

VISIONS of CAMBODIA

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CAMBODIA & RUSSIA: SIX DECADES OF A SOLID AND DYNAMIC PARTNERSHIP

May 13, 2016 is an auspicious date, which marks the 60th anniversary of the establishment of diplomatic relations between Cambodia and Russia. Despite the profound and complex changes that have transformed the world over the past six decades, our ties have stood the test of time, ties that are based on long standing traditions of solid friendship, partnership, mutual trust and understanding, said H.E. Mr. Prak Sokhonn, Senior Minister and Minister of Foreign Affairs and International Cooperation.

Throughout the entire period, the official relations between Phnom Penh and Moscow were disrupted only once briefly between 1975 and 1979 when the Khmers Rouge regime took power. Apart from this dark moment of our history, the former Soviet Union has stood by the neutral

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EUROPE ON A BICYCLE 2016 TO RAISE AWARENESS ON ENVIRONMENT

“Europe on a Bicycle”, an EU-funded cycling campaign, was conducted here on 7 May in Phnom Penh, aiming at raising people’s awareness on environment and boosting the ecological and environmental protection in Cambodia and in the globe.

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HERE COMES CAMBODIA: ASIA’S NEW TIGER ECONOMY



Cambodia has enjoyed five years of high economic growth that is moving it toward becoming one of the new tiger economies of Asia, according to forecasts in the Asian Development Bank’s Asian Development Outlook 2016.

Cambodia, which was once a country synonymous with conflict and poverty, now has one of the fastest growing economies in Asia. The country’s gross domestic product has grown by 7 percent or more each year since 2011 and is expected to keep up that pace through 2017, according to the Asian Development Bank’s Asian Development Outlook 2016.

The country has embraced the “factory Asia” model of economic growth, deploying low-cost labor to manufacture products for export. As the price of labor increased in the People’s Republic of China, and other Asian countries, Cambodia was able to attract many of these investors.

“Cambodia’s large supply of inexpensive, low-skilled labor has attracted substantial foreign direct investment into the production of garments and footwear for export,” notes the Asian Development Outlook 2016.

Throughout Asia, hundreds of millions of people have been lifted out of poverty through manufacturing jobs that allowed them to better educate their children who could then have a better life. Though Cambodia faces significant challenges, it is well on its way to replicating this model.

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CAMBODIA & RUSSIA: SIX DECADES OF

Cambodia, under the leadership of late King-Father Norodom Sihanouk, and offered broad economic support and assistance in the building of key social infrastructure, such as the Kampuchea-Soviet Hospital and the Institute of Technology of Cambodia, which remain till our present day.

Nowadays, when we speak of Russia in Cambodia, we feel that deep sense of closeness and we rejoice to see that the Cambodia-Russia friendship has taken root and flourished.

On the political front, our two countries have exchanged our mutual support through various bilateral and multilateral mechanisms, one of which is the Cambodia-Russia Inter-governmental Commission on Trade, Economic, Scientific and Technical Cooperation (IGC). The IGC has recently concluded its 9th session, culminating in the successful conclusion of a wide range of productive bilateral cooperation arrangements. The visit of H.E. Mr. Dmitry MEDVEDEV, Prime Minister of the Russian Federation, to Cambodia in November 2015 has flipped opened a historical chapter of our existing traditional relations of friendship to a higher level. In May 2016, Samdech Techo HUN SEN, Prime Minister of the Kingdom of Cambodia, will reciprocate an official visit to Moscow, which will mark another step toward deepening the development cooperation between our two countries.

On the economic sphere, our bilateral trade has risen substantially over the last decade. While the trade volume has reached almost US\$50 million in 2014, we still have enormous potentials to explore further. Cambodia's strategic location in Southeast Asia, and in particular in the Greater-Mekong Sub region. With such a good prospect, we should enhance our concerted efforts to develop various mechanisms to broaden our trade, investment and economic ties to the fullest. In this regard, the initiatives to establish a Cambodian-Russian Business Council would assist Russian firms in close cooperation with the relevant Cambodian institutions of explore concrete economic opportunities, and develop partnerships with our private sector. Already, the Joint Statement on the List of Project Proposals for Cambodian-Russian Trade, Economic and Investment Cooperation up to 2020 was endorsed at the recent meeting of the High-Level Working Group on Priority Investment Projects.

Cambodia's status as a Dialogue Partner at the Shanghai Cooperation Organization (SCO) provides

another platform for our two countries to strengthen our growing partnership in advancing bilateral and regional economic development. Moreover, Cambodia has expressed its interest to engage with the Eurasian Economic Union, which would open up new business opportunities for our respective private sector to enter the ASEAN and the Eurasian markets.

Tourism is another area of fruitful cooperation between our two countries. Despite the far distance, Cambodia has become one of the popular destinations among Russian tourists. Over 130,000 Russians visited Cambodia in 2014. Apart from Cambodia's friendly visa regime, we are of the view that the recently signed Agreement on Air Services and the Joint Action Program between the Tourism ministries of our two countries would help attract more visitors to our respective countries.

We also noted with satisfaction the bilateral cooperation in the field of education, culture and information. More than 8,000 Cambodians have studied in both the former Soviet Union and Russia. Many of them, who are now holding senior positions in the Cambodian government, could be forming the base for maintaining and strengthening the long tradition of educational cooperation, by way of increasing the number of scholarships for Cambodian students and encouraging other institutional partnerships in the field of education.

Cultural cooperation has also witnessed a strong revival. Progress is visible in cinematography and filmmaking. The Cambodian government has allowed the construction of Russian Orthodox churches in Sihanouk Ville, Siem Reap and Phnom Penh. Furthermore, the continued operation of the Russian Center for Sciences and Culture will give an impetus to boost the people to people exchange between our two countries.

In conclusion, it is quite clear that over the past six decades, Cambodia-Russia traditional friendship has grown from strength to strength in various fields. I am fully confident that we have the necessary inspiration drawn from our long history to further advance our friendship and cooperation. Our joint efforts and close partnership will indeed further consolidate the traditional relationship and broaden the productive cooperation between the two countries in the years to come. ■

HERE COMES CAMBODIA: ASIA'S....

Cambodia, which was once a predominantly agricultural nation, saw the industry sector grow at 11.7% last year – the biggest overall contributor to GDP. This was bolstered by an increase in merchandise exports of about 14.1% to \$8.5 billion in 2015, and a 10.2% increase in the shipments of garments and footwear, which comprise 70% of total exports.

Beyond factory Asia

But it is not factories alone that are driving the booming economy of Cambodia. Services, the second biggest contributor to growth, grew by an estimated 7.1%. The finance, transport and communications sectors all grew by about 8% and tourist arrivals rose by 6.1% in 2015. Agriculture has shown minimal growth, largely due to droughts caused by the El Niño weather phenomenon, but it is projected to grow by 1.6% next year.

Cambodia's competitiveness as a manufacturing hub is challenged by others in the region, particularly other low-cost garment producers such as Myanmar. The country needs to further diversify its economy if it hopes to maintain the high growth rates it has enjoyed in recent years.

"While the economy shows signs of becoming more diversified within and across sectors, including garments and light manufacturing, and in export destinations, the base for growth remains narrow," states the Asian Development Outlook 2016.

To support diversification, the government has launched an industrial development policy aimed at upgrading industry from low-cost, labor intensive manufacturing to production with higher value added. The policy encourages the expansion and modernization of small and medium-sized enterprises, stronger regulations and enforcement, and a better environment for doing business.

Some progress is already being seen. Industry is seen growing next year by 9.5%, supported by diversification in garments and footwear toward products with higher value added. ■

UNEP SEEKS COOPERATION WITH MOLVT TO INTRODUCE NEW AIR-CON TECHNOLOGY

United Nations Education Program (UNEP) seeks cooperation with the Ministry of Labor and Vocational Training (MoLVT) to introduce new technology that will reduce environmental impact of air conditioners.

Mr. Shaofeng Hu, UNEP Regional Network Coordinator for Southeast Asia and the Pacific, brought up the idea when meeting with H.E. Pich Sophoan, Secretary of State for MoLVT, on the 10 May at the ministry office in Phnom Penh.

Knowledge on the new technology, as the cooperation comes into force, will be provided to all air conditioner installers and repairers.

H.E. Pich Sophoan sees the benefit of the new technology which is more environmentally friendly, reducing ozone depletion – main cause of global warming.

In addition to the consideration of the technology, the MoLVT, according to the secretary of state, will also require complete certification before providing license to all air conditioner installers and repairers. ■

NORWAY TO INVEST US\$24 MILLION IN MARINE AQUACULTURE IN PRAEH SIHANOUK PROVINCE

Vitamar A.S. Company of Norway is planning to invest US\$24 million for its 8-year large-scale marine fish farm in Cambodia's Preah Sihanouk province.

The investment project was made known on 6 May during the meeting between H.E. Nao Thuok, Secretary of State at the Ministry of Agriculture, Forestry and Fisheries and Mr. Bjorn Myseth, President of Vitamar A/S Investment Company, according to local media reports.

Of the total investment, US\$11 million will be used from 2016 to 2018 for its infrastructure

including coastal base, egg hatching site, boats, and other related materials and for staff training; US\$9 million from 2019-2021 for production increase from 1,000 to 2,500 tons of fish annually, expansion of distribution network, and for export to neighboring countries and ASEAN markets; and US\$4 million from 2022-2023 for realisation of its goal of producing some 3,000 tons of fish a year and for market expansion.

The investment project is expected to create direct jobs for some 200 aquaculture officials and local people. ■

PHONE SUBSCRIBERS IN CAMBODIA REACH 21 MILLION

The number of telephone subscribers in Cambodia was recorded at 21 million by early this year, making the country at the second rank among the ASEAN countries, said Minister of Posts and Telecommunications H.E. Tram Iv Tek.

The figure represents 139 per cent of Cambodia's total population of over 14 million, pointed out H.E. Minister while presiding over here on Monday the signing ceremony of a MoU between Huawei Technologies Co., Ltd. and Star Digital Muds TV Limited.

Besides, the number of internet users also saw a significant increase and accounted for some 45 percent of the total population, he added.

H.E. Tram Iv Tek also laid stress on the Royal Government of Cambodia's policy to encourage investments in new technologies, including the 4G/LTE. ■



EUROPE ON A BICY ...

Some 4,000 cyclists took part in the tour which started at 7:00 am from the National Olympic Stadium and passed all the embassies of the EU Member States and the EU Delegation before heading back to the National Olympic Stadium.

This bicycle tour of Phnom Penh, the fourth of its kind, is part of the EU WEEK 2016's events. It is not a race, but a nice and gentle ride around the city.

This year's event took place under the theme "Together for the Earth." At a recent press conference, EU Ambassador to Cambodia H.E. George Edgar explained that the theme has been chosen because bicycle is the best zero-emissions vehicle.

Climate change is currently a major challenge for the Cambodian people and it will be getting worse if we do not take any action, said H.E. George Edgar, acknowledging the Royal Government of Cambodia's active efforts in dealing with this global issue.

The ambassador also affirmed the EU's commitment to support Cambodia in natural resource management and climate change resilience. ■

MINISTRY OF PUBLIC WORKS MEETS PRESIDENT OF HK TWINS TRANSPORTATION CO., LTD.

Cambodian Senior Minister and Minister of Public Works and Transport H.E. Sun Chanthol received here on Monday a delegation of HK Twins Transportation Co., Ltd. led by its President and CEO Mr. Jin Tai Choi.

According to a news release of the Ministry of Public Works and Transport, during the meeting, Mr. Jin Tai Choi expressed his strong interest in seeking new opportunities to contribute to Cambodia's car inspection service.

Mr. Jin Tai Choi introduced a "Korean Car Inspection Standard" Service to Cambodia, which provides high tech and mobile car inspection services (that reaches out to citizens in rural areas through the use of mobile car inspection vehicles).

For his part, H.E. Sun Chanthol expressed his appreciation for information on these services and he suggested that the company submit a proposal to the ministry. ■

New Flights to Target Beach Tourist

National airline Cambodia Angkor Air will officially start regular flights between Sihanoukville and Ho Chi Minh City on June 17 in response to the increase in tourists wanting to use the route.

According to media in Vietnam, there will be five flights per week, on Tuesdays, Thursdays, Fridays, Saturdays and Sundays, using ATR-72 aircraft.

Flights will leave from Sihanoukville at 12:40 and from Ho Chi Minh City at 14:50 (local time) and the flight time is one hour.

“This is the second international route by Cambodia Angkor Air launched in 2016. Previously, the airline opened routes from Phnom Penh to Seoul, South Korea, on April 17,” the airline said, adding that it will expand flights to 10 international routes and two domestic routes.

“On the occasion of opening new routes, Cambodia Angkor Air will implement preferential prices for round trips from Sihanoukville to Ho Chi Minh. The price does not include taxes, fees and surcharges,” it said.

Nou Sophal, the director of tourism for Preah Sihanouk province, told Khmer Times that more than 1.5 million tourists visited the province last year, up more than 14 per cent over 2014. Domestic tourists accounted for the lion’s share, about 1.15 million. Domestic tourism surged almost 20 per cent year on year.

