

VISIONS of CAMBODIA

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THE OFFICIAL VISITS TO AZERBAIJAN, BELARUS CONCLUDED WITH POSITIVE OUTCOME

Prime Minister Hun Sen's visit to Azerbaijan and Belarus concluded successfully with positive outcomes paving the ways for future cooperation.

In Azerbaijan, Prime Minister Hun Sen held a bilateral talk with his counterpart Prime

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WORLD BANK AND IMF RAISE GROWTH FORECAST FOR CAMBODIA IN 2014

The World Bank upwardly revised its GDP growth forecast for Cambodia this year to 7.2 percent, up from its October projection of 7.0 percent, while the International Monetary Fund is projecting further modest acceleration in Cambodia's rate of economic expansion over the next five years.

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PRIME MINISTER HUN SEN'S KHMER NEW YEAR GREETINGS AND THE ACHIEVEMENTS IN 2013



Samdech Akka Moha Sena Padei Techo Hun Sen, the Prime Minister of the Kingdom of Cambodia, has extended warmest greetings and best wishes to all Cambodians at home and abroad, civil servants and armed forces on the occasion of Traditional Khmer New Year which started from April 14-16.

In his new year message, Prime Minister Hun Sen said that he would like to delightfully join with all compatriots at home and abroad in celebrating Khmer Traditional New Year, the Year of Horse, to remove all the worriedness in the past year and to make recommitments to doing works for the families and continuing the tasks and duties for the motherland that had enjoyed peace ever since 1998 so as to achieve happiness, prosperity and sustainable development from the new year on.

The Premier further pointed out that, during the past Year of Snake, the Royal Government of Cambodia successfully implemented the Rectangular Strategy – Phase II, not only in

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maintaining peace, security, political stability, social safety, public order, territorial integrity, macroeconomic and financial stability and in overcoming the impacts of flood disasters and the world financial downturn, but also in bringing about the reputations for which the Kingdom of Cambodia was evaluated as the 11th country in the world that achieved a higher economic growth during the last 10 years; was ranked the 5th country among the developing nations that achieved the Millennium Development Goals, and was also ranked the 1st country in the Asia-Pacific region that achieved better progress in improving the indicators of social affairs, especially in reducing the poverty rate by one percent per annum.

The message further reads, "Historic event in the past year was the 5th Parliamentary Election that took place on July 28, 2013. The election was conducted in conformity with the principles of democracy, pluralism and the rule of law, which was evaluated by the national

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PRIME MINISTER HUN SEN'S KHMER NEW YEAR ...

and international public opinions as free, fair and peaceful without threats or violence.”

With the result of the election representing the Cambodian people's will, the Royal Government of Cambodia of the Fifth Mandate was established and put forth the Rectangular Strategy – Phase Three for Growth, Employment, Equity and Efficiency, which are the agenda of socioeconomic platform of the Royal Government of Cambodia, aimed at further leading and developing the Kingdom of Cambodia, and in which the Royal government of Cambodia is to continue the more in-depth implementation of important reforms, that is, combating the corruption which is the pivot of good governance and the key to increasing efficiency and effectiveness for the public services, the legal and judicial reform, the public financial reform, the environmental protection and the army reform, the message says.

Regarding the growth, the Prime Minister highlights the economic mainstays of Cambodia – agriculture, garment industry, tourism and construction with each sector obtaining remarkable achievements. In 2013,

the rice production reached 9.3 million tons with a surplus of 4.7 tons for exports. In garment sector, the volume of exports achieved more than US\$5 billion while the number of production strength and employers amounted to over 620,000 and labour payments totaled more than US\$1 billion a year and over two million people have obtained indirect benefits from this sector.

In tourism, Cambodia welcomed some 4.2 million tourists, an increase of 17 percent, netting a total revenue of more than US\$2.54 billion, up by 15 percent as compared with 2012. The Royal Government of Cambodia granted construction licenses to some 1,600 projects on the total construction areas of over 7.5 million square meters with the investment costs amounting to nearly US\$3 billion or an increase by 32 percent over 2012.

As for the infrastructures, there have so far been more than 12,230 kilometers of national and provincial roads, of them 5,596 kilometers or 46 percent were already sealed. There are 14 bridges over big rivers and the arms of the sea and five others under constructions.

The message attached the fruitful successes and achievements to the efforts and determination to surmount all obstacles by the leadership of the Royal Government of Cambodia both at the national and sub-national levels and all armed forces in preserving peace, stability, public order, and political stability and in the national development as a whole.

Prime Minister Hun Sen called on all concerned institutions and agencies to support and participate in implementing the political platform and the Rectangular Strategy – Phase III of the Royal Government of Cambodia based on the principles of national solidarity and unity by upholding the national interests and people's benefits, therefore responding to the people's aspiration in leading a full-peace Cambodia towards all-sided developments and prosperity.

Prime Minister Samdech Techo Hun Sen also extended, in his message, his New Year Greetings and best wishes to His Majesty Norodom Sihamoni, the King of Cambodia, and Her Majesty Queen-Mother Norodom Monineath Sihanouk.

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THE OFFICIAL VISITS TO AZERBAIJAN, BELARUS CONCLUDED ...



Cambodian delegation led by Prime Minister Hun Sen (R) and Azerbaijan counterpart led by Prime Minister Artur Rasi-zade (L) held their official meeting in Baku, the Republic of Azerbaijan.

Minister Artur Rasi-zade, and the two countries signed a Memorandum of Understanding on the Establishment of Bilateral Consultations.

The two prime ministers also agreed to push for the establishment of a joint committee for economic and trade development and promised to draft a bilateral agreement on investment promotion and protection.

Prime Minister requested the Azerbaijani side to help train Cambodian human resources in the fields of oil and gas because Cambodia will become an oil producer country soon, and to consider investing in Cambodia in rice milling for export.

CAMBODIA, AZERBAIJAN ESTABLISH FRIENDSHIP ASSOCIATION

Cambodia-Azerbaijan Friendship Association was also established to develop and strengthen



Prime Minister Hun Sen (L) and HE Mr Mikhail Myasnikovich (R), Prime Minister of the Republic of Belarus, signed Joint Communique.

bilateral relations and cooperation between the two countries.

According to a memorandum of understanding (MoU) signed in Baku, H.E. Sok An will head the Cambodia-Azerbaijan Friendship Association, while H.E. Asaf Hajiyev, Member of the Parliament of Azerbaijan, will lead the Azerbaijan-Cambodia Friendship Association.

CAMBODIA TO BOOST TRADE WITH AZERBAIJAN TO \$100 MILLION BY NEXT YEAR

At the Azerbaijan-Cambodia Business Forum, all sides expressed their willingness and interest in developing cooperation and establishing trade relations, while Cambodia hopes to increase trade with Azerbaijan to \$100 million by next year, Commerce Minister Sun Chantol was quoted as saying during a visit to Baku.

In Belarus, Prime Hun Sen met with Belarusian Prime Minister Mikhail Myasnikovich and the two leaders witnessed the signing of nine documents concerning the cooperation in economics, trade, investment, banking and finance, military technologies, health, industry, mines, energy, and agriculture.

The Premier's visit to Belarus was made when both countries are going to mark the 20th anniversary of the establishment of their diplomatic ties.

Prime Minister Hun Sen's visit to Belarus was also to encourage Belarusian investors to Cambodia. He also suggested Belarus to consider operating weekly charter flights to Cambodia in order to promote tourism.

Besides, the Premier also paid separate courtesy calls on H.E. Alexander Lukashenko, President of Belarus, and H.E. Anatoly Rubinov, President of the Council of the Republic of the National Assembly. He also held a talk with H.E. Ms. Pany Yathortou, President of the National Assembly of Laos, on the sidelines of his visit in Belarus.

In 2012, Cambodia exported goods worth \$0.5 million to Azerbaijan and imported Azerbaijani merchandise worth \$7.7 million. In 2013, Cambodian exports to Azerbaijan were minimal while Azerbaijan's imports from Cambodia amounted to \$3.2 million.

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WORLD BANK & IMF ...

In the latest World Economic Outlook released recently, the IMF projects that Cambodia's gross domestic product will grow from an estimated 7.0 percent last year to 7.2 percent this year, rising to 7.3 percent in 2015 and 7.5 percent in 2019.

In explaining the higher forecast, the Bank's East Asia and Pacific Economic Update pointed to "the expectation of renewed confidence and the return of political stability, bolstered by a strengthening global economy."

The Cambodian economy has "managed to withstand strong domestic pressures and to maintain high economic growth," the update said. "Growth is holding up reasonably well despite the adverse effects of political uncertainty and labor unrest since the second half of 2013, while inflation has picked up only marginally."

BANKING SECTOR STILL EXPANDING AS FINANCIAL SECTOR DEEPENS

The World Bank said Cambodia's banking sector was still expanding amid continued deepening of the financial sector. Although domestic revenue performance has recently

slowed, "fiscal performance remains sustainable," it said.

At the same time, however, the bank warned of downside risks from potential further labour unrest and adverse impacts of "tapering" by the US Federal Reserve.

"Initial impacts of tapering have resulted in most emerging markets suffering significant currency depreciations, rendering their exports more competitive. However, this works against Cambodia's exports, because of the country's highly US-dollarized economy," it said.

GROWTH 'BETTER THAN EXPECTED' IN 2013

Despite the adverse impacts of political uncertainty and labour unrest, Cambodia's growth was "better than expected" last year with floods in 2012 inflicting "only limited damage" on rice production.

"With an acceleration of garment exports, and continued growth in the tourism sector, real growth is expected to hit 7.4 percent in 2013," the bank said. "The prospects for sustaining high growth appear favorable."

While projected to remain in single digits over the short term, "inflation is picking up marginally," the bank said, pointing to recent increases in



prices for some food and beverage items. Inflation was 4.7 percent at the end of 2013, up from 2.5 percent at the end of 2012.

CURRENT ACCOUNT DEFICIT HAS IMPROVED AMIDST MODERATED FDI INFLOWS

Caused mainly by dampened domestic demand, import growth slowed while export growth advanced. This contributed to a narrowing of the current account deficit to around 9.4 percent of GDP in 2013, compared with 10.1 percent of GDP in 2012. Inflows of FDI have continued, but given the political uncertainty, we estimate 2013 inflows to be well below the 2012 peak. Gross international reserves, therefore, increased marginally, reaching US\$3.6 billion or 3.8 months of imports, in 2013 compared with US\$3.5 billion in 2012.

WORLD BANK SAYS CAMBODIA HAS MOST LIBERAL FOREIGN INVESTMENT REGIME



The 17th Government-Private Sector Forum chaired by Prime Minister Hun Sen in early March 2014.

The World Bank in its recent report said that Cambodia had recently emerged as ASEAN's second biggest recipient of foreign direct investment in the agricultural sector.

The report further pointed out that average allowable foreign ownership was 96 percent (100 percent foreign ownership in most sectors) in Cambodia, which was higher than Singapore at 89 percent.

The World Bank noted that foreign direct investment in Cambodia had increased "sharply" since the government amended the 1994 Law on investment in 2003.

Foreign investment include full exemption on import duties on inputs to make products for export, renewable land leases of up to 99 years, on discrimination between foreign and local investors and no price controls.

The report noted that foreign direct investment in agriculture in Cambodia came to \$0.7 billion between 2009 and 2012. Among other ASEAN countries, only Indonesia attracted more (\$1.9 billion) in the same period.

Among other ASEAN countries, average allowable foreign ownership is 72 percent in Indonesia, 69 percent in Vietnam, 68 percent in Malaysia, 60 percent in the Philippines and 52 percent in Thailand.

CAMBODIA'S FOREIGN TRADE UP 15 PERCENT

The figures of the Commerce Ministry showed in April that the Kingdom's total trade volume was valued at 4.46 billion U.S. dollars during the January-March period this year, up 15 percent from 3.88 billion U.S. dollars in the same period last year.

Of the amount, due to buoyant demand for garments and agricultural goods, the country had exported products in equivalent to 1.99 billion U.S. dollars, up 19 percent year-on-year.

Rice exports increased by 11 percent from 71,776 tons in 2013 to 81,550 this year, while rubber exports increased by 26.7 percent from 15,018 tons in the first quarter of 2013 to 19,041 tons in the same period in 2014.



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CAMBODIA'S FOREIGN ...

The value of imports, which included construction materials and petroleum, was 2.47 billion U.S. dollars, up 12 percent year-on-year, the figures said.

Cambodia's main trading partners are European countries, the United States, China, South Korea, Japan, Thailand, Vietnam, Singapore and Malaysia.

According to the report, in general, business and investment climate is good. The Kingdom has maintained good political stability and sound macro-economy, and investors still have strong confidence in the current government led by Prime Minister Hun Sen.

CAMBODIA EXEMPTS CUSTOMS FEES FOR MILLED RICE EXPORTS



Ministry of Economy and Finance has recently announced to exempt the customs fees for milled rice exports to boost the sector so as to achieve the country's target of exporting 1 million tons of milled rice export by 2015, according to a press release from the General Department of Customs and Excise.

The exemption of rice customs fees will come into force from May 1, 2014 onward to new decision coming out, indicated the press release.

Last year, Cambodia exported nearly 400,000 tons of milled rice to the international markets, up 84 percent over 2012.

CAMBODIAN LARGEST PORT SEES RISE IN CARGO SHIPMENT IN FIRST QUARTER



The Sihanoukville Autonomous Port, Cambodia's largest shipping facility, reported a 13 percent rise in cargo shipments in the first three months of this year, a port's data showed in April.

Some 862,380 tons of goods had been transported through the port during the January-March period this year, up 13 percent from 759,900 tons over the same period last year, the data said.

Cargos imported into Cambodia included garment raw materials, autos, construction materials, machinery, steel, steam coal, petroleum, and daily consuming products, while items exported from Cambodia were mainly garment and shoe products, and some agricultural products such as milled rice, dry rubber, corn and cassava.

The exports of garments and milled rice continued to increase in the first quarter of this

year. On the import side, there was a surge in construction materials and petroleum.

Sihanoukville Autonomous Port, situated some 230 km southwest of the capital Phnom Penh, is the main economic corridor linking Cambodia and the globe. The state-run port is among several state-owned enterprises that have been planned to list on the Cambodian Stock Exchange.

FOREIGN TOURISTS TO ANGKOR HERITAGE SITE UP 12 PERCENT



Angkor Wat temple, a world heritage site, had attracted 778,740 foreign visitors in the first quarter of 2014, up 12 percent compared to the same period last year, official data showed in April. The top five countries visiting the site are South Korea, China, Vietnam, Japan and Russia.

During the January-March period this year, the Angkor received some 156,300 South Koreans,

up 10 percent; 101,130 Chinese, up 16 percent; 52,420 Vietnamese, up 14 percent; 49,400 Japanese, up 9 percent and 42,050 Russians, up 20 percent.

The number of Chinese tourists to the site is on a steady rise thanks to the two countries' friendly relationship, broader promotion of the Angkor to the world, and more direct flight connections between Cambodia and China.

Angkor archeological park, the kingdom's largest cultural tourism destination, is located about 315 km northwest of Phnom Penh, the capital of Cambodia.

The 12th century temple received about 2.23 million foreign tourists last year, up 8 percent year-on-year.

THE 2nd ANGKOR SANGKRAN 2014 HELD SUCCESSFULLY

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The Angkor Sangkran 2014 was held successfully in Siem Reap province, home to Angkor temples, to celebrate the three-day Khmer Traditional New Year to mark the incoming "Year of Horse".

The Angkor Sankranta 2014 was kicked off on April 13 under the presidency of H.E. Sok An, Deputy Prime Minister and Minister in charge of the Office of the Council of Ministers.

H.E. Sok An welcomed and highly valued the Angkor Sankranta 2014, stressing that it is a traditional and cultural event to promote and show the tremendous civilization of Cambodia.

"Angkor Sankranta does not only reflect our own creativity, but also be a witness of unique spirit and solidarity among the Cambodian people," he added.

CAMBODIA'S WORLD HERITAGE ANGKOR WAT GETS GOOGLE'S STREET VIEW



Google in early April launched Street View imagery of the iconic site of Angkor Wat and some 100 surrounding historic temples on Google Maps, the tech giant firm said in a press statement.

The Google Maps feature allows web users to explore 100 of Cambodia's historic temples online in 360-degree panoramic imagery.

"Through this new Street View imagery, the world can now virtually roam through Angkor's historic temples, and experience the sites, structures, and carvings through rich 360-degree digital imagery," the statement said.

The statement said Google used all tools available to complete this Street View imagery collection -- cars to drive around the area,

the Street View Trekker to hike around the complex, and tripods to carefully photograph the interiors of Angkor's temples for one year.

"With over 90,000 panoramas of new imagery, this is one of Street View's largest digital renderings of a world heritage site to date," it said.

Manik Gupta, group product manager for Google Maps, said Street View could help users more easily explore Angkor's rich heritage.

"We hope people in Cambodia and around the world can experience these Cambodian cultural and archaeological treasures in an entirely new way," he said.

GOOGLE STREET VIEW IS AVAILABLE IN 55 COUNTRIES.

Apsara National Authority, which is in charge of protection and management of the Angkor Archaeological Park, was pleased to have such an extensive collection of historical and cultural sites -- more than 100 at the Angkor, World Heritage site alone -- digitized and available to anyone on the Internet.

The Angkor Archeological Park received some 2.23 million foreign tourists last year, up 8 percent year on year, said the Ministry of Tourism. The cultural site, inscribed on the World Heritage List in 1992, is the kingdom's largest tourist destination and is located in northwestern Siem Reap province.

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THE 2nd ANGKOR SANGKRAN ...



The event featured traditional art performances and games as well as other cultural and traditional shows, aiming at boosting tourism and promoting the Khmer tradition and culture, said H.E. Hun Many, President of UYFC.

To mark the Angkor Sankrata 2014, Cambodia Chefs' Association made a Noum Ansom Chrouk -- a traditional Cambodian rice cake made from sticky rice, mung bean, and pork -- of 2 tons in weight, 5 meters in length and 1 meter in width with a total cost of US\$7,500. The giant cake was marched along the provincial city's main roads and areas before being displayed in front of Angkor Wat Temple.

According to Siem Reap Provincial Tourism Department, the four-day event attracted at least 250,000 visitors, including 20,000 foreign tourists.



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