



ក្រុមប្រឹក្សាអភិវឌ្ឍន៍កម្ពុជា
Council for the Development of Cambodia

Leveraging Industrial Development for Sustainable Investment in Cambodia

25 September 2018

Presented by

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Investment Performance



Leveraging Industrial Linkage

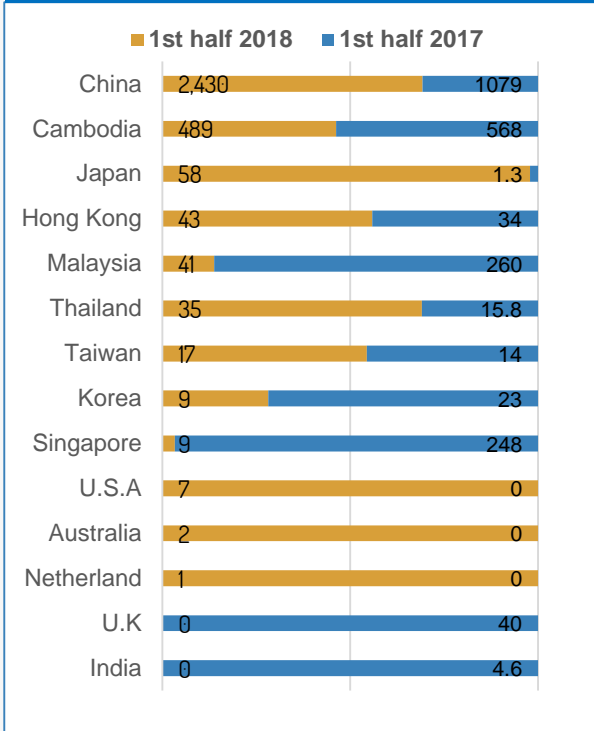


Embracing Partnership for Growth



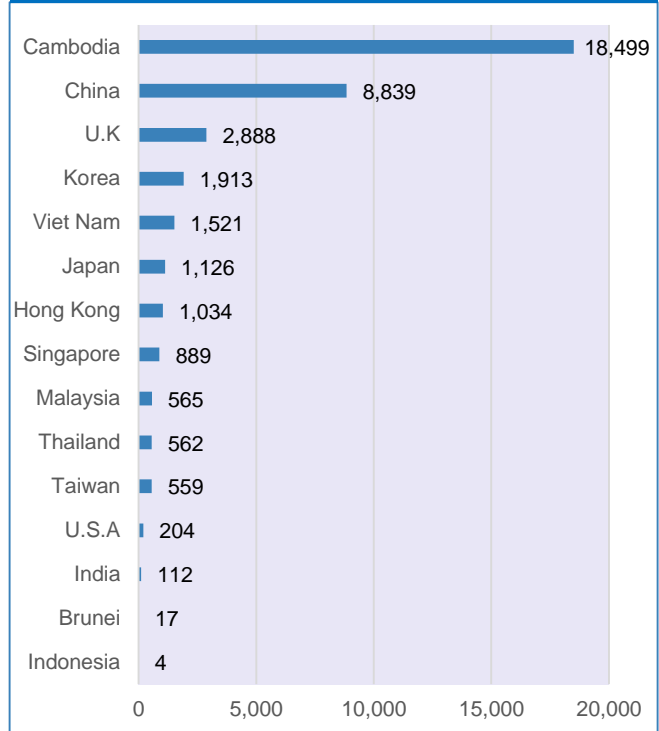
1. Investment Performance

Approval Basis 1st half of 2017 and 2018



Increased 42.21%

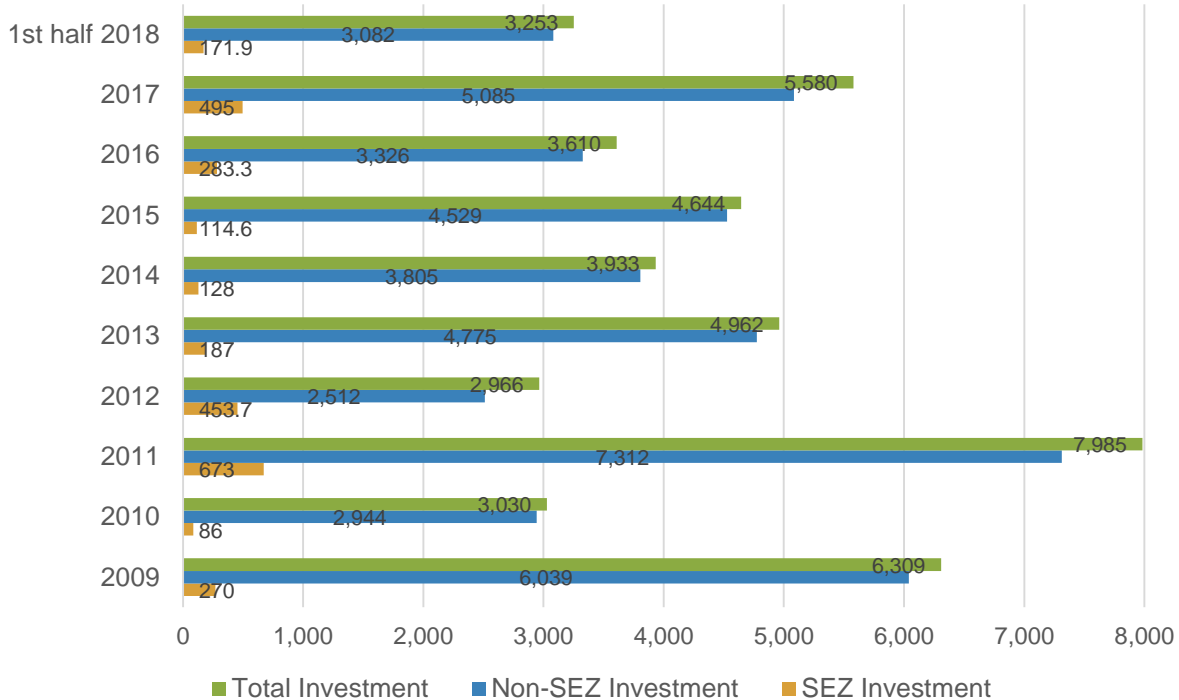
Approval Basis (2009 – 1st half 2018)





1.2. Investment Trends

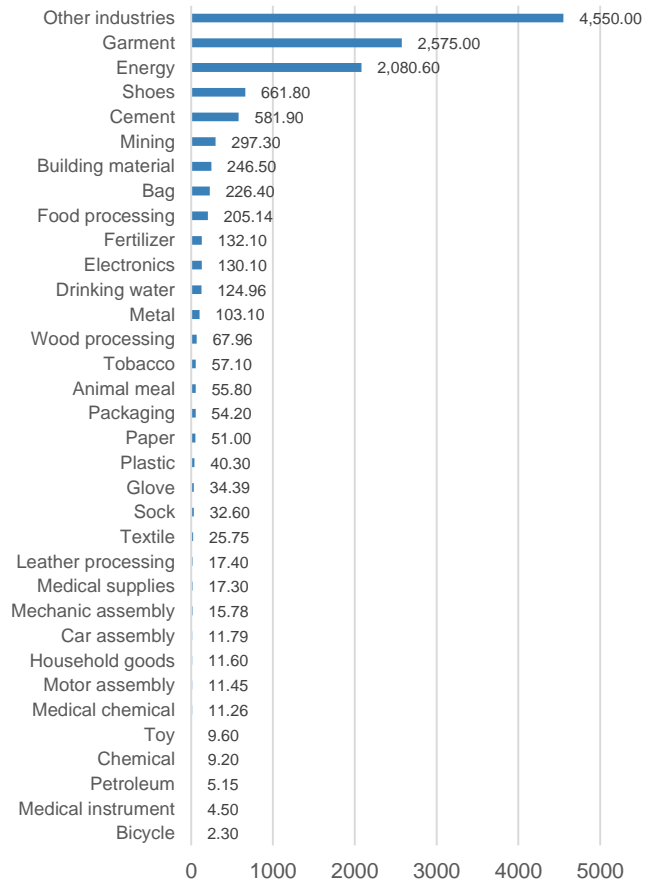
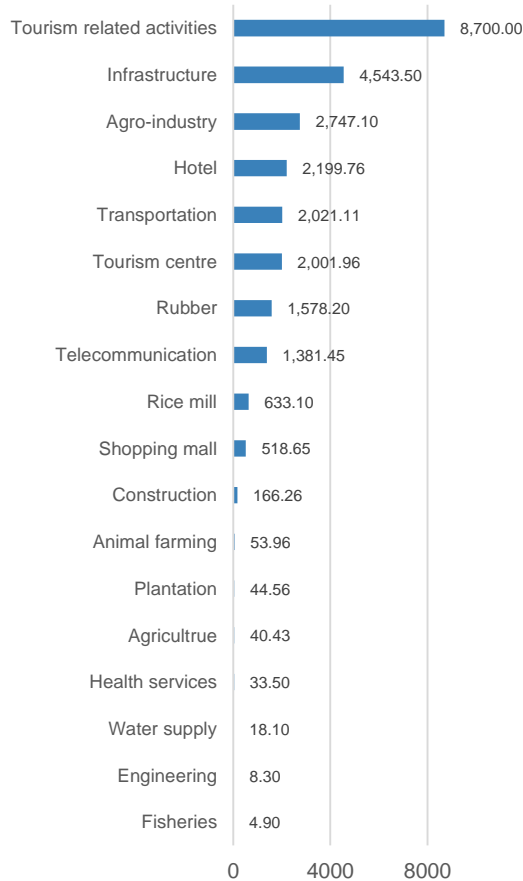
Approved investment (2009-1st half 2018)





1.3. Total Investment by sector

5



Approval Basis (2009-1st half 2018)



2. Leveraging Industrial Development/Clusters

Encourage investment Activities guided by Industrial Development Policy 2015-2025

News Industries

- Electronic assembly
- Natural resources processing
- High value added garment products
- Industrial Equipment assembly

Supporting Industries

- SMEs supporting industries
- Light manufacturing
- Construction materials
- Food and beverage
- Packaging equipment for export
- Transport and logistic

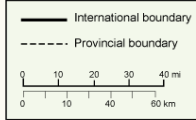
Agro-Industrial

- For export and domestic market

Other Sectors

- Tourism sector
- HRD
- ICT
- Energy Development
- Furniture Manufacturing
- Traditional Handicraft





THAILAND

LAOS

VIET NAM

- Poi Pet O'Neang SEZ
- Sanco Poi Pet SEZ
- (Toyota Tsusho's Techno Park)
- Poi Pet PPSEZ (work in progress)

- Neang Kok Koh Kong SEZ

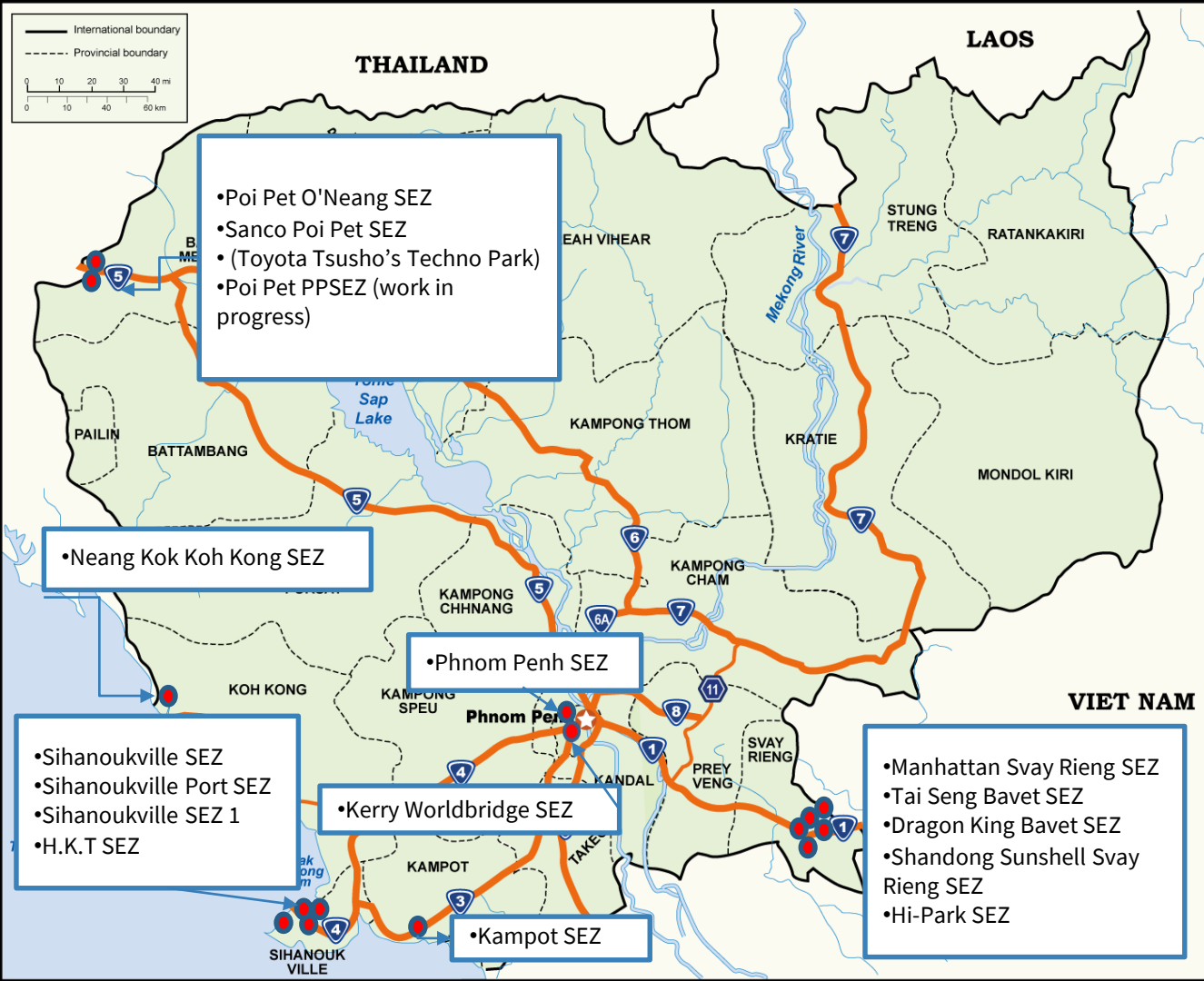
- Phnom Penh SEZ

- Sihanoukville SEZ
- Sihanoukville Port SEZ
- Sihanoukville SEZ 1
- H.K.T SEZ

- Kerry Worldbridge SEZ

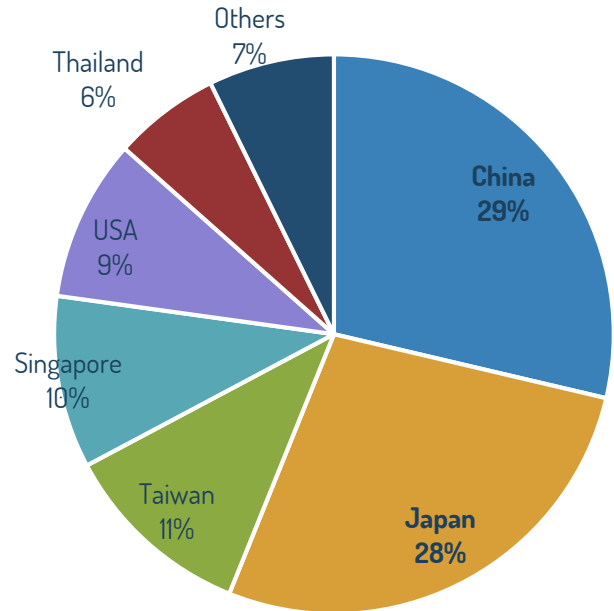
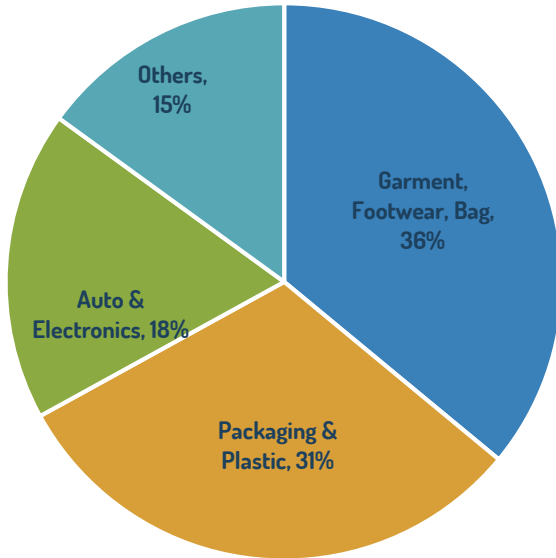
- Kampot SEZ

- Manhattan Svay Rieng SEZ
- Tai Seng Bavet SEZ
- Dragon King Bavet SEZ
- Shandong Sunshell Svay Rieng SEZ
- Hi-Park SEZ





2.2. Investment in SEZs



Total investment ÷ approx. 2.4 billion USD (99% FDI)



Pop: 616,232

Adult: 56% (age 18-60)

2.3. SVAY RIENG

SCHOOL

262 Primary
55 Secondary
19 High

Student

71,823
12,513
20,833



University: 1
Student: 3,210

- Public Admin. 760
- Management: 597
- English: 217
- Computer Science: 176
- Rural Development: 80
- Animal Science: 34
- Banking: 733
- Accounting: 532
- Marketing: 108
- Agriculture: 85
- Math: 57

TVET: 1 Student: 479



- Computer Services: 46
- Auto Mechanic: 5
- Auto Repair: 20
- IT: 65
- Animal Science: 20
- Electrical: 166
- English: 85
- Others...

Special Economic Zones

1. Manhattan Svay Rieng SEZ
2. Tai Seng Bavet SEZ
3. Dragon King Bavet SEZ
4. Shandong Sunshell SEZ
5. Hi-Park SEZ

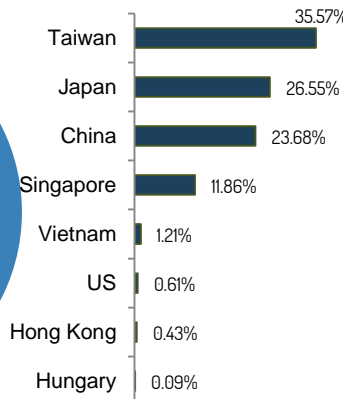
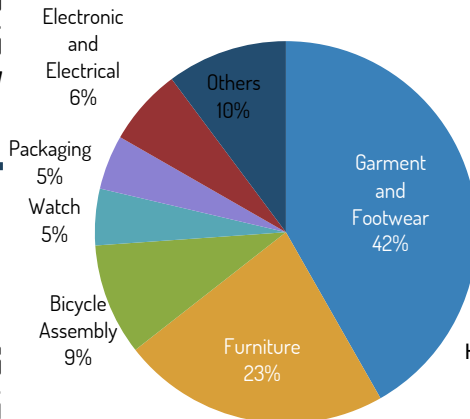


Total Investment Projects: **70**

Total Investment Capital: **Approx. USD 317 Million**

Total employment: **42,000**

Investment Activities:



Cambodia

❖ Key projects in development

- Completed Feasibility Study on Phnom Penh – Bavet Expressway





Pop: 747,402

M: 49% F: 51%

Young: 31% (age 15-35)

2.4. BANTEAY MEANCHEY

11

SCHOOL

408 Primary

54 Secondary

26 High

Student

92,718

12,364

21,414



University: 4

Student: 4,142

| | | | |
|---------------|-----|-----------|-----|
| - Management: | 762 | IT: | 45 |
| - Banking: | 661 | English: | 235 |
| - Marketing: | 185 | Law: | 273 |
| - Accounting: | 150 | Others... | |

TVET: 1 Student: 266



- Computer Services: 35

- Water System

Installation: 30

- Electrical: 89

IT: 5

- Civil Engineering: 4

Auto Repair: 7

- Aircon. Repair: 16

Others...

Special Economic Zones

1. Sanco Poi Pet SEZ
(Toyota Tsusho's Techo Park)
2. Poi Pet O'Neang SEZ
3. Poi Pet PPSEZ (work in progress)

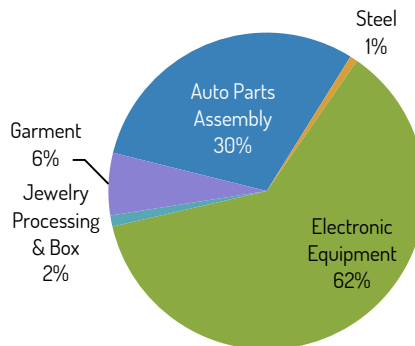


Total Investment Projects: 14

Total Investment Capital: **Approx. USD 76 Million**

Total employment: **2,408**

Investment Activities:



❖ Key projects in development

- New border crossing at Stung Bot (Poi Pet)-Ban Nong lan (Aranyaprathet) to be constructed through a signed Agreement between the Royal Government of Cambodia and the Government of the Kingdom of Thailand on the Construction of the new Border Crossing at Stung Bot-Ban Nong lan.
- Widening National Road No. 5 to four lanes from the current two, projected to be completed by 2021.
- Renovating the Northern Railway Line (Phnom Penh – Poi Pet) connecting with Thailand.



Transforming Sihanouk Province into Multi-Purposed Special Economic Zone

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- Phnom Penh to Sihanouk Province: 230 km
- Cambodia's industrial heartland and gateway to the world
- Cambodia's deep sea port
- Multi-modal transportation: Road, rail, port, and airport
- Multi-Purposed Special Economic Zone, following Special Administrative Region (IDP 2015-2025)

2.5. SIHANOUK PROVINCE

Special Economic Zones

1. Sihanoukville SEZ
2. Sihanoukville Port SEZ
3. Sihanoukville SEZ 1
4. H.K.T SEZ

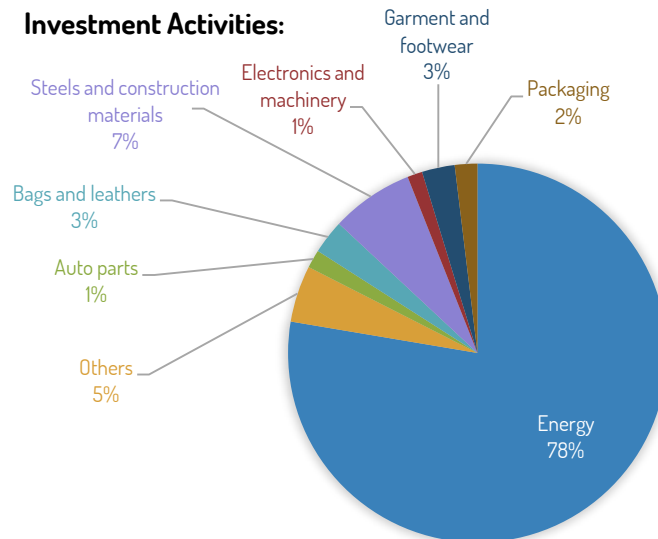


Total Investment Projects: **97**

Total Investment Capital: **Approx. USD 1.3 Billion**

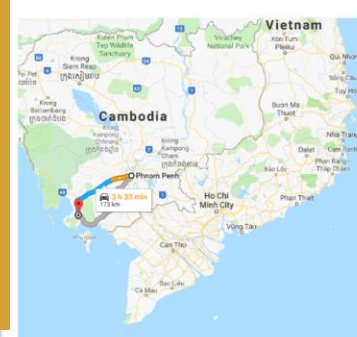
Total employment: **19,312**

Investment Activities:



❖ Key projects in development

- National Road 4 upgrading and widening (2018–2022)
- Phnom Penh–Sihanouk Expressway Development Project (2018–2022)
- Sihanoukville Port Capacity Enhancement Project, Vessel Trafficking Management Information System, Sihanoukville Port Service Improvement Project (2018–2019)
- Southern line/Sihanoukville Port Access Railway Improvement Project (2020–2022)





3. Embracing Partnership for Growth

- Government encourages NGOs, private sector, and civil society to be involved for infrastructure development and service delivery through partnership and participation.
- Private sector engaged in infrastructure development and provided public services, i.e.
 - ✓ Energy (6 hydropower-BOT),
 - ✓ Airport (3 concession projects)
 - ✓ Operation and Maintenance (Railway, Oil terminal & Dry port)
 - ✓ Small rural water supply distribution (16 projects)
- Governing principle of PPP adopted transparency, accountability, Participation, Equity and Empowerment, Competition, and Contestability.



3.1. IDP Guidance: Way Forward

| Legal Framework | Facilitation | Promotion |
|--|---|--|
| <ul style="list-style-type: none">• New Investment Law (Pioneer, targeted SMEs, welfare benefit etc.)• Special Economic Zone Law (streamlined administrative procedures)• Formulating new supporting regulations & Further negotiation BITs and Regional | <ul style="list-style-type: none">• Enhanced One-Stop Services,• Online Registration (Master list, Certificate of Compliance),• Improved Aftercare Services,• More Country Desks | <ul style="list-style-type: none">• Consider formulating strategy to promote targeted investment (industries and investors) to harness the benefits of China+1, Thai+1, Viet Nam+1 ...• Establishing industrial zones in targeted provinces with expectation to develop industrial clusters and industrial parks for SMEs |

Attract foreign direct investments and domestic investments, and small and medium enterprises (SMEs) in all sectors, especially new emerging industries such as electronics, spare parts, and food processing to diversify industries, transfer technology and create value added and jobs, occupation, and income



3.2. Strategic Objectives and Policy Priorities

- ❖ Continue investing in physical infrastructure, implement related measures to reduce cost of transportation, electricity, and promote the establishment of vocational and technical training program which respond to the market demand.
- ❖ Enhance conducive environment for investment and business by continuing improvement and implement single window mechanism and remove informal fee to become efficient and attractive tools for investments.
- ❖ Expand openness approach for private sector development and attract investments to expand the international market corridor.
- ❖ Develop good corporate governance and investment law, and concerned legal measures aimed at providing incentives aligned with the goals which respond to the long term development recommendations.
- ❖ Enhance corporate social and environmental responsibility in various social activities



Thank you

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