Key Indicators

- Land area: 181,035 sq.km.
- Population: 15 Million
- Labor force (young): 7,053,398 (Female: 3,608,345)
- Population growth rate: 1.54%
- GDP Growth (2013e): 7.6%
- GDP per capita (2013e): $1,036
- Inflation (2013e): 4%
- Exchange rate: USD 1 = 4,000 Riels
Economic Performance

Average growth for last 5 years is 5.6%

Source: SNEC & MEF
Information & Application
Approval
Customs Duty & Tax Exemption
Visa & Work Permit
Company Registration

A ONE STOP SERVICE
Council for the Development of Cambodia (CDC)

Samdech Akka Moha Sena Padei Techo HUN SEN
Prime Minister of the Kingdom of Cambodia
Chairman

H.E. Mr. Keat Chhon,
Permanent Deputy Prime Minister
1st Vice Chairman

H.E. Mr. Sun Chanthol,
Senior Minister, Minister of Commerce
Vice Chairman

H.E. Mr. Sok Chenda Sophea
Minister attached to the Prime Minister
Secretary General

H.E. Mr. Sok Chenda Sophea
Minister attached to the Prime Minister
Secretary General CSEZB

H.E. Mr. Chea Vuthy
Deputy Secretary General

H.E. Mr. Heng Soknang
Deputy Secretary General

H.E. Mr. Chea Vuthy
Deputy Secretary General

H.E. Mr. Chhieng Yanara
Minister attached to the Prime Minister
Secretary General CRDB

H.E. Mr. Rith Vuthy
Deputy Secretary General

H.E. Mr. Im Sur
Deputy Secretary General

SEZ

FDI

ODA
Licensing Authorities

- Council of Ministers: CDC but needs approval from CoM for project with investment capital exceeding $50 million, BOT, BOOT, BOO or BLT, long-term strategy, sensitive projects: negative impact on the environment and natural resource exploitation

- CDC: less than $50 million

- Provincial Authorities: less than $2 million
Investment Approval

- Investment application

  CDC issues a Conditional Registration Certificate to the Applicant → 3 working days

  - Company Registration / Ministry of Commerce
  - Relevant licenses, as appropriate / Ministry of Industry and Handicraft
  - Review and approval of construction plan / local authorities
  - Ministry of Land Management, Urban Planning and Construction.
  - Initial environmental impact assessment / Ministry of Environment
  - Tax Department Registration / Ministry of Economy and Finance

  CDC issues a Final Registration Certificate to the Applicant → 28 working days
Investment Incentives

- 20% Corporate Tax
- Tax holidays: Trigger period +3 years + n; 6 y < TH < 9 y
- Full Import Duty Exemption
- Special Depreciation (Reinvestment of Earning)
Investment Protection

The Investment Law and Sub-decree contains a number of important guarantees for the investors:

- Equal treatment of all investors (foreigners = nationals)
- No requirement of local equity participation
- No price controls on products or services
- No restriction on forex convertibility
- Free remittance of foreign currencies abroad
Bilateral agreement on the promotion and protection of investments between the Kingdom of Cambodia and other countries

1. Australia
2. Austria
3. China
4. Croatia
5. Cuba
6. Czech
7. France
8. Germany
9. Indonesia
10. Japan
11. Kuwait
12. Lao PDR
13. Malaysia
14. Netherlands
15. N. Korea
16. OPEC
17. Pakistan
18. Philippine
19. ROK
20. Singapore
21. Switzerland
22. Thailand
23. USA (OPIC)
24. Vietnam

25. Belarus (23 April 2014)
Encouraged Investment Activities

- Agriculture and agro-industry
- Transport and telecommunications
- Energy and electricity
- Labor-intensive industries, processing and manufacturing;
- Tourism
- Human resource development
- Oil & Gas, Mining
Approved Investments by Country/Region (Outside SEZs 1994-2013)

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>US$ Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>9,611</td>
</tr>
<tr>
<td>Korea</td>
<td>4,405</td>
</tr>
<tr>
<td>EU</td>
<td>3,649</td>
</tr>
<tr>
<td>Malaysia</td>
<td>2,620</td>
</tr>
<tr>
<td>Vietnam</td>
<td>1,524</td>
</tr>
<tr>
<td>USA</td>
<td>1,294</td>
</tr>
<tr>
<td>Taiwan</td>
<td>1,021</td>
</tr>
<tr>
<td>Thailand</td>
<td>899</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>870</td>
</tr>
<tr>
<td>Singapore</td>
<td>786</td>
</tr>
<tr>
<td>Japan</td>
<td>391</td>
</tr>
</tbody>
</table>
Approved Investments by Sector
1994 – 2013

- Agriculture: 10%
- Service: 17%
- Industry: 29%
- Tourism: 44%
<table>
<thead>
<tr>
<th>Rank</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,420,127,183</td>
<td>$6,309,435,594</td>
<td>$3,029,497,634</td>
<td>$7,984,908,645</td>
<td>$2,965,537,652</td>
<td>$3,314,528,763</td>
</tr>
<tr>
<td>2</td>
<td>China</td>
<td>Cambodia</td>
<td>Korea</td>
<td>U.K</td>
<td>Cambodia</td>
<td>Cambodia</td>
</tr>
<tr>
<td>3</td>
<td>Cambodia</td>
<td>China</td>
<td>China</td>
<td>Cambodia</td>
<td>China</td>
<td>China</td>
</tr>
<tr>
<td>4</td>
<td>Korea</td>
<td>Vietnam</td>
<td>Cambodia</td>
<td>China</td>
<td>Korea</td>
<td>Vietnam</td>
</tr>
<tr>
<td>5</td>
<td>Korea</td>
<td>Vietnam</td>
<td>Malaysia</td>
<td>Vietnam</td>
<td>Japan</td>
<td>Thailand</td>
</tr>
<tr>
<td>6</td>
<td>USA</td>
<td>Singapore</td>
<td>Malaysia</td>
<td>Malaysia</td>
<td>Malaysia</td>
<td>Korea</td>
</tr>
<tr>
<td>7</td>
<td>Israel</td>
<td>Russia</td>
<td>Vietnam</td>
<td>Korea</td>
<td>Thailand</td>
<td>Japan</td>
</tr>
<tr>
<td>8</td>
<td>Russia</td>
<td>Thailand</td>
<td>Portugal</td>
<td>Korea</td>
<td>U.S.A</td>
<td>Malaysia</td>
</tr>
<tr>
<td>9</td>
<td>U.K</td>
<td>Korea</td>
<td>Australia</td>
<td>U.S.A</td>
<td>Vietnam</td>
<td>Malaysia</td>
</tr>
<tr>
<td>10</td>
<td>Austria</td>
<td>India</td>
<td>Singapore</td>
<td>Japan</td>
<td>Singapore</td>
<td>Singapore</td>
</tr>
<tr>
<td>11</td>
<td>Vietnam</td>
<td>Malaysia</td>
<td>Denmark</td>
<td>Australia</td>
<td>U.K</td>
<td>UK</td>
</tr>
<tr>
<td>12</td>
<td>France</td>
<td>Japan</td>
<td>Japan</td>
<td>Singapore</td>
<td>U.S.A</td>
<td>France</td>
</tr>
<tr>
<td>13</td>
<td>Others</td>
<td>Others</td>
<td>Others</td>
<td>Others</td>
<td>Others</td>
<td>Others</td>
</tr>
</tbody>
</table>
Infrastructure: A definite prospect

- Priority for infrastructure
- Infrastructure rehabilitation
- Multilateral aid availability
- Decentralization
- Regional opportunities
- ASEAN & GMS integration
- Private Participation in Infrastructure (PPI): BOT, BOO, etc...
1) Production, Processing and Commercialization of:
   - Rice, Corn, Cassava, Sugarcane, Cashew nut, Pepper and others

2) Livestock Farming and Aquaculture
   - Animal breeding
   - Animal feed production
   - Freshwater and marine-based natural fisheries
   - Freshwater and marine aquaculture
   - Processing and trading
Tourism

- World Heritage Monuments
- Open Sky Policy to Siem Reap
- Natural beauty - Beach - Islands
- Ability to attract “add-on” trips
- Novelty value

Dolphins in Mekong River - Cambodia
Vision 2020: Visitor arrival from 2010 – 2020

<table>
<thead>
<tr>
<th>YEAR</th>
<th>2010</th>
<th>2012</th>
<th>2015</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitor Arrivals</td>
<td>2,508,289</td>
<td>3,584,307</td>
<td>5,100,000</td>
<td>7,000,000</td>
</tr>
</tbody>
</table>
Top ten markets in 2013

- Vietnam
- China
- ROK
- Lao PDR
- Thailand
- Japan
- U.S.A
- Australia
- Russia
- France
Investment Opportunities

- **Phnom Penh**
  - International Convention Center
  - High-end hotel (Four Seasons, Hyatt, etc…) at the moment there are only Intercontinental Hotel, Sofitel and Raffles with approximately 500 rooms.

- **Siem reap**
  - International Convention Center
  - High-end hotel (Four Seasons, Sheraton, and Marriott, etc…) at the moment there are only Raffles, Hyatt, Le Meridien, Sofitel, Aman resorts and Orient Express, with approximately 800 rooms.
  - Amusement park / recreational activities
  - Golf course (there are three existing golf courses)

- **Sihanoukville**
  - High-end hotel (Four Seasons, Hyatt, etc…)
  - Golf Course
Manufacturing & Export

- Competitive labor cost
- Tax incentives
- Market access
- Asean Economic Community 2015
MFN/GSP Market Access

- Australia
- Austria
- Belarus
- Belgium
- Bulgaria
- Canada
- China
- Czech Republic
- Denmark
- Finland
- France
- Germany
- Hungary
- Ireland
- Italy
- N-Korea
- Luxemburg
- Japan
- Netherlands
- New Zealand
- Norway
- Poland
- Portugal
- ROK
- Russian Federation
- Slovakia
- Spain
- Sweden
- Switzerland
- UK
- USA
- EBA (everything but arms initiative for LDCs)

... and the ASEAN integration System Of Preferences (AISP) from the ASEAN 6
Cambodia’s Special Economic Zones

- Poipet O’Neang SEZ
- Sanco Cambo Inv. Group
- Sihanoukville SEZ
- Sihanoukville SEZ1
- Sihanoukville Port SEZ
- S.N.C SEZ
- Stung Hao SEZ
- Kompong Som SEZ
- Koh Kong SEZ
- Souy Chheng SEZ
- Kiri Sakor Koh Kong SEZ
- Oknha Mong SEZ
- H K T SEZ
- Phnom Penh SEZ
- Kandal SEZ
- Duong Chhiv SEZ
- Kampot SEZ
- S.N.C SEZ
- M D S Thmor Da SEZ
- No Activities
- Under Construction
- Operational
One Stop Service
Special Economic Zone Administration

- Company registration and investment license
- Export/import permit
- Work permit and Labor books (both workers and expatriate)
- SEZA will provide on site immediate legal and administrative assistance
Cambodia has embraced the globalization process as part of its outward looking economic development strategy.
Reasons to invest in Cambodia

- Open economy
- Sound Macroeconomic Environment
- Competitive Investment Incentives
- One Stop Service – Fast-Track Investment Approval Process (28 days)
- Low Labor Cost
- Strategic Location
- Preferential Trading Status
- Access to ASEAN and World Markets
1h:30 in average
Invest in Cambodia and you have 15 million consumers virtually at your doorstep.

Invest in Cambodia and you have 325 million consumers at your doorstep.

Invest in Cambodia and you have 600 million consumers at your doorstep.
Thank you