Reform for ASEAN Economic Community (AEC)

Cambodian Federation of Employers & Business Associations (CAMFEBA) and International Business Chamber (IBC) of Cambodia
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Director-General of International Trade
Ministry of Commerce
Overview of ASEAN Economic Community (AEC)

AEC

characteristic

To create a stable, prosperous and highly competitive ASEAN economic region

Single Market and Production base

Free flow of goods services, investment, and skilled labor

Frer flow of capital
Investment in Cambodia

Investments by sector (2011-2015)

Million USD

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>794.5</td>
<td>556.6</td>
<td>1,128.8</td>
<td>264.7</td>
<td>482.6</td>
</tr>
<tr>
<td>Industries</td>
<td>1,340.8</td>
<td>1,489.7</td>
<td>1,106.7</td>
<td>2,835.6</td>
<td>919.3</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>2,782.3</td>
<td>227.8</td>
<td>2,620.8</td>
<td>353.5</td>
<td>3,129.8</td>
</tr>
<tr>
<td>Tourism</td>
<td>845.6</td>
<td>691.5</td>
<td>106.0</td>
<td>479.6</td>
<td>111.9</td>
</tr>
</tbody>
</table>
Trade Balance

Trade Trend 2011 - October 2015 (US$ Billion)

- 2011: Total Trade 12.84, Export 6.7, Import 6.14
- 2012: Total Trade 14.94, Export 7.84, Import 7.1
- 2013: Total Trade 18.48, Export 9.25, Import 9.23
- 2014: Total Trade 29.72, Export 10.7, Import 19.02

Legend:
- Blue: Total Trade
- Orange: Export
- Gray: Import
Cambodian Export by Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$6,879M</td>
<td>$8,038M</td>
</tr>
<tr>
<td>Garments</td>
<td>$5,343M</td>
<td>$5,701M</td>
</tr>
<tr>
<td>Textiles</td>
<td>$40M</td>
<td>$48M</td>
</tr>
<tr>
<td>Shoes</td>
<td>$441M</td>
<td>$538M</td>
</tr>
<tr>
<td>Rice</td>
<td>$210M</td>
<td>$301M</td>
</tr>
<tr>
<td>Others</td>
<td>$837M</td>
<td>$1,458M</td>
</tr>
</tbody>
</table>

Source: Ministry of Commerce
Actions

• EU: EBA
• Brexit
• US: GSP
• China: DFQF (97%)
• Eurasian
• ASEAN FTA & ASEAN plus Dialogue FTA
• Regional Comprehensive Economic Partnership (RCEP)
• CVL, CLMV, CLMVT
• Bilateral Agreement
• World Economic Forum (WEF)
• Trade Mission/Business Matching
• CO Automation
• Online Business Registration
• Online Trademark Search (ASEAN & Global)
• Buy Cambodian Product (Branding)
ASEAN: 3.4 million marks

<table>
<thead>
<tr>
<th>TM Name</th>
<th>IP Office</th>
<th>TM Number</th>
<th>TM Status</th>
<th>Class(es)</th>
<th>Applicant Name</th>
<th>Application Date</th>
<th>TM Type</th>
<th>Representation</th>
</tr>
</thead>
<tbody>
<tr>
<td>3D COCA COLA</td>
<td>LA</td>
<td>13970</td>
<td>R</td>
<td>32</td>
<td>THE COCA-CO ...</td>
<td>2006-01-23</td>
<td>Combined</td>
<td></td>
</tr>
<tr>
<td>COCA COLA</td>
<td>KH</td>
<td>KH/T/2005/24114</td>
<td>A</td>
<td>69</td>
<td>The Coca-Cola ...</td>
<td>2005-12-01</td>
<td>Combined</td>
<td></td>
</tr>
</tbody>
</table>
Global Brand: 26,114,861 marks & Image Search
Brand Value Vs. Cambodia’ GDP

- Apple = 170,276 $m
- Google = 120,314 $m
- Coca-Cola = 78,423 $m
- Toyota = 49,048 $m
- Facebook = 22,029 $m

Source: Interbrand, Best Global Brand 2015

- Cambodia’ GDP
What at the back of iPhone?

Innovation & Creativity
IP Strategy Fueling Entrepreneurial Success

Background

In 2002 with little capital and a rice-cracker processing machine bought from a foreign company, Mrs. Keo Mom and her husband began a small food product manufacturing business out of their home. The couple produced rice crackers in small quantities to sell at markets in Phnom Penh and its outskirts.

Branding and Trademarks

After consultations with government authorities, Mrs. Keo Mom decided to register her business as a handicraft manufacturing outlet under the name Ly Ly Food Industry, Co. Ltd. (Ly Ly Food). Her rice cracker was the first locally-made product sold in plastic-packaging in Cambodia.
Brown coffee & AEC

BROWN
COFFEE AND BAKERY

SIM Sokheng 14
ACLEDA Bank & AEC
Support Branding Building

- Geographical Indication (Kampot pepper)
- Collective Mark
- Certification Mark (product and service)
Member of Madrid Protocol on International Registration of Marks

- File at MoC for 113 countries
- EU, US, China, Japan, India, ASEAN ... etc
- Around 80% of World Trade
- One Office for international filing
- One single application form
- A single procedure
- Lower filing & maintenance fees
Conclusion

• Actions:
  – Automation Services
  – Markets
  – Support brand building

• Private Sector may consider:
  – Quality: Product and Service
  – Branding building
  – Innovation & Creativity
Thank You!

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