Economic Development and Reasons to Invest in Cambodia

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Ministry of Commerce
Reasons to Invest in Cambodia

1. Macroeconomic Stability
2. Pro-business Government
3. Competitive Investment Incentives
4. One-Stop Service Investment Agency
5. Preferential Access to Regional & World Markets
6. Special Economic Zones and Strategic Location
1. Macroeconomic Stability

• GDP growth average growth rate of 7.7 percent for two decades

• The sixth fastest growing country in the world (In October 2014 the World Bank named Cambodia to join the Olympians of Growth)

• Stable exchange rate at 4,050 Riels per US$ 1 in 2015.
Here Comes Cambodia: Asia’s New Tiger Economy

After decades of conflict and poverty that captured the world’s attention, 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.
Trend of GDP Annual Growth (%)

- 2002: 6.6%
- 2003: 8.5%
- 2004: 10.3%
- 2005: 13.3%
- 2006: 10.8%
- 2007: 10.2%
- 2008: 6.7%
- 2009: 0.1%
- 2010: 6%
- 2011: 6%
- 2012: 6.5%
- 2013: 7.4%
- 2014: 7%
- 2015e: 7%
GDP Per Capita (USD)
2. Pro-business Government

- Government and Private Sector Working Groups
- Government and Private Sector Forum
- Private sector is an engine of economic growth
- Easy access to relevant government officials
3. Competitive Investment Incentives

- Full import and export duty exemption
- No discrimination, no nationalization
- No local participation requirement
- No price control on any products or services
- No foreign exchange control
- No restriction on investment capital
- No trade restrictions
<table>
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<tr>
<th>Rank</th>
<th>Country</th>
<th>%</th>
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Investments by sector (2011-2015)

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<th>Year</th>
<th>Agriculture</th>
<th>Industries</th>
<th>Infrastructure</th>
<th>Tourism</th>
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<td>794.5</td>
<td>1,340.8</td>
<td>2,782.3</td>
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<td>2012</td>
<td>556.6</td>
<td>1,489.7</td>
<td>227.8</td>
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<td>1,128.8</td>
<td>1,106.7</td>
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<td>2014</td>
<td>264.7</td>
<td>2,835.6</td>
<td>353.5</td>
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<td>482.6</td>
<td>919.3</td>
<td>3,129.8</td>
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Investment Capital (2011-2015)  
Total of USD 22.3 billion

- Infrastructure: 41%
- Industries: 35%
- Agriculture: 14%
- Tourism: 10%
4. One-Stop Service Investment Agency

Council for the Development of Cambodia (CDC)/Cambodian Investment Board (CIB)

• Information and application
• Evaluation and approval
• Customs duty and tax exemption
• Visa and work permit
• Company registration
• Investor after-care
5. Preferential Access to Regional & World Markets

• Access to the U.S. market - 1996
• Access to the E.U. market: EBA
• Member of the Association of South-East Asian Nations (ASEAN) - 1999
• Member of the World Customs Organization
• Member of the World Trade Organization (WTO)
• Member of various regional trade agreements
6. Special Economic Zones and Strategic Location

• 33 SEZs have been approved
• 11 SEZs are in operation
• 22 SEZs are being built
• Single Window for Import/Export Procedures
• Good Infrastructure
Cambodia’s Special Economic Zones

- Poipet O’Neung SEZ
- Koh Kong SEZ
- Soay Chheng SEZ
- Kiri Sakor Koh Kong SEZ
- Sihanoukville SEZ
- Sihanoukville SEZ
- Sihanoukville SEZ
- Kep SEZ
- Kampot SEZ
- Battambang SEZ
- Banteay Meanchey SEZ
- Preah Vihear SEZ
- Pursat SEZ
- Kampong Chhnang SEZ
- Kampong Thom SEZ
- Kampong Cham SEZ
- Battambang SEZ
- Kampong Speu SEZ
- Kandal SEZ
- Svay Rieng SEZ
- Takeo SEZ
- Pursat SEZ
- Pailin SEZ
- Oddar Meanchey SEZ
- Phnom Penh SEZ
- Preah Vihear SEZ
- Stung Treng SEZ
- Kratie SEZ
- Kandal SEZ
- Batang Thom SEZ
- Thary Kampong Cham SEZ
- P (SEZ) 1 C
- Gold Fame Park Sihanouk SEZ
- Manhattan SEZ
- Tai Seng SEZ
- NLC SEZ
- D&M SEZ
- 2016

LAOS
THAILAND
VIETNAM
Access to Border Crossings

To Thailand
- NR-48
- NR-57
- NR-62
- NR-64
- NR-68

To Vietnam
- NR-2
- NR-33
- NR-72
- NR-74
- NR-78

* New Route №
264km Phnom Penh-Sihanouk Ville

105km Serei Saophoan-Siem Reap
Propose new link

239km Siem Reap-Skun
Propose new link

255km Bat Doeng-Loch Nich
(Vietnam Border).
Propose new link

48Km Sisophon-Poipet

338Km Phnom Penh-Sisophon

273km Snoul-Strung Treng to Laos Border.
Propose new link

264km Phnom Penh-Sihanouk Ville
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