

TEUK CHHOU ZOO - A STORY, A VISION

Situated between the mighty Bokor Mountain range and the deep green waters of the Prek Kampot River, **Teuk Chhou** occupies an enviable site for a zoo, with a view out across the sugar palms of Kampot Province.



Home to over 40 different species of cat, primate, bird and reptile, Teuk Chhou is, in its own way, an ark for Cambodian wildlife. This is most true in the case of the zoo's Indochinese tiger, an animal now thought to be gone from the jungles of Cambodia.

For all this Teuk Chhou's recently history has been painful, a story of progressive decay and neglect. This reached a climax in March 2011 when a reputable daily newspaper published an article under the banner headline 'The zoo of horrors'.

Stung into action by the paper's story Rory and Melita Hunter, long time resident's of Cambodia, drew on their own resources to secure the

immediate salvation of the zoo's animals, covering the costs of their food and care.

The Footprints Organization has been formed to carry Teuk Chhou forward toward something better: its transformation into a dedicated wildlife education park. Behind the thinking is the appreciation that Teuk Chhou offers an opportunity to link Cambodian's to their native wildlife, nurturing an understanding that they are part of a unique and special environment - a wonder every bit as special as the temples of Angkor.

In this role Teuk Chhou can be a force of benefit for conservation, connecting people, including those from urban areas, to the beauty of Cambodia's natural world.

TEUK CHHOU SPOTLIGHT INDOCHINESE LEOPARD

The leopard is the smallest of the four 'big cats', which also includes tiger, lion and the jaguar. Although smaller than its counter - parts, the leopard is distinguished by its adaptability and its wide geographic distribution (fossil remains of leopard have been found in the UK).

Teuk Chhou's resident leopard - Reap - is of the Indochinese sub-species, which is found in sparse numbers across the forested portions of mainland Southeast Asia.

Compared to other large cats the leopard has shorter legs and a long body, with a comparatively large skull. Its skull size allows the leopard to take prey considerably larger than itself. This feature, which is accentuated by powerful jaw

muscles, also allows the leopard to climb high into trees with its kill.

Leopards are agile and powerful swimmers and can run at speeds of 58 kilometers per hour. They can also leap to a height of 3 metres and distances of up to 6 metres (so watch-out if you get caught alone with a leopard!).

Anyone who has encountered Reap can appreciate what a special and unique animal she is. Playful on occasion, dismissive and indifferent at other times; she is one cat with an attitude! As a species in serious jeopardy, Footprints would like to redevelop the current cage to a size allowing the introduction of a male leopard for breeding purposes.



CAMBODIA THANKS COUNTRIES FOR THEIR SUPPORT IN UN VOTE

Thanks have been expressed to those countries which voted for Cambodia in the recent elections to the United Nations Security Council.

While managing to force voting to a second round, Cambodia ultimately found itself defeated by the Republic of Korea in a competitive battle for the seat awarded to the Asia-Regional Group.

South Korea will now take up its appointment on January 1, 2013 and serve a two-year term as one of the ten non-permanent members of the 15-strong Security Council.

The Special Envoy of the Prime Minister of Cambodia, H.E. Hor Nambora, who spearheaded Cambodia's campaign, said: "We are extremely grateful for the support we received in both rounds of voting from nations around the world. We would also like to express our gratitude to South Korea and to Bhutan for conducting themselves throughout in a fair and friendly way.

The two-year campaign provided a rich and fascinating experience and Cambodia has already learned many lessons from it. We will most certainly be applying to stand again."

The Special Envoy believes however that the rules governing the election of countries to the Security Council should be changed so that all UN member states are treated equally.



KING FATHER'S PASSING UNITES CAMBODIANS



The passing of former King Norodom Sihanouk, who abdicated in 2004 in favour of his son, current King Norodom Sihamoni, last week at the age of 89, both inspired a sense of national unity among Cambodians and raised concerns about the future of the monarchy in the Kingdom.

As hundreds of thousands and, by some estimates, a million of grieving Cambodians went to the streets Oct. 17 to welcome home the former king's body and crowds of mourners continue to hold a wake in front of the Royal Palace, some analysts believe the love and interest for the monarchy is still alive and well.

Cambodian users of social network Facebook have also been expressing their grief through continuously sharing photos of the late monarch and his family, historical quotes attributed to

him, as well as composing poems and drawing pictures of "Samdech Ta" as he is affectionately called by Cambodians.



US LOOKS BEYOND GARMENTS TO DEEPEN CAMBODIA TRADE

The biggest US trade delegation to Cambodia in decades joined Secretary of State Hillary Clinton as the two countries look to expand their economic relationship beyond exports of cheaply produced garments.

Executives from Google, Goldman Sachs and MasterCard were among the cast of US multinationals that attended the US-ASEAN Business Forum in Siem Reap, Cambodia.

"On the economic front, there is much more room for us to grow together, so we are working to foster economic activity in very tangible ways," the secretary of state said at the US-ASEAN Ministerial Meeting in Phnom Penh.

Cambodia was the focus of the secretary of state's tour of ASEAN, a region in which she said the US has invested more than in China. In what organizers described as the largest contingent of American businesses ever to visit Cambodia, General Electric signed an energy agreement in Siem Reap, which followed an announcement last month that it would invest \$3 million in generators for a rice-husk power plant.

Cambodia in 2007 became the seventh ASEAN market for GE, which has seen revenues in the region grow by 20% annually in recent years.

Other US business represented in Cambodia, such as Dow Chemical and Cargill, have yet to enter the country, having instead followed the familiar path of investing first in Thailand and Vietnam respectively.

"This mission should further develop US investment in ASEAN in general, and Cambodia in particular," said Brett Sciaroni, senior

partner at the law firm Sciaroni & Associates and chairman of the American Chamber of Commerce in Phnom Penh.

Up to May this year, garments made up 95.1% of Cambodia's exports to the US, a slight fall from 95.4% for the first five months of last year and 96.1% over the same period in 2010, according to US Department of Commerce figures.

American imports of Cambodian clothing and footwear help support at least 1.8 million people.

The Cambodian Ministry of Commerce estimates that this 400,000-employee industry supports approximately 1.8 million people with a payroll totalling \$32 million from garment factories and \$5 million from footwear.

The United States is the largest market for Cambodian clothing and footwear exports, the largest and fastest-growing non-farm industry accounting for 90 percent of export revenues.

American fashion brands have traditionally maintained a presence by proxy in Cambodia, enlisting Asian-owned factories to produce their clothing at rock-bottom prices.

However, some large US companies in different sectors have announced a number of recent multi-million dollar investments in Cambodia.

In March, Prime Minister Hun Sen bought the first-ever Ford vehicle to be assembled in Cambodia, an Everest SUV, after the US automaker invested \$3 million in a plant at Sihanoukville's new special economic zone on the southern coast.

In mid-May, the Philadelphia-based packaging firm Crown Holdings announced it would build a second beverage-can factory, also in Sihanoukville, following a \$40-million investment in a similar plant in Phnom Penh.

The US fast-food chain KFC has seen rapid expansion in Cambodia in the past two years,

particularly in the capital, while John Deere has seen its tractor sales climb on the back of strong growth and rising mechanization in the farming sector.

"So while it is true that the main business link to the US is the garment export industry, the economic relationship between the US and Cambodia is becoming more broad-based," said Mr. Sciaroni.



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He favours doing away with having five permanent members of the Security Council (currently China, France, the Russian Federation, the United Kingdom and the United States), and allocating all 15 seats on a non-permanent basis. All member countries would have the opportunity to serve a two-year period - with seats allocated in strict rotation. "Otherwise, he argued, "small and poorer nations will never get the opportunity to influence international affairs at the highest level.

The Ambassador added: "We are hoping that some of the world's largest and most influential countries will take a lead on facilitating these changes. They will definitely be able to count on Cambodia's support."

THE 8TH ASEAN SOCIO-CULTURAL COMMUNITY COUNCIL MEETING

Cambodia's Prime Minister Samdech Akka Moha Sena Padei Techo Hun Sen received at the Peace Palace a delegation of ASEAN Ministers for ASEAN Socio-Cultural Community (ASCC) Council led by H.E. Pehin Dato Haji Hazair Abdullah, Minister of Culture and Sports of Brunei Darussalam.



In the meeting, Samdech Techo Hun Sen stressed on the important roles of the ASCC Council and urged the council to accelerate its works so as to reach the ASEAN Community building by 2015. H.E. Ieng Sophalet, Assistant to the Cambodian premier told Visions of Cambodia.

Samdech Techo Hun Sen said the regional harmonization of religions, the protection of migrant workers' rights, are the necessary works for ASEAN to deal with, added the assistant.

In reply, H.E. Pehin Dato Haji Hazair Abdullah on behalf of the delegation expressed his deepest condolences to the Cambodian government, royal families and people over the demise of Cambodia's King-Father Samdech Preah Norodom Sihanouk, and the delegation pledged to do its best for the success of the 8th ASCC Council Meeting, which was officially opened on October 25.

ECONOMIC OVERVIEW

Cambodia's main economic boon period occurred between 2004 and 2008, the average growth being 10.3%. The double digit growth rate figures can be attributed to the rapidly growing service sector and FDI inflows.

Cambodia has seen positive GDP growth in 2012, driven largely by exports, this has a positive impact on the economy and outlook for 2013 and beyond is positive. Predictions for growth in 2013 have been stated at 7%.

The economy is also driven largely by the Foreign Direct Investment that has seen a 13.8% approval increase. Most of the investment is directed to infrastructure or agricultural projects in rural areas. A clear indicator for this is the fixed asset investments in agriculture approved by the Council for the Development of Cambodia (CDC) in Q4 of last year rising by 255.7% Q-o-Q.

Cambodia's demographics are positively structured for growth with the majority of the population being below 30. There is strong growth in consumer goods driven by the young and aspirational society. Phnom Penh is still at the heart of the Cambodia economy with roughly 15% the population residing in the city. While statistics put Phnom Penh's official population at 1.6 million, the figure is more likely to be two million.

In May 2012 the Ministry of Land Management, Urban Planning and Construction provided construction approval on 600,000sq.m of property in Phnom Penh an increase of approximately 275% month on month.

The Municipality of Phnom Penh statistics state that in March 2012 construction approvals equated to US\$ 150.5 million. Within March 17.8% of the construction approvals value was invested into the development of condominiums and apartments.

The sectors with the lowest number of approvals were villas and houses with 1.1% of approvals. However, the villa and housing market hit a peak

in August last year with US\$ 80,000,000 in approvals within one month.

Within the real estate market the increase in construction approvals specifically for residential flats shows an increase in the domestic development market. In the first quarter of 2012 the total amount of gross loans provided by commercial banks reached US\$4.7 billion a Y-o-Y increase of 33.6% indicating strong growth in domestic economic activities.

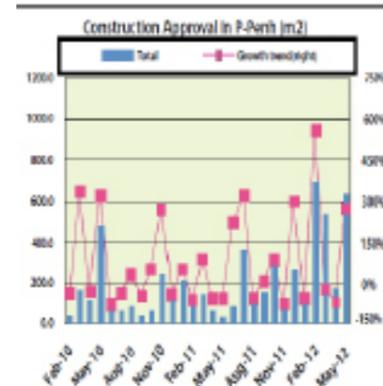
Increase in tax revenues demonstrates the fact that Cambodia economy is growing. In April the total government revenue went up 32% from the previous month with domestic taxes increasing 26.2% Y-o-Y. The increase in government revenue shows signs that the government is becoming more self-sufficient and less reliant on foreign aid. Tax revenues increasing also indicate domestic businesses becoming more legitimate making partnerships with foreign companies easier.

One of the main service sectors seeing rapid growth is the tourism sector. Developments on the South Coast, such as Song Saa, have been increasing tourist arrival numbers. The region has seen a Y-o-Y growth as of January 2012 of 57.5% for local tourists and 50.9% for International tourists. The launch of the new air routes between Sihanoukville and Siem Reap helped the tourist number increase in the south coast and boosted the average period of stay in Cambodia.

With the launch of the Cambodia Stock Exchange (CSE) and signs of the government being less dependent on foreign aid, the next few years will be a period of positive transition for the country. The economy is set to accelerate next year with the GDP growth increasing to 7%. Cambodia is still a frontier economy, emerging from a low economic base. The economy is still dependent on garment manufacturing and rural agriculture. However, the soaring numbers of construction approval will boost the property market and provides strong indication of the high demand currently experienced in the market. (CBRE)

Quick Stats

DATA	Jul-12
GDP	US\$14billion
GDP Growth	7%
GDP per capita	US\$955
Inflation	1.30%
Interest Rate (1yr)	12.48%
Exchange Rate (US\$=)	4,049 Riel
FDI Approvals	US\$5,088 mil
Exports	US\$5,303 mil
Imports	US\$6,742



DATA	Y-0-Y% CHANGE
GDP	+10.7
GDP Growth	-1.6
GDP per capita	+9.3
Inflation	-5.8
Interest Rate (1yr)	-4.73
Exchange Rate (US\$=)	-0.9
FDI Approvals	+13.8
Exports	+24.3
Imports	+13.2

Source : Council for the Development of Cambodia

AEC - UNLEASHING ASEAN'S DYNAMISM

If market size is what defines economic potential in today's increasingly competitive world, then surely ASEAN has a compelling growth story to tell.

Growth in this union of 10 nations, comprising Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam, would continue at a healthy pace, even as the world braces for some challenging times ahead.

With a combined population of 600 million, or about 8.5% of the world's population, and a growing middleclass and young population, as well as solid macroeconomic fundamentals, ASEAN is a huge and attractive market for companies to grow their businesses.

According to the latest estimates of the International Monetary Fund (IMF), ASEAN's gross domestic product (GDP) on average is expected to grow by at least 5% this year, while the two Asian giants, China and India, are expected to grow at 8.8% and 6.9%, respectively.

This is in contrast to the global GDP growth forecast of 3.5% for 2012, and 1.4% for advanced economies, comprising the United States, Eurozone and Japan.

Experts believe domestic and emerging markets will play an increasingly important role in supporting ASEAN's economic growth, as the ongoing weakness in advanced economies means demand from the region's traditional customers will have to take a back seat in the years to come.

Many international businesses have been actively looking for a base in Asia to tap the vast opportunities in trade and investments.

With an economy worth more than US\$2 trillion (RM6.14 trillion) as of last year, ASEAN is collectively the third-largest economy in Asia after China and Japan.

It is even bigger than India. What's more, ASEAN's economy is set to grow consistently to reach a GDP size of more than US\$3 trillion by 2015.

By then, China's economy would be worth around US\$10.5 trillion, compared with US\$7.3 trillion last year, while India's would be around US\$2.4 trillion, compared with around US\$1.7 trillion last year.

The economic rebalancing that developed countries are expected to undergo is a long process, hence recovery of these nations would be slow. ASEAN as a new economic power is

expected to play a vital role for the development of the global economy in the future.

ASEAN is attractive, no doubt. But for it to deliver in today's world, the region needs to have scale, as CIMB Group Holdings Bhd Managing Director and CEO Datuk Seri Nazir Razak has very often put it.

The idea to deepen regional integration through the formation of AEC by 2015 was founded about a decade ago by regional policymakers. The vision is for a single market and production base to prevail in the region, with free movement of goods, services, investments, skilled labor and freer flow of capital.

In the minds of the economic architects of ASEAN in 2006 as they sat around the table crafting the economic future of the grouping, 2015 would see a region that would be economically integrated.

The grouping must look beyond 2015. Enter the Regional Comprehensive Economic Partnership agreement (RCEP). If implemented, the RCEP will see the deeper integration of ASEAN with its FTA partners China, Japan, South Korea, India, Australia and New Zealand.