48 exporters.

Rice exports to 26 countries in the European Union was amounted 136,528 tons, worth a total of US\$104 million, 7 ASEAN countries

The Association of South East Asian Nations (ASEAN) region has emerged as Cambodia's second-largest export market after the United States, it said, adding that rising foreign investment in manufacturing and agriculture also contributed to the recovery.

The report said inflation declined to zero in March as food prices decelerated, while the current account recorded an unprecedented surplus in 2023 as the trade deficit narrowed and tourism receipts rose.

Construction activity remains subdued, however, as the property market correction continues. As a result, domestic credit growth has slowed significantly, weighing on private consumption and domestic revenue collection, read the report.

Cambodia's economic growth should further strengthen by 6.1 percent in 2025 and 6.4 percent in 2026 as revival in garment, travel goods, and footwear exports and tourism propel the ongoing recovery, the report said.

65,412 tons, worth US\$46 million, and other destinations 27,330 tons worth US\$22.9 million, read the report. Exported milled rice varieties included fragrant rice, long grain white rice, parboiled rice and organic rice, it said, citing that fragrant rice accounted for 71 percent of the total rice export.

Meanwhile, Cambodia exported 2.44 million tons of paddy rice worth US\$710 million to its neighbouring countries. CRF has set the country's full-year milled rice export target at 750,000 tons in 2023, rising to one million tons by 2025.

## CAMBODIA ATTRACTS US\$246 MILLION ...

The surge in investment approval is a positive sign for Cambodia's economic growth, said Mr. Lim Heng, Vice-President of Cambodia Chamber of Commerce, stressing that it signifies investors' confidence in the country's political stability, improving infrastructure and skilled workforce.

"Cambodia will be able to attract more investments as both local and foreign investors see the potential of the trade preference deals the country has signed; such as the RCEP, Cambodia-China FTA, Cambodia-Korea FTA as well as the implementation of the new investment law," he said.

## CAMBODIAN MINISTER OF COMMERCE SEEKS INVESTMENT BOOST

Cambodia's Minister of Commerce, H.E. Mrs. Cham Nimul, promoted potential investment opportunities in Cambodia at the 2024 JCI ASPAC (Junior Chamber International Asia and Pacific) Business Dialogue and Matching event held in Siem Reap provincial city on 8 June 2024.

The event was held under the topic "Business Opportunities in Cambodia," with the co-chair of His Excellency Sok Soken, Minister of Tourism of Cambodia with many relevant stakeholders in attendance.

In her keynote remarks, H.E. Cham Nimul highlighted Cambodia's business climate as vibrant and full of potential that over the past two decades, Cambodia has achieved remarkable economic growth, averaging over 7% annually.

This success is built on a foundation of political stability, sound macroeconomic policies, and a proactive government that understands the value of public-private dialogue, she said.

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## CAMBODIA'S INT'L AIRPORTS HANDLE 2 MILLION AIR PASSENGERS IN FIRST FOUR MONTHS



Cambodia's aviation industry continues its strong rebound with a combined 2 million passengers passing through the country's international airports in the first four months this year.

This figure marks a significant increase by 25 percent compared to the same period in 2023.

"The figures are a testament to the recovery of Cambodia's aviation industry from the Covid-19 pandemic and proudly moving forward," H.E. Mao Havannal, Minister in Charge of State Secretariat of Civil Aviation, said during an

inspection visit to under-construction Techo International Airport on June 6.

In 2024, Cambodia has 31 domestic and foreign airlines operating flights from 8 ASEAN countries, China, South Korea, China's Hong Kong, China's Taiwan, Qatar and the United Arab Emirates.

Currently, there are three international airports operating in Cambodia, Phnom Penh International Airport (PNH), Siem Reap Angkor International Airport (SAI), and Sihanouk International Airport (KOS).

Last year, Cambodia received more than a combined 5.1 million air passengers, an increase of 115 percent compared to 2022.

The under-construction Techo International Airport, located in Kandal and Tekeo provinces, is scheduled to put into commercial commence in mid-2025.

## CAMBODIA'S EXPORTS TO RCEP COUNTRIES UP 12 PERCENT IN FIRST FIVE MONTHS

Cambodia exported US\$3.97 billion worth of goods to RCEP countries in the first five months of 2024, an increase of 12 percent from US\$3.57 billion in the same period in 2023, a report from the Ministry of Commerce showed.

The country's RCEP exports accounted for 39 percent of the Kingdom's total trade of US\$10.18 billion, it said.

The two-way trade between Cambodia and RCEP countries rose by 14.20 percent to US\$14.17 billion, the source pointed out.

The Kingdom's RCEP trade represented 65.57 percent of the country's international trade of US\$21.61 billion, read the report.

Cambodia enjoys preferential tariffs on many exports, such as agricultural, processed and

industrial goods. The Kingdom also benefits from the agreement, including the transfer of technology, knowledge, skills and new skills from foreign direct investment and creating new jobs as well.

RCEP has given a big impetus to Cambodia's exports, contributing to the economic development of the country, H.E. Sok Siphana, Senior Minister in Charge of International and Multilateral Trade and Economic Relations, said previously.

"RCEP has given a big market access to Cambodia's products and is the source of the country's sustainable economic development in years to come," he said.

## CAMBODIAN MINISTER OF COMMERCE ...



The Royal Government of Cambodia is actively working to develop domestic regulatory frameworks to facilitate competitive business operations and improve the business environment in Cambodia, she said.

She encouraged investors to explore the vast potential that Cambodia offers.

"Whether to invest in our rapidly growing economy, take advantage of our strategic location, or leverage our digital advancements, Cambodia welcomes you with open arms," H.E. Cham Nimul emphasized.

The Minister also laid stress that digital transformation is at the heart of Cambodia's development strategy. Hence, Cambodia recognize that embracing digital technologies is essential for enhancing efficiency, transparency, and competitiveness.

In this connection, the Royal Government of Cambodia has launched several initiatives, such as the Cambodia Data Exchange (CAMdx), verify.gov.kh, the National Single Window, CambodiaTrade.com, the Cambodia Digital Economy and Society Policy Framework 2021-2035, the Digital Skill Development Road Map (2024-2035), and digital payment systems (Bakong), she concluded.