

Country (Region) Guides for Outward Investment Co- operation

Cambodian

(2022 edition)

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forew ord

The report of the twentieth CPC National Congress points out that it is important to promote a high level of opening up to the outside world, to enhance the quality and level of trade and investment cooperation, to accelerate the building of a strong trading nation, to promote the high-quality development of the "One Belt, One Road", to participate deeply in the division of labour and cooperation in the global industry, and to safeguard a diversified and stable international economic pattern and economic and trade relations.

Guided by Xi Jinping's thought of socialism with Chinese characteristics in the new era, the Ministry of Commerce comprehensively implements the spirit of the 20th CPC National Congress, and in accordance with the principle of "government-guided, enterprise-led, and market-orientated operation", it encourages and supports strong, reputable and internationally competitive enterprises to go out to carry out outward investment and cooperation in a steady and orderly manner, and actively participate in the construction of the "Belt and Road". It will also actively participate in the co-construction of the "One Belt, One Road", guide and serve China's enterprises to actively integrate into the global industrial chain supply chain, and continuously improve the quality and level of outward investment and co-operation. In 2021, China's outward foreign direct investment flow will reach US\$178.82 billion, an increase of 16.3 per cent over the previous year, ranking second in the world;

Seventy-nine Chinese enterprises have been listed in the Engineering News-Record (ENR) 2022 "Top 250 International Contractors", and continue to top the list. Chinese-funded enterprises are making rational and effective use of resources in overseas markets, actively engaging in international cooperation and competition, contributing to the economic and social development of host countries, and injecting vitality into the global economic recovery.

In order to better help enterprises understand and familiarise themselves with the local business environment and effectively prevent and resolve various risks, the Institute of International Trade and Economic Cooperation (IITEC) of the Ministry of

Commerce (MOFCOM) and the business agencies of embassies and consulates in foreign countries have compiled the 2022 edition of the "Country (Place) of Outward Investment Co-operation".

The Guide covers 129 countries and regions. The Guide covers 129 countries and regions, reflecting comprehensively and objectively the macroeconomic situation, laws and regulations, economic and trade policies, business environment and other matters of concern to enterprises going abroad in the countries (regions) where OFDI cooperation takes place, as well as paying further attention to relevant policies and regulations, current development status and international cooperation on digital economy and green development in the relevant countries (regions), and adjustments in economic and trade policies since the epidemic.

We hope that the 2022 edition of the Guide will be helpful to enterprises that intend to go global and carry out outbound investment and cooperation, and we welcome criticisms and valuable opinions from all walks of life. At the same time, we will seriously absorb the useful suggestions and continuously improve our work, so as to make the Guide better and better, and to play a greater role in enhancing the ability and level of enterprises' international operation, coping with all kinds of risks and challenges, and promoting the high-quality development of outward investment and cooperation.

We will be based on the new stage of development, complete, accurate and comprehensive implementation of the new development concept, serve to accelerate the construction of a new development pattern, focus on promoting high-quality development, and innovate in the preparation of the Guide, so as to more accurately and efficiently provide high-quality information services for enterprises going abroad, and to help them go abroad steadily and make progress.

Office for the Preparation of Country
(Regional) Guides for Outward Investment
Co-operation

March 2023

Message from the Counsellor

China and Cambodia, as hardcore friends, have made their bilateral relations more and more unbreakable through trials and tribulations under the joint efforts of both sides. In recent years, under the strategic leadership of leaders from both sides, the two countries have deepened their cooperation in various fields and made important progress. In 2016, President Xi Jinping's successful visit to Cambodia pushed the comprehensive strategic partnership between the two countries to a new historical height. In 2017, Prime Minister Hun Sen attended the "Belt and Road" International Cooperation Summit Forum and made an official visit to China, and the two sides reached an important consensus on comprehensively promoting the "Belt and Road" cooperation and deepening the cooperation in production capacity and investment. In January 2018, Premier Li Keqiang's visit to Cambodia injected new momentum into the development of China-Cambodia relations. In April 2019, China and Cambodia signed the Action Plan for Building the China-Cambodia Community of Destiny, setting a model for building a new type of international relations. On 12 October 2020, China and Cambodia signed the Free Trade Agreement between the Government of the People's Republic of China and the Royal Government of Cambodia by video, which came into effect on 1 January 2022 for implementation.

Bilateral economic and trade cooperation between China and Cambodia has been deepening, and China has been Cambodia's largest trading partner and largest source of foreign investment for many years. According to Chinese statistics, in 2021, the bilateral trade volume of China and Cambodia will be 13.67 billion US dollars, up 43.1 per cent; Chinese direct investment in Cambodia will be about 470 million US dollars, down 51 per cent; the newly signed contract value of engineering contracts in Cambodia will be about 6.62 billion US dollars, up 18.8 per cent; and the completed turnover will be about 3.49 billion US dollars, up 25.7 per cent. The investment and cooperation between the two countries in the fields of transport, electricity, agriculture, manufacturing, tourism development,

special economic zones and information and communication have achieved positive results and made important contributions to the economic and social development of Cambodia.

The Cambodian government attaches importance to the development of the economy and hopes to strengthen cooperation with the Chinese side in the field of infrastructure construction such as roads and bridges, water conservancy, power stations, power grids, ports, wharves, airports, communications, etc.; to strengthen the cooperation in the export of agricultural products, deep processing, warehousing, logistics, etc.; and to develop the green economy, digital economy, and hi-tech industry, improve the upstream and downstream industrial chain, and diversify the industry. The Cambodian government has a welcoming and encouraging attitude towards foreign investment. In order to encourage foreign investment, the Cambodian government has introduced a series of policies and measures to continuously improve the investment environment, and the new Investment Law has been formally promulgated on 15 October 2021 for implementation.

At a time when a century of change and a century of epidemics are intertwined, global economic recovery is struggling. China and the ASEAN countries are bucking the trend, leading East Asian economic integration and promoting common prosperity, in stark contrast to the "headwinds and headwinds" of economic globalisation. China continues to serve as a stabiliser of the world and Asian economies, Cambodia has made positive progress in its fight against the epidemic and recovery process, and China-Cambodia economic and trade cooperation has continued to grow steadily and healthily, injecting impetus and vitality into the quality recovery of the regional economy. President Xi Jinping's global development initiatives have been widely welcomed. China and Cambodia should take this opportunity to strengthen strategic alignment, make full use of favourable policies, give full play to their complementary advantages, implement key areas of cooperation and projects, and strive to achieve strong, green and healthy growth.

Economic recovery and development.

Wu

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August 2022

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INTRODUCTION What will this guide tell you?

Before you are going to invest and co-operate in the Kingdom of Cambodia (hereinafter referred to as "**Cambodia**" or "**Cambodia**"), do you know enough about the investment and co-operation environment in Cambodia? What is the political, economic, social and cultural environment there? What industries are suitable for investment cooperation? Are the business costs of investment and co-operation in Cambodia competitive? How should I go through the relevant procedures? What are the local laws and regulations governing foreign investment cooperation? What should be paid special attention to in Cambodia for investment and co-operation? What should I do if I encounter difficulties? How to deal with the local government, parliament, labour unions, residents, media and law enforcement agencies? Cambodia" in the series of "Country (Regional) Guides for Foreign Investment Co-operation" will provide you with basic information and serve as a guide for you to understand Cambodia.

1. Country profile

1.1 A Brief History of Development

Cambodia (Kingdom of Cambodia), originally named Khmer, was founded in the second half of the 1st century A.D. and passed through the Funan, Chenla and Angkor dynasties, etc. It became a French protectorate in 1863, was occupied by Japan in 1940, and then reoccupied by France after the surrender of Japan in 1945, and declared its independence on 9 November 1953, and on 18 March 1970 the Lon Nol Group staged a coup and overthrew the Sihanouk regime and changed the name of the country to "Khmer Republic". On 18 March 1970, Lon Nol Group staged a coup d'état to overthrow Sihanouk's regime and renamed the country "Khmer Republic". 23 March, Sihanouk established the Cambodian National Unity Front (CNUF) in Beijing to carry out the struggle for the salvation of the country against the U.S.S.R. On 5 May, the Government of National Unity of the Kingdom of Cambodia was set up, with Prince Bint Nu as the prime minister. On 17th April 1975, Cambodia won the struggle against the United States and in January 1976, Cambodia promulgated a new constitution and changed the name of the country to "Democratic Kampuchea"; in December 1978, Vietnam sent troops to Cambodia and established the "People's Republic of Kampuchea". In July 1982, Sihanouk, Somsom and Khieu Samphan formed the coalition government of Democratic Kampuchea, and in September 1990, the Cambodian National Supreme Council was set up, with Sihanouk as its president, and on 23 October of that year, the International Conference on the Peaceful Settlement of the Cambodia Problem was convened in Paris, and the Agreement on a Comprehensive Political Settlement of the Cambodia Conflict was signed.



imperial palace

In May 1993, Cambodia held its first national election under the auspices of the United Nations, and in September, a new constitution was promulgated, the name of the country was changed to the "Kingdom of Cambodia", and Sihanouk was reinstalled on the throne. In November, the Royal Government of Cambodia was established, with Ranariddh and Hun Sen serving as the First Prime Minister and the Second Prime Minister, respectively. In July 1998 and 2004, the People's Party (PPP) and FUNCINPEC formed the second and third governments of the United Kingdom. In July 1998 and July 2004, the People's Party (PPP) and FUNCINPEC joined forces to form the second and third governments of the United Kingdom, and in July 2008, the PPP led by Samdech Techo Hun Sen won the fourth general election by a landslide.

Hun Sen became Prime Minister. In 2013 and 2018, the PPP won consecutive elections and Hun Sen was re-elected as Prime Minister.

Since the establishment of the second Royal Government in 1998, the Government has been committed to political stability, economic development and foreign policy of independence, peace, permanent neutrality and non-alignment, and after Cambodia formally joined the ASEAN in 1999, it has been actively developing its relations with neighbouring countries, western developed countries and international organizations based on ASEAN.

The World Bank considers Cambodia as a lower middle-income country from 1 July 2016 onwards.

1.2 environment

1.2.1 geographic location

Cambodia is located in the southern part of the Central-South Asian Peninsula, bordering Vietnam in the east and south-east, Laos in the north, Thailand in the west and north-west, and the Gulf of Siam in the south-west. The Mekong River runs through the country from north to south. The country covers an area of 181,000 square kilometres and has a coastline of about 460 kilometres.

Phnom Penh, the capital of Cambodia, belongs to the East 7 time zone, and the local time is one hour later than Beijing time. There is no daylight saving time in Cambodia.



Independence Monument

1.2.2 natural resources

[Mineral resources] Cambodia's mineral deposits mainly include oil, natural gas, phosphate, precious stones, gold, iron, bauxite and so on.

[Water resources] The Tonle Sap Lake is the largest natural freshwater lake in Southeast Asia and is known as the "Fish Lake". The south-west coast is also an important fishing ground, producing a lot of fish and shrimp.

[Forest resources] Cambodia has 46.86 per cent forest cover, mainly in the eastern, northern and western mountainous areas. It mainly produces high-grade timber such as teak, ironwood, rosewood, ebony and many kinds of bamboo, with a timber reserve of about 1.1 billion cubic metres.

1.2.3 climatic conditions

Cambodia has a tropical monsoon climate with two seasons throughout the year: the rainy season from May to October and the dry season from November to April. The average annual temperature is 24°C, with April being the hottest month, with a maximum temperature of 40°C. The average annual rainfall is 2,000 mm. The average annual rainfall is 2,000 millimetres, 90 per cent of which is concentrated between May and October.

1.3 Population and administrative divisions

1.3.1 Population distribution

Cambodia has a population of about 16 million and the geographical distribution of the population is very uneven, with the inhabitants mainly concentrated in the central plains. Phnom Penh and its surrounding provinces, which are more economically developed, are the most densely populated, with a population of about 2.3 million.

At present, there are about 1.1 million Chinese nationals in Cambodia.

1.3.2 administrative subdivision (e.g. of provinces into counties)

[Administrative divisions] Cambodia is divided into 24 provinces and 1 municipality (Phnom Penh).

[Capital] The capital is Phnom Penh, which covers an area of 692.46 square kilometres and is the political, economic, cultural and educational centre and transport hub of the country.

1.4 political climate

1.4.1 political system

[Politics] Since 1993, Cambodia has reverted to a constitutional monarchy, a multi-party liberal democracy and the separation of powers between the legislature, the judiciary and the executive.

[King] Head of State for life, Supreme Commander of the Armed Forces, symbol of the unity and perpetuity of the nation, with the power to grant amnesties, and the power to dissolve the National Assembly on the proposal of the Prime Minister with the consent of the President of the National Assembly. The throne is not hereditary. The President of the Senate acts as Head of State when the King is incapacitated or absent from the country. Upon the death, retirement or abdication of the King, a nine-member Throne Commission consisting of the Prime Minister, the Monk Kings of the two Buddhist sects, and the Presidents and Vice-Presidents of the Senate and the National Assembly is elected from among the descendants of the royal family. King Norodom Sihamoni ascended to the throne in October 2004.

[National Assembly] The National Assembly is the country's highest authority and legislative body, consisting of 125 members who serve for a term of five years. The first National Assembly was established in 1993. Members of Congress are elected by universal suffrage. The powers and functions conferred on the National Assembly by the Constitution include the following: legislative power,

Financial control, supervision and parliamentary autonomy. Its main functions are to (1) approve the national budget, the national plan, the national borrowed funds bill, the national financial contract, and to enact, amend, and repeal national taxes; (2) approve the government's budget execution report; (3) approve the amnesty decree; (4) ratify and abrogate international treaties and international agreements; and (5) approve the decree on the declaration of war. The Sixth National Assembly was established in September 2018 and consists of 125 MPs, with Han San Lim re-elected as President of the National Assembly.

[Senate] The Senate is the national legislature and is elected for a term of six years. It has 10 specialised committees. It was established on 25 March 1999 for the first time. The members of the Senate are partly appointed by the King and partly elected by non-universal suffrage. The main powers conferred on the Senate by the Constitution are legislative power and parliamentary autonomy. Its main functions are (1) to consider and advise on the constitution and laws passed by the National Assembly that are to be put into effect; (2) to be responsible for coordinating between the National Assembly and the Royal Government; and (3) to have the President of the Senate serve as Acting Head of State in the event that the King is unable to attend to business for any reason or is absent from the country. In February 2018, the Cambodian People's Party (CPP), the Bongsin Pik Party (BPK), the Cambodian Youth Party (CYP), and the Khmer National Unity Party (KNU) stood for election to the fourth Senate. The CPP won 58 of the 62 seats; in April, King Norodom Sihamoni presided over the fourth session of the Senate, and Sai Chong was re-elected as President of the Senate.

[Judiciary] Cambodia has an independent judiciary. The court system has three levels, namely the lower court, the appeal court and the Supreme Court. The Supreme Council of the Magistracy is the governing body of the judicial system and is responsible for supervising the work of the courts and has the authority to select, appoint and dismiss judges. The Council is presided over by the King and consists of nine members: the King, the President of the Supreme Court, the Prosecutor General, the President and Prosecutor General of the Court of Appeal, the President and Prosecutor General of the Court of Phnom Penh, and two judges. The President of the Supreme Court is Dit Munt. There is no independent prosecutor's office in Cambodia, and there are prosecutors at

all levels of the courts who perform relevant functions.

[The Government] The Government is the supreme administrative body that directs the army, police, other armed forces and administrative agencies. Its mission is to ensure the execution of laws, the implementation of national policies and the leadership of the nation's administration in accordance with the basic principles laid down in the Constitution. The Government consists of the Prime Minister, Deputy Prime Ministers, Ministers of State, Ministers, Secretaries of State, etc., and is subject to a vote of confidence by the Diet.

Afterwards, the King issues a warrant of appointment. The Prime Minister is the Head of Government and leads all members of the Government and is accountable to the Diet for the overall policy and activities of the Government. Members of the National Assembly have the right to submit motions challenging the government in writing through the President of the National Assembly, to which the Prime Minister, one or more ministers, depending on the responsibility involved in the question, will respond within seven days. The current Government of Cambodia is the sixth Government, established in September 2018, with Samdech Akka Moha Sena Padei Techo Hun Sen, President of the People's Party (PPP), as Prime Minister, and 10 Deputy Prime Ministers, 17 Ministers of State, 28 Ministries, and 1 State Secretariat.

1.4.2 Main parties

Cambodia is a multi-party country with active party politics. More than 40 political parties contested the 1993 general election in Cambodia.

In 1998 there were 39, in 2003 there were 23, in 2013 there were 8, and in 2018 there were 20. In 2021, there were a total of political parties in Cambodia of around

50, some of which were politically inactive and did not participate in the commune council elections, to participate in the commune council elections in 2022

There are 17 political parties in Cambodia. There are many different political parties in Cambodia, but all of them are basically able to carry out their activities within the scope of the Constitution. The main political parties are:

[Cambodian People's Party (CPP)] Formerly known as the Cambodian People's Revolutionary Party (CPRP), founded on 28 June 1951, the CPP changed its name in October 1991 to its current one. It is currently chaired by Samdech Hun Sen, with Vice-Presidents Sao Kheng, Saichon, Diban and Mersenne, and Honorary President Han Samrin. The party favours internal political stability, economic development and poverty alleviation, and the establishment of a democratic and legal state. Externally, it pursues a policy of independence, peace, neutrality and non-alignment, supports the establishment of a new international political and economic order, and advocates the strengthening of South-South cooperation, the narrowing of the gap between the rich and the poor, and the strengthening of regional cooperation in order to maintain regional peace and prosperity. It attaches importance to friendship and cooperation with neighbouring countries and the development of friendly relations with major countries such as China, Japan and France, and actively improves its relations with the United States and the West.

FUNCINPEC Party, formerly known as the Front for National Unity for the Independence, Neutrality, Peace and Co-operation of Cambodia (FUNCINPEC), was founded and chaired by Sihanouk in 1981, and was renamed to its present name in 1992, with Ranariddh as chairman. Internally, the party advocates the democratisation of politics, the privatisation of the economy and the maintenance of a constitutional monarchy. Externally, the party pursues a foreign policy of independence, peace, neutrality and non-alignment. On 19 January 2015, FUNCINPEC held a party congress in the capital, Phnom Penh, and formally elected Prince Norodom Ranariddh of Cambodia as its president. After Prince Norodom Ranariddh's death in November 2021, his son, Norodom Jaravu, became president of the party.

1.4.3 government organisation

[Government Institutions] The sixth Royal Government of Cambodia was established in September 2018 with one Prime Minister, 10 Deputy Prime Ministers and 17

Ministers of State. There are a total of 28 ministries and a Secretariat of State, of which the 28 ministries include: the Cabinet Office, the Ministry of the Interior, the Ministry of National Defence, the Ministry of Foreign Affairs and International Cooperation, the Ministry of Finance and Economy, the Ministry of Agriculture, Forestry, and Fisheries, the Ministry of Rural Development, the Ministry of Commerce, the Ministry of Industry, Science, Technology, and Innovation, the Ministry of Mines and Energy, the Ministry of Planning, the Ministry of Education, Youth, and Sports, the Ministry of Social Welfare, Veterans, and Youth Rehabilitation, the Ministry of Land, Urban Planning and Construction, the Ministry of the Ministry of Environment, Ministry of Water Resources and Meteorology, Ministry of Information, Ministry of Justice, Ministry of Parliamentary Liaison and Inspection, Ministry of Post, Telecommunications and Communications, Ministry of Health, Ministry of Public Works and Transport, Ministry of Culture and Arts, Ministry of Tourism, Ministry of Religious Affairs, Ministry of Women's Affairs, Ministry of Labour and Vocational Training, Ministry of Public Service. One State Secretariat is the Secretariat of State for Civil Aviation.

1.5 sociocultural

1.5.1 nation

Cambodia is a multi-ethnic country with more than 20 ethnic groups. The Khmers are the main ethnic group, accounting for 80 per cent of the total population, and are committed to Hinayana Buddhism. Ethnic minorities are Cham, Pnong, Lao, Thai, Chinese, Kinh, Burmese, and Malay,

Stingers, etc.

There are about 1.1 million Chinese and overseas Chinese in Cambodia, accounting for about 6.9 per cent of the total number of people in the country, mainly in Phnom Penh and the provinces of Battambang, Kandal, Kampot and Takeo. Phnom Penh, the capital city, has the largest number of Chinese and overseas Chinese, about 300,000 people. Cambodian Chinese and overseas Chinese are mainly from Guangdong, Hainan and Fujian provinces, among which Chaozhou people from Guangdong are the most numerous, accounting for about 80 per cent of the total number of Chinese and overseas Chinese, followed by Hakka people from Guangzhao and Hakka.

Cambodian Chinese are mainly engaged in import and export trade, daily necessities, tourism and catering, food processing, garment making and hardware machinery, real estate, construction, timber processing, agriculture and fishery.

1.5.2 multilingualism

Cambodian (also known as Khmer) is the official language and English is more commonly spoken in the government sector. Mandarin and Vietnamese are the foreign languages more commonly spoken among the general public.

1.5.3 Religion and customs

[Religion] Religion plays a very important role in the political, social and daily life of the Cambodian people. The Constitution of the Kingdom stipulates that "citizens of both sexes shall enjoy full freedom of belief and the State shall protect the freedom of belief and religion", while at the same time explicitly defining Buddhism as the State religion. More than 85 per cent of the country's population are followers of Hinayana Buddhism. In addition, there is Christianity (about 36,000 parishioners) and Islam (about 320,000 adherents).

There are Buddhist temples all over the country and the social status of monk kings and monks is very high. Normally, men, regardless of their social status, are required to become monks once in their lives, otherwise they are despised by the world, but they can return to monasticism at any time.

[Customs] Cambodians pay attention to etiquette and manners. The most common etiquette is the tenfold salute, that is, hands together in front of the chest,

slightly bowed head, the height of the fingertips depending on the status of the other party, to the king, members of the royal family, monks, but also squatting or kneeling salute. Handshakes are also popular in social occasions, but it is still preferable for men and women to perform the ten-fold salute.

The Cambodian marriage custom is that the man **"marries" the** woman's family. All the ceremonies of the wedding take place in the woman's home and are presided over by the most prestigious old man of the village.

Traditional Cambodian houses are mostly bamboo and wooden stilted houses, about two metres above the ground, with people living on the top and storing agricultural tools and parking vehicles on the bottom.

Cambodian people eat rice as their staple food and fish and shrimp as their main side food, and they like to eat vegetables with pungent flavour, such as raw chilli, spring onion, ginger, etc., and they also like to eat lettuce, raw meat and pickled fish sauce.



Ankor monuments

1.5.4 Education and health

[Education] Cambodia has nine-year compulsory education. The education system includes primary school (grades 1-6), lower secondary school (grades 7-9), upper secondary school (grades 10-12), universities and other higher education institutions. The primary school enrolment rate, especially in urban areas, is quite high, with a net enrolment rate of 91 per cent. There was great development in education and culture in the 1960s, but since the 1970s they have suffered serious damage as a result of the prolonged period of war. In recent years, the Government has paid attention to education and built some schools. According to the statistics of Cambodia in 2020, there are 14,522 kindergartens, primary schools and secondary schools nationwide, of which 13,300 are public schools, including 4,301 kindergartens, 7,228 primary schools, 1,771 secondary schools (1,246 junior high schools and 525 senior high schools); and 125 colleges and institutes of higher education (of which 48 are public colleges and institutes and 77 are private colleges and institutes).

[Medical care] Since the 1980s, the Cambodian Government has begun to take measures to gradually restore the medical system. The mortality rate of newborn babies has been reduced year by year, and some progress has been made in the prevention and treatment of various diseases, and the morbidity rate has been reduced. Since 2003, improving the level of health services has been included in the Government's policy agenda, and the Government has made laws and regulations on health care and committed itself to improving

the quality of health care services; using more public resources and international assistance to strengthen the health construction, encouraging private investment in the health sector; and building hospitals and health centres in provinces, districts, and communes one after another.

According to the latest census report released by the Government of Cambodia, in 2020, the average life expectancy in Cambodia will be 74.3 years for men and 76.8 years for women. At present, there are 13,464 hospital beds throughout Cambodia, with 0.97 beds per 1,000 people, 95 per cent bed occupancy rate, and 0.2 doctors per 1,000 people.

Cambodia is a high incidence of dengue fever, according to the Cambodian Ministry of Health, in 2021, the country reported 1,903 cases of dengue fever, including 8 deaths. 1,354 cases of dengue fever were confirmed in the country in the first five months of 2022, compared with the same period last year.

The number of cases doubled compared to the period, including three deaths.

【 Chinese Aid to Cambodia Medical Team 】 From May 2022, the Chinese government officially dispatched the Aid to Cambodia Chinese Medicine and Anti-epidemic Medical Team. The team consists of 16 medical personnel, specialising in Chinese medicine (respiratory, cardiovascular, geriatrics, neurology, wind immunity), acupuncture and moxibustion, Chinese orthopaedics and traumatology, traditional Chinese medicine, Chinese medicine nursing, and medicine and health research. Address: Chinese Medicine Clinic, 3/F, New Medical Building, Kausma Cambodia Friendship Hospital, Phnom Penh, Cambodia, Tel: 00855-71-9420368.

1.5.5 Trade unions and other non-governmental organisations

[Trade unions] According to Cambodian official statistics, there are about 3,000 trade union organisations in Cambodia. There are more social groups or organisations established by the Cambodian business community with active activities, mainly including the Cambodian General Chamber of Commerce, the Cambodian Chinese Council General Association, the Cambodian Chinese Overseas Chamber of Commerce in Hong Kong and Macao, the Cambodian Taiwan Chamber of Commerce, the Garment Association, the Tourism Association, and the Association of Hotels and Restaurants, and so on. The Cambodian Labour Law stipulates that workers can establish trade unions in enterprises and that workers and trade unions can organize strikes.

Golden Realm Casino in Phnom Penh, Cambodia, caused a labour dispute due to large-scale layoffs in April 2021, and after a long period of unsuccessful negotiation, the relevant employees started to go on strike on 18 December 2021, and as of the end of March 2022, some of the employees agreed to a settlement proposal under the coordination of the enterprise and the Cambodian Ministry of Labour, but there are still hundreds of employees who have not yet accepted the settlement. There were no strikes by Chinese enterprises in 2021 in Cambodia. Incidents.

[Other NGOs] Cambodian NGOs are very active and there are nearly 6,000 registered NGOs in Cambodia, which have a strong influence on all aspects of economic and social development in Cambodia. The main NGOs include: Cambodian Red

Cross Society, Cambodian Youth Federation, Cambodian Women's Association for Peace and Development, and so on. The main issues that NGOs are concerned with are: human rights, environmental protection, land acquisition and relocation, and workers' wages.

1.5.6 Main media

[News Agency] AKP is the only official news agency in Cambodia, established in 1980.

[Television media] The main television stations in Cambodia include: National Television, Channel 3 (official) in Phnom Penh, the capital city, Channel 5 (military station), Fairy Channel (People's Party property), Channel 9 (private), Bayon Channel (private), etc. There are two cable TV stations: Cambodia Cable TV and Phnom Penh Cable TV.

[Broadcasting media] There are nearly 30 radio stations in Cambodia, among which there are 5 official radio stations, and FM96 is a national radio station that broadcasts 19 hours a day.

[Newspapers and media] There are nearly 300 newspapers, 27 journals and 74 magazines in Cambodia. The Chinese newspapers are Cambodian-Chinese Daily and Cambodian-Chinese Times, and there are two influential English-language newspapers, one French-language newspaper, and the rest are Cambodian-language newspapers. Newspapers with large circulation include Peace Island News (Cambodian, daily newspaper), Sour Kok Tree (Cambodian, daily newspaper), Kim

Border Post (English), Khmer Times (English) and others.

[Online media] The Cambodian Government Portal (website www.cambodia.gov.kh) is the main official online media in Cambodia.

[Media associations] There are 18 journalists' associations in Cambodia, all of which are small. One of the more influential is the Cambodian Journalists' Club, with 185 members (both units and individuals), whose main task is to defend the rights and interests of the media and journalists.

1.5.7 public security

The Royal Government of Cambodia attaches importance to the maintenance of national security and social order, and the social security and safety situation is generally favourable, but there are some hidden dangers, and cases of robbery and theft still occur. Although urban areas and most rural areas have been cleared of mines, there are still minefields in the north-western provinces. There are no anti-government forces in Cambodia, and there have been no terrorist attacks or kidnappings directly targeting Chinese enterprises.

[Firearms management] According to Cambodian law, local residents can only possess firearms if they have obtained a legal firearms licence issued by the government.

1.5.8 holidays

【重要节日】2022年，柬埔寨的主要公共假日包括：元旦（1月1日）、胜利日（1月7日）、国际妇女节（3月8日）、佛历新年（4月14—16日）、国际劳动节（5月1日）、西哈莫尼国王诞辰日（5月14日）、比萨宝蕉节（5月15日）、御耕节（5月19日）、Mother's Day (18 June), Constitutional Day (24 September), Day of the Dead (24-26 September), Commemoration of the Father of the Nation Sihanoukville (15 October), Accession of King Sihamoni to the Throne (29 October), Water Delivery Day (7-9 November), Independence Day (9 November).

Saturdays and Sundays are official public holidays.

2. Economic overview

2.1 macro-economic

In 2021, Cambodia's tourism, industry, construction and investment have developed differently in the face of the impact of the new coronavirus epidemic. The Cambodian Government has actively taken various measures to cope with the situation, maintain a stable political situation, and continue to introduce relief measures in an endeavour to reduce the impact of the epidemic on people's lives and the economy and society, and to promote the recovery of the economy as soon as possible.

[Economic Growth Rate] In 2021, the Cambodian economy gradually recovered from the impact of the New Crown Pneumonia epidemic, with the annual gross domestic product (GDP) of approximately US\$28.643 billion, a year-on-year growth rate of 2.4 per cent, and GDP per capita increased to US\$1,730.

Table 2-1. Macroeconomic data for Cambodia, 2017-2021

years	GDP (\$ billion)	GDP growth rate (%)	GDP per capita (US\$)
2017	222.8	6.9	1435
2018	241.4	7.5	1500
2019	272.22	7.1	1706
2020	262.12	-3.7	1683
2021	286.43	2.4	1730

[GDP industrial structure] According to the World Bank data, in 2021, the three major industries in Cambodia will account for 24.4 per cent of GDP in agriculture, 34.7 per cent in industry and 36.2 per cent in services.

Table 2-2. Tri-industry structure of Cambodia's GDP, 2017-2021

(Unit: per cent)

norm	2017	2018	2019	2020	2021
Agricultural value added as a percentage of GDP	23.4	22.0	20.7	22.8	22.85
Industrial value added as a percentage of GDP	30.8	32.3	34.2	34.7	36.83

Value added of services as a share of GDP	39.7	39.5	38.8	36.2	34.18
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Source: World Bank

[Percentage of investment] According to the data of the Council for the Development of Cambodia, the amount of new investment projects in Cambodia in 2017 accounted for

28.2 per cent of GDP, 26.5 per cent in 2018, 34.5 per cent in 2019, 31.3 per cent in 2020 and 15.2 per cent in 2021.

[Foreign exchange reserves] At the end of 2021, Cambodia's foreign exchange reserves were US\$21.614 billion.

[Fiscal revenue and expenditure] In 2021, Cambodia's fiscal budget execution revenue is about 5.301 billion US dollars, budget execution expenditure is about 5.73 billion US dollars, and fiscal deficit is about 429 million US dollars.

[Inflation rate] In 2021, the average annual inflation rate in Cambodia is 3.4 per cent.

[Debt situation] According to the statistics of the Ministry of Finance and Economy of Cambodia, by the end of 2021, the Cambodian government's external debt has accumulated US\$9.49 billion, mainly used for the construction of infrastructure such as transport, water conservancy, electricity, ports and so on. Borrowing mainly comes from China, Japan, South Korea, France, India, the World Bank, the Asian Development Bank and so on.

[Sovereign Debt Rating] In February 2022, Moody's, an international rating agency, assigned Cambodia a sovereign credit rating of B2 with a stable outlook.

2.2 Focus/Speciality Industries

The Cambodian economic industries can be briefly divided into three main categories: agriculture, industry (mainly textile and garment industry and construction) and services (mainly tourism).

[Agriculture] Agriculture plays a pivotal role in Cambodia's national economy. Cambodia's agriculture is rich in resources, has excellent natural conditions and sufficient labour force, and has a great potential for development despite such constraints as backward infrastructure and technology, and a lack of capital and talents. The Cambodian Government has given priority to the development of agriculture and has made every effort to improve the agricultural production and its investment environment, fully exploiting the potential, giving full play to the advantages and opening up the market.

In 2021, Cambodia's agricultural GDP reaches US\$6.112 billion, of which, plantation accounts for 57.4%, aquaculture accounts for 24.3%, and animal husbandry accounts for 11.3%. In 2021, the country's rice plantation area is 3.55 million hectares, and the total rice output is nearly 12.21 million tonnes, an increase of 11.7% year-on-year; the Cambodian government attaches great importance to paddy rice production and rice

export, and in 2021 , exporting 617,000 tonnes of rice (down 10.7% year-on-year) and 3,527,000 tonnes of paddy (up 61.2% year-on-year); in 2021, rubber will be planted on an area of 404,000 hectares, with a cut area of 292,500 hectares and a production of 368,000 tonnes, almost all of which will be exported, earning 610 million US dollars; in addition, the country will export 200,000 tonnes of maize, 1,645,000 tonnes of dry cassava chips, 1,100,000 tonnes of fresh cassava 1.1 million tonnes, 938,000 tonnes of cashew nuts, 2.8 tonnes of pepper, 423,000 tonnes of bananas (an increase of 27.02%), and 242,000 tonnes of mangoes (an increase of 148.38%).

[Industry] The garment industry and the construction industry are the two pillars of Cambodia's industry. Cambodia has made full use of preferential policies such as the Generalized System of Preferences (GSP) granted by developed countries, and has actively attracted foreign investment in the garment and footwear industries by taking advantage of the country's low labour costs and the tax exemptions and reductions available to export industries.

According to the Ministry of Industry, Science, Technology and Innovation of Cambodia, in 2021, there were 1,879 factories nationwide, employing 986,000 workers. Of these, 163 newly registered factories were registered, a year-on-year decrease of 30.6 per cent; 1,230 new small-scale industrial factories and processing workshops were opened, a year-on-year increase of 371.3 per cent; and 1,301 industrial factories and handicrafts workshops continue to operate, a year-on-year increase of

643.4 per cent. Investment in the industrial sector amounted to US\$13.811 billion, up 1.89 per cent year-on-year. According to Cambodia's Ministry of Land, Urban Planning and Construction, in 2021, 4,303 construction projects were approved nationwide, down 23.4 per cent year-on-year, with an investment value of US\$5,334 million, down 31.21 per cent year-on-year.

[Tourism] Cambodia is rich in tourism resources. Phnom Penh, the capital city, has famous monuments such as Ta Chai Mountain and the Royal Palace; Angkor Wat, a cluster of Angkor Dynasty sites in the northern province of Siem Reap, is one of the seven wonders of the world; and Sihanoukville Harbour in the south-west is a famous seaside recreational resort.

In 2021, Cambodia received 196,000 foreign tourists, down 85 per cent year-on-year, and 45,800 Chinese tourists, down 86.1 per cent year-on-year, while Thailand, Cambodia's top source of international tourists, received 81,800 Thai tourists in 2021, down 61.2 per cent year-on-year.

In 2021, Cambodia had a total of 14,435 licences for tourism operators, 86,499 hotel rooms, 225,000 people working in the tourism industry, 4.66 million domestic tourists, a year-on-year decline of 35.5 per cent, and a total of US\$230 million in national tourism expenditure. In recent years, the coastal area has gradually become another important tourist destination after Angkor scenic spot. The Cambodian Government attaches great importance to the development of tourism in the coastal provinces, and in January 2012 adopted the Royal Decree of the Cambodian Council for the Development and Management of Beach Areas and the

(c) The Plan for the Development of Beach Areas in the Kingdom of Cambodia. According to these bills, Cambodia will establish the National Committee for Coastal Development Management with the aim of strengthening the development and management of the beach area, including the development of beaches and islands, and the connection of roads and waterways.

At present, the Cambodian Government is developing a strategy to diversify tourism products from Siem Reap, Angkor and Phnom Penh to the south-west coast and north-east eco-tourism region, and actively develop its own unique advantages in tourism resources to promote the development of the local economy. The Ministry of

Tourism of Cambodia is confident in the development of tourism and has formulated a plan for future tourism.

[Digital Economy] Cambodia has one of the highest smartphone penetration rates in Southeast Asia. According to the Cambodian Telecommunications Regulatory Agency (CTRA), as of March 2022, Cambodia has 17.2 million mobile Internet subscribers, 20 million registered mobile phones, 5 mobile Internet service providers, 35 fixed Internet service providers, 92 per cent 2G network coverage, 85 per cent 3G network coverage, and 4G network coverage of 82 per cent.

There were 47 internet businesses in Cambodia in 2021, and according to the World Bank's 2020 survey, the Cambodian businesses surveyed 23 per cent have opened web pages and 47 per cent have used digital platforms in their business activities, which is at a low level among South-East Asian countries. With the encouragement of the Cambodian Government, Cambodia has gradually established an electronic payment system, including e-wallet payment companies and

Mobile banking app, payment infrastructure service provider that provides payment gateway for domestic and foreign payments, system service provider that provides bank management system, digital system that provides lending and credit guarantee, etc. At present, there are 21 payment companies, 27,000 payment agent points and 15,000 merchants using related businesses in Cambodia, with an e-wallet balance of more than 58 million US dollars, and PIPAY is the programme of

The most widely used third-party payment tool in the past. Financial institutions and telecommunication service providers in Cambodia are also promoting third-party payment apps, such as ABA PAY (ABA Bank), Dura Pay (Canadia Bank), and M pay (Southeast Asia Telecom).

At present, Cambodia's e-commerce is dominated by small e-commerce companies, mainly through social media (e.g., Facebook) to provide sales or purchasing services, there are about 10 large e-commerce platforms, mainly from China, e-commerce platforms "Smile Mall", Cambodia's main cross-border e-commerce platforms, and the largest platform for local business e-commerce is "L192". The biggest platform for local e-commerce is "L192". As the population base of Cambodia is not large enough, well-known international e-commerce brands such as Amazon, Sizzle, shopee and so on have entered the Cambodian market, but have not yet fully expanded their business. Cambodia's Ministry of Commerce report shows that the size of Cambodia's e-commerce market reached \$970 million in 2021, a year-on-year growth of 19 per cent. Cambodia's e-commerce business revenue is expected to reach \$1.78 billion by 2025.

According to data analysis company similarweb, four of the top five shopping apps in Cambodia have Chinese background, namely Alibaba, Wownow, Taobao and Lotta. In addition, China Express has entered the Cambodian market, set up several distribution centres and overseas warehouses, opened more than 150 service outlets and more than 10 transport lines covering the whole of Cambodia, and has nearly 1,000 employees.

In terms of takeaways, international brand FOODPANDA, local takeaways Nham 24, Moove, BLOC, and the Chinese takeaway platform "Cambodian Single Point" occupy the main market share, and recently WING, one of the largest Cambodian payment companies, has also launched a takeaway service.

At present, China Telecom, Huawei, Microsoft and other companies have signed cooperation agreements with the Cambodian Ministry of Posts and Telecommunications in the digital economy and carried out relevant cooperation: China Telecom has put forward a roadmap for the digital transformation of Cambodia's telecom business and assisted the Cambodian side to carry out research on the China-Cambodia "One Belt, One Road" connectivity; Huawei has carried out cooperation with the Ministry of Posts and Telecommunications in the area of 5G; Microsoft plans to provide talent

training for Cambodia in the field of digital economy to improve the information management level of enterprises. Huawei and Cambodia's Ministry of Posts and Telecommunications are cooperating on 5G, and have completed network tests with five operators, including telemedicine, online games, and ultra-high-definition images, etc. Microsoft plans to cultivate talents in Cambodia in the field of digital economy, improve the level of information management technology in enterprises, and enhance the basic knowledge of young people in information technology.

Green Economy] Cambodia submitted its **"Carbon Neutral"** long-term strategy to the United Nations Framework Convention on Climate Change (UNFCCC) on 30 December 2021, committing to achieve "carbon neutrality" by 2050, and Prime Minister Hun Sen pledged to reduce Cambodia's GHG emissions by more than 40 per cent of the median level by 2030 at the 26th United Nations Climate Change Conference (UNFCCC) in November 2021. Prime Minister Hun Sen pledged at the 26th United Nations Climate Change Conference in November 2021 to reduce Cambodia's greenhouse gas emissions by more than 40 per cent of the median level by 2030. Cambodia's Minister of Mines and Energy, Sith Sai, said that approvals for new coal-fired power plant projects will be halted after 2021.

Before 2011, fossil energy sources such as oil and coal were the main fuels used in Cambodia's power industry. Since then, a number of large-scale Chinese-funded hydropower projects have been commissioned to generate electricity in Cambodia, and a series of photovoltaic projects have begun construction. By the end of 2021, Cambodia

The installed capacity of Zhai's commissioned hydropower plants is 1,332MW, and the installed capacity of PV power plants is 377MW, accounting for 12.4 per cent. The Cambodian government plans to increase the installed capacity of PV power generation to more than 1,800MW by 2030.

On 12 November 2020, Qilu Special Economic Zone signed a strategic cooperation agreement with the Cambodian Environmental Protection Industry Association to create Cambodia's first environmental protection industrial park, which introduces advanced environmental protection management technologies, provides environmentally friendly solutions for resident enterprises, and establishes an environmental protection management and monitoring system to monitor pollutant discharges in real time and collect them on a regular basis.

[Large Enterprises] At present, large enterprises in Cambodia mainly include:

The Royal Group of Cambodia, known in English as The Royal Group, has a wide range of businesses covering a variety of industries such as telecommunications, transport, energy, media, finance, insurance, construction, hotels, tourism, education, real estate, agricultural products and trade.

Canadian Investment Holding, known in English as Canadian Investment Holding, has major businesses in the financial, infrastructure and real estate sectors.

Chip Mong Group, known in English as Chip Mong Group, has major business interests in the finance, property, building materials, retail and food industries.

Anda Investment Group, known in English as Vattanac Investment, is mainly involved in real estate, industrial parks, finance and trade.

[Large M&A] In April 2020, South Korea's Kookmin Bank acquired 70% of Prasac, a Cambodian microfinance institution, for US\$597 million, and in August 2021, the bank acquired the remaining 30% for US\$322 million. Prasac has more than 180 branches in Cambodia, with total deposits of US\$2.32 billion, and total loans of US\$3.35 billion.

Total Eren, a French renewable energy company, acquired a photovoltaic power plant invested and constructed by Chinese company Dongfang Rising New Energy Co. in Battambang province, Cambodia, in June 2021, with a total installed capacity of 60MW, which was formally connected to the grid in March 2021, with an investment amount of USD 45 million.

2.3 infrastructure

Since 2004, the Cambodian Government has included the construction and improvement of infrastructure as one of the important tasks of the Four Corners Strategy and has accelerated the pace of rehabilitation and reconstruction. At present, the transport network, mainly road and inland waterway transport, has been greatly developed.

2.3.1 motorway

Road transport is the main mode of transport in Cambodia, accounting for 87 per cent of total passenger transport and 65 per cent of total freight transport. As of November 2021, Cambodia has 61,810 kilometres of roads nationwide, including 2,254 kilometres of Class I roads, 5,007 kilometres of Class II roads, 9,308 kilometres of Class III and Class IV roads, and 45,241 kilometres of rural roads. The national roads are mainly 8 roads centred on Phnom Penh, the capital, paved with asphalt. The Cambodian government has given priority to promoting the Phnom Penh-Port Sihanoukville highway project, which is being built by the China Road

The Bridge Group invested in the construction of the 187.05km-long project using the BOT method, which started construction in March 2019.²⁹ On 9 November 22, Premier Li Keqiang and Cambodian Prime Minister Hun Sen attended the ceremony of Phnom Penh-Sihanoukville Port Expressway Opening and Handover of Supporting Livelihood Projects, which marked the official opening of Phnom Penh-Sihanoukville Port Expressway to traffic and operation.

2.3.2 railways

At present, Cambodia has only two railway lines, north and south, with a total length of 655 kilometres, both of which are single line with metre gauge. The northern line from Phnom Penh to the north-western city of Sisophon, with a total length of 385 kilometres, was built in 1931, while the southern line from Phnom Penh to Sihanoukville Port, with a total length of 270 kilometres, was built in 1960.

Cambodia's railways have long been in a state of disuse due to war damage that lasted for decades. In 2009, the Cambodian government began rehabilitation work and granted the Royal Railway Company a 30-year concession on the country's railways. Since 2010, the Cambodian government has begun to rehabilitate the two existing railways, using a low-interest loan from the Asian Development Bank and non-reimbursable assistance from the Australian government, as well as its own financial resources. Of these, the southern line was restored on 30 April 2016 for passenger traffic.

2.3.3 airfreight

Air transport in Cambodia is mainly for passengers, and freight transport is not well developed. Cambodia has three international airports in Phnom Penh, Siem Reap and Sihanoukville provinces. At present, the new Phnom Penh International Airport, which is under construction under the general contracting of China Construction Third Bureau, and Siem Reap Angkor International Airport, which is invested by Yunnan Investment Holding Group, are under construction, and are scheduled to be completed by the end of 2024 and the end of 2023 respectively.

As a result of the Cambodian government's implementation of the aviation open-door policy, the number of airlines operating routes to Cambodia has grown steadily in

recent years, with about 50 domestic and international airlines operating in the country. In 2018, the number of flights reached 105,000, with a passenger flow of 10.55 million, a year-on-year increase of 21.1 per cent. Since 2020, there has been a significant drop in international flights and constant adjustments as a result of the outbreak of the epidemic. In June 2016, the Cambodian National Assembly passed the China-ASEAN Air Transport Agreement, which approved the fifth air traffic rights, aiming to attract more international airlines to stop over at Cambodian airports en route to board and disembark passengers and load and unload cargo, and to attract more tourists to Cambodia. It is of great significance to the development of civil aviation in Cambodia and enables Cambodia to better connect with the international and regional.

[Airline routes with China] In 2021, flights between China and Cambodia were drastically reduced due to the Xin Guan epidemic. At present, flights between China and Cambodia have gradually resumed, and the main airlines flying there are Air China, China Southern Airlines, China Eastern Airlines, Xiamen Airlines, Shenzhen Airlines, Cambodia National Airlines, Cambodia Airlines and Lan Mekong Airlines.

2.3.4 waterborne transport

Water transport in Cambodia is divided into sea transport and river transport.

Sihanoukville Port is Cambodia's only deep-water seaport with 2 berths with quay lengths of 240 metres and 160 metres respectively.

The water depth along the front is 9 metres, and the main import commodities are raw materials, vehicles, medicines and daily necessities, while the main export commodities are garments and agricultural products, especially rice. The port's maritime routes can reach the United States, the European Union, China, Hong Kong, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Thailand, Vietnam and other countries and regions (mostly through Singapore transshipment). In 2021, the two ports of Phnom Penh and Sihanoukville throughput was 10,836,200 tonnes, an increase of 4.5 percent year-on-year. Among them, Phnom Penh port throughput is 3,845,800 tonnes, down 2% year-on-year, while Sihanoukville port throughput is 6,990,400 tonnes, up 8.5% year-on-year.

Cambodia's inland water system mainly consists of the Mekong, Tonle Sap and Bassak rivers, with a total length of about 1,750 kilometres in the wet season, which shrinks to 580 kilometres in the dry season. There are seven major river ports in the country, including Phnom Penh Port, Kampong Cham Terminal, Kratie Terminal, Stung Treng Terminal, Nara Terminal, Kampong Chhnang Terminal, and Chong Nye Terminal. In January 2013, the project of a new container terminal at Phnom Penh Port, which is supported by concessional funding from China, was completed. Located along the Mekong River, about 21 kilometres south of Phnom Penh, the terminal is 300 metres long, 22 metres wide, with two berths for 500-tonne cargo ships, and has a design capacity of 120,000 TEUs per year. The designed annual container throughput is 120,000 TEUs.

2.3.5 electrical power

According to the Ministry of Mines and Energy of Cambodia, in 2021, the total installed capacity of electricity in Cambodia reached 3,033 MW, and the electricity supply reached 12,601 million kWh, a year-on-year increase of 1.61 per cent, of which 9,256 million kWh were supplied independently and 3,345 million kWh were imported. In some cities and most rural areas of Cambodia, the quality of electricity supply is still unstable and it is not possible to guarantee 24-hour power supply, and seasonal shortage of electricity still exists. The price of electricity supply in Cambodia is high, with the price of electricity being about US\$ 0.15-0.2/kWh.

2.3.6 digital infrastructure

[Telecommunications] The telecommunications market in Cambodia is highly competitive. The top three mobile (cellular) network providers are Smart Axiata (Malaysian investment), Metfone (Vietnamese investment) and Cellcard (local Cambodian investment). Telecommunication services in Cambodia are affordable, with traffic and phone packages costing less than the global average. Cambodia is a "mobile-first" country, with people accessing the internet via mobile devices rather than computers. Cambodia's Ministry of Posts and Telecommunications reported that in 2019, there were 21,676,000 mobile phone subscribers, with a penetration rate of about 140 per cent. As of the end of 2019, there were 41,643.6 kilometres of terrestrial backbone fibre mileage across Cambodia, provided by three companies, including Telecom Cambodia (TC), Viettel (Cambodia) and CFOCN, with fibre lengths of 2,291.6 kilometres, 22,000 kilometres, and 17,352 kilometres, respectively; and 3,800 kilometres of submarine fibre, provided by Telco Tech (MCT) and CFOCN (AAE-1), with fibre lengths of 1,300 km and 2,500 km, respectively.

[Internet] Internet service was introduced to Cambodia in 1997, and CamNet, a company under the Ministry of Posts, Telecommunications and Communications, is responsible for providing Internet access services.

Bandwidth in Cambodia's major cities is sufficient to support e-commerce activities, and many active ISPs

(ISPs) are increasing broadband capacity in the country. There are about a dozen active ISPs in the market, the largest being S.I.Net and Ezecom, followed by Digi, ONLINE, WiCAM, MekongNet, Opennet and Today Communication.

2.4 price level

2.4.1 Total sales

There are no statistics on total sales of means of production and total retail sales of consumer goods in Cambodia.

2.4.2 living expenses

There are no statistics on living expenses in Cambodia.

2.4.3 price level

In 2021, prices in Cambodia's domestic consumer market rose moderately, with an annual inflation rate of 3.4 per cent.

Table 2-3 Price level in Cambodia in 2021 (average market

brand name	unit (of measure)	Price (riel)
wheat	Riel/kg	3400
molasses	Riel/kg	7000
beef	Riel/kg	40200
pork	Riel/kg	24000
chicken meat	Riel/kg	28000
hen's egg	Ten.	4500
duck egg	Ten.	5200
(refined) white sugar	Riel/kg	3200
salt	Riel/kg	1200
tomatoes	Riel/kg	6500

Source: Ministry of Commerce, Cambodia

2.5 develop

2.5.1 National development planning

[Four Corners Strategy] In September 2013, the Fifth Royal Government of Cambodia issued the Four Corners Strategy Phase III Policy, which identifies four major priority areas for development in the next five years: firstly, the development of human resources, increasing the training of professional and skilled workers, formulating laws and regulations adapted to the labour market, and setting up vocational training centres, among others. The second is to continue investing in infrastructure and building business coordination mechanisms, increasing investment in transport infrastructure, building business coordination mechanisms with flexibility, increasing energy development and promoting connectivity. Thirdly, we will continue to develop agriculture and increase agricultural value-added, promote rice exports and rice value-added, promote the development of animal husbandry and aquaculture, encourage enterprises to invest in the agro-processing industry, and improve the modernisation and commercialisation of agriculture. Fourthly, it will strengthen the implementation of policies by state institutions, increase the efficiency of public services, improve the investment environment, continue to promote the reform of the judicial system to guarantee social justice and national rights; continue to promote public administration reform and strengthen the functions of oversight institutions; continue to deeply implement the public finance reform programme to ensure the allocation and use of the national budget; and intensify its efforts to attract investment, and encourage the implementation and operation of special economic zones.

2018 In September, the Sixth Government issued the Four Corners Strategy Phase IV Policy, noting that the "world trade war" under protectionist policies has brought uncertainty to the world and regional economies, and that issues such as monetary policies of developing countries and rising crude oil prices have had negative impacts on the Cambodian economy; and that Cambodia has been upgraded from a low-income country to a middle- to low-income country, which will result in the loss of Cambodia's economic power. Cambodia has been upgraded from a low-income country to a middle- to low-income country, which will result in the loss of Cambodia's preferential trade status; the Government will continue to focus on investment in the four priority areas of people, roads, electricity and water; it will accelerate the completion of the national logistics master development plan, accelerate oil exploitation, develop mechanisms for economic crises and risks, accelerate the completion of the amendment to the Law on

Investment and facilitate the implementation of the Law on Special Economic Zones; and prepare for the digital economy and the fourth industrial revolution.

[Industrial Development Plan 2015-2025] The main objectives are: to transform Cambodian industry from labour-intensive to technology-intensive by 2025, and to increase the share of industry in GDP from 24.1 per cent in 2013 to 30 per cent, of which the share of the garment industry will increase from 15.5 per cent to 20 per cent; to promote the diversification of export products, and to increase the share of non-textile exports to 15 per cent, of which the share of agricultural exports will to 12 per cent; achieving legal registration for 80 per cent of small businesses and 95 per cent of medium-sized businesses, and establishing standardised accounting accounts and financial statements for 50 per cent of small businesses and 70 per cent of medium-sized businesses. Emphasis will be placed on the development of new, high value-added industries and manufacturing industries, small and medium-sized enterprises in the fields of medicine, building materials, packaging and furniture manufacturing, the agro-processing industry, the upstream and downstream supporting industries in agriculture, tourism and textiles, as well as the information, communications, energy, heavy industry, culture, history and traditional handicrafts, and the environmental protection industry.

The mid-term evaluation report on the Industrial Development Plan (IDP), released by the Cambodian Cabinet in December 2021, stated that Cambodia

The industrial sector accounted for 27.7 per cent of GDP in 2015 and 32.2 per cent in 2019, ahead of the target of at least 30 per cent of GDP by 2025. The development of Cambodia's industrial sector is mainly driven by the construction industry, and the growth of the manufacturing sector has not met expectations, with the share of manufacturing in GDP at 16 per cent in 2015, increasing to 16.3 per cent in 2019, which is still far from the target of 20 per cent in 2025. Moreover, the vast majority of Cambodia's exported manufacturing products are low-tech products, and the proportion of high-tech products in exported products is only

There is 9 per cent, which shows that Cambodia still faces many challenges in developing high-tech manufacturing. In addition, although the total value of agricultural exports has increased year by year, from US\$416 million in 2016 to US\$846 million in 2020, the proportion of agricultural products in total exports has declined from 5.8 per cent in 2015 to 4.9 per cent in 2020, which is still a long way from achieving the target of 10 per cent of exports by 2025. In terms of diversifying export products, the share of Cambodia's non-clothing manufacturing industry in total exports has increased from 5.6 per cent in 2015 to 15.5 per cent in 2020, which is ahead of the target of 15 per cent by 2025.

[Financial Sector Development Strategy 2016-2025] Finance is one of the main priority areas of the Cambodian Government's economic and financial policy, playing an important role in maintaining macroeconomic stability and creating conditions to facilitate long-term economic growth. Cambodia adopted the Financial Sector Development Strategy 2016-2025 in October 2016 in order to maintain macroeconomics and promote economic growth. The strategy helps to promote sustainable economic growth, improve the living standards and social welfare of the population, and meet the needs for integration into the regional economy and the financial sector.

[Strategic Framework and Plan for Economic Recovery under the New Normal of the New Crown Epidemic (2021-2023)] In December 2021, the Government of Cambodia released the Plan, which aims to support the Cambodian economy to grow back to its potential rate by the end of 2023 and to strengthen the resilience of sustainable and inclusive socio-economic development in the long run. The Plan consists of seven chapters. Chapter 1 describes the policy context, i.e. the impact of the Xinguang epidemic on Cambodia's economic and social development. The second chapter describes the policy objectives and the path to their realisation. The third chapter details the strategic framework for the recovery and sustainable development of each industry. Chapter 4 describes the main points of work and the division of labour among the various Cambodian government departments in the economic recovery plan. Chapter 5 describes the support measures to achieve economic recovery and sustainable development. Chapter 6 highlights the monitoring and evaluation of the above policy arrangements. Chapter VII provides concluding remarks.

2.5.2 Infrastructure development planning

[Roads] Roads are the main means of transport in Cambodia, and in recent years, the Cambodian Government has been giving priority to the development of transport infrastructure, with roads and bridges being the most important. Due to the limited financial resources, the Cambodian Government hopes to "spend less and build more roads" in terms of the standard of road construction, and firstly considers to build the roads through. In terms of funding, assistance from development partners and soft loans are the main sources.

[Electricity] In 2021, the Cambodian government formulated the state of development of the energy sector and a master plan for energy development (2022-2040), which the Cambodian Ministry of Mines and Energy said was submitted to the Cabinet for consideration in May 2022 and will be approved within the year.

The new master plan aims to make the electricity supply more efficient, stable, secure and energy-efficient, with plans to set the share of renewable power generation at 59 per cent of the entire grid, to reduce Cambodia's greenhouse gas emissions by 34 per cent by 2040, and to grid-connect seven solar power plants totalling 495 megawatts (MW) across the country by 2023, with two wind power plants in the planning stage, to diversify the energy supply through the construction of Diversification of energy supply through the construction of photovoltaic, wind, and liquefied natural gas (LNG) power plants, with no more new

of coal-fired power projects and reduce dependence on imported fuels to lower the cost of power generation.

Cambodia has no restrictions on foreign participation in local infrastructure investment. The main government departments responsible for infrastructure development are the Ministry of Public Works and Transport, the Ministry of Mines and Energy, and the Ministry of Posts, Telecommunications and Communications.

2.5.3 Digital economy development planning

In May 2021, the Government of Cambodia issued the Cambodia Digital Economy and Social Policy Framework 2021-2035, which aims to "build the digital economy as a new driver of economic growth, forming an organic system that promotes productivity and economic efficiency and improves the well-being of the Cambodian people". It defines a three-phase principle of "digital foundation building - digital adoption - digital transformation" for the development of the digital economy and digital society, with a plan to begin by building "two foundations and three pillars". The two foundations include the development of digital infrastructure and the establishment of an effective legal and regulatory framework, while the "three pillars" include the building of a digital talent pool, the building of digital government governance and the digitisation of business management. The framework contains 139 specific measures to complete Cambodia's "digital transformation" by 2035, bringing the size of the digital economy to between 5 and 10 per cent of GDP, with high-speed internet coverage reaching 100 per cent in urban areas and 70 per cent in rural areas by 2025, and achieving the following by 2030. By 2030, the digitisation of key public services, 70 per cent digital penetration in private enterprises, and 4 per cent of the working population in related industries will have been achieved.

In addition, the Government of Cambodia has established the National Council on Digital Economy and Society, which consists of the Committee on Digital Government, the Committee on Digital Business Economy and the Committee on Digital Security, and is chaired by Prime Minister Hun Sen, with members drawn from the ministerial level of the relevant government departments.

2.5.4 Green economy development planning

In March 2013, the Cambodian Cabinet adopted the National Green Development Plan, which aims to promote environmental protection, improve natural resource management, protect biodiversity, maintain water, soil, forest, and atmosphere security, and achieve sustainable development.

The plan proposes the following five strategic objectives: (1) strengthening environmental coordination and cooperation among government departments and countries, reviewing national policies related to environmental protection, establishing mechanisms related to the development of a green economy, supporting the environmental protection work of multinational institutions, and exchanging experiences with relevant international organisations; (2) strengthening support for research, including: developing mechanisms for collecting and analysing environmental data relevant to green development data, studying and analysing environmental protection information related to economic, social and cultural sectors, studying and assessing the impacts of climate change, and identifying evaluation indicators related to the national green development policy; (3) promoting the green and harmonious development of the economic, social and cultural sectors, reducing poverty by promoting the green economy at the national and local levels, promoting the public's acceptance of and enhancement of environmental protection museums, and facilitating the transformation of economic activities that are detrimental to the environment, as well as promoting the development of the green economy and the development of environmental protection. activities to transform.

(4) Strengthening human resource development, promoting the popularisation of courses on green development in educational institutions, offering training courses related to green development, conducting personnel exchanges and training within the framework of ASEAN and other international organisations, and enhancing the development of professional knowledge and skills related to environmental protection for government officials; (5) Strengthening the development of technologies for environmental protection, conducting extensive technology exchanges in the areas of water resources and sanitation, food safety, forestry preservation, land resource utilisation, etc., and to support scientific research by enterprises and research institutes on energy-saving and emission reduction technologies, environmental pollutant filtration technologies, clean energy technologies, and waste re-cycling and recycling technologies.

In May 2015, the Government of Cambodia established the National Council for Sustainable Development, comprising 36 ministries, agencies and 25 provincial and municipal governments, with Prime Minister Hun Sen as the Honorary President and the Minister of Environment as the Chair. The Council and its secretariat are responsible for formulating national strategies and action plans in the area of green development and for international cooperation, in addition to overseeing the implementation of relevant policies and green development expenditures supported by the national treasury.

In December 2021, the Ministry of Environment of Cambodia released the Long Term Strategy for Carbon Neutrality (TS4CN) to align with the committed goal of achieving carbon neutrality by 2050, promoting green growth, reducing greenhouse gas emissions, and developing sustainable clean energy. The strategy identifies six key areas: agriculture, forestry, energy, transport, industrial products, and waste management. It is planned to achieve a 2.8 per cent impact of carbon-neutral-related economic measures on Cambodia's GDP growth by 2050, to create 449,000 jobs, and to encourage investment in innovative energy technologies, such as hydrogen power generation, electrical energy storage, and the energy Internet.

3. Economic and trade cooperation

3.1 trade agreement

For more than a decade, Cambodia has been actively attracting foreign investment and endeavouring to expand foreign trade under the conditions of Generalised System of Preferences (GSP) and quota preferences granted by many developed countries.

[GTA] In 2003, Cambodia officially became a member of the World Trade Organisation (WTO).

[Regional trade agreements] Cambodia joined ASEAN in 1999. In accordance with the decision of the 31st ASEAN Economic Ministers' Meeting, the four new member countries, Cambodia, Laos, Myanmar and Viet Nam, have reduced their import tariffs to zero by 2015, in line with the steps to achieve the tariff reduction targets of the FTA. As an ASEAN member, Cambodia is also bound by tariff reductions under free trade agreements signed between ASEAN and other countries. Under the China-ASEAN FTA agreement, China and Cambodia officially started the tariff reduction process on 1 October 2009. China took the lead in achieving zero tariff for the vast majority of Cambodian products on 1 January 2010, and Cambodia implemented tariff reductions in 2011, and further implemented tariff reduction arrangements in 2013 and 2015, respectively.

[Regional Comprehensive Economic Partnership Agreement] On 15 November 2020, 15 Asia-Pacific countries, including China and Cambodia, formally signed the Regional Comprehensive Economic Partnership (RCEP), which entered into force on 1 January 2022, marking the successful launch of the world's largest free-trade area and a new milestone for regional economic integration in East Asia.

[Free Trade Agreement between the Government of the People's Republic of China and the Royal Government of Cambodia] On 12 October 2020, then Minister of Commerce Zhong Shan and Cambodian Minister of Commerce Phan Sok Sak, on behalf of the Chinese and Cambodian governments, formally signed the agreement by video in Beijing and Phnom Penh, respectively. On 1 January 2022, the agreement formally entered into force and was implemented.

[Cambodia-Korea Free Trade Agreement] On 26 October 2021, Cambodian Minister of Commerce Phan Sosak and South Korean Minister of Industry, Trade and Resources Roh Han Koo formally signed the agreement via video in Phnom Penh, Cambodia and Seoul, South Korea, respectively.

3.2 foreign trade

[Scale of trade] Since becoming a member of ASEAN and joining WTO, Cambodia's economy has been developing relatively fast, and its import and export trade has been growing year after year. According to Cambodian Customs statistics, in 2021, Cambodia's total foreign trade in goods will be US\$46.42 billion. Among them, the export value was US\$18.01 billion, up 2.1 per cent year-on-year, and the import value was US\$28.41 billion, up 48.1 per cent year-on-year. According to Cambodia's Ministry of Commerce, in 2021, the total bilateral trade between China and Cambodia will be about \$11.144 billion, up 37.28 per cent year-on-year. Among them, Cambodia's exports to China will be \$1.51 billion, up 39 per cent year-on-year, while imports from China will be \$9.63 billion, up 37 per cent year-on-year. China is Cambodia's largest source of imports, accounting for 37.2 per cent of Cambodia's imports.

Table 3-1. Cambodia's foreign trade in goods statistics, 2017-2021

(in billions of United States dollars)

vintages	2017	2018	2019	2020	2021
Total exports and imports	255.6	305.8	367.2	370.1	464.2
exit	112.7	128.7	145.3	177.2	180.1
inlet	142.9	177.1	221.9	193.0	284.1
Balance of exports and imports	-30.2	-48.4	-76.6	-16.2	-104

Source: Government agencies such as Cambodian Customs

[Structure of import and export commodities] In 2021, Cambodia's main export commodities are ready-made clothes, shoes, travelling goods, electric equipment and instruments, bicycles, rice, furniture, dry glue, sugar, and fruits and vegetables, etc.; and its main imports are textile goods, building materials, steel, cement, pure water, alcohol, automobiles, medicines, pesticides and fertilisers, electronic products and electric equipment, etc.

[Main trading partners] According to the statistics of the Ministry of Commerce of Cambodia, the main export markets of Cambodia are the United States, China, Japan, Canada and Germany, etc.; the main sources of imports are China, Singapore, Thailand and Vietnam, etc.

3.3 absorb foreign capital

[UN Statistics] The World Investment Report 2022 released by UNCTAD shows that by the end of 2021, Cambodia's FDI inflow for the year was US\$3,484 million, and its FDI stock was US\$41,025 million.

[Cambodian government statistics] According to the National Bank of Cambodia, by the end of 2021, the flow of foreign investment absorbed by Cambodia in the current year will be US\$4.35 billion, the stock of foreign investment absorbed by Cambodia will be US\$41 billion, and the top five sources of foreign investment will be China, South Korea, Singapore, Vietnam, and Japan.

According to the Cambodia Development Council (CDC), the investment flow in 2021 was US\$2.326 billion from mainland China, US\$102 million from Taiwan, US\$150 million from Hong Kong and US\$2.14 million from Macao. As for the investment stock in Cambodia by the end of 2021, US\$23.207 billion from mainland China, US\$1.482 billion from Taiwan, US\$2.590 billion from Hong Kong, China, and US\$10.59 million from Macao, China.

The main Chinese enterprises in Cambodia include: Jingang Expressway Co., Ltd. invested by China Road and Bridge Group, Sanghe Secondary Hydropower Co., Ltd. invested by Huaneng Group, Xigang Power Generation Co., Ltd. invested by Huadian Group, and Xigang Special Zone Co. invested by Jiangsu Hongdou Group, etc., and the subsidiaries of large-scale central enterprises such as China National Construction Corporation (CNCC), China Electric Power Company Limited (CEPC) and China Construction Corporation (CCC) are all conducting business in Cambodia.

Table 3-2. Foreign investment absorption in Cambodia, 2017-2021

(in billions of United States dollars)

vintages	2017	2018	2019	2020	2021
Absorption of foreign capital flows	27.86	32.08	36.62	36.25	34.84
Stock of foreign capital absorption (as of end-2021)					410.25

Source: UNCTAD World Investment Report 2022.

3.4 foreign aid

According to OECD statistics, since 1960, Cambodia has received foreign aid commitments totalling US\$29.19 billion, with actual aid expenditures of US\$18.16 billion, with Japan, the United States, the Asian Development Bank (ADB), United Nations agencies, France, Germany, and the European Union (EU) as the main aid donors. According to the report released by the Ministry of Finance and Economy of Cambodia in 2022, the ODA aid accepted by Cambodia has been growing at an average annual rate of 10 per cent since 2001, and ODA funds account for about half of Cambodia's national development budget; in 2020, Cambodia will accept ODA loans with a total commitment of about US\$7.71 billion, and the actual expenditure will be more than US\$2 billion, involving the following important areas of expenditure: 58 per cent of projects in the infrastructure category, 26 per cent in the agriculture category, 9 per cent in the public administration category and 9 per cent in the public administration category. 26 per cent, public administration 9 per cent, and human resources development 7 per cent.

The assistance and preferential loans provided by China to Cambodia have been used to build more than 3,000 kilometres of roads, eight bridges, tens of thousands of kilometres of power transmission and transformation lines and hundreds of thousands of hectares of farmland and water conservancy projects, to support the construction of hospitals, schools, stadiums and other infrastructures benefiting people's livelihoods, and to provide training for Cambodian officials and technicians of all kinds. It has also provided large quantities of vaccines and medical supplies for Cambodia to combat the

new coronary pneumonia epidemic, making an important contribution to the Cambodian Government's efforts to develop the economy, improve people's livelihoods and reduce poverty.

3.5 China-Cambodia economic and trade

Since the establishment of diplomatic relations between China and Cambodia in July 1958, bilateral economic and trade relations have continued to develop, especially after the establishment of the Royal Government of Cambodia in 1993, the economic and trade co-operation between the two countries has been fully restored and developed.

3.5.1 bilateral agreement

In July 1996, the Chinese and Cambodian governments signed a Trade Agreement and an Investment Protection Agreement. On 1 January 2010, the full completion of the China-ASEAN Free Trade Area (FTA) further opened wider and smoother channels and more opportunities for China-Cambodia economic and trade co-operation. In January 2019, Chinese and Cambodian leaders jointly set a 2023 bilateral trade volume of target of US\$10 billion.

[Free Trade Agreement] On 12 October 2020, China and Cambodia formally signed by video the People's Republic of China

The Free Trade Agreement between the Government of the People's Republic of China and the Kingdom of Cambodia marks a new era in the comprehensive strategic partnership between the two sides, the building of the China-Cambodia community of destiny and the "Belt and Road" co-operation, and is a new milestone in the development of bilateral economic and trade relations, which will surely elevate the bilateral economic and trade relations to a new level, and continuously enhance the well-being of the enterprises and people of the two countries. On 1 January 2022, the Agreement will enter into force.

China has signed a double taxation avoidance agreement with Cambodia in 2016.

【其他协定】双边签署的其他协定包括：《中柬贸易协定》（1996年7月）、《中柬文化协定》（1999年2月）、《中柬旅游合作协定》（1999年2月）、《中柬关于成立经济贸易合作委员会协定》（2000年11月）、《中柬农业合作谅解备忘录》（2000年11月）、《中 Cambodia Memorandum of Understanding on Cooperation in Tourism Planning (April 2004), Sino-Cambodian Consular Treaty (February 2010), Protocol on Phytosanitary Requirements for Cambodian Refined and Broken Rice Transfers to China (August 2010), Protocol on Phytosanitary Requirements for Cambodian Dried Cassava Transfers to China (August 2010), Protocol on Phytosanitary Requirements for Cambodian Banana Transfers to China Protocol (August 2018), Exchange of Letters on Granting Zero Tariff Treatment to Cambodian Products Exported to China for 97% of Tax Lines, China-Cambodia Air Transport Agreement, China-Cambodia Economic and Technical Cooperation Agreement, China-Cambodia Economic and Cultural Cooperation Agreement, Memorandum of Understanding between the State Intellectual Property Office of China (SIPO) and the Cambodian Ministry of Industry and Handicrafts on the Entry into Force of the Registration of Chinese Patents in Cambodia (March 2018), China Protocol on Phytosanitary Requirements for Cambodian Mango Transfers to China (June 2020) Free Trade Agreement between the Government of the People's Republic of China and the Royal Government of Cambodia (October 2020), Protocol on the Phytosanitary Requirements for Cambodian Fresh Longan Transfers to China (March 2022), and Protocol on the Requirements for Inspection, Quarantine and Veterinary Hygiene of Cambodian Farmed Aquatic Products Transfers to China (March 2022), etc.

[Bilateral investment protection agreement] In July 1996, China and Cambodia signed the Agreement between the Government of the People's Republic of China and the Royal Government of Cambodia on the Promotion and Protection of Investment.

[Currency Swap] At present, China and Cambodia have not signed a currency swap agreement.

[Investment cooperation] On 16 December 2021, the Ministry of Commerce of China and the Council for the Development of Cambodia signed the Memorandum of Understanding between the Ministry of Commerce of the People's Republic of China and the Council for the Development of Cambodia on the Establishment of a Working Group on Investment and Economic Cooperation.

[Infrastructure Cooperation] On 16 May 2017, the Ministry of Commerce of China and the Ministry of Public Works and Transport of Cambodia signed the Memorandum of Understanding between the Ministry of Commerce of the People's Republic of China and the Ministry of Public Works and Transport of the Kingdom of Cambodia on Strengthening Cooperation in the Field of Infrastructure in the presence of Premier Li Keqiang and Prime Minister Hun Sen.

[Capacity Cooperation] On 13 October 2016, the China Development and Reform Commission (NDRC) and the Council for the Development of Cambodia (CDC) signed a Memorandum of Understanding (MoU) on Jointly Promoting Priority Projects for Capacity and Investment Cooperation in the presence of President Xi Jinping and Prime Minister Hun Sen.

[Environmental Protection Cooperation] In July 2018, China's Ministry of Ecology and Environment and Cambodia's Ministry of Environment signed the "Joint Establishment of China-Cambodia

Memorandum of Understanding on the Preparatory Office of the Puchai Environmental Cooperation Centre. In November 2019, the Ministry of Ecology and Environment of China and the Ministry of Environment of Cambodia signed a Memorandum of Understanding between the Ministry of Ecology and Environment of the People's Republic of China and the Ministry of Environment of the Kingdom of Cambodia on the Cooperation in the Construction of Low-Carbon Demonstration Zones.

[Digital Economy Cooperation] On 10 November 2017, the Ministry of Commerce of China and the Ministry of Commerce of Cambodia signed the Memorandum of Understanding between the Ministry of Commerce of China and the Ministry of Commerce of Cambodia on E-Commerce Cooperation.

3.5.2 bilateral trade

[Bilateral Trade] In recent years, bilateral trade has shown continuous growth. According to China Customs statistics, in 2021, the bilateral trade in goods between China and Cambodia amounted to US\$13.67 billion, up 43.1 per cent year-on-year. Among them, China's exports to Cambodia were US\$11.57 billion, up 43.6 per cent year-on-year; imports from Cambodia were US\$2.1 billion, up 40.3 per cent year-on-year.

Table 3-3 Trade in goods statistics between China and Cambodia, 2017-2021

(in billions of United States dollars)

vinta ges	import and export value	Chinese exports	Chinese imports	Cumulative increase/decrease over the same period of the previous year (%)		
				import and export	exit	inlet
2017	57.9	47.8	10.1	21.7	21.7	21.3
2018	73.9	60.1	13.8	27.6	25.7	36.7
2019	94.3	79.8	14.5	27.7	32.9	4.9
2020	95.6	80.6	15.0	1.4	0.9	3.7
2021	136.7	115.7	21.0	43.1	43.6	40.3

Source: General Administration of Customs, China

3.5.3 Chinese investment in Cambodia

According to China's Ministry of Commerce, by the end of 2021, China's direct investment in Cambodia in that year was US\$470 million, and China's direct investment stock in Cambodia was US\$6.97 billion. The investment sectors are mainly in energy, power grids, communications, finance, tourism, textiles, agriculture, tobacco, medicine, mining and industrial parks.

Table 3-4. Statistics on China's direct investment in Cambodia, 2017-2021

(in US\$ million)

Year	2017	2018	2019	2020	2021
Current year flow	74,424	77,834	74,625	95,642	46,675

Year-end stock	544,873	597,368	646,370	703,852	696,559
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Source: Ministry of Commerce, National Bureau of Statistics and State Administration of Foreign Exchange, China's Outward FDI Statistical Bulletin 2021.

3.5.4 Contractual engineering and labour cooperation

【 Contracted Labour Service 】 According to the statistics of the Ministry of Commerce of China, in 2021, Chinese enterprises signed 128 new contracted engineering contracts in Cambodia, with the contract value of about 3.299 billion US dollars of new contracted engineering contracts, and the completed turnover of about 2.68 billion US dollars, which decreased by 50.2 per cent and 23.2 per cent year-on-year, respectively. A total of 2,470 labourers of all kinds were dispatched, with 5,796 labourers in Cambodia at the end of the year.

Table 3-5. Chinese enterprises' economic cooperation in Cambodia, 2017-2021

(in US\$ million, persons)

vintages	Foreign contracted projects		foreign labour cooperation	
	contract size	sum or volume of business	Number of persons sent during the year	Number of persons outside at the end of the year
2017	330058	176373	2604	5877
2018	288064	180102	3931	6593
2019	557610	227501	7092	10399
2020	662194	348846	5213	6571
2021	329878	268029	2470	5796

Source: Ministry of Commerce of China

Note: Statistics on contracted works include cooperation in design and consultancy.

3.5.5 Offshore Parks

Currently, there are six Chinese-funded special economic zones established in Cambodia, including Sigang Special Economic Zone in Sihanoukville Province, Zhejiang International Special Economic Zone in Sihanoukville Province, Qilu Special Economic Zone in Svay Rieng Province, Sansa Special Economic Zone in Svay Rieng Province, Snu Special Economic Zone in Kratie Province, and Sino-Cambodian Phnom Penh Special Economic Zone in Kampong Chhnang Province.

Among the Chinese-funded special economic zones, the Westport Special Zone is the most large-scale. By the end of 2021, the Westport Special Zone had achieved a cumulative investment of US\$1.398 billion, with an annual import and export volume of US\$2.234 billion, and 170 enterprises from China, Southeast Asia, Japan, Korea, Europe and the United States have settled in the Zone, covering the industries of garments, hardware, building materials, and chemical industry, and creating nearly 30,000 job positions.

Other special economic zones are now actively attracting investment and expanding their scale; the Zhejiang International Special Zone is mainly introducing import and export enterprises; the Sansa Special Zone is mainly introducing fabrics, accessories and garment processing enterprises; the Qilu Special Zone has introduced the Sailun Group tyre factory with an investment of US\$ 350 million; and the Snu Special Zone is constructing a production base for photovoltaic modules.

4. Investment environment

4.1 investment appeal

[General environment for investment cooperation] The main advantages of Cambodia's investment environment are:

- (1) An open and free market economic policy with a high degree of liberalisation of economic activity.
- (2) Some countries and regions have granted Cambodia Generalised System of Preferences (GSP) treatment, and goods such as textile and garments, travelling goods, agricultural products, etc. can be further reduced or exempted from the tariffs on exports to the relevant countries on the basis of the Most Favoured Nation (MFN) tariffs.
- (3) Labour resources are abundant, costs are low and the demographic dividend is obvious.

[Investment Climate Ranking] The World Economic Forum's Global Competitiveness Report 2019 (Cambodia is not included in any report after 2020) shows that Cambodia is ranked 106th out of the 141 most competitive countries and territories in the world.

The World Bank has released its Doing Business 2020 report, which shows that Cambodia is ranked first out of 190 economies in the world.

144 bits.

The Global Innovation Index 2022 released by the World Intellectual Property Organisation (WIPO) shows that Cambodia is ranked 97th out of 132 countries and territories in the overall index.

[Government Digital Management and Service] Since 15 June 2020, Cambodian enterprises can complete online administrative procedures in the Ministry of Commerce, Ministry of Health, Ministry of Agriculture, Forestry and Fisheries, Ministry of Industry, Science, Technology and Innovation, Development Council and General Administration of Customs through the one-stop online service platform, which includes business registration, registration of investment projects, declaration of import and export of goods, etc., link to Chinese version of the platform Address: <https://www.registrationservices.gov.kh/zh/home-ch/>.

On 1 September 2021, the Government of Cambodia further expanded the online

application for public sector business licences and permits to include the Ministry of Industry, Science, Technology and Innovation (MITI), the Ministry of Tourism (MOT), the Ministry of Posts and Telecommunications (MPT) and the Department of Supervision of Industries and Pawnbrokers (DSPIP) under the Non-Banking Financial Services Institution (NBFSI) in the online service platform.

The General Directorate of National Revenue of Cambodia has also launched a special e-tax system to simplify the tax payment process, which currently allows taxpayers to apply for a business tax registration certificate, file all monthly returns including: expenditure and sales records, withholding tax, payroll tax, welfare tax, profit tax, and pay taxes online through a webpage and an app, with an e-tax filing system for value-added tax (VAT) to be launched as a next step.

[Government Initiatives to Support Business Innovation] On 6 July 2020, the Cambodian government announced the establishment of the Techo Startup Center, managed by the Ministry of Finance and Economy, to advise the government on the development of startup policies and to play the roles of "incubator" and "accelerator" to support potential businesses to develop practical and commercially viable innovation projects. It also plays the role of "incubator" and "accelerator" to support potential enterprises to develop practical and commercially viable innovative projects, and is also responsible for the establishment of the relevant infrastructure, which will be invested in the government budget of USD 5 million per year to support and promote the development of innovation in Cambodian enterprises, including the provision of services such as financing, technology consulting, marketing, production training, etc. The Centre will have an annual government budget of \$5 million to support and promote innovation in Cambodian enterprises, including through the provision of financing, technology consulting, marketing and production training.

4.2 financial environment

The Government of Cambodia has taken some positive measures to improve and strengthen the management of finance and monetary affairs and has achieved some results.

4.2.1 Local currency

The Cambodian currency is the riel, and in 1993, the Cambodian Government adopted and implemented the Law on Foreign Exchange, which stipulates that the exchange rate is regulated by the market. In the past five years, the exchange rate has basically stabilised at around 4,000 riels per United States dollar.

Table 4-1. Changes in Cambodia's exchange rate, 2017-2021

vintages	Average exchange rate of the riel to the United States dollar
2017	4050
2018	4050
2019	4060
2020	4045
2021	4065

Source: Asian Development Bank

The Cambodian financial market is highly dollarised, with the US dollar being the main medium of exchange, occupying the lion's share of all segments of currency circulation, circulating more than 80 per cent of the total amount of money circulating in the market, and having a ratio of deposits and loans in the Cambodian banking system of about 81.9 per cent (83.9 per cent in 2020).

4.2.2 Foreign exchange management

The Cambodian Law on Foreign Exchange provides that residents are allowed to hold foreign exchange freely. Foreign exchange operations through authorised banks are not subject to control, but authorised banks shall report to the National Bank if the amount of a single transfer is US\$ 10,000 (or more).

Foreign exchange accounts can be opened by any business registered with the Cambodian business authority.

4.2.3 Banks and insurance companies

[Banks] The Cambodian banking system consists of the National Bank and commercial banks. The banking sector in Cambodia is regulated under a single regulatory system, with the National Bank as its supervisory authority.

[National Bank] The main functions of the National Bank are: to establish the legal framework of the financial system, to maintain a stable price system, to provide a basis for the formulation of financial policy, to increase the national capital, to undertake intergovernmental financial clearing and management of the national currency, to manage foreign exchange reserves, and to supervise and regulate the operation of commercial banks, specialised financial institutions, etc., in accordance with the law.

[Central Bank of Cambodia] The Central Bank of Cambodia requires financial institutions to have a capital adequacy ratio of not less than 15 per cent, and has formulated laws and regulations on the operation and management of financial institutions, including the supervision of financial institutions, the entry and exit mechanism of financial institutions, the management of payment and clearing, and anti-money-laundering. The Central Bank of Cambodia mainly supervises financial institutions through off-site monitoring and on-site inspection. The Central Bank of Cambodia applies the same standards to both domestic and foreign commercial banks, and does not distinguish between domestic and foreign capital in terms of establishment, capital requirements, and reserves.

[Chinese Bank] The liberal foreign exchange policy implemented by the Cambodian government has enabled foreign commercial banks to enjoy relatively rapid development. By the end of 2021, there were 54 commercial banks, 10 specialised banks, 6 deposit-taking microfinance institutions, 79 non-deposit-taking microfinance institutions, 234 rural lending institutions, 17 settlement services, 1 loan information-sharing company, 6 representative offices of foreign banks, and 2,447 money changers. Bank of China and Industrial and Commercial Bank of China have established branches in Cambodia.

Bank of China Cambodia Branch Phnom Penh

Contact: 00855-23-988886 Industrial and Commercial

Bank of China Phnom Penh Branch Contact: 00855-
23-955888

[Insurance Company] Cambodia passed the law on insurance industry in 2000 to regulate the development of insurance industry and attract more investment in this field, the first life insurance company was established in Cambodia in 2012, and as of the end of 2021, there are 40 insurance companies in Cambodia, including 18 general insurance companies, 14 life insurance companies, 7 micro insurance companies, and 1 reinsurance company. 2021 Premium income in 2021 was nearly US\$300 million, an increase of 9 per cent year-on-year.

4.2.4 Financing channels

The business scope of Cambodian commercial banks is relatively narrow, and although they can provide overseas capital transfer, letter of credit opening and foreign

exchange services, it is still difficult to provide services such as real estate mortgages, loans, etc., and the borrowing period is relatively short and the interest rate is high.

At present, RMB cannot circulate freely in Cambodia, and Chinese enterprises cannot use RMB to carry out cross-border trade and investment co-operation in Cambodia.

4.2.5 Credit Card Usage

Since 2007, credit card spending has been on the rise in Cambodia. There are seven banks issuing more than 10,000 credit cards, mainly MasterCard, VISA and American Express. However, due to the local infrastructure and technical constraints, the use of credit cards in the commercial sector is still limited, and credit cards are mainly used in high-end hotels, restaurants, and hypermarkets to pay for bills.

China-issued UnionPay cards can be used at major local shopping centres and banks.

4.3 financial market

On 11 July 2011, the Cambodia Stock Exchange (CSE) was established in Phnom Penh, the first stock exchange in the history of Cambodia. The Cambodian Stock Exchange was established by the Government of Cambodia in cooperation with the Korea Securities Corporation, with the Cambodian side holding 55 per cent of the shares and the Korean side holding 45 per cent.

On 18 April 2012, the Cambodia Stock Exchange was officially opened. By the end of 2020, there are 15 listed companies in Cambodia, including Phnom Penh Water Authority, Kun Chau Garment Factory, Phnom Penh Port, Phnom Penh Special Economic Zone, Sihanoukville Port, Ekirida Bank and Pestech Power Company.

4.4 factor cost

4.4.1 Water, electricity and gas prices

Cambodia is rich in hydropower resources, but underdevelopment and poor supporting infrastructure have led to a shortage of hydropower supply and high costs of water, electricity and gas. As of June 2022, the average price of electricity is US\$ 0.25/kWh, the average price of tap water is US\$ 0.5/m³, the average price of gas is US\$ 1.45/kg, the price of petrol is US\$ 1.45/litre, and the price of diesel is US\$ 1.425/litre.

4.4.2 Labour wages and supply and demand

[Labour supply and demand] Cambodia has a young population with more than half of the total population aged 10-35 years old, and labour resources are relatively abundant. The labour force population is about 7.5 million with an annual growth rate of 2.7 per cent. The largest areas of labour force employment are agriculture, garment industry, and service industry. The Government has also exported labour to the labour markets of other countries such as Malaysia and South Korea in order to create more employment opportunities. The rights and interests of workers are protected by the Constitution and the Labour Code.

[Labour price] In 2022, Cambodia will increase the minimum wage in the garment and footwear industry to USD 194 per month. According to the World Bank's report, the monthly salary levels in Phnom Penh are as follows: senior manager US\$1,000-1,500, middle manager US\$500-1,000, junior manager US\$300-450, accountant US\$300-450,

and office worker US\$150-250. The Cambodian Government imposes a **"wage tax"** on Cambodian or foreign employees in private enterprises or unofficial organisations, but does not tax benefits other than wages.

[Labour force training] Cambodia has released the National Policy on Vocational Skills and Technical Training 2017-2025 with the aim of, first, improving the vocational skills and technical training system to provide Cambodian nationals with high-quality vocational skills and technical training to meet the needs of the domestic and international labour markets; second, enhancing the possibilities for nationals to obtain vocational skills and technical training and education in an equal manner, and creating more employment (c) Encourage the Government and private sector to strengthen cooperation and gather more resources from related sectors to ensure and promote the stability and long-term development of the vocational skills and technical training system in Cambodia; and (d) Increase the level of income of the nationals, reduce the poverty of the country, and contribute to the sustained socio-economic development of the country.

[Requirements for foreign labour] Foreigners are required to meet the following conditions in order to be employed in Cambodia:

- (1) Employers obtain in advance legal employment certificates, work permits to work in Cambodia;
- (2) Legal entry into the Kingdom of Cambodia;
- (3) Hold a valid passport;
- (4) Holds a valid residence permit;
- (5) No infectious diseases (relevant conditions set by the Ministry of Health and approved by the labour authorities).

Employment permits are valid for one year and can be extended, but the validity of the extension shall not exceed the validity period of their residence permits. Since 1 September 2016, the online system for foreigners applying for work permits in Cambodia has been put into operation at www.fwcms.mltv.gov.kh. However, in addition to the normal fees of US\$ 100 and US\$ 20 for work permit application and work quota application, an additional service fee of US\$ 30 is required for using the online system respectively.

The main positions that require foreign labour in Cambodia are professional and technical staff, managers, etc.

4.4.3 Land and housing prices

[Land Cost] The price of land in Cambodia in 2021 is shown in the table below:

Table 4-2 Land prices in Cambodia, 2021

sites	Land value (US\$/m ²)
Commercial land in Phnom Penh	2500-12000
Commercial land in Sihanoukville	350-4500

Source: KEY Real Estate Company Report

[Cost of Office Accommodation] The average monthly rent of office accommodation in Phnom Penh is USD 15-50/sqm for prime locations and USD 9-15/sqm for ordinary locations.

[Cost of factory buildings] The rental and purchase prices of factory buildings in Cambodia are shown in the table below:

Table 4-3 Plant Rental/Purchase Costs

Type of plant	sites	Average rent (square metres/month)	Asking price (US\$/m2)
standard factory	prime location	\$1.50-2.00	70-350
	Other lots	\$1.15-\$1.80	

In 2021, affected by the global economic situation, the price of building materials in Cambodia rose more rapidly, and the price of major building materials is shown in the table below:

Table 4-4 Prices of major building materials in Cambodia,

brand name	prices	brand name	prices
pitch	\$850/tonne	talcum powder	\$68/m3
clinker	\$90/tonne	coarse sand	\$10/m3
steel reinforcing bar	\$900/tonne	fine sand	\$20/m3
concrete	C25 grade; \$79/m3	fabricator	\$29/m3

5. Regulatory policy

5.1 Trade regulations and policies

5.1.1 Trade authorities

The Ministry of Commerce of Cambodia is the trade authority of Cambodia.

5.1.2 Trade regulations

The main trade-related laws and regulations in Cambodia include the Law on Tariff Management of Import and Export Commodities, the Decree on the Issuance of Certificate of Origin of Garments, Commercial Invoice, and Export Licence, the Regulation on the Implementation of Pre-shipment Inspection of Goods, the Law on Accession to the World Trade Organisation, the Sub-Decree on Risk Management, the Regulation on the Establishment of the Risk Management Office of the Department of Customs and Excise and the Decree on the Activities of Commercial Companies in Trade. Decree on Trade Activities of Companies, etc.

5.1.3 Relevant provisions on trade regulation

The Ministry of Commerce of Cambodia is responsible for the export licensing procedures. In most cases, no licence is required to import goods. However, some products require a special export authorisation or licence from the relevant government department before they can be exported.

[Principle of local content and origin of exported goods] Cambodia currently has no local content requirement, i.e., there is no restriction on the use of imported raw materials, parts and components (except for those that are harmful to health, environment or society).

In Cambodia, exporters should pay attention to the rules of origin requirements of the Generalised System of Preferences (GSP). For exports to the United States under the GSP, the minimum local content requirement under the rules of origin is 35 per cent (eligible ASEAN member States, namely Cambodia, Thailand, Indonesia and the Philippines, are considered the same country for the purposes of the rules of origin requirement). Under “Everything but arms”, the rules of origin require that at least 40 per cent of the content of the exported product originate in the exporting country.

[Export incentives] According to the Law on the Amendment of the Investment Law, export-oriented qualified investment projects approved by the Cambodian Investment Committee are entitled to tax holidays or special discounts. Their exported products are entitled to a refund of VAT or credit for raw materials for exported products.

[Export restrictions] Products whose export is prohibited or severely restricted include cultural relics, narcotics and poisonous substances, logs, precious metals and stones, weapons, etc., and at the beginning of 2013, the Cambodian Government explicitly banned the trade and circulation of mahogany. Export of semi-finished or finished wood products, rubber, raw or cooked hides, fish (raw, frozen or sliced) and live animals are subject to a 10 per cent export tax.

Clothing exports are subject to an administrative fee payable to the Ministry of Commerce. An export licence is required for the export of clothing under the GSP to the United States or the European Union.

In order to strengthen the effective regulation of mineral exports, Cambodia has clarified the legal procedures for mineral exports.

Procedures and formalities. Mineral exporting companies are required to complete 2 export approvals: first, exporting companies with a mineral licence are required to submit an export plan for a set period of time (maximum 1 year) to the Ministry of Mines and Energy in order to obtain approval in principle for an export quota (EQAP); secondly, once the quota is in place, each shipment also requires an export licence from the Ministry of Mines and Energy (MME) and an approval from the Directorate General of Customs and Excise (DGCE) under the Ministry of Finance and Economy (MOFE). Exporting companies are required to notify the Department of Mines and Energy of inspections seven days prior to shipment, and submit a Customs Supporting Documentation Report to the Department of Mines and Energy within 10 days of shipment departure. Exporting companies that violate the regulations will be denied a new export licence by the Ministry of Mines and Energy, have their export quotas suspended for three months and face the penalty of being blacklisted by the Government for a period of time.

[Duty-free import] According to the Law on the Amendment of the Investment Law, qualified investment projects approved by the Cambodian Investment Committee (CIC) for export are allowed to import production equipment, construction materials, raw materials, and accessories for production inputs duty-free. In order to obtain approval for the duty-free import of raw materials for production, the importing company shall declare the quantity and value of the materials to be imported to the Cambodian Investment Committee on an annual basis.

5.1.4 Import and export commodity inspection and quarantine

The General Department of Customs and Excise of the Ministry of Finance and Economy and the Department of Import and Export Inspection and Anti-fraud of the Ministry of Commerce are jointly responsible for the inspection of imported and exported goods. The place of inspection is the factory or the port of import and export. Currently, all imported and exported goods in Cambodia are inspected and the Government is planning to reduce the rate of inspection year by year. Imported goods with a value of US\$ 5,000 or more are subject to pre-shipment inspection in the exporting country. The inspection report and other pre-shipment inspection documents will be submitted to the

Cambodian Customs and after the arrival of the goods in Cambodia, the owner of the goods will go to the Customs to pay the tax and present the goods with the inspection documents.

5.1.5 Customs administration regulations

[Management system] The Customs Law (1997) is the main law for customs management and enforcement (original website:

[https://tools.customs.gov.kh/documents/reader/5453/16270970831923226/Law%20on%20Cu](https://tools.customs.gov.kh/documents/reader/5453/16270970831923226/Law%20on%20Customs)

(stoms). The Government of Cambodia has been improving the customs administration system in recent years and is committed to achieving a simple, efficient, transparent and predictable customs administration.

In order to simplify customs procedures, the Government has decided to introduce the use of the "Customs One-Stop Service System" and plans to install an automated customs data system terminal at Sihanoukville Port.

[Tariff rates] Except for five types of products, such as natural rubber, precious stones, semi-finished or finished timber, seafood, sand and gravel, general export goods are not subject to tariffs.

All goods are subject to import duties upon entry into Cambodia, except for those that are exempted under the Investment Law or other special regulations. Import duties consist of four main rates: 7 per cent, 15 per cent, 35 per cent and 50 per cent.

Imports from other ASEAN member States under the ASEAN Free Trade Agreement (AFTA) Common Effective Tariff System (CETS) that meet the requirements of origin

Products under the rules are eligible for lower tariff rates.

5.2 Foreign investment regulations

5.2.1 Investment authorities

The Council for the Development of Cambodia (CDC) is a one-stop shop for reconstruction, development and investment regulation, comprising the Cambodian Council for Reconstruction and Development (CCRD) and the Cambodian Investment Committee (CIC). It is responsible for evaluating and making decisions on all reconstruction, development work and investment project activities, approving eligible investment projects for which investors have applied for registration, and issuing final registration certificates.

However, for investment projects with the following conditions, they need to be submitted to the Cabinet Office for approval:

- (1) Investments exceeded \$50 million;
- (2) Political sensitivities are involved;
- (3) Exploration and development of minerals and natural resources;
- (4) Possible adverse environmental impacts;
- (5) Infrastructure projects, including BOT, BOOT, BOO and BLT projects;
- (6) Long-term development strategy.

5.2.2 Provisions for the investment industry

The Cambodian Government regards FDI as a major driver of economic development. There is no special law on foreign investment in Cambodia, and foreign investment is basically treated the same as domestic investment, and its policies are mainly reflected in the Law on Investment (the new Law on Investment was drafted by the Council for the Development of Cambodia (CODEC), which will enter into force on 15 October 2021) and other relevant laws and regulations that provide guarantees and relatively favourable policies on taxation and land leasing for foreign investment. Official link to the latest version of the revised Investment Law:

<https://cdc.gov.kh/law-on-investment-2021/>

[Law on Investment] The Law on Investment consists of 12 chapters and 42 articles, aiming to establish a more open, transparent and predictable legal framework for

investment, to improve investment protection and preferential policies, and to optimise the business environment in order to attract both domestic and foreign investors, and thus to promote the economic and social development of Cambodia.

The Investment Law regulates the investment activities of all domestic and foreign investors in Cambodia, including the competent authorities, investment implementation procedures, investment protection, investment promotion, exit mechanisms, and dispute settlement. The Law on the Amendment of the Investment Law supplements and amends the Investment Law. It gives relevant definitions and makes clear provisions on investment application, acquisition and merger of investment projects, joint ventures, taxation, land ownership and its use, labour force, and penalties. In the new

Decree-Law No. 111 of 27 September 2005 on the implementation of the Law on the Amendment of the Investment Law, following the implementation of the Investment Law; Decree-Law No. 34 of 23 April 2007 on the modification of annex 1 to the said Decree-Law No. 111; and Decree-Law No. 13 February 2019

On that date, Decree No. 33 amending article 15 of the above-mentioned Decree No. 111 will remain in force.

The Decree on the Organisation and Operation of the Council for the Development of Cambodia (CODEC) sets out the organisational structure, mandate and operation of the CODEC, which is the Cambodian investment authority.

Decree No. 148 on the Establishment and Management of Special Economic Zones (SEZs), which establishes the legal procedures for the establishment of SEZs, the regulatory framework and tasks of SEZs, incentives for SEZs, special measures for export processing and production zones, management and use of the labour force, vocational training, and infringement and settlement of disputes.

The Business Regulation and Business Registration Act, which regulates the formation, organisation, operation, dissolution, transfer and alteration of business companies, classifies the types of companies.

The Commercial Contracts Act, which governs the formation, performance, interpretation and enforcement of all types of contracts. It also describes in further detail certain types of contracts, such as contracts of sale, leases, lending contracts, mortgages and guarantees on personal property.

Cambodian Development Council Links:

www.cambodiainvestment.gov.kh 柬埔寨商业部链接网站:

www.moc.gov.kh

[Investment guarantees] The Investment Law basically accords national treatment to foreign investors, except for the ownership of land, which, due to the Cambodian Constitution, is only allowed to be legally acquired by Cambodian citizens and legal persons, and is consistent with domestic and foreign investment. In addition, the Investment Law undertakes not to impose illegal expropriation and nationalisation of investments, not to regulate the prices of products and services of approved investment projects, and to allow investors to freely repatriate their earnings abroad.

[Investment incentives] The investment incentives under the new investment law are divided into three categories: basic incentives, additional incentives and special incentives. Under the basic incentives, an investment registered as a Qualified Investment Project (QIP) in Cambodia under Article 26 of the New Investment Law is entitled to choose any one of

the following two incentive options:

Option 1, which provides income tax exemption for a period of three to nine years, depending on the specific area of investment, starting from the time the first income is earned; after the income tax exemption period, qualified investment projects are eligible for an income tax discount for a period of six years based on the growth rate of the total amount of taxes payable, which is 25 per cent for the first two years, 50 per cent for the next two years, and 75 per cent for the last two years. During the income tax exemption period, companies that pass an independent audit report may also be eligible for minimum tax exemptions and export tax exemptions.

Option 2, entitles to a credit for capital expenditure through a special asset depreciation rate, as provided for in the current tax law; a 200 per cent tax rebate on other specific expenditures for a period of nine years, as provided for in the Fiscal Administration Act; and minimum tax and export tax exemptions following the adoption of an independent audit report.

In addition, the Basic Incentive includes the following incentives in addition to the two tax credit options listed above:

(1) Eligible investment projects for export products, and support industries serving export industries, where investors are exempted from import duties, special taxes and value-added taxes on the import of construction materials, construction equipment, and production equipment and materials.

(2) Qualified investment projects serving the domestic market, where investors are exempted from import duties, special taxes and value-added tax on the import of construction materials, construction equipment, production equipment and materials.

The additional incentives mainly encourage investors to purchase local products, promote local employment, enhance labour welfare and engage in scientific and technological innovation. Specifically, VAT-free incentives are available for production inputs used by investors to purchase local products, as well as tax credit incentives of up to 150 per cent for business expenditures that include activities such as scientific research and innovation, the provision of vocational skills training to employees, the construction of facilities such as dormitories, canteens and nurseries for employees, and the improvement of production equipment on assembly lines.

Specific investment activities in industries with high development potential that contribute to the country's economy are eligible for other special incentives to be provided for in the Financial Management Act.

[Sectoral incentives] Cambodia's sectoral incentives are mainly in the areas of agriculture and tourism.

In terms of agriculture, the Government of Cambodia has given support and preferential treatment to the development of projects to cultivate more than 1,000 hectares of rice, more than 500 hectares of cash crops, more than 50 hectares of vegetables; projects to raise more than 1,000 head of livestock, more than 100 head of milch cows, and more than 10,000 poultry; and projects to raise more than 5 hectares of freshwater aquaculture, and more than 10 hectares of seawater aquaculture. are given support and favourable treatment. The main incentives are:

(1) Projects may be exempted from profit tax for up to eight years after implementation, counting from the year in which the first profit is made. Exemption is granted in case of continuous losses. Investors are exempt from profits tax if they reinvest their profits;

- (2) The Government only levies a tax on pure profits at a rate of 9 per cent;
- (3) Distribution of investment profits, whether transferred abroad or distributed within Cambodia, is not taxable;
- (4) 100 per cent exemption from customs duties and other taxes on construction materials, means of production, all kinds of goods, semi-finished products, raw materials and spare parts required to be imported for an investment project, provided that the project is one in which 80 per cent of the products are to be exported.

As for the tourism industry, most provinces and municipalities across the country have made the development of tourism one of their top priorities, and have positioned the tourism industry as a "priority development area", "pillar industry" and "speciality industry" to accelerate its development. The tourism industry is now regarded as a "priority development area", a "pillar industry" and a "speciality industry" by most provinces and cities throughout China.

[Areas to Encourage Investment] To encourage domestic and foreign investment, the Investment Law provides special preferential treatment for 19 investment areas, including: (1) high-tech industries that include innovation and research and development; (2) emerging manufacturing industries with high value-addedness, innovation, and competitiveness; (3) industries serving the regional and global industrial chain; (4) upstream and downstream supportive industries related to agriculture, tourism, manufacturing and supply chain-related industries; and (5) electrical and electronic industries;

(6) equipment assembly industry; (7) machinery industry; (8) agriculture, agro-industry, and agro-products sold or exported within the country

product processing and food processing industries; (9) SME clusters, industrial parks, science and technology and innovation parks included in the priority areas;

(10) Tourism and tourism-related sectors; (11) Sectors related to the development of Special Economic Zones (SEZs); (12) Digital industry; (13) Education, vocational training, and productivity enhancement; (14) Health; (15) Physical infrastructure investment; (16) Logistics; (17) Environment, biodiversity management and conservation, and circular economy; (18) Green energy and technologies that contribute to climate change adaptation and mitigation; and (19) Other areas that the Government of Cambodia considers to have potential for socio-economic development. (18) Green energy and science and technology that contribute to climate change adaptation and mitigation; and (19) other areas that the Government of Cambodia considers as having potential for socio-economic development.

[Areas of restricted investment] The Regulation on the Implementation of the Law on the Amendment of the Investment Law (promulgated on 27 September 2005) lists the investment activities that are prohibited for Cambodian and foreign entities to engage in, including: the production and processing of neurological and narcotic substances; the production of toxic chemicals, pesticides, insecticides, and other products using chemical substances prohibited from use under international rules or by the World Health Organization, which have an impact on public health and the environment; the production of electricity using waste materials imported from abroad; forest development operations prohibited by the Forestry Law; and other investment activities prohibited by law. Processing of waste materials for power generation; forest exploitation operations prohibited by the Forestry Law; and other investment activities prohibited by law.

In addition, the rule lists "investment activities that do not benefit from investment incentives" and "specific investment activities that are exempt from customs duties but not from profits tax".

[Restrictions on foreign nationals] The Investment Law Amendment Act regulates land ownership and use:

(1) The ownership of land used for investment activities must be owned by a natural person of Cambodian nationality, or a legal person in which a natural or legal

person of Cambodian nationality directly owns more than 51 per cent of the shares;

(2) Investors are permitted to use the land by way of concessions, indefinite long-term leases and renewable short-term leases. Investors have the right to own real and personal property on the land and to use it as collateral.

[Mineral Investment] In June 2016, the Cambodian government introduced the Regulation on Mineral Exploration and Industrial Mining Licence. According to the Regulation, mineral exploration and exploitation licences with an area of less than 200 square kilometres shall be approved by the Ministry of Mines and Energy, and mineral exploration and exploitation licences with an area of more than 200 square kilometres shall be approved by the Royal Government. Any natural and legal person has the right to apply for exploration of more than one mining area within the prescribed conditions. The licence is valid for three years, after which two extensions of two years each may be applied for. Enterprises that have been granted mineral exploration and exploitation rights by the Government are required to submit a new application for exploration and exploitation within 180 days, failing which their licence will be forfeited. According to the Ministry of Mines and Energy, there are currently more than 70 companies engaged in mining in Cambodia, including from China, Australia, the United States, France, Malaysia and Viet Nam.

5.2.3 Provisions for investment modalities

[FDI] Investment activities in Cambodia are relatively liberal and are not restricted by nationality (except for the provisions of the Land Law on land ownership). Except for the areas where foreigners are prohibited or restricted, foreign investors can freely implement their investment projects by registering with the Ministry of Commerce in the form of individual, partnership, company or other business organisations and obtaining the relevant business permits. However, the proposed

Projects with investment incentives can be implemented only after applying for investment registration with the Council for the Development of Cambodia (CDC) and obtaining the final registration certificate. Investment projects that have been granted an investment licence are called "qualified investment projects".

[Joint ventures] Eligible investment projects may be established as joint ventures. A joint venture may consist of a Cambodian entity, a Cambodian and foreign entity, or a foreign entity. A Royal Government agency may also be a party to the joint venture. There is no restriction on the nationality or percentage of shareholding of the shareholders, except where the joint venture owns or proposes to own land or interests in land in the Kingdom of Cambodia. In this case, the maximum combined shareholding of natural or legal persons who are not Cambodian entities shall not exceed 49 per cent.

[QIP merger] If two or more investors, or investors and other natural or legal persons agree to merge to form a new entity, and the new entity intends to implement the investor's QIP and enjoy the investment preferences and investment guarantees stipulated in the final certificate of registration of the QIP, the new entity is required to apply in writing to the Board of Investment to be registered as an investor and to apply for the transfer of the final certificate of registration of the QIP to the new entity.

[Acquisition of a Qualified Investment Project] If an investor or other natural or legal person acquires the ownership of a Qualified Investment Project and intends to enjoy the investment preferences and investment guarantees stipulated in the final certificate of registration of the Qualified Investment Project, it shall file an application for acquisition with the Board of Investment and transfer the final certificate of registration of the Qualified Investment Project to the new entity. If the acquirer is an unregistered natural or legal person, it must first apply for registration as an investor.

If the transfer of an investor's shares results in the transferee acquiring control of the investor, the investor must file an application for the transfer with the Board of Investment and provide the name and address of the transferee.

5.2.4 Provisions for infrastructure PPP/BOT models

At present, BOT projects in Cambodia are mainly carried out by Chinese companies, involving industries such as hydropower stations, transmission and

transformation networks, etc. There is no special provision for the concession period, and the operation period of hydropower stations is generally 30-40 years.

5.3 Corporate Taxation

5.3.1 Tax systems and regimes

Cambodia has a unified national tax system and a territorial tax system, and the legal basis for the Cambodian tax system is provided by the Tax Law of 1997 and the Law on the Amendment of the Tax Law of 2003.

5.3.2 Main taxes and rates

The main taxes included in the current tax system are: profit tax, minimum tax, withholding tax, wage tax, value-added tax, property transfer tax, land idleness tax, patent tax, import tax, export tax, and special tax.

Profit tax is payable on the Cambodian or foreign-sourced income of resident taxpayers and on the income of non-resident taxpayers.

The taxpayer's income from Cambodian sources. The amount of tax is calculated according to the type of company, type of business, and level of operation of the taxpayer using the effective, simplified or estimated tax system. The general tax rate is 20 per cent, except for the preferential investment tax rate of 0 per cent and 9 per cent, and 30 per cent for natural resources and oil and gas resources.

[Minimum tax] The minimum tax is a separate tax from the tax on profits and is payable by taxpayers using the effective tax system, except for qualified investment projects. The minimum tax rate is 1 per cent of the annual turnover, including all taxes except VAT, and should be paid at the time of annual profit settlement. If the tax on profits amounts to more than 1 per cent of the annual turnover, the taxpayer pays only the tax on profits.

[Withholding tax] If a resident taxpayer pays a resident in cash or in kind, the tax is withheld and paid at a rate applicable to the amount paid before the withholding tax is applied. There are four tax rates: 15 per cent, 10 per cent, 6 per cent and 4 per cent. Payments by practising resident taxpayers to non-resident taxpayers of interest, royalties, rents, remuneration for the provision of management or services, dividends, etc., are subject to withholding at 14 per cent of the amount paid and to tax.

[Wage tax] Wage tax is a monthly tax on wages received for the performance of work duties. Wages derived by Cambodian residents from within and outside Cambodia, and wages derived by non-residents from within Cambodia, are subject to payroll tax, which is withheld by the employer in accordance with the progressive tax rate schedule below.

Table 5-1 Cambodian wage tax rates

Monthly taxable salary (riel)	Tax rate (per cent)
0-6,000,000	0
6,000,001-15,000,000	5
15,000,001-102,000,000	10
102,000,001-150,000,000	15
More than 150,000,000	20

[VAT] VAT is levied at the rate of 10 per cent of the taxable value of taxable

supplies. Taxable supplies include: goods or services provided by Cambodian taxpayers; appropriations by taxpayers for their own use; goods or services given or provided below cost; and goods imported into Cambodia. VAT is not levied on goods exported outside Cambodia or on services provided outside Cambodia.

[Other taxes] Other taxes in Cambodia and their rates or amounts are shown in the table below:

Table 5-2 Other taxes in Cambodia and their rates or amounts

tax types	Tax rate/tax amount
Special taxes levied on specific goods or services	10%

Domestic and international air tickets	3 per cent
Domestic and international telecommunications	20 per cent
Beverages and tobacco, entertainment, large vehicles, motorbikes with a displacement of 125cc or more	10%
Petroleum products, automobiles with a displacement of 2000 cc or more	30 per cent
Transfer of ownership of real estate and certain types of vehicles for property transfer tax purposes	4 per cent of transfer value
Land Idling Tax (levied on the portion of land exceeding 1,200 square metres or more)	2 per cent of assessed value
Patent tax (payable on annual registration of business)	\$300
Housing Land Rental Tax	10 per cent of rent

Source: Cambodian Development Council

5.4 Special economic zone provisions

5.4.1 Special Economic Zone Regulations

In December 2005, Sub-Decree No. 148 on the Establishment and Management of Special Economic Zones (SEZs) was promulgated and the SEZ system came into effect in Cambodia. The Special Economic Zone Committee of Cambodia (SEZC) under the Council for the Development of Cambodia (CODEC) is the one-stop shop for the development, management and supervision of the Special Economic Zones (SEZs), and the SEZ Management Committee (SEZMC) is the national administrative unit that implements the one-stop shop mechanism on site in the SEZs, which is set up by the SEZC and is permanently stationed in the SEZs.

The Special Economic Zones Sub-Decree provides that the Special Economic Zones Commission shall provide preferential policies to all special economic zones; and the Investment Law Amendment Act provides that qualified investment projects located in special economic zones are entitled to the same statutory preferential policies and treatment as other qualified investment projects. The favourable investment policies

available to economic zone developers and investment enterprises in the zones are shown in table 5-3.

Table 5-3 Favourable policies enjoyed by special economic

the person who benefits	preferential policies
Economic zone developers	<ol style="list-style-type: none"> 1. Profits tax exemptions are available for up to 9 years; 2. Importation of equipment and building materials for use in the construction of infrastructure in the economic zone is exempt from import duties and other taxes; 3. Economic zone developers may obtain State land concessions under the Land Law to establish special economic zones in border areas or separate regions and lease the land to investment enterprises.
Investment Enterprises in the District	<ol style="list-style-type: none"> 1. Enjoy the same tariff and tax incentives as other qualified investment projects; 2. Products exported to foreign markets are exempt from VAT. If the products enter the domestic market, they shall pay the corresponding VAT according to the quantity.

entire	<ol style="list-style-type: none"> 1. Economic zone developers, investors or expatriate employees are entitled to transfer after-tax investment income and salaries to offshore banks; 2. Non-discriminatory treatment of foreigners, no nationalisation policy, no price setting.
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Source: Cambodian Development Council

5.4.2 Introduction to Special Economic Zones

As of the end of 2021, there are 25 Special Economic Zones (SEZs) registered with the Cambodian Development Council (CDC) and approved for official operation, mainly in the provinces and municipalities of Koh Kong, Sihanoukville, Svay Rieng, Banteay Meanchey, Takeo, Kampot, Kampong Cham, and Phnom Penh Municipality. Among them, Sihanoukville province has the largest number of special economic zones.

Investing in Cambodia's Special Economic Zones (SEZs) provides favourable policies on taxation, import of equipment and raw materials, and export of products. Some of the special economic zones have introduced service windows staffed by the Cambodian Development Council, Customs, the Ministry of Commerce, the Department of Labour and other government departments, which provide year-round services such as investment application, registration, issuance of certificates of origin, and import and export declarations for enterprises. The General Administration of Taxation of Cambodia also regularly visits SEZs to promote tax policies and provide guidance on tax payment procedures. In recent years, the trend of attracting foreign investment in Cambodia Special Economic Zone has been increasing. Foreign investors in Cambodia Special Economic Zone mainly come from Japan, China, Hong Kong, China, Taiwan, Malaysia and Singapore, with industries such as textiles and garments, building materials, electronics, and processing of agricultural products.

Table 5-4 List of major special economic zones in

(1) Neang Kok Koh Kong SEZ	
①Position	Neang Kok Village, Pakkhlom Commune, Mundul Seyma District, Koh Kong Province (Gogong Province)
② Land area	335.43 hectares

② Land area	192 hectares
(5) N.L.C SEZ	
①Position	Phum Prey Phdao abd Phum Thlok, Khum Chrok Mtes, Srok Svay Teab, Sray Rieng Province (Svay Rieng)
② Land area	105 hectares
(6) Manhattan SEZ	
①Position	Bavet Commune, Chantrea District, Sray Rieng Province
② Land area	157 hectares
(7) Poi Pet O'Neang SEZ	
①Position	Poipet Commune and Nimit Commune, O' Chhrov District, Banteay Meanchey Prince (Banteay Meanchey Province)
② Land area	467 hectares
(8) Doung Chhiv Phnom Den SEZ	
①Position	Kiri Vong District, Takeo Province
② Land area	79 hectares
(9) Phnom Penh SEZ	
①Position	Khan Dangkao, Phnom Penh and Ang Snuol District, Kandal Province
②Land area	350 hectares
(10) Kampot SEZ	
①Position	Koh Toch commune, Kampot district, Kampot Province
②Land area	145 hectares
(11) Sihanoukville SEZ 1	
①Position	Stung Hav District, Sihanoukville City (Sihanoukville)
②Land area	178 hectares
(12) Tai Seng Bavet SEZ	
①Position	Bavet District, Svay Rieng Province
② Land	99 hectares

area	
(13) Oknha Mong SEZ	
①Position	Srea Ambel District, Koh Kong Province
② Land area	100 hectares

(14) Goldfame Pak Shun SEZ	
①Position	Sa Ang District, Kandal Province
② Land area	80 hectares
(15) Thary Kampong Cham SEZ	
①Position	Da commune, Memot District, Kampong Cham Province
② Land area	142.14 hectares
(16) Sihanoukville SEZ 2	
①Position	Pou Thoung Village, Betrang Commune and Smach deang Village, Ream Commune. Prey Nop District, Sihanouk Ville (Sihanoukville)
② Land area	1688 hectares
(17) D&M Bavet SEZ	
①Position	Bavet commune, Chantrea District, Svay Rieng Province
② Land area	117.95 hectares
(18) Sihanoukville Port SEZ	
①Position	Tomnop Rolok Area, Sangkat Lek1 and Lek3, Khan Meattapheap, Sihanoukville (Sihanoukville)
② Land area	67.5 hectares
(19) Kirisakor Koh Kong SEZ	
①Position	Khum Prek Kasach, Srock Kirisakor, Koh Kong Province
②Land area	1750 hectares
(20) Kampong Saom SEZ	
①Position	Village 4, Sangkat Ortres, Khan StungHav, Sihanoukville City (Sihanoukville)
②Land area	255 hectares
(21) Pacific SEZ	
①Position	Salatean and Preytob Village, Chhrokmates Commune, Svay teap District, Svay Rieng (Svay Rieng Province)
② Land area	107.55 hectares
(22) MDS THMORDA	

①Position	Thmorda, Veal Veng (Pursat province)
② Land area	2265 hectares
(23) Dryland Special Economic Zone	

①Position	Puk Rouesey, Prek Om Pel, Khsach Kandal (Dryas Province)
② Land area	105 hectares
(24) HKT SEZ	
①Position	Prek Torl, Terk Tlar, Prey Nub (Sihanoukville Province)
② Land area	345.20 hectares
(25) Dragon King Special Economic Zone	
①Position	Ang Sela, Prey Angkunh (Svay Rieng province)
② Land area	106.5 hectares

Source: Cambodian Development Council

5.5 Labour and employment legislation

5.5.1 Core labour law

The Cambodian Labour Law promulgated in 1997 was formulated with full reference to the labour standards of the western developed countries, with more stringent requirements, and in the implementation of the law, more emphasis has been placed on the protection of the rights and interests of labourers, the active implementation of the strategy of the localization of skilled personnel, and the solution to the problem of the large surplus of labourers in the country by all means and the efforts to look for a foreign job market; and the strict control of the importation of foreign labourers, so that only the skilled and managerial personnel that are lacking in Cambodia can be permitted to work. Only skilled and managerial personnel that Cambodia lacks can be allowed to work in Cambodia.

On 5 October 2021, the latest amendments to the Cambodian Labour Law came into effect, after the revision, some regulations that do not meet the current needs of the development of the manufacturing industry in Cambodia, especially those affecting factories of electronics and electrical appliances that require 24-hour production, have been abolished, in order to attract more modern manufacturing industries to move into Cambodia and to create employment opportunities, for example: the old version of the

Labour Law stipulated that factories and enterprises implement a For example, the old Labour Law stipulated that factories and enterprises had a “single-shift system” and that employers had to pay 130 per cent of the wages to night-shift workers if the enterprise required them to work in shifts, whereas, under the new Labour Law, enterprises can divide the shifts into three shifts, namely, morning, midday, and evening, and do not have to pay extra wages.

In addition, the new labour law has abolished the provision that when a public holiday and a Sunday coincide, the employee will be entitled to automatic compensatory leave on the following day, and has set up a dispute resolution mechanism of the Labour Arbitration Board in addition to labour inspections and court proceedings, so as to enhance the efficiency of resolving labour disputes while better maintaining harmonious labour relations.

[Principle provisions] The Labour Code provides comprehensive protection for workers' rights and interests. The main principle provisions of the Act are as follows:

- (1) Forced or compulsory labour is strictly prohibited;
- (2) An employer who hires or dismisses a worker shall make a written declaration to the competent labour authority within 15 days of the date of hiring or dismissal;

(3) Employers employing more than eight workers shall establish internal rules and regulations for the enterprise;

(4) The minimum age for admission to employment is 15 years, and 18 years if the nature of the work involves hazards to health, safety or morals.

[Entering into an employment contract] A worker and an employer enter into a working relationship through an employment contract. An employment contract is governed by the common law and is concluded in writing or orally. Employers may not require the deposit of a bond or any form of security when entering into or renewing an employment contract. There are three types of work contracts: probationary (not exceeding three months for general employees, two months for professional workers and one month for non-professional workers), fixed-term (not exceeding two years, renewable on one or more occasions, and also not exceeding two years) and indefinite.

[Termination of labour contract] A fixed-term labour contract is usually terminated on a specified cut-off date. However, it may be terminated earlier by mutual agreement. The agreement must be in writing, witnessed by a labour inspector and signed by both parties to the contract. In the absence of an agreement between the parties to the contract, it may not be terminated early except for serious misconduct or force majeure. If one of the contracting parties terminates the contract prematurely for reasons other than those mentioned above, the other party is entitled to compensation at least equal to the remuneration due or the damage suffered on the date of termination of its contract. When one party to the contract intends not to renew it, it shall give the other party advance notice (10 days if the contract is for more than six months and 15 days if the contract is for more than one year), failing which the contract shall be extended for the same period as its original contract.

An indeterminate labour contract may be freely terminated by either party to the contract (except in exceptional cases). The party intending to terminate the contract shall give prior written notice to the other party.

[Remuneration of labourers] The Labour Law provides for workers' wages as follows: the competent labour authority shall set the minimum guaranteed wage, and the wages of labourers shall be at least the same as the minimum guaranteed wage. Wages shall be paid directly to the workers themselves in the form of coins or

banknotes, unless the workers agree to be paid by other means. Workers' wages shall be paid at least twice a month, at intervals of up to 16 days, and employees' wages shall be paid at least once a month.

[Working hours] Workers' working hours (regardless of gender) shall not exceed eight hours per day or 48 hours per week, and it is strictly prohibited to arrange for the same labourer to work more than six days per week. If workers are required to work overtime for special and emergency work, the overtime wage shall be 150 per cent of the normal wage, and if they work overtime at night or on weekly rest days, the overtime wage shall be 200 per cent of the normal wage. Depending on the type of business and work schedule of the enterprise, if there is a need for shift work, three shifts may be arranged each day, divided into the morning, lunch and evening shifts, and the total working hours of each shift may not exceed the maximum working hours stipulated in article 137 of the Labour Code (8 hours per day or 48 hours per week).

[Holidays] The same worker shall not work more than six days per week, and weekly breaks shall last at least 24 hours and be scheduled, in principle, on Sundays. All workers are entitled to paid leave at the rate of one and a half days for each consecutive month of work, and at the rate of one and a half days for each consecutive month of work.

Paid leave is increased by one day for each additional three years of labour seniority on this basis. In the event of an incident directly affecting a worker's immediate family, the employer shall grant the worker special leave (up to a maximum of seven days). Female workers are entitled to 90 days of maternity leave, during which they shall be paid half of their wages and allowances; they shall be assigned to light labour for the two months following their return to work after maternity leave.

[Trade unions] Both labourers and employers have the right to form professional organisations on their own, without prior authorisation, to work collectively or individually for the study and promotion of the rights and interests of the persons covered by the statutes of the organisations, and for the protection of their moral and material interests. Professional organizations formed by labourers are called "labour unions" and those formed by employers are called "employers' associations". It is prohibited to form trade unions or associations in which both employers and labourers are members.

[Social Security] The Government of Cambodia has released the National Policy Strategy on Social Security 2016-2025, which aims to further develop Cambodia's nationwide social security system for the benefit of all people, especially the poor and vulnerable. The strategy will ensure the long-term development of the country's society and sets out the responsibilities of two main institutions: one is to respond to emergencies, develop human resources, provide skills training and protect vulnerable groups; the other is to focus on workers' security benefits and risks of health care, work-related injuries and unemployment.

5.5.2 Provisions for foreigners working locally

[Work Permit] Cambodia promulgated the Labour Law in 1997, and on 18 January 2002, it promulgated the application method and related regulations on hiring foreigners for employment in the Kingdom of Cambodia. According to the relevant regulations, any enterprise employing foreign workers must apply to the Ministry of Labour and Vocational Training of Cambodia and comply with the following regulations:

(1) Enterprises that need to employ foreign professional, technical and managerial personnel must apply to the Ministry of Labour by the end of November each year for an annual employment quota for foreign workers for the following year,

with the number of foreign workers employed by each enterprise being limited to no more than 10 per cent of the total number of workers in the enterprise. Enterprises that fail to apply for an annual labour quota will not be allowed to employ foreign workers.

(2) The following conditions must be met in order to employ foreign workers: the employer must obtain in advance a legal employment permit to work in Cambodia; he/she must enter the Kingdom of Cambodia legally; he/she must have a valid passport; he/she must have a valid residence permit; he/she must have sufficient skills to adapt to the needs of the enterprise and must be free from contagious diseases.

[Review of Foreign Workers] In March 2016, the Cambodian Ministry of Interior and the Ministry of Labour and Vocational Training (MoLVT) issued a Joint Circular on Strengthening the Review of Foreign Workers in Cambodia, which includes 11 articles, the main content of which is to legally regulate the review of the labour of foreign enterprises investing and operating in Cambodia, and to require that any enterprise or worker coming to invest in Cambodia must strictly comply with the Cambodian Immigration Law and the Labour Law, and to apply for labour certificates and employment cards issued by the Ministry of Labour and Vocational Training. When the Joint Inspection Unit for Foreign Workers inspects a business, the owner or the person in charge of the business must cooperate with the Joint Inspection Unit by presenting the articles of association of the company, the certificate of registration with the Ministry of Commerce, the notice of hiring, the notice of termination of employment, the authorization and indicators for hiring foreign workers, the contract for hiring foreign workers in Cambodian language issued by the Ministry of Labour, the passports and photographs of all the workers, the entry visas, and the foreign labour certificates.

Originals or copies of ten documents, such as employment extension visas for foreigners, labour certificates and employment cards, and labour law and immigration law instruments. Small commercial shops operated by foreigners are required to have a business permit issued by the competent authority and to apply for labour certificates, employment cards and other related procedures.

[Risks of foreigners working locally] The management of the order of the foreign labour market in Cambodia needs to be strengthened. Some unscrupulous intermediaries have taken advantage of the eagerness of foreign workers to find jobs to commit fraud, which has led to a number of labour disputes.

In order to solve the problems related to labour disputes, Cambodia established the Labour Advisory Committee in 1999, which consists of representatives of government departments, trade unions and employers' associations to discuss labour policies. With the help of the International Labour Organization (ILO) and the U.S. Government, an independent Labour Arbitration Committee was set up in April 2003, consisting of representatives of the Ministry of Labour and Vocational Training, employers and trade unions, to adjudicate on labour disputes and other related matters that have not been resolved through consultation. Due to the large number of workers in the textile and garment industry in Cambodia, the main employers have also formed the Garment Manufacturers Association of Cambodia (GMAC) to deal with labour disputes and welfare benefits in this industry.

The Ministry of Labour and Vocational Training (MoLVT), as the governmental authority on labour and employment in Cambodia, is responsible for managing all foreign workers coming to Cambodia for employment. The Ministry established the Foreign Workers Administration Committee (FWAC) in December 2002, which is in charge of establishing procedures to apply for acceptance of foreign workers for employment in Cambodia, and assisting foreign workers and employers' associations in resolving issues related to foreign workers. The Ministry of Labour of Cambodia can be contacted by telephone at 00855-23-882734/884375 and by fax at 00855-23-882769.

5.6 Regulations for Foreign Enterprises Acquiring Land/Forest Land in Cambodia

5.6.1 Main elements of the land law

The Land Law of Cambodia was enacted in 1992 and amended in August 2001, and the main purpose of the 2001 Amendment to the Land Law is to clarify the system of ownership of immovable property in order to guarantee the ownership of immovable property and related rights and interests. It also aims to establish a modern land registration system to guarantee the people's right to own land. The Land Law designates the Ministry of Land Management, Urban Planning and Construction as the authority to issue documents certifying real estate ownership and is responsible for the cadastral management of State-owned real estate.

With regard to ownership provisions, the ownership of land by foreign natural and legal persons is strictly prohibited. The Constitution stipulates that all natural or legal persons may have ownership rights individually or collectively. Only Cambodian natural or legal persons have the right to own land (article 44), and the 2001 Land Law also stipulates that land ownership is limited to Cambodian natural or legal persons, and that foreigners who falsify their identity documents in order to own land in Cambodia shall be punished (article 8). A Cambodian legal person is defined as a Cambodian citizen or a company in which 51 per cent or more of the shares are held by Cambodian citizens or companies. In addition, the Land Law stipulates that there shall be no deprivation of ownership except in the public interest. Where deprivation of ownership is required, it shall be carried out in accordance with the forms and procedures stipulated in laws and regulations and shall be compensated in advance in a fair and just manner.

The main provisions of the 2001 Land Law on ownership of immovable property are set out below:

(1) The pre-1979 system of ownership of immovable property is not recognised (Article VII);

(2) After the entry into force of this Law, any form of appropriation of State-owned public or private property shall be null and void (Article 18);

(3) Since 1989, recognised possession of immovable property may constitute a right of action in respect of immovable property, and title is acquired by the holder of the immovable property in accordance with the provisions of this Act (art. 30);

(4) Any person who takes possession of immovable property without proof of ownership after the entry into force of this Law shall be deemed to be an unlawful occupant (Article 34);

(5) In order to convert possession into ownership, possession of immovable property should be clear, non-violent, open, continuous and intentional.
(Article 38)

(6) Possession in conformity with the law constitutes a right of action in respect of the immovable property until such time as possession is converted into full ownership. Proof of ownership is itself proof of possession. Rather, it is proof of undisputed ownership title. The proof of possession constitutes a clear and undisputed proof of ownership of real estate only if the ownership of the land-registered real estate is undisputed. In the event of a disputed claim, the legal possessor of the immovable property shall be determined through an investigation of all relevant evidence. Proof of possession of immovable property may be used as evidence, but is not in itself decisive (art. 40).

With regard to the transfer of ownership of immovable property: the transfer of ownership to a third party may be effected only after the contract of sale, exchange or gift has been registered in the cadastral registry (arts. 65, 70 and 81).

About land concessions: There are three types of land concessions in Cambodia: social concessions, economic concessions, and concessions applicable to development and exploitation. Beneficiaries of social concessions can build houses on State land or cultivate State land to earn a living. Beneficiaries of economic concessions can prepare land for industrial or agricultural development. Use, development and exploitation concessions,

which include mineral exploitation concessions, port concessions, airport concessions, industrial development concessions, and fisheries concessions, are not governed by the 2001 Land Law (articles 49 and 50).

Land concessions create rights only for the time specified in the concession contract (art. 52). Land concessions may not exceed 10,000 hectares in area, and the duration of the concession may not exceed 99 years (arts. 59 and 61).

With regard to land leases: there are two types of land leases: indefinite term leases and fixed term leases. Fixed-term leases include short-term renewable leases and long-term leases of 15 years or more. Long-term leases constitute a right of action over immovable property, which may be transferred in return for an equivalent value or by inheritance (articles 106, 108).

With regard to mortgages: the owner of immovable property may use his immovable property as collateral to secure the payment of a debt by means of a mortgage or pledge (article 191).

Restrictions on land use: Cambodia is governed by the Law on Land Use Planning, Urbanisation and Construction, enacted in 1994.

Land use within the entire territory of the Walled City. This law and many land use plans are extremely general, and investors should carefully check the actual planning rules before implementing an investment project.

In December 2010, the Cambodian Cabinet passed a draft law allowing foreigners to purchase properties above the ground floor of Cambodian owner-occupied houses.

5.6.2 Provisions for the acquisition of land by foreign-owned enterprises

According to the Cambodian Land Law (2001), it is prohibited for any foreigner, including natural persons and foreign-controlled legal persons, to own land, but joint ventures may own land, with a maximum combined foreign ownership of 49 per cent.

As a result of nearly 30 years of war, the Cambodian land system has been severely damaged and many land ownership title documents and parcel registration information have been lost, resulting in a large number of disputes related to land ownership that are still ongoing. Therefore, it is important that investors verify the landowner's ownership before entering into a contract with a Cambodian company for the use, lease or distribution of benefits based on land ownership.

The Government of Cambodia suspended the approval of economic concessions. On 7 May 2012, Samdech Hun Sen, Prime Minister of Cambodia, issued a Government Decree on Improving the Efficiency of Management of Economic Concessions, announcing a moratorium on the approval of new economic concessions with immediate effect. The decree requires that all government departments and relevant units must conscientiously implement the provisions of the government contract on the provision of economic concessions without affecting the living environment of the community and local residents; the government will recover the economic concessions from companies that have already been granted economic concessions but have not developed them in accordance with the principles of the law and the provisions of the contract, or have used the right to operate concessions to develop larger land, resell vacant land, violate the contract, and infringe upon the land of the people in the community; and the government will recover the economic concessions from companies that have previously been granted economic concessions. Their economic concessions; for economic concessions previously approved by the government, the government will continue to implement them in accordance with legal principles and

contracts. At the end of September 2012, Prime Minister Hun Sen announced that he would levy a rent of US\$5 per hectare on economic concessions from the sixth year of investment and development, with a 1 per cent increase each year, and again stated that no new economic concessions would be granted until the end of his political career. In 2014, the Cambodian government began an inventory of the development of existing economic concessions, and the government will take back economic concessions from companies that do not develop them as planned.

5.7 Requirements for foreign companies to participate in local stock exchanges

The Cambodian Law on Issuance and Trading of Non-Government Bonds was promulgated on 19 October 2007 and the Government encourages foreign investment and participation in the Cambodian securities market.

5.8 Environmental protection regulations

5.8.1 environmental authority

The competent authority for environmental protection in Cambodia is the Ministry of Environmental Protection (MEP), whose main responsibilities are: to protect and enhance the quality of the environment and public health by preventing, reducing, and controlling pollution; to assess the impact of projects on the environment prior to the decision-making of the Royal Government; to guarantee the reasonable and orderly protection, development, management, and use of natural resources in the Kingdom of Cambodia; to encourage and provide opportunities for public participation in the protection of the environment and natural resources; and to stop Actions affecting the environment.

The main contact details of the Ministry
of Environmental Protection of
Cambodia are as follows: Website:
www.moe.gov.kh
Tel: 00855-23000111

5.8.2 Major environmental laws and regulations

The first Cambodian Law on Environmental Protection was adopted on 18 November 1996 by the National Assembly of Cambodia. The Ministry of Environment, together with other relevant Cambodian ministries, has formulated a series of regulations on environmental protection, specifying the sources, types and quantities of pollutants, wastes, and toxic and hazardous substances imported, generated, transported, reclaimed, treated, stored, disposed of, and discharged in Cambodian airspace, territorial waters, within the territory, or on the land surface, as well as the source, type, and scope of impacts of noise, vibration, and so on.

5.8.3 Basic points of environmental laws and regulations

According to the Law on Environmental Protection of Cambodia, any private or public project is required to carry out an environmental impact assessment (EIA); the Ministry of Environmental Protection (MEP) shall inspect and assess the project before it is submitted to the Royal Government of Cambodia for finalisation; and existing projects and pending projects that have not been subjected to an EIA are required to carry out an assessment. The Ministry of Environmental Protection and the relevant

authorities shall have the right to request the owner or person in charge of the area where any factory, source of pollution, industrial area, or natural resource development project is located to install or use the monitoring equipment, to provide samples, to prepare the file, and to submit the records and reports for review. The Department of Environmental Protection shall provide its relevant information based on public suggestions and encourage public participation in environmental protection and natural resource management. Enterprises shall not refuse or prevent inspectors from entering the premises to conduct inspections, failing which they shall be liable to a fine and the person responsible may also be sentenced to imprisonment.

5.8.4 Environmental Impact Assessment Regulations

Cambodia is paying increasing attention to environmental issues and is endeavouring to establish its EIA system. In 1999, Cambodia issued a decree on environmental impact assessment (EIA), which stipulates that projects can be implemented only after their EIA reports have been approved by the Cambodian Development Council (CDC). The Law on Environmental Protection and Resource Management of Cambodia (EPNRM) defines the specific scope of application of EIA, which focuses on four areas: industry, agriculture, tourism and infrastructure development. The Ministry of Environmental Protection (MEP) is the main authority for EIA, while other ministries, such as water, energy, transport, etc., provide comments on EIA for projects in their areas of responsibility. At the same time, the environmental authorities at all levels are responsible for coordinating and cooperating with their counterparts at the same level of government to ensure the smooth implementation of the EIA.

At the initial stage of the EIA, the applicant is required to submit the project programme to the environmental impact management agency and to publish the detailed plans contained in the project programme. The decree also strictly regulates the manner in which it is to be made public, and the public has the right to submit written objections to the project programme and submit them to the environmental impact management agency, with a copy to the project applicant, within 30 days of the publicity period. Upon receipt of the written objections from the public, the project applicant is required to conduct a public consultation in determining the specific scope of the EIA, and submit the results of the consultation and relevant documents, together with the EIA ToR, to the EIA (Environmental Impact Assessment) Specialised Committee for review. The public, through their representatives on the Specialised Committee, may also make secondary objections to the project proposal before the Specialised Committee formally determines the ToR.

Although the Decree on EIA was enacted in 1999 in Cambodia, due to the constraints, EIA was not carried out in some construction projects until 2004. EIA personnel and laws and regulations in Cambodia are still in their infancy. The Cambodian national EIA decree stipulates that before a project can be approved and construction can begin, an environmental impact assessment must be completed and an EIA report must be sent to the Ministry of Environmental Protection.

5.9 Provisions against commercial bribery

Cambodia's uniform legal regulation of, inter alia, corruption is the Anti-Corruption Law (ACL), which was drafted in 1994 and voted on in April 2010 by the National Assembly. The Anti-Corruption Law requires State and Government officials to disclose their personal assets to anti-corruption agencies and, once established, acts of bribery and corruption are sanctioned in accordance with the law, depending on the circumstances. Cambodia does not have a specific law against commercial bribery.

5.10 Provisions for foreign companies contracting local works

5.10.1 licensing scheme

Cambodia has no special restrictions on foreign companies contracting local projects,

and foreign contracting companies with certain qualifications can contract local projects.

5.10.2 Prohibited areas

Cambodia has no prohibited areas for foreign companies to contract local works.

5.10.3 Bidding method

Public tenders are generally used, and negotiated tenders are also used for smaller projects.

5.11 Provisions for the protection of intellectual property rights

5.11.1 Laws and regulations on the protection of intellectual property rights

This is despite the fact that Cambodia has been a member of the World Intellectual Property Organisation since 1995 and acceded to the Paris Convention in 1999.

Since the beginning of the new century, the Government of Cambodia has adopted a series of laws and regulations to protect intellectual property rights, including: Law on Trademarks, Trade Names and Unfair Competition (2002); Law on Copyright and Related Rights (2003); Law on Patents, Utility Models, and Industrial Designs (2003); Law on Breeders' Rights and Plant Variety Protection (2008). In addition, the Government of Cambodia is going to promulgate the following laws: Law on the Protection of Undisclosed Information and Trade Secrets; Law on the Protection of Integrated Circuit Designs; and Law on the Protection of Geographical Indications.

The Law on Trademarks, Trade Names and Unfair Competition (hereinafter referred to as the Trademark Law), enacted in 2002, is the first law on the protection of intellectual property rights in Cambodia, which stipulates that the exclusive right to a trademark shall be obtained through registration. Priority in the registration of a trade mark may be obtained if the applicant can prove in the application materials that he or she has filed an application for the registration of the trade mark on a national or regional basis in any of the Paris Convention member countries. The Act also provides for registration procedures, expiry, collective marks, trade mark licences, trade names, infringement and damages, border protection measures and transfer or change of ownership.

The Cambodian Trademark Law only recognises the "one country exhaustion principle", and therefore the owner of the right has an exclusive right of distribution and importation, which can be assigned to an exclusive distributor by means of a consignment or distribution agreement.

[Copyright] The Copyright and Related Rights Act (Copyright Act), enacted in 2003, aims to provide authors and performers with rights related to their works and to protect literary works, cultural performances, performers, producers of phonograms, and broadcasters' programmes, in order to ensure that these cultural products can be used in a fair and lawful manner.

The author of a work has exclusive rights over that work, including moral and economic rights, which may be exercised against any person. The moral rights of the author are perpetual, inalienable and cannot be withheld or made retroactive. The economic rights of the author are the exclusive right to realise the value of his work by authorising its reproduction, public publication or the creation of derivative works, etc.

The protection of the economic rights starts from the date of the completion of the work's creation and ends 50 years after the author's death.

[Patents, Utility Models and Industrial Designs] The Law on Patents, Utility Models and Industrial Designs was promulgated in 2003 with the main purpose of protecting patents, utility models and registered industrial designs granted in Cambodia. A patent is a right granted to protect an invention and is valid for 20 years. Utility model certificates are issued to protect utility models that are novel and can be industrialised, and are valid for a non-renewable period of seven years. Industrial designs with novelty can apply for registration, which is valid for 5 years and can be extended for two consecutive periods of 5 years each after registration.

The Breeders' Rights and Plant Variety Protection Act, enacted in 2008, applies to all plant varieties, both established and new, and is designed to supervise and regulate the breeding, use, production, processing, registration, distribution, importation, exportation and protection of new varieties of plants and to ensure the sustainable development of plant varieties for the benefit of the society, the economy and the environment.

The Law on the Protection of Geographical Indications, enacted in 2014, aims to protect the intellectual property rights of producers and operators, and to protect

Consumers, aiming at managing, registering, identifying and protecting geographical indications in Cambodia, agricultural products, food products, handicrafts or any other products produced or transformed in the geographical area are within the scope of registration and protection of geographical indications in Cambodia.

5.11.2 Penalties for intellectual property infringement

At present, the protection of intellectual property rights in Cambodia has yet to be further improved, with the Ministry of Commerce's department in charge of combating counterfeit and substandard goods mainly confiscating and destroying pirated optical discs, and there are as yet no clear rules on penalties.

5.12 Main ways of resolving business disputes and applicable law

Much of the legal framework for commercial arbitration in Cambodia is drawn from the United Nations Commission on International Trade Law Model Law.

(Draft Law on Commercial Arbitration (UNCITRAL), the main provisions of which are as follows: the National Arbitration Centre shall be established under the Ministry of Commerce; the parties shall be treated equally and shall be free to decide on the applicable law, the number of arbitrators, the arbitration procedure to be followed by the arbitration panel, the place of arbitration and the language to be used; and the arbitration agreement shall be in writing.

6. Procedures for investment cooperation in Cambodia

6.1 Procedures required for investment and business registration

Any business that engages in commercial activities in Cambodia must be registered, otherwise it will be punished for the offence of engaging in commercial activities illegally.

6.1.1 Forms of establishment of a business

The environment for economic and trade activities in Cambodia is more relaxed and the standards for doing business are lower, and it is possible to register in various forms of business organisations, such as individuals, partnerships, and companies.

6.1.2 Receiving organisations for registered businesses

The Ministry of Commerce of Cambodia is responsible for the management of the "Register of Commerce and Industry", and enterprises shall register with the Department of Business Registration of the Ministry of Commerce of Cambodia or with the business registration office designated by the Ministry of Commerce prior to the establishment of the enterprise.

Enterprises that set up branches or representative offices in Cambodia should also register with the Commercial Registry of the Ministry of Commerce.

Enterprises or individuals engaged in investment in Cambodia should also first approach the Council for the Development of Cambodia (CDC) if they are in need of investment incentives.

(CDC) to submit an investment application and obtain a conditional certificate of registration before registering.

6.1.3 Main procedures for registering a business

[Application for registration] One of the directors or shareholders of a business should apply in person at the competent authority by completing the registration form. The Cambodian Business Registration Office can provide the blueprint of the articles of association for the registrant. Documents to be submitted for registration include: application form for registration, articles of association, certificate of authenticity of documents, application for advertisement in designated publications, copies of identity

cards or passports and photographs of all directors or shareholders, certificates of non-criminal records of directors, decision on the distribution of shareholdings (in case of participation by a natural person) the location of the office, and any other documents required by the Ministry of Commerce.

[Registration Approval] After accepting the application for registration, the competent authority will issue a certificate of registration labelled with the registration number. The certificate is provisional for 1 month from the date of issuance, during which time the registrar may file an objection and revoke the registration number if the registrar finds an error in the declaration. The registration approval time depends on the situation and is usually 1 week. The cost of registration depends on the form and size of the company.

[Statute of limitations for registration] The certificate of registration is valid for 3 years from the date of registration. Enterprises should reapply for a new certificate 30 days before the expiry of the registration certificate. If the enterprise delays in applying for a new certificate, it will be regarded as an offence and its original certificate will be invalidated, and the enterprise must reapply for registration and pay the relevant fees.

The registered company shall open 1 or more bank accounts in Cambodia.

6.2 Procedures for Undertaking Engineering Projects

6.2.1 Access to information

Information on national projects is published by the various authorities; provinces and major cities also publish information on projects in their areas. In addition, major newspapers regularly publish information on tenders.

6.2.2 tenders and bids

Bidding shall be used for all Cambodian State investment projects or projects with loans and assistance from international organisations.

The basic procedures of bidding include:

(1) Preparatory phase: design and its cost estimate; submission of the design and its cost estimate to the bank for comments and approval; preparation of tender documents; submission of tender documents to the bank for comments and approval.

(2) Pre-qualification phase: invitation to participate in the pre-qualification (advertised in newspapers); assessment of the pre-qualification by the Assessment Committee; pre-qualification assessment submitted to the Ministry of Finance for approval; pre-qualification assessment submitted to the Bank for approval; notification of the results of the pre-qualification to the contractors; and identification of contractors eligible for pre-qualification.

(3) Bidding and evaluation phase: issuance of bids; preparation of bids by contractors; opening of bids; evaluation of bids by the bid evaluation committee; submission of the results of the bid evaluation and recommendation for award to the Ministry of Finance and Economy for approval; submission of the results of the bid evaluation and recommendation for award to the bank for approval; signing of contracts.

(4) Stage of selection of the shortlist: invitation to state the rates; preparation of the statement of rates by the consultant or supervisor; submission of the statement of rates to the Ministry of Project Execution; evaluation of the statement of rates by the Evaluation Committee; submission of the company's shortlist to the Ministry of Finance and Economy for approval; submission of the company's shortlist to the bank for approval.

(5) Programme preparation phase: companies on the shortlist are invited to present their programmes; companies on the shortlist prepare their programmes; and programmes are submitted.

(6) Technical and financial evaluation phase: the evaluation committee evaluates the technical programme; the technical programme is submitted to the Ministry of Finance and Economy for approval; the technical programme is submitted to the Bank for approval; the firms on the shortlist are invited to make the financial programme public; the evaluation committee evaluates the financial programme; the recommendation for the award of the contract based on the highest combined score of the technical and financial programmes is submitted to the Ministry of Finance and Economy for approval; the recommendation for the award of the contract based on the highest combined score of the technical and financial programmes is submitted to the Bank for approval; Signing of the contract.

6.2.3 Licensing procedures

To contract a project in Cambodia, it is necessary to provide the company's qualification certificate, the certificate of the right to contract a project from the home country, the certificate of registration of the Ministry of Commerce of Cambodia, and the performance bond from the bank, and also to go through the qualification of the bidding, and pass the evaluation of the bids and win the bidding.

6.3 Patent and Registered Trademark Applications

6.3.1 Patent application

The Cambodian Law on Patents, Utility Models and Industrial Designs stipulates that the Ministry of Industry, Minerals and Energy is the competent authority for the filing of patent applications, the registration of utility models and industrial designs, and that inventors should submit their applications and pay the relevant fees to the Ministry.

For the administration of patents and patent applications, the proprietor of a patent is required to pay an annual fee to the Patent Registry in advance each year. Before the Patent Registry grants or rejects a patent application, the patent applicant may switch to applying for a utility model certificate.

Before the Patent Registry grants or rejects an application for a utility model certificate, the patent applicant may switch to a patent application. The registration of an industrial design is valid for 5 years. Registration may be renewed for two consecutive periods of five years each.

The Memorandum of Understanding between the State Intellectual Property Office of China (SIPO) and the Ministry of Industry and Handicrafts of Cambodia on the Registration and Entry into Force of Chinese Patents in Cambodia, signed in March 2018, defines the process for the registration and entry into force of Chinese patents in Cambodia.

6.3.2 registered trademark

The Department of Intellectual Property of the Ministry of Commerce of Cambodia is the authority in charge of trademarks, and enterprises need to apply for trademarks by submitting applications to the Department of Intellectual Property. To apply for a trade mark, a company needs to submit the following documents: application for registration, power of attorney certified by a notary public and lawyer, and 15 copies of a model trade mark. The trademark right is for a period of 10 years, which can be renewed for another 10 years each time, while the use of the trademark should be reported to the Intellectual Property Office every 5 years, otherwise the trademark will be cancelled.

Cambodia is a member of the World Intellectual Property Organisation and acceded to the Paris Convention in 1999. Priority in the registration of a trade mark may be obtained if the applicant's application documents prove that he or she has filed an

application for registration of the trade mark in one of the member countries of the Paris Convention, either nationally or regionally.

6.4 Procedures for filing tax returns in Cambodia

6.4.1 Time to file tax returns

After completing the business registration, the enterprise has to register with the Tax Department of the Ministry of Finance and Economy for tax purposes within one month. After registering, the business will file a monthly tax return and submit it to the Department of Taxation by the 15th of each month and pay the tax in full. At the beginning of each year, an annual tax return is submitted for the previous year.

6.4.2 Channels for filing tax returns

Businesses can file tax returns on their own or through intermediaries such as accounting firms and law firms.

6.4.3 Tax filing procedures

A taxpayer shall file a tax return with the tax authority in the form, at the time and place prescribed by the tax authority. The taxpayer or his legal representative shall sign the tax return.

6.4.4 tax return information

Provide monthly tax statement (registered capital of the enterprise, turnover of the current month, profit of the current month), and annual tax statement (registered capital of the enterprise, annual turnover, annual profit) at the beginning of the year for the previous year.

6.5 Work Permit Processing

6.5.1 competent authorities

The Ministry of Labour of Cambodia is responsible for the management of work permits for foreigners.

6.5.2 Work permit system

[Application for an employment permit] Foreign workers must hold a work permit issued by the Ministry of Labour, which is valid for one year and may be renewed for no longer than the period determined by the residence permit. A foreigner's work contract shall be for a period not exceeding two years at a time. The work contract may be in a foreign language but shall be accompanied by a copy in Cambodian. The work contract shall specify the main conditions of employment in compliance with the labour law. Foreigners who wish to continue working in Cambodia after the expiry of the contract shall submit a new application for approval.

6.5.3 Application Procedures

According to the provisions of the Labour Law, enterprises that need to employ foreign professional, technical and managerial personnel must apply to the Ministry of Labour by the end of November each year for an annual employment quota for foreign workers for the following year, and the number of foreign workers to be employed by each enterprise shall not exceed 10 per cent of the total number of employees of the enterprise. Failure to apply for an annual employment quota will result in denial of permission to employ foreign workers.

6.5.4 information provide

[Application for Employment Permit] The following documents are required to apply for a work permit:

- (1) The employer obtains in advance a legal employment certificate to work in Cambodia;
- (2) Employment certificate from the employer;
- (3) Valid passport;
- (4) Valid visa;
- (5) Health certificates.

6.6 Institutions capable of providing investment co-operation advice to Chinese enterprises

6.6.1 Economic and Commercial Section of the Chinese Embassy in Cambodia

Address: No. 432C, Monivong Blvd., Phnom Penh

Tel: 00855-23720598 (contracting, labour), 721649 (training), 720149 (investment and trade).
721437 (foreign aid)

Fax: 00855-23210861

E-mail:

cb@mofcom.gov.cn 网址:

cb.mofcom.gov.cn

6.6.2 Cambodian Chinese Enterprises Association

Cambodia China Chamber of Commerce

Chamber of Commerce Address: Room F0-1613-14,

16th Floor, Flatiron Building, Phnom Penh Email:

office@cambochina.com

Website: www.cambochina.com

6.6.3 Cambodian Embassy and Consulate in China

(1) Cambodian Embassy in China

Address : No.9

Dongzhimenwai Street, Beijing

Tel: 010-65321889

Fax: 010-65322507

E-mail: cambassy@public2.bta.net.cn

(2) Consulate General of Cambodia in Guangzhou

Address: Garden Mansion, No.368 Huanshi

East Road, Guangzhou, Guangdong, China

Tel: 020-83338999-804

Fax: 020-8121995

(3) Consulate General of Cambodia in Shanghai

Address: Room 902, Huasheng Mansion,

No. 400 Hankou Road, Shanghai, China

Tel: 021-63619646

(4) Consulate General of Cambodia in Nanning

Address: No.16-6 Guihua Road, China-ASEAN Business

Zone, Nanning City, Guangxi Zhuang Autonomous Region

Tel: 0771-5672358

Fax: 0771-5672358

(5) Consulate General of Cambodia in Kunming

Address: 4/F, Guanfang Hotel, No. 172 Xinying
Road, Kunming, Yunnan Province, China Tel:
0871-3317320

(6) Consulate General of Cambodia in Chongqing
Address: 1902, Building A, No.9
Yanghe Road, Jiangbei District,
Chongqing, China Tel: 023-89116415

(7) Consulate General of Cambodia in Haikou
Address: Room 808, 8/F, Central International Plaza, No. 77
Binhai Avenue, Longhua District, Haikou City, Hainan Province,
China Tel: 0898-65207777
Fax: 0898-65207777

(8) Consulate General of Cambodia in Jinan
Address: Room 1, 48th Floor, Building A5-3, Hanyu Golden Valley Business
Centre, No. 7000 Jingshi East Road, Gaoxin District, Jinan, Shandong
Province, P.R. China Tel: 0531-88686001
Fax: 0531-88686001
Postcode: 250000

6.6.4 Cambodia Investment Promotion Agency

(1) Cambodia Investment Committee of the Council for the Development of
Cambodia

Address: Government Palace, Sisowath Quay, Wat Phnom, Phnom Penh
Tel: 00855-23981154, 981156, 981183 Fax:
00855-23428426, 428953, 428954
E-mail: cdc.cib@bigpond.com.kh
Website: www.cambodiainvestment.gov.kh

(2) Cambodian Committee for Special Economic Zones

Address: Room 7-8C, Government Palace, Sisowath Quay, WatPhnom, Phnom Penh
Tel: 00855-23992355
Fax: 00855-23992355
E-mail: cdc.csezb@camintel.com

7. Issues to be noted for investment and cooperation by Chinese enterprises in Cambodia

7.1 offshore investment

Chinese investors should pay attention to the following issues in carrying out investment and cooperation in Cambodia:

(1) Accurately grasp Cambodian investment policies and regulations. When enterprises carry out investment activities, they should firstly know the laws and regulations. It is necessary to fully grasp the laws and regulations related to investment in Cambodia, and accurately grasp the government's policies on investment protection, investment preferences and restrictions, foreign exchange, land use, and forms of business organisation.

(2) Objectively analyse the comparative advantages of investing in Cambodia.

The main advantages of investing in Cambodia include:

(i) An open and free market economic policy with a high degree of liberalisation of economic activities;

② The government is the main driving force behind the promotion of FDI, investment-related laws and regulations are based on the basic idea of encouraging foreign investment, and foreign investment basically enjoys the same treatment as domestic investment;

(iii) Cambodia is rich in natural resources, with more resources in minerals, water conservancy, agricultural products, fisheries, etc., which will provide more investment opportunities for enterprises.

The main unfavourable factors for investment in Cambodia include: relatively backward infrastructure conditions such as water, electricity, transport and communications, and high related costs; and underdeveloped supporting industries for Cambodian industries. In addition, the soft environment for investment in Cambodia needs to be improved. This is mainly reflected in the long time taken by government departments, the frequent activities of trade unions and non-governmental organisations, and the need to improve the market and business order.

(3) Avoiding investment risks. Enterprises may take the following measures to avoid investment risks:

(i) Comprehensively understand information and improve the quality of decision-making. Take the initiative to contact China's business organisations in Cambodia, obtain information through formal channels, conduct in-depth research on national conditions and market, and fully understand the investment risks before making investment decisions, so as to prevent decision-making mistakes;

② Keep a clear head, all things must be implemented. Enterprises can not listen to one side of the story, for all commitments should be formally approved by the government shall prevail. In the selection of partners, should also be the background and strength of the first investigation.

[Precautions to be taken in trade] There is no restriction on nationality in doing business in Cambodia, but Chinese enterprises and personnel must familiarise themselves with and adapt to the special local trade environment and take effective measures to expand their business.

(1) Familiarise yourself with the main characteristics of Cambodian trade. Cambodia's industrial production is dominated by the garment industry, which has been exported in both directions, and thus its import and export trade has the following distinctive features:

- ① Almost all manufactured goods and raw materials for garment processing are imported, and the vast majority of exports are garments;
- ② Foreign-invested garment processing enterprises have been the main force for the growth of foreign trade, and in recent years, the share of Cambodia's garment exports in total exports has been maintained at more than 95 per cent;

The main export markets are the United States and Europe, and the main sources of imports are ASEAN and East Asian countries, with imports from ASEAN countries growing rapidly in recent years.

(2) Understand the strengths and constraints of trade in Cambodia.

Strengths include:

Cambodia joined ASEAN in 1999, and ASEAN member states will take steps to realise tariff concessions under the Common Effective Preferential Tariff System (CEPTS). China and ASEAN signed the Framework Agreement on Comprehensive Economic Co-operation between China and ASEAN in November 2002, and the China-ASEAN FTA was fully established at the beginning of 2010, with "Early Harvest" tariff reduction and exemption schemes for Cambodia, Laos, and Myanmar. The China-ASEAN Free Trade Area was fully established in early 2010, and has granted Cambodia, Laos, and Myanmar an "early harvest" tariff reduction and exemption programme, in which Cambodia was granted preferential treatment of zero tariff on the import of 418 commodities (mainly agricultural, forestry, animal husbandry, and fishery products). In addition, ASEAN is in the process of establishing free trade zones with India, the Republic of Korea, Japan and Australia and New Zealand. The ASEAN economic integration process and the construction of the FTA will largely promote the development of Cambodia's economy and foreign trade. On 15 November 2020, 15 Asia-Pacific countries, including China and Cambodia, formally signed the Regional Comprehensive Economic Partnership (RCEP). On 12 October 2020, China and Cambodia signed the Agreement between the Government of the People's Republic of China and the Royal Government of Cambodia Free Trade Agreement (CCFTA). On 1 January 2022, the RCEP and CCFTA officially came into force and were implemented.

② Some countries and regions have granted Generalised System of Preferences (GSP) treatment to goods exported from Cambodia such as textile and garments, travelling goods, agricultural products, etc., and the related products are entitled to tariff reductions and exemptions when they are exported.

Constraints include:

① Cambodia has a single trade structure, mainly exporting garments and focusing

on the US and European markets, which is vulnerable to changes in the international economic environment, especially the US and European economic situation.

② Cambodia's garment exports still enjoy preferential treatment, but will face the challenge of increasingly equal treatment and free competition in the future. Neighbouring countries such as Vietnam have a clear competitive advantage over Cambodia in terms of labour costs and expertise. Sub-Saharan African countries' textile and garment exports have grown rapidly after receiving quota-free and tariff-free treatment from the United States.

(iii) Cambodia's garment industry is close to saturation, and it has become increasingly difficult to attract new investment in this industry, resulting in a decrease in the number of projects and the amount of foreign investment in the garment industry in recent years, year by year.

④ On 12 February 2020, the European Union decided to withdraw tariff preferences for some Cambodian goods, affecting 20 per cent of Cambodia's total exports to the European Union. This decision came into effect on 12 August 2020, unless the EU Parliament and the EU Council objected, and on 1 January 2021, the United States Generalised System of Preferences (GSP) for Cambodia expired, which has not yet been renewed, and tariffs on related products exported to the United States are expected to rise by around 10-20 per cent.

(3) Flexible use of tax rules. Cambodia currently has the following main tax types and rates, which are: Income tax

9 or 20 per cent, VAT 10 per cent and sales tax 2 per cent. The main types and rates of taxes imposed on private investment enterprises in Cambodia are 9 per cent for income tax, 10 per cent for value-added tax and 2 per cent for business tax.

(4) Focus on improving product quality. Quality is fundamental to the survival of enterprises. The products exported by Chinese enterprises to Cambodia mainly include textiles and their raw materials, machinery, electrical appliances, food, auto parts, construction materials, medicine, tobacco and chemical products. Chinese enterprises should focus on improving the quality of their export products to build a good international goodwill.

7.2 Contractual engineering

Cambodia has a large space for infrastructure development, the government's desire to develop infrastructure is strong, and related companies do the following:

(1) Seizing market opportunities. Vigorous development of infrastructure has become one of the key economic objectives of the Cambodian Government. The World Bank and the Asian Development Bank provide nearly US\$ 100 million in concessional loans to Cambodia every year, mainly in the areas of technical support, electricity, water supply and drainage, roads and airports, and infrastructure development, as well as in the areas of health, agriculture, poverty alleviation and education.

(2) Selection of good contracting projects. Chinese engineering contracting enterprises should step up the cultivation of talents, especially high-quality and high-tech talents. They should give full play to their own advantages and choose projects with strong specialisation and high technical requirements, and they should also make efforts to try to participate in the competition for engineering consultancy projects.

(3) Further developing the market. While undertaking the complete set of projects assisted by the Chinese government in Cambodia, Chinese enterprises should endeavour to establish a good corporate image, lay a foundation for taking root in the local market, increase their competitive advantages in international bidding, and further expand the Cambodian contracting market.

(4) (c) Carrying out healthy competition and cooperation. Chinese enterprises should adhere to the following principles when participating in competition and

preparing quotations: technically within their reach, economically profitable and risk-controlled in the execution of projects. Blind and vicious competition should be avoided. Enterprises should also cooperate with each other flexibly and diversely to jointly develop the Cambodian market.

7.3 In the area of labour cooperation

(1) Familiarity with labour policies. The Cambodian Government manages foreign labour mainly on the basis of the Labour Law enacted in 1997, and in January 2002, the Ministry of Labour of Cambodia issued the Announcement on the Method of Application for Employment of Foreigners in Cambodia. Cambodia's labour policy is to strictly control the importation of foreign labour, to actively implement the strategy of localization of skilled personnel, to try every possible means to solve the problem of a large surplus of labour in the country, and to try to find a foreign job market.

(2) Enterprises must employ workers in accordance with the law. If they employ Chinese labourers, they must comply with the relevant regulations of the Ministry of Commerce of China and go through the proper and lawful procedures to work in Cambodia, and illegal employment is prohibited.

Enterprises are also required to apply to the Ministry of Labour by the end of November each year for the target number of foreign workers to be employed in the following year, and they will not be allowed to employ foreign workers without applying for the annual target number of workers to be employed. The hired foreign workers must also satisfy all the articles stipulated in the Labour Law.

Pieces.

(3) (c) To carry out the relevant procedures in accordance with the law. In the process of applying for a work permit, the first thing to do is to understand the laws and regulations carefully. Generally speaking, Cambodia's labour regulations are formulated with reference to the labour standards of western developed countries, with more stringent requirements and many regulations differing greatly from those of China's. When Chinese enterprises invest and cooperate in Cambodia, they must read the relevant laws and regulations carefully to avoid labour problems. When Chinese enterprises invest and cooperate in Cambodia involving labour issues, they must read the relevant laws and regulations carefully to avoid labour problems.

7.4 Protecting against investment co-operation risks

In the process of investment, trade, contracting and labour cooperation in Cambodia, special attention should be paid to investigating, analysing and evaluating the relevant risks beforehand, and avoiding and managing the risks during the process, so as to effectively safeguard one's own interests. This includes investigation and assessment of the creditworthiness of the project or trade clients and related parties, analysis and avoidance of political and commercial risks in the country of investment or contracting, and feasibility analysis of the implementation of the project itself. It is recommended that relevant enterprises actively utilise the relevant business of insurance financial institutions such as insurance, guarantee, banks and other professional risk management institutions to protect their interests. These include credit insurance, property insurance and personal safety insurance for trade, investment, contracted projects and labour services, factoring and forfaiting business of banks, and various types of guarantee business (government guarantees, commercial guarantees and letters of guarantee).

It is recommended that enterprises use credit risk protection products, including political and commercial risks, provided by the China Export and Credit Insurance Corporation (CECIC), China's policy-based insurance agency, in the process of conducting outbound investment and cooperation; they may also use commercial guarantee services provided by policy-based banks such as the Export-Import Bank of

China.

China Export and Credit Insurance Corporation (CECIC) is a state-owned policy insurance company funded by the State, supporting China's foreign economic and trade development and co-operation, with the status of an independent legal person, and is the only financial institution in China that undertakes policy-oriented export credit insurance business. The company's insurance products to support enterprises' foreign investment and cooperation include short-term export credit insurance, medium- and long-term export credit insurance, overseas investment insurance and financial guarantee, etc. The company provides risk protection against economic losses caused by nationalisation levies, exchange restrictions, wars and political riots, breach of contract, and other political risks in the countries (regions) where the investments are made. To learn more about the services, please visit the company's website at: www.sinosure.com.cn

If a risk loss occurs without effective risk avoidance, it is also necessary to recover the loss as soon as possible through its own or related means, depending on the circumstances of the loss. In the case of business underwritten through a credit insurance institution, the credit insurance institution will determine and underwrite the claim and compensate for the risk loss, and the relevant organisation will assist the credit insurance institution in recovering the loss.

8. Harmonious relations among Chinese enterprises in Cambodia

8.1 Managing relations with the Government and Parliament

Cambodia has a constitutional monarchy, with parliament and government interacting, coordinating and restraining each other. Chinese companies need to establish positive and harmonious public relations in Cambodia.

(1) To understand the powers and interrelationships of central government departments and parliaments, their responsibilities and the political and economic focus and topical issues of concern to them.

(2) Be on the lookout for the latest policy directions from the Cambodian government.

(3) Maintain communication with government officials and parliamentarians who have influence on economic and trade affairs, report from time to time on the development of the company and its contribution to the local economy and society, and at the same time reflect in a timely manner the problems and difficulties encountered in the development of the enterprise.

(4) On matters where the enterprise may have a significant impact in the local area, it is necessary to listen to the opinions of the relevant local government departments and obtain the support of the government departments.

8.2 Proper management of relations with trade unions

In order to achieve reasonable control of wage costs, reduce labour friction and maintain normal business operations, Chinese enterprises in Cambodia must learn to properly handle their relationship with local trade unions.

(1) It is important to have a thorough understanding of the Cambodian Labour Law and to be familiar with the development, rules and regulations and mode of operation of local trade unions. According to the law, both labourers and employers have the right to form professional organisations on their own without prior approval. Professional organisations formed by labourers are called "labour unions" and professional organisations formed by employers are called "employers' associations", and it is prohibited to form trade unions in which both employers and

labourers are members. The right of workers to strike and the right of employers to lockout are protected by law.

(2) It is necessary to strictly observe the Cambodian regulations on employment, termination of employment, wages, leave, etc., to sign employment contracts in accordance with the law, to provide employees with necessary skills training, to pay wages in full and on time, and to guarantee the right of workers to take leave. Termination of the employment contract shall be notified to the employee in advance as stipulated, and compensation for dismissal shall be paid.

(3) In Cambodia, trade union activities are protected by domestic laws and are more active. Therefore, for the sake of production and development of enterprises, enterprises should try to strengthen communication, strive for understanding, actively guide, try to resolve conflicts between enterprises and trade unions, and avoid strikes in order to prevent unnecessary economic losses to enterprises due to labour disputes, strike demonstrations, and so on.

8.3 Closer relations with the local population

(1) To understand Cambodian culture and the cultural taboos and cultural sensitivities that go along with it, and to learn some everyday Cambodian is a key factor for Chinese companies to be able to build good relationships with the local population.

(2) In order to comply with the Cambodian government's strategy of localising technical talents, Chinese enterprises can employ more Cambodian staff and increase the training of their professional skills to increase local employment.

(3) There are more holidays in Cambodia and the people also attach great importance to traditional festivals. In order to get closer to the local people, enterprises can invest a certain amount of manpower and resources to participate in the activities of these traditional festivals.

8.4 Respect for local customs

(1) Respect for local religious beliefs. In Cambodia, Buddhism is the national religion (Hinayana Buddhism), and more than 85 per cent of the population are Buddhists. Buddhist temples are located throughout the country and play an important role in the life of the whole society not only as centres of religious activities but also as places of local education and book collections. Monk kings and monks have a high social status and are respected by the people.

(2) Attention to etiquette. The most common etiquette is the ten-fold salute, that is, the hands stand in front of the chest, the height of the fingertips depending on the status of the other party, the king, members of the royal family, monks, but also squatting or kneeling salute. In social occasions are also popular handshake, but men and women are still to perform the salute is appropriate. Shake hands or hand something with the right hand, should not use the left hand. When visiting or worshipping Buddha in Buddhist temples and royal palaces, one should dress modestly and neatly and take off one's shoes without a crown. Don't touch other people's heads with your hands, and don't point at any person or object with your feet, especially the soles of your feet should not be directed at the statue of Buddha.

8.5 Protecting the ecological environment in accordance with the law

Cambodia focuses on environmental protection. Any private or public project requires an environmental impact assessment. Chinese enterprises investing and cooperating in Cambodia should also attach great importance to environmental protection and protect the local ecological environment in accordance with the law.

(1) Before investing in a project, enterprises should understand the Cambodian

Law on Environmental Protection and other relevant policies and regulations to avoid breaking the law.

(2) Enterprises should carry out adequate and scientific environmental impact assessments beforehand before making investments. They should make good solutions in the process of project planning and design, and prevent, reduce and control the hazards that may be caused to the environment in the implementation of the project, in accordance with the laws and regulations on environmental protection.

(3) Prior to the establishment of an enterprise, it should communicate with the Ministry of Environmental Protection regarding the investment. If the Ministry of Environmental Protection agrees, the environmental impact assessment process begins.

Typical practices of Chinese-funded enterprises in protecting the ecological environment] The Elesai Downstream Hydropower Station insists on the equal importance of project construction and environmental protection, protects wild animals, restores vegetation in a timely manner, and establishes a rubbish sorting system in the power station and the camp area: food waste is processed through the biogas equipment, and biogas residue is used as organic fertiliser for planting trees and grasses; office rubbish is collected and sent to the recycling station for disposal on a regular basis. At the early stage of the construction of the Sanghe II Hydropower Station, the EIA study found that there were 34 types of long-distance migratory flows in the river area where the station is located.

In order to meet the passage needs of migratory fish and to maintain the diversity of fish in the region, the project owner has taken the initiative to increase the number of fish passes built to meet the needs of migratory fish.

The installation works will be carried out and regular inspection and observation will be carried out after the fish passages are put into use. In addition, the project also adopts underground complete domestic sewage treatment facilities to treat domestic sewage, and the treated wastewater can be used for greening and irrigation.

The Jingang Expressway Project set up a leading group for environmental protection and soil and water conservation at the early stage of planning to carry out scientific control of environmental protection and soil and water conservation, and to prevent serious environmental pollution and soil and water erosion accidents. It actively implements various environmental protection measures at the construction site, and regularly carries out comprehensive inspections of water environmental protection, noise, site cleanup, etc. When the project plan passes through the local scenic area, the company takes the initiative to adjust the programme to carry out protective construction, and takes the initiative to compensate and repair the unavoidable disturbances. During the construction of the temporary site, the fourth site found that buffaloes were found in the upstream of the transverse main drainage ditch of the material preparation area, so two one-way walls were added to the original drainage ditch to ensure that the buffaloes' living habitats would not be affected.

8.6 Assumption of necessary social responsibilities

Chinese enterprises investing and cooperating in Cambodia should not only endeavour to develop their business, but also assume the necessary social responsibility.

(1) It is important to pay attention to resource, environmental, labour, security and social governance issues arising from business development so as to avoid arousing resentment and resistance from local residents. Since Cambodia has a strict labour system, labour issues such as salary, working environment and overtime should be given high priority by enterprises.

(2) It is important to enhance the awareness of work safety and strengthen basic management, especially for Chinese enterprises in high-risk industries such as construction, mining and large hydropower station projects, which must take precautions to avoid work safety accidents.

(3) Chinese-funded enterprises and their staff should know the law and abide by

it, follow the customs, refrain from violating local laws and social morals, and be responsible for the image of the nation, the reputation of the enterprise and brand building, as well as for the long-term friendly relations between China and Cambodia.

[Chinese enterprises carry out public welfare activities in Cambodia] Shanghai Construction Industry Corporation (SCIC) participates in the donation of road safety protection products by the Ministry of Public Works and Transport of Cambodia and distributes free motorbike helmets to the public.

China Construction 8 donated 20 precast fair-faced concrete grandstand panels to the Cambodian Olympic Centre to be used for exhibitions and to double as open-air seating in the East Plaza of the Sports Centre.

In 2020, when more serious floods occurred in Cambodia, enterprises such as Huadian Xigang Power Generation Company and Angkor International Airport Company donated funds to the Cambodian Red Cross, and Xigang Special Zone Company donated daily necessities to support Cambodia's flood relief work and help local people affected by the floods.

Since June 2020, WHCC has sent a group of employees who are familiar with Chinese and English as volunteers to Sihanoukville International Airport to carry out volunteer services, providing free translation and guidance for international travellers.

[Chinese-funded enterprises assume social responsibility for anti-epidemic work] Since the epidemic, Chinese-funded enterprises in Cambodia have strictly implemented the local government's measures to prevent and control the epidemic, in addition to actively organising the inoculation of their employees with the New Crown Vaccine, requiring personnel entering factories, workshops, and offices to wear face masks and measure their body temperatures, and setting up disinfection supplies and facilities in public places, some of the enterprises have also provided dormitories for free to the

Employees with long commuting distances live there to reduce the risk of infection, and some special economic zones have implemented park curfews at the appropriate time in accordance with the epidemic situation. Chinese-funded enterprises in Cambodia have also strengthened their publicity on epidemic prevention and control for their employees, and some of them have issued leaflets on epidemic prevention and control and posted banners on epidemic prevention and control.

Since 2020, SIPC has donated masks, protective gloves, medical alcohol, hand sanitizer and other anti-epidemic materials to Sihanoukville provincial government, district and commune governments, and donated 50,000 masks to Cambodia Anti-Corruption Commission; vacated more than 8,000 square metres of factory building to be used as nucleic acid testing and vaccination sites and undertake disinfection and cleaning services according to the requirements of the provincial government, and 112 dormitories to be used as rooms for the treatment of patients diagnosed with XKP. In addition, it also organised enterprises in the SAR to donate about US\$27,000 to the local government to fight against the epidemic.

8.7 Know how to deal with the media

(1) Enterprises should establish a normal information disclosure system and regularly release relevant information to the media. They may also open their doors to the media on a regular basis and welcome the media to visit and interview enterprises to learn about their real development and to publicise and supervise them.

(2) When corporate behaviour involves socially sensitive issues, especially when it encounters unjust public opinion pressure, it should focus on publicity and guidance, make good preparations and communicate with the public through the media. Speak out to the media in a timely manner to clarify false reports. In addition, it should take the initiative to strengthen contact with local mainstream media and guide local media to conduct objective and fair publicity.

(3) In order to improve the public image of Chinese enterprises, enterprises should not reject the media, let alone be rude to journalists, but should face the media with equality, trust, respect, sincerity and openness, and form a harmonious relationship with the media through positive interaction.

[Typical Practices of Media Work of Chinese-funded Enterprises] China Road & Bridge Group Cambodia Office has formulated a publicity work plan, with the goal of continuously promoting the image construction of China Road & Bridge's big platform in Cambodia, grasping the key publicity nodes, doing a good job of publicity and reporting on key projects, and co-ordinating the overall publicity work of China Road & Bridge and the construction of the brand image in Cambodia, and the Golden Port Expressway Project has now opened the Cambodian and English version of Facebook, International version of Tiktok, English version of Twitter and English version of YouTube and other five new media platforms for external communication, with a total number of fans of about 200,000 people and a reading volume of more than 3 million times, and continue to communicate with Cambodia Bayon TV, Cambodia National Radio, Cambodia Chinese Daily and other media, and release more than 30 reports related to the project in 2021.

Huadian Xigang Power Company has built a special corporate culture gallery for the Xigang project, and carried out public open day activities and social responsibility month activities. Huadian Xigang Window" newspaper is published every month to report on the major nodes of the project, publicise the progress of the project, highlight the work, report the postings every week, and publish the "Voice of Huagang" on the INS platform.

Ltd. signed a strategic cooperation agreement with the Cambodian-Chinese Journalists Association at the end of 2019 and became its first and only construction enterprise partner. In June 2021, the Cambodian-Chinese Journalists Association organised a number of Cambodian media outlets such as Cambodian Mono, Cambodian Chinese Daily News and, focusing on the development history of Shanghai Baoye Cambodia Ltd. organised and planned a special publicity report.

The general manager of the company and the representatives of Cambodian outstanding employees were interviewed and published a number of feature articles and reports entitled "The Beginning and Mission on the "Belt and Road"", "Together with Cambodia, open up the sky", "From 14 people to 220 people, the "fission" of the Chinese enterprises in Cambodia" and so on. The Chinese enterprises in Cambodia are "cracking up" from 14 people to 220 people.

8.8 Learning to deal with law enforcement

Police, industry and commerce, tax, customs, labour and other law enforcement agencies are the national administrative forces to maintain social order in Cambodia. It is the duty of Cambodian law enforcers to check the identity documents of residents and foreigners under their jurisdiction, inquire about relevant matters and search factories or construction sites, and the relevant personnel of Chinese enterprises should learn to deal with these law enforcers and actively cooperate with them in carrying out their official duties.

(1) Chinese enterprises should establish and improve the management system of doing business in accordance with the law, and hire lawyers to educate their employees about the law, so that they can understand the common sense of the law and countermeasures that are necessary for their work and life in Cambodia, so that they can be aware of the law and abide by it, and make reasonable countermeasures.

(2) Chinese personnel should carry their identity documents, work documents or temporary residence certificates with them when they go out. Important documents such as business licences and tax lists should be kept in a safe place.

(3) When law enforcement officers check identity papers and working documents, Chinese personnel should politely show their documents and answer the police's questions; if they do not have their documents with them, do not be afraid, do not hide, and do not run away, but rather state their identity or write down their contact telephone number so that the company can send someone to contact them.

(4) When encountering law enforcement officers searching the company or residence, you should ask them to show your documents and search certificate, and ask them to contact the lawyer of the Chinese enterprise and report to the Chinese

Embassy in Cambodia. In case of confiscation of documents or property by law enforcement officers, you should ask the law enforcement officers to produce a list of confiscated documents or property as evidence, write down the police number and car number of the law enforcement officers, and ask the law enforcement officers to protect the commercial secrets of the enterprise; you should ask the police officers for a receipt of the fine when you pay the fine.

(5) In case of unfair treatment of Chinese personnel or enterprises by law enforcement officers, Chinese personnel should not clash with the law enforcers, not to mention breaking the law, but should respond rationally, be reasonable, favourable and courteous, and may defend their legitimate rights and interests by dealing with them through lawyers. In case of emergency, they should also report to the Chinese Embassy in Cambodia in a timely manner.

8.9 Dissemination of traditional Chinese culture

The traditional Chinese culture of harmony, tolerance and friendliness is a unique advantage for Chinese enterprises to invest in foreign countries and integrate into local communities. At the same time, Chinese culture "going out" is also an important way to enhance China's "soft power", "going out" enterprises should have both a sense of responsibility and confidence and ability to spread Chinese traditional culture in the local community. Traditional Chinese culture. In their internal management, Chinese enterprises should learn to carry out civilized dialogues and exchanges between traditional Chinese culture and local culture, especially to create a friendly, tolerant and harmonious atmosphere among their employees; on the other hand, they should make use of the public diplomacy platform in their external development.

Actively establish the corporate culture that Chinese enterprises do not compete with the locals for profits but live in harmony with the locals, develop business and make friends with the cultural charm of Chinese enterprises and Chinese people, and spread the Chinese culture with actions.

9. How Chinese enterprises/personnel can seek help in Cambodia

9.1 Seeking legal protection

(1) Chinese enterprises investing in Cambodia should not only register and operate in accordance with the law, but also resolve disputes and defend their rights and interests through legal means when necessary;

(2) Chinese enterprises should hire local lawyers to deal with the legal affairs of the enterprise, and once involved in economic disputes, they can use the power of lawyers to seek legal solutions to protect their own interests.

9.2 Seek help from local authorities

Both the central and local governments of Cambodia attach great importance to foreign investment. In their investment and cooperation in Cambodia, Chinese enterprises should establish close contact with the relevant departments of the central government and the governments where the enterprises are located, so that they can inform the development of their enterprises from time to time and reflect the problems they encounter in a timely manner in order to seek more support from the governments where they are located.

In case of emergencies, in addition to reporting to the Economic and Commercial Section of the Chinese Embassy in Cambodia and the Company's headquarter, the Company should also contact the relevant departments of the government where the enterprise is located in a timely manner in order to obtain support and assistance.

9.3 Obtaining protection from the Chinese Embassy there

The behaviour of Chinese nationals in the territory of other countries is mainly governed by international law and the local laws of the countries in which they are stationed. Whenever the lawful rights and interests of Chinese ~~and~~ (including those of Chinese nationality who have violated local laws) are infringed upon locally, Chinese embassies and consulates abroad have the responsibility to protect them to the extent permitted by international law and local laws.

Before entering the Cambodian market, Chinese enterprises shall first consult the

Economic and Commercial Affairs Office of the Chinese Embassy in Cambodia; after fulfilling the legal investment registration procedures, they shall report to the Economic and Commercial Affairs Office of the Chinese Embassy in Cambodia in a timely manner according to the regulations for the record; and they shall keep regular contact with the Economic and Commercial Affairs Office. In case of major problems and incidents, they should report to the Chinese Embassy in Cambodia in a timely manner and obey the leadership and coordination of the Embassy when dealing with related matters.

For the assistance that can be provided by the Consular Section of the Chinese Embassy in Cambodia in the investment and co-operation of Chinese enterprises in Cambodia, please refer to the website of the Ministry of Foreign Affairs (www.fmprc.gov.cn). For the assistance that can be provided by the Economic and Commercial Section of the Chinese Embassy in Cambodia, please refer to the website of the Ministry of Commerce (cb.mofcom.gov.cn).

9.4 Establishment and activation of contingency plans

When Chinese-funded enterprises go to Cambodia to carry out investment and cooperation, they should objectively assess potential risks, establish internal emergency warning and contingency mechanisms in a targeted manner, and formulate plans to deal with risks. They should provide safety education to their employees and strengthen their safety awareness; set up special personnel responsible for production safety and daily safety and security work; and invest the necessary funds in purchasing safety equipment, including putting employees on

Insurance, etc.

In case of sudden natural disasters or man-made events, the emergency plan should be activated immediately to try to minimise the damage. In case of fire and injuries, local fire alarms and ambulance calls should be made in a timely manner; after that, the situation should be reported to the Chinese Embassy and Consulates in Cambodia and the headquarter of the enterprise in China immediately.

9.5 Other response measures

Chinese enterprises in Cambodia to carry out investment and co-operation, can also participate in or contact with the Chinese Chamber of Commerce in Cambodia. The Chinese Chamber of Commerce in Cambodia is a self-regulatory, non-profit organisation for Chinese enterprises in Cambodia under the guidance of the Economic and Commercial Section of the Chinese Embassy in Cambodia and approved by the Ministry of Commerce of the Royal Government of Cambodia.

10. Policy measures for the prevention and control of the new coronavirus epidemic and economic recovery in Cambodia

10.1 Status of the New Crown Pneumonia Outbreak

[Situation of neocoronavirus pneumonia in Cambodia] The first confirmed case of neocoronavirus pneumonia was found in Saikang, Cambodia on 27 January 2020, which is an imported case. According to the statistics of the World Health Organization, as of 31 December 2022, Cambodia has accumulated 138,467 cases of neocoronavirus infection and 3,056 deaths, with 269.76 doses of vaccine per 100 people, a full basic immunisation rate of 87.33 per cent, and a booster immunisation rate of 62.21 per cent.

[Economic and Social Development Affected by the New Crown Pneumonia Epidemic] In 2021, the Cambodian economy gradually recovered from the impact of the New Crown Pneumonia Epidemic, and according to the Cambodian government, the annual Gross Domestic Product (GDP) was US\$28.643 billion, a year-on-year increase of 2.4 per cent, and the per capita GDP increased to US\$1,730. Among them, industry grew by 5.7 per cent (garment industry grew by 4.6 per cent, construction industry grew by 1.4 per cent), service industry grew by 0.3 per cent (hotels and restaurants grew by -31.2 per cent, transport industry grew by 5.2 per cent, fixed assets industry grew by 0.6 per cent), and agriculture grew by 1.4 per cent (plantation grew by 1.9 per cent, livestock farming grew by 0.8 per cent, fishery grew by 1.1 per cent, and forestry declined by 1.4 per cent).

10.2 Defence and control measures

[Relevant measures] The Cambodian government has issued several bans to control the development of the epidemic:

The third outbreak of community-acquired infections in Cambodia in February 2021 (officially defined as the "2.20" incident), which took place in a short period of time, has been a major cause of concern.

A total of 30,695 cases were confirmed in 3.5 months.

(1) From 15 April to 5 May, Phnom Penh is under the order of "city closure" and after the closure order is over, "zoning" control is still in force and all schools,

entertainment places, tourist attractions, parks, pubs, theatres, museums, fitness centres and sports centres in Phnom Penh will remain closed from 6 to 12 May. All schools, entertainment venues, tourist attractions, parks, pubs, theatres, museums, fitness centres and sports centres in Phnom Penh remain closed from 6 to 12 May.

(2) From 29 July to 12 August, in order to curb the spread of the Delta epidemic, the Cambodian government announced the launch of a two-week "National Anti-Epidemic Operation", during which "curfews" and bans on gatherings and activities were adopted in all regions of Cambodia in accordance with the actual situation, as well as other measures to prevent the epidemic. In the evening of 11 August, Prime Minister Hun Sen issued a decree to continue to **extend the** "national anti-epidemic operation" to combat the epidemic; Phnom Penh will extend the "curfew" until 26 August. During this period, schools, casinos, museums and other places in high-risk areas must remain closed, and gatherings of more than 15 people are prohibited in the city.

(3) On 19 October, Prime Minister Hun Sen stated that Cambodia would reopen all economic activities in the near future if the epidemic remained stable.

(4) On 20 October, the curfew was lifted in Siem Reap (Siem Reap Province imposed the curfew on 8 September and then extended it on 4 October until 20 October.) On the same day, the Sittwe Provincial Government decided to lift the curfew.

(5) On 20 October, Cambodia reopened applications for tourist visas.

(6) On 25 October, Hun Sen said that Cambodia would launch a strategy to "restore and promote economic growth under the new normal of coexistence with the virus" by reopening the country and restarting economic and social activities.

(7) From 1 November, the Cambodian Government fully resumed its official activities, public transport such as buses and ferries resumed normal operations, leisure and entertainment venues such as beer gardens and cinemas were allowed to operate, and the tourism industry was allowed to restart.

10.3 Specialised anti-epidemic support policies for enterprises

In response to the impact of the New Crown Pneumonia epidemic, Prime Minister Hun Sen announced the first phase of the fiscal programme on 24 February 2020, unveiling a package of financial assistance packages, including: the establishment of a \$50 million joint financing facility; factories affected by shortages of raw materials or EU tariffs will be able to enjoy up to one year's tax-free leave; workers in shuttered factories will be able to receive 60 per cent of their base salary; residences under \$70,000 will be exempted from the registration tax; and Siem Reap's hotel inns will be Four months tax exemption, etc.

In 2021, the Cambodian government introduced a number of measures in succession, the Ministry of Finance and Economy of Cambodia officially launched a US\$100 million low-interest loan to support the development of small and medium-sized enterprises (SMEs); the National Bank of Cambodia required credit institutions to reduce or waive their fees and charges, including lowering the cost of credit-related services; the Popular Bank of Cambodia supported customers to hold off on repaying their loans; and the National Bank of Cambodia instructed commercial banks and microfinance institutions that they must allow borrowers to apply to carry out The National Bank of Cambodia has instructed commercial banks and microfinance institutions to allow borrowers to apply for "debt restructuring" and other measures. For the general public, the Government provides a monthly subsidy of \$40 for unemployed employees in factories and the tourism industry; the Government intends to invest \$450 million to assist economically vulnerable groups. For the agricultural sector, the Cambodian Government has earmarked \$50 million in

low-interest loans to promote animal husbandry, among other policies.

10.4 Special tips for Chinese enterprises

At present, the threat of epidemic in Cambodia has not yet been completely eliminated, superimposed on the international routes are not smooth from time to time, in order to do a good job in safety, epidemic prevention and business work, to ensure the safety of personnel and projects, it is suggested that Chinese enterprises in Cambodia should pay attention to the following points:

(1) Impact of the New Crown Pneumonia Outbreak on Local Chinese Enterprises

① Increased operating costs for enterprises and difficulties in exporting products.

As a result of the increase in logistics costs due to the closure of ports, the reduction of flights and the increase in transport costs, the import of raw materials for the garment manufacturing, agricultural and construction industries has been greatly restricted, and the export of products has been similarly limited.

② Difficulty in the movement of business personnel. During the Xin Guan Pneumonia epidemic, due to the suspension of classes and flights or the reduction, entry visas and other reasons, the movement of Chinese technical personnel is quite difficult, the cost of international travel has increased greatly, many people return to their home countries on leave and then it is difficult to return to Cambodia, and many employees can not return to their home countries to rotate because of the epidemic, and long time to stick to their posts.

(iii) Pressure on enterprises to prevent epidemics. Enterprises in Cambodia employ a large number of local labourers, so the cost of epidemic prevention is high, plus the local people's awareness of epidemic prevention is relatively low, which also makes it very difficult to prevent epidemics.

④ As a result of the epidemic, export orders for the garment manufacturing industry have declined and factories are facing temporary closure.

⑤ The tourism, hotel, catering, airline, retail and other service sectors were significantly affected by the epidemic, with a significant drop in passenger traffic.

(2) Recommendations to protect against the risk of local outbreaks

① Chinese enterprises should promptly set up prevention and control emergency response teams, define prevention and control measures, formulate emergency response plans, cut off sources of imported risks, and implement a daily zero-reporting system.

② Enterprises check the information of mobile workers one by one, and implement separate segregation for mobile workers from other places at the first time.

③ Stockpile anti-epidemic materials such as thermometers, hand sanitisers, disinfectants, etc., and disinfect public areas properly. Properly stockpile medicines that have proved effective in domestic treatment.

④ It is stipulated that employees are not allowed to organise or participate in large-scale gatherings, and do not go to places with complicated access such as bars, KTVs, SPAs and gaming and entertainment venues.

⑤ Make it mandatory for employees to wear masks in public places.

(vi) Once a suspected epidemic is detected, the patient should be immediately sent to a government-designated hospital for testing and consultation, and promptly reported to the domestic authorities and the Chinese Embassy.

(vii) Strictly comply with other preventive and control measures required by domestic authorities and local governments.

Appendix 1 List of some government ministries and related institutions in Cambodia

(1) Cambodia Investment Committee

Address: Government Palace, Sisowath Quay, Wat Phnom, Phnom Penh

Tel: 00855-23981154, 981156, 981183 Fax:

00855-23428426, 428953, 428954

E-mail: cdc.cib@bigpond.com.kh

Website: www.cambodiainvestment.gov.kh

(2) Cambodian Committee for Special Economic Zones

Address: Room 7-8C, Government Palace, Sisowath Quay, Wat Phnom, Phnom Penh

Tel: 00855-23992355

Fax: 00855-23992355

E-mail: cdc.csezb@camintel.com

(3) Ministry of Agriculture, Forestry and Fisheries (MAFF)

Address: No. 200, Norodom Blvd, Sangkat Tonle Basak, Phnom Penh

Tel: 00855-23211351, 211352

Fax: 00855-23217320

E-mail:

icomaff@camnet.com.kh 网址:

www.maff.gov.kh

(4) Department of Commerce

Address: Lot 19-61, MOC Road (113broad), phum Teuk Thla, Sangkat Teuk Thia,
Khan Sen Sok, Phnom Penh

Tel: 00855-23426024

Fax: 00855-23426024

E-mail: wtooffice@camnet.com.kh (ASEAN and International Organisations
Division), itd@gocambodia.com (International Trade Division)

Website: www.moc.gov.kh

(5) Ministry of Finance and Economics

Address: No. 60, Street 92, Khan Daun Penh, Phnom Penh

Tel: 00855-23428960, 428634, 428635

Fax: 00855-23427798

Website: www.mef.gov.kh

(6) General Directorate of Customs and Excise

Address: No. 6-8, Norodom Blvd, Phnom Penh

Tel: 00855-23214065

Fax: 00855-23214065

E-mail:

info@customs.gov.kh 网址:

www.customs.gov.kh

(7) Ministry of the Environment

Address: No. 48, Sihanouk Blvd, Phnom Penh

Tel: 00855-23427894

Fax: 00855-23427844

E-mail: [moe-](mailto:moe-cabinet@camnet.com.kh)

cabinet@camnet.com.kh 网址:

www.moe.gov.kh

(8) Ministry of Foreign Affairs and International Cooperation

Address: No. 161, Corner street 240, Preah Sisowath Quay, Phnom Penh

Tel: 00855-23214441

Fax: 00855-23216144

E-mail:

mfaicasean@bigpond.com.kh 网

址: www.mfaic.gov.kh

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(9) Ministry of Mines and Energy

Address: #78-79, Pasteur Street [51], Sangkat Phsar Thmey3, Khan Daun Penh, Phnom

Tel: 00855-23219574

Fax: 00855-23219584

Website:

www.mme.gov.kh 电邮:

info@mme.gov.kh

(10) Ministry of
Land,
Urban
Planning
and
Constructio
n

Address: No. 771773, Monivong Blvd., Phnom Penh

Tel: 00855-23215659, 216660,215278

Fax: 00855-23215277

Website: www.mlmupc.gov.kh

(11) Programme Department

Address: No. 386 Monivong Blvd, Phnom Penh

Tel: 00855-23720901, 720902

Fax: 00855-23210698,210944

E-mail:

mop@cambodia.gov.kh 网址:

www.mop.gov.kh

(12) Ministry of Public Works and Transport

Address: No. 106, Norodom Blvd, Phnom Penh

Tel: 00855-23427862

Fax: 00855-23427862

Website: www.mpwt.gov.kh

(13) Ministry of Labour and Vocational Training

Address: No. 3, Conferation de la Russie, Phnom Penh

Tel: 00855-23884375

E-mail:

mlv@cambodia.gov.kh 网址:

www.mlv.gov.kh

(14) Ministry of Tourism

Address: No. 3, Monivong Blvd, Phnom Penh

Tel: 00855-23212837

Fax: 00855-23212837

E-mail:

info@mot.gov.kh 网址:

www.mot.gov.kh

(15) Ministry of Water Resources and Meteorology

Address: No. 47, Norodom Blvd, Phnom Penh

Tel: 00855-23724289, 724327

Fax: 00855-23426345

E-mail:

mowram@cambodia.gov.kh 网址:

www.mowram.gov.kh

(16) Cabinet Office

Address: No. 41, Russian Federation Blvd, Phnom Penh

Tel: 00855-23212708, 725103

Fax: 00855-23427935

Website: www.bigpond.com.kh/council-of-jurists

(17) national banking

Address: No, 22-24, Norodom Blvd, Phnom Penh

Tel: 00855-23-724866

Fax: 00855-23-426117

Website: www.nbc.org.kh

(18) Phnom Penh Municipality

Address: No. 69, Monivong Blvd, Phnom Penh

Tel: 00855-23722054, 426101

Fax: 00855-23724156

Website: www.phnompenh.gov.kh

Appendix 2 List of major Chinese enterprises

Industrial and Commercial Bank of China, Phnom Penh Branch, Tel: 00855-23-955880

Bank of China (Hong Kong) Phnom Penh Branch, Tel: 00855-23-988886

China Huadian Erezai Downstream Hydroelectric Project (Cambodia) Co. Ltd., Tel: 00855-18-9661089

Port Sihanoukville Special Economic Zone Ltd., Tel: 00855-23-726375

Angkor International Airport Investment (Cambodia) Co. Ltd., Tel: 15603623419

China-Cambodia International Logistics Co. Ltd., Tel: 00855-69-417095

Huawei Technologies (Cambodia) Co. Ltd., Tel: 00855-

86-363675 Huaxin Cement (Cambodia) Co. Ltd., Tel: 00855-89-666102

China Certification & Inspection Group Cambodia Ltd., Tel:

00855-23-988058 Battambang Conch Cement Ltd., Tel: 00855-71-2309999

Mission Aviation (Cambodia) Co. Ltd., Tel: 00855-23-981363

China Express (Cambodia) Co. Ltd., Tel: 00855-23-6715000

Cambodia Single Point Information Technology Co. Ltd., Tel: 00855-87-900258

COSCO Shipping Container Lines (Cambodia) Co. Ltd., Tel:

00855-23-216581 China Eastern Airlines Co. Ltd., Phnom

Penh Business Department, Tel: 00855-23-963086

The Guide to Foreign Investment and Cooperation in Cambodia provides an objective introduction to the investment and cooperation environment, which is a common concern for Chinese enterprises, especially small and medium-sized enterprises (SMEs), when they go to Cambodia to carry out investment and cooperation; it also gives tips on various problems that may arise when Chinese enterprises go to Cambodia to carry out business. It is hoped that this Guidebook can be an introductory guide for Chinese enterprises to enter Cambodia. However, due to the limited space and the different information required by different investors, the information provided in this Guidebook is only for readers' reference, and is not to be regarded as a full basis for enterprises to make investment decisions.

The Department of Foreign Investment and Economic Cooperation of the Ministry of Commerce organised and coordinated the preparation of the Guide. The Guide was prepared by the Economic and Commercial Section of the Chinese Embassy in Cambodia, and the following people participated in the drafting work: Wu Guoquan, Li Bank, Song Xiaoguo, Jin Yuan, Zhang Jin, Chen Jiaming, Wang Peng, Liu Siyuan, Wang Yicheng, Wang Xiangshe, who provided the original materials and valuable opinions for this book. The Business Guide of Cambodia published by the Economic and Commercial Section of the Chinese Embassy in Cambodia in October 2006 provided informative and important information for this book. In addition, the Ministry of Commerce of Cambodia and the Council for the Development of Cambodia also provided a lot of information for this book. Researchers from the Institute of Foreign Investment and Co-operation of the Academy of the Ministry of Commerce made additions and modifications to the contents of this Guide. Comrades from the Asia Department of the Ministry of Commerce provided valuable comments on the relevant contents of the text.

Due to the time constraints and our limited level of competence, criticisms and corrections are welcome if there are any improprieties.

author

December 2022