



CAMBODIA OUTLOOK

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Royal Embassy of Cambodia accredited to the Republic of Turkey, the Republic of Azerbaijan, Georgia, the Republic of Kazakhstan, the Kyrgyz Republic, and the Republic of Tajikistan

HAPPY NEW YEAR 2021!

THE KINGDOM ANNOUNCES TO CONCLUDE NOV. 28 COMMUNITY EVENT

Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia, has officially announced to conclude the Nov. 28 Community Event – the first ever community outbreak of COVID-19 in the country.

"Today, I would like to announce the end of the Nov. 28 Community Event. I previously announced on Dec. 15 that the event would be prolonged until January," Samdech Techo Hun Sen said in his special statement broadcast live from his residence in Takhmao town, Kandal province on 29 November 2020, by the National Television of Cambodia (TVK).

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CAMBODIA ANTICIPATES US\$1,771 GDP PER CAPITA FOR 2021

Cambodia has projected the country's per capita gross domestic product at US\$1,771 in 2021, up from US\$1,600 in 2020.

The projection was shared on 22 December 2020 by the Deputy Prime Minister and Minister of Economy and Finance H.E. Aun Pornmoniroth when leading his team to defend the draft budget law for 2021 at the Senate.

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CAMBODIA EXTRACTS FIRST OIL DROP AFTER YEARS OF WAITING



An offshore oil platform off the Cambodian coast.

Cambodia's oil production has started on 29 December 2020, giving the Kingdom the first oil drop after nearly a decade of production process.

The first oil drop extraction was announced by Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia, on his social media on 29 December 2020.

"Cambodia's first drop of oil will be extracted from the first A-01D well of Cambodian Block A Platform, coinciding with the 22nd anniversary of the end of war, bringing about national unity, territorial unity through the Win-Win policy (Dec. 29, 1998-Dec. 29, 2020)," he said.

Dec. 29, 1998 event gives Cambodia all favourable conditions to have the first drop of oil in Cambodia this Dec. 29, 2020, he stressed.

Thanks to the efforts of the Royal Government and the active participation of Singapore-based

Kris Energy, the project's operator, the construction and installation of necessary facilities and equipment for the production process of Cambodia's oil resources have successfully completed, he added.

"The start of this oil production is a blessing for Cambodia," Samdech Tech Hun Sen said. "This is an important first step for Cambodia to build national capacity and the oil, gas and energy industries in Cambodia."

Key benefits from the oil production include national revenue, economic benefits derived from the diversification of oil industry foundation, and national capacity building in this sector, stated Samdech Techo Prime Minister.

"The discovery and exploitation of oil resources in Cambodia under the leadership of the Royal Government is a blessing for the

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CAMBODIA EXTRACTS FIRST OIL DROP ...



people and the nation, not a curse as claimed by some unscrupulous people,” he underlined.

“COVID-19 bothered us, but could not destroy our efforts to produce oil,” he said. “Even though we

cannot enjoy the New Year 2021 celebrations as the previous years due to COVID-19, we receive a big gift for our nation, i.e. the oil produced for the first time on our land.”

Samdech Techo Hun Sen took the opportunity to express his gratitude to all his compatriots for their active participation and support for the Royal Government in the social and economic development process and extended his best wishes to them. ■

SEVENTH ROUND OF COVID-19 STIMULUS MEASURES ANNOUNCED

The Royal Government of Cambodia has announced the seventh round of stimulus measures to restore and boost the economic growth in the post-coronavirus crisis.

According to a directive of the Royal Government of Cambodia on additional measures to support the private sector and workers seriously impacted by the COVID-19 pandemic and to recover and promote the economic growth in the aftermath of the crisis issued on Dec. 23, the 7th round of COVID-19 stimulus measures aims to continue maintaining business balance as well as to support and restore businesses to contribute to the economic growth in the post-coronavirus context, and to continue supporting the daily livelihoods of poor and vulnerable households through the cash relief programme.

Under the new stimulus measure guidelines, each worker whose job was suspended in the garment-textile, footwear and travel goods industry will receive a cash package of US\$70 per month for another three months, from January to March 2021. Of the cash, US\$40 will be from the government and the rest from enterprises and factories.

For those in the tourism sector, they will get each US\$40 per month for the same period from the government, while tourism businesses – hotels, restaurants, tour agencies – must contribute on a voluntary basis.

Besides, all registered tourism businesses in Phnom Penh capital, Siem Reap, Preah Sihanouk, Kep and Kampot provinces, and Bavet and Poipet cities will continue to be exempt from monthly tax payment during the upcoming three-month period.

The guidelines also mentioned the minimum tax exemption for all airlines registered in Cambodia for three more months, starting from January 2021.

For social assistance measures, the government decided to extend the cash relief programme for the poor and vulnerable households for the first quarter of next year.

The Royal Government will closely observe the socio-economic impacts of COVID-19 and is ready to set out additional measures to provide appropriate and necessary support for the businesses, workers and people who have been seriously impacted. ■

MORE THAN 300,000 TONNES OF BANANAS EXPORTED IN 2020

Over 300,000 tonnes of Cavendish bananas have been shipped to foreign markets from January to December 15, 2020, pointed out a preliminary report on the progress of major agro-industrial crop production in 2020, released by H.E. Veng Sakhon, Minister of Agriculture, Forestry and Fisheries.

According to the same source, Cambodia yielded nearly 500,000 tonnes of Cavendish bananas in 2020, of which 313,410 tonnes have been exported, earning over US\$450 million.

Eleven (11) companies have been exporting

RUBBER EXPORTS UP 22 PERCENT AND REGISTERS \$383 MILLION IN REVENUE

Cambodia exported over 285,589 tonnes of dry rubber from January to November, up 22 percent year on year, according to latest figures released by the country’s General Department of Rubber.

With an average price of \$1,341 per tonne, Cambodia earned \$383 million, a rise of 23 percent against the same period last year. The Southeast Asian nation mainly ships dry rubber to Malaysia, Vietnam, Singapore, and China.

Data showed that Cambodia zoned off nearly 401,700 ha for rubber planting and production, 72 percent of which has been covered.

In 2019, the country raked in \$377 million from exporting 282,000 tonnes of dry rubber, a respective year on year increase of 31.8 percent and 30 percent. ■



bananas among the 15 registered companies.

Cambodia’s fresh bananas were shipped to China, the EU, Asian and Oceanian countries.

Banana is a Cambodian key agro product exported to international markets together with rice, rubber, cassava, cashew nut, corn, pepper, bean, mango, and vegetable.

Last year, the Kingdom exported 150,000 tonnes of fresh bananas abroad, generating US\$59 million as income. ■



CAMBODIA ANTICIPATES US\$1,771 GDP...



The growth, he continued, is made possible through various efforts of the Royal Government, including the provision of tax incentives to small and medium sized enterprises as well as key industries like tourism and hospitality.

The Royal Government has already released more than US\$200 million from the national budget to subsidize those adversely affected by the COVID-19 crisis and will set aside more budget to assist them if the crisis continues.

Although overall manufacturing exports have been hit by the pandemic, exports of bicycles, electrical parts, and vehicle parts and accessories are rising.

The exports of milled rice and other agricultural commodities have also surged, while domestic tourists have supported partial recovery of the travel and tourism industry.

With the move, Cambodia's economy is projected to contract by 2 percent in 2020, but will bounce back by 4 percent in 2021, according to the latest forecast by the World Bank. ■

THE KINGDOM ...

"We have successfully controlled the Nov. 28 Community Event," the Premier underlined.

Samdech Techo Hun Sen also mentioned the strengthening of quarantine measures, particularly for the imported cases, but announced to ease some preventive measures for the community.

The Prime Minister informed the Ministry of Health and relevant authorities to consider a national standard for preventive measures, especially the safety distance of at least 1.5 metres.

Up to 1 January 2020, among the 41 confirmed community cases of COVID-19, 40 have already recovered. Currently, Cambodia has 379 COVID-19 patients, of which 362 have been cured, while 17 COVID-19 patients are hospitalized. ■

125 SMES TO RECEIVE HELP ON ONLINE COMMERCE

125 small- and medium-sized businesses are set to gain grants and training on online commerce through a new US\$500,000 investment from the Ministry of Commerce of the Kingdom of Cambodia, the Enhanced Integrated Framework (EIF) and the UN Development Programme (UNDP).

According to a joint press release, the funds will fuel an innovative six-month incubation and training initiative and small grants programme to help small- and medium-sized enterprises move online, sell online, and, for some, sell to overseas customers through a new online marketplace (B2B2C) being developed by the Ministry of Commerce (MoC). A quota is reserved for businesses owned by women and businesses based outside of Phnom Penh.

This is a joint initiative between the Ministry of Commerce and UNDP which will form one of the key components of Cambodia's e-commerce acceleration project called Go4eCAM that aims to boost domestic and international opportunities for small and medium enterprises through a digital platform and create over 10,000 new jobs by 2022 as one of the main objectives of GoleCAM.

Cambodia's e-commerce sector has grown exponentially in the last decade and the enhanced support comes as the COVID-19 pandemic has forced many more businesses to

move online. E-commerce and digitization are crucial to ensure a full rapid and sustained economic recovery for the country.

The Royal Government of Cambodia, particularly the Ministry of Commerce, has stepped up efforts in recent years to strengthen the country's e-commerce ecosystem including regulatory framework and strategy, such as passing the landmark 2019 E-commerce Law, a set of sub-decree and prakas to ease registration for e-commerce-based businesses, the Consumer Protection Law to protect the rights of online shoppers and businesses, and the recently launched E-commerce Strategy.

In support of Cambodia's response to COVID-19, UNDP is working to reskill workers, support the onboarding of 1000 small- and medium-sized business into the e-commerce market and promote the adoption of e-commerce across the country through an advocacy campaign to create a robust regulatory environment with support from the Government of Australia.

"The GodeCAM project is launching at the right time, coinciding with the approval of the E-commerce Law and the launch of the E-commerce Strategy. The project will provide many other benefits, including increasing productivity, innovation, business expansion and job creation in Cambodia," said H.E. Pan Sorasak, Minister of Commerce at the launch of E-commerce Strategy.

"Cambodia's new E-commerce Strategy, combined with the right incentives and investments, could be a game-changer to propel inclusive growth in the recovery from COVID-19. Inclusive investment in people, in skills development and in digital infrastructure for everyone are crucial," said Mr. Nick Beresford, UNDP Resident Representative.

"Cambodia has great potential on e-commerce. The recently launched E-commerce strategy, supported by the EIF, with concrete plan of action will tackle bottleneck in critical areas, such as the legal and regulatory framework, ICT infrastructure, digital skills, and SME support. Together with the GoteCAM project and strong partnership on the ground, I strongly believe that Cambodia is putting in place a conducive ecosystem necessary to boost e-commerce, export competitiveness, promote entrepreneurship and tap into new sources of growth in the digital era," said Dr. Ratnakar Adhikari, Executive Director, Executive Secretariat for the EIF at the WTO. ■



FOREST ORCHID PARK IN SIEM REAP TO BE UPGRADED

The Royal Government of Cambodia is planning to expand Kesor Kol Park (meaning Orchid Flower Park) and other support facilities on a total of 2,020 hectares of land surface in Siem Reap province.

The plan was shared by H.E. Ms. Chan Somaly, Undersecretary of State at the Ministry of Environment when visiting Kesor Kol Sok An Phnom Kulen Research and Conservation Centre in the province recently.

H.E. Ms. Chan Somaly explained that the existing Kesor Kol Park will be expanded to include gardens of forest orchid, breeding orchid, butterfly, natural vegetables, traditional medicine, balsam, and essential plants.



Orchid samplings in a nursery at the park.



The site will be enriched with other support facilities to make it an attractive recreation site for both research and visit.

The Royal Government also plans to establish a mirror bridge in the park to allow the best view of the park in a near future.

According to H.E. Ms. Chan Somaly, experts of the Kesor Kol Sok An Phnom Kulen Research and Conservation Centre have collected 170 species of forest orchids, and there are currently between 500 to 700 kinds of the plants throughout Cambodia.

The establishment of Kesor Kol park in Kesor Kol Sok An Phnom Kulen Research and Conservation Centre at Srah Khvav village, Thbeng commune, Banteay Srei district aims to preserve forest orchid seeds as well as to increase the tourism potential in Siem Reap province.