



UNIVERSIDAD
POLITECNICA
DE VALENCIA



Escuela Técnica Superior de Ingenieros de
Caminos, Canales y Puertos

MÁSTER UNIVERSITARIO EN PLANIFICACIÓN Y GESTIÓN EN INGENIERÍA CIVIL

Título /Title:

ANÁLISIS DE LA SITUACIÓN ACTUAL DEL SECTOR DE CONSTRUCCIÓN EN CAMBOYA
ANALISIS OF ACTUAL SITUATION OF CONSTRUCTION INDUSTRY IN CAMBODIA

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Valencia, septiembre de 2016

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No páginas/ N°.pages:

144

Departamento /Department - Máster/Master:

***ESCUELA TÉCNICA SUPERIOR DE INGENIEROS DE CAMINOS, CANALES Y PUERTOS
MÁSTER UNIVERSITARIO EN PLANIFICACIÓN Y GESTIÓN EN INGENIERÍA CIVIL***

***HIGHER TECHNICAL SCHOOL OF CIVIL ENGINEERING OF ROADS, CHANNELS AND PORTS
MASTER IN PLANNING AND MANAGEMENT FOR CIVIL ENGINEERING***

Universidad /University:

UNIVERSIDAD POLITÉCNICA DE VALENCIA / POLYTECHNIC UNIVERSITY OF VALENCIA

Palabras Clave /Keywords: Economy, Construction Boom, Law on Investment, Law on Commercial Enterprise, FDI, SWOT Analysis, PEST Analysis, Blue Ocean Strategy, Ordinal Regression Models.

ABSTRACT

This research, I would like specifically to write about Construction sector of Cambodia that show how about construction sector in Cambodia nowadays? In order to know about process or growth of economical development and showing some investment capitals for construction industrial sector but I also include writing about principal sectors of Cambodian economic situation.

The construction industry is a most important contributor of main economy of Cambodia after garment, agriculture, tourism. The construction sector that has been booming since 2002, accounted for 7% of GDP in 2007. The construction sector was estimated to contribute about 7-8 percent a year to the country's GDP. The capital Phnom Penh has also witnessed a growth in the construction and real estate sector. Since 2009 the Royal Government of Cambodia has permitted foreigners and also investors can own condominiums. This condition has helped in attracting real estate investors from China, Thailand, Malaysia, Singapore and other countries. Construction in Cambodia has closely followed real estate development. Almost construction projects have been running in commercial and residential real estate property. (WB, April 2016) Real growth in 2015 is estimated to have reached 7 percent, compared to 7.1 percent in 2014. The garment sector, together with construction and services, are the main drivers of the economy. Growth is expected to remain strong in 2016, as recovering internal demand and dynamic garment exports offset stagnation in agriculture and softer growth in tourism.

It is really for the construction industry nowadays in Cambodia is a highly competitive industry that we call construction boom with there are also an enormous amount of risk, particularly many conflicts, problems, adversity, and uncertainty. The construction projects are usually confronted with many conflicts, problems, and uncertainty due to a result of failure in selecting a competent contractor. To perform the project success, the owner's team has an important role to figure out these many conflicts and problems such as schedule delays, cost overrun, low productivity, and contract disputes by being able to evaluate the contractor's performance in the proper way.

I think that they all are the main concern in order to achieve the successful projects. I believe that Cambodia will develop all sectors according to real growth year per year.

RESUMEN

En este trabajo se presenta una descripción del estado actual del sector de la construcción de Camboya. Se ha tratado de reflejar la situación económica y social del país para situar en ese contexto al sector de la construcción, y poder determinar las posibilidades de inversión que pueden haber para empresas extranjeras, las oportunidades de negocio que pueden abrirse, y las formas de licitación que se emplean en este país.

La construcción es uno de los sectores que más contribuye a la economía de Camboya después de la confección, la agricultura y el turismo. El auge del sector ha sido constante desde 2002, llegando a representar el 7% del PIB en 2007. Desde entonces se ha mantenido en torno al 7-8 por ciento al año del PIB del país. La capital Phnom Penh también ha sido testigo de un crecimiento en el sector de la construcción e inmobiliario. Desde 2009, el Gobierno Real de Camboya ha permitido que empresas extranjeras y otros inversores puedan ser propietarias de condominios. Esta condición ha ayudado a atraer inversores de China, Tailandia, Malasia, Singapur y otros países. La construcción en Camboya ha seguido de cerca el desarrollo del sector inmobiliario de bienes raíces. Este tipo de proyectos se ha multiplicado en los últimos años, tanto en promociones comerciales como residenciales, contribuyendo al crecimiento del país. Según datos del Banco Mundial de abril de 2016, ha alcanzado un crecimiento real en 2015 superior al 7 %, por segundo año consecutivo.

Las previsiones para 2016 son halagüeñas, tanto en la construcción como en los otros sectores que van camino de convertirse en los motores de la economía en Camboya, como son la confección y los servicios. Se espera que el crecimiento siga siendo fuerte en 2016, con un importante aumento de la demanda interna y de las exportaciones de prendas de vestir, compensando el estancamiento desplazamiento esperable en la agricultura y el crecimiento más suave del turismo.

Realmente la industria de la construcción se ha convertido hoy en día en Camboya en una industria con un enorme potencial, pero todavía sujeta a altos componente de riesgo, en particular por los muchos conflictos, y las altas incertidumbres que rodean los proyectos. Casi siempre, debido a las dificultades que crean contratistas poco solventes y poco competentes. Para llevar a cabo con éxito el proyecto, el equipo de la propiedad está obligado a asumir un papel importante en la determinación de la capacidad del contratista para evitar problemas derivados de los retrasos en el programa, exceso de costes, baja productividad, y disputas de contratos por ser incapaz de evaluar el desempeño del contratista en la forma correcta.

En todo caso, la presencia de empresas extranjeras solventes que introduzcan en el país formas modernas de interactuar, y de gestionar los trabajos, crearán un mercado atractivo a los potenciales inversores.

ACKNOWLEDGEMENTS

Two years for study the Master's degree in Planning and Management for Civil Engineering in Universidad Politécnica de Valencia.

First of all, I would like to thank very much for all professors at my home school, Department of Geo-Resources & Geotechnical Engineering of Institut de Technologie du Cambodge, Professor Dr. Julián Alcalá González , my supervising tutor who still provide me concepts for running and reading my revisions and guide me for analyzing my research, Professor Dr. Eugenio Pellicer Armiñana, academic director of Master's degree, Professor Dr. Joaquín Catala Alís, al professor Dr. Víctor Yepes Piqueras, professor Dr. Jaime Jiménez Ayala , professor Pascual Salvador Boquera Perez, and all professors who teach in the Master's classes in Planning and Management for Civil Engineering. Thanks very much for the GATE Project of Erasmus Mundus Programme offering for scholarship award form 25th of August 2014 to 1st of July 2016, to study full Master's degree in Universidad Politécnica de Valencia until realization of all study.

The end of my view, thanks to my family and relatives who are waiting and give me a hope to finish Master's degree.

Thanks all!

AGRADECIMIENTOS

Dos años para los estudios de Máster en Planificación y Gestión en Ingeniería Civil en la Universidad Politécnica de Valencia.

El primero de todo, me gustaría agradecer a todos los profesores de mi colegio a país de origen, en Departamento de Geo-Recursos e Ingeniería Geotécnica del *Institut de Technologie du Cambodge*, al profesor Dr. Julián Alcalá González, mi tutor que ha supervisado este trabajo, al profesor Dr. Eugenio Pellicer Armiñana, Director académico del Máster, al profesor Dr. Joaquín Catala Alís, al profesor Dr. Víctor Yepes Piqueras, al profesor Dr. Jaime Jiménez Ayala , al profesor Pascual Salvador Boquera Perez, y todos los profesores que enseñan en las clases de Máster en Planificación y Gestión de la Ingeniería Civil.

También debo un agradecimiento al Proyecto de GATE de Programa de Mundus Erasmus por la concesión de la beca del 25 de agosto de 2014 al 1 de julio de 2016, para estudiar el grado completo de Máster oficial en la Universidad Politécnica de Valencia hasta la realización de todos los estudios.

Finalmente, de un modo especial quiero dar las gracias a mi familia, que esperan mi regreso, y que me han infundido la esperanza que necesité para terminar el Máster.

¡Gracias a todos!

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Abbreviations Use in the Paper

AASHTO	: American Association of State Highway and Transportation Officials
ACECC	: the Asian Civil Engineering Coordinating Council
ACI	: American Concrete Institute
ADB	: Asian Development Bank
AFD	: Agence Français & Developpement
AKP	: Agence Kampuchea Presse
ASEAN	: Association of South-east Asian Nations
ASTM	: American Society for Testing and Materials
AusAID	: Australian Aids
\$Bil	: Billion USD
<i>BOT</i>	: Build-Operate-Transfer
CAMS	: Cambodia Airport Management Services Ltd
CBRE	: CB Richard Ellis (Cambodia) Co., Ltd
CCA	: Cambodia Constructors Association, Cambodia
CCTUF	: Cambodian Construction Workers Trade Union Federation
CDC	: the Council for the Development of Cambodia
CNFBWC	: Cambodian National Federation of Building and Wood Construction
CAGR	: Compound Annual Growth Rate, is the mean annual growth rate of an investment over a specified period of time longer than one year.
CVEA	: Cambodian Valuers and Estate Agents Association
DP	: Dry Port
DWT	: Deadweight Tonnage or Tons deadweight (TDW)
e. or est.	: Estimate
ESCAP	: United Nations Economic and Social Commission for Asia and the Pacific
FDI	: Foreign Direct Investment
EU	: European Union
GDCE	: General Department of Customs and Excise of MEF, Cambodia
GDP	: Gross Domestic Product
GMS	: the Greater Mekong Sub-region
f	: Forecast
IFC	: the International Finance Corporation, World Bank Group
IMF	: the International Monetary Fund
ISO	: International Organization for Standardization
JICA	: Japan International Cooperation Agency
\$K	: Thousand USD
KKIA	: Sihanouk International Airport (Kang Keng International Airport)
KHM	: Khmer (or Cambodian or more formally is the language of the Khmer people and the official language of Cambodia.
KHR	: Khmer (Cambodian) Riel (official currency of Cambodia)
KOICA	: The Korean International Cooperation Agency
LoI	: (Cambodia) Law of Investment
MEF	: Ministry of Economic and Finance, Cambodia
MIME	: Ministry of Industry, Mines and Energy, Cambodia
MLMUPC	: Ministry of Land Management, Urban Planning and Construction, Cambodia
\$MM or \$Mil	: Million USD
MOP	: Ministry of Planning, Cambodia
MRD	: Ministry of Rural Development, Cambodia
MPWT	: Ministry of Public Works and Transport, Cambodia
NBC	: National Bank of Cambodia

NIS	: National Institute of Statistics of MOP
NL	: Northern Line (Railway route of direction from Phnom Penh- Poipet)
ODC	: Open Development Cambodia
OCIC	: Overseas Cambodian Investment Corporation
OPEC	: Organization of Petroleum Exporting Countries
OFID	: OPEC Fund for International Development
Oz	: Ounce (a non-metric unit of mass. The ounce is defined as one sixteenth 1/16 of a pound)
PEST	: Politic, Economy, Socio-cultural and Technological Development
PPIA	: Phnom Penh International Airport
PPP	: Purchasing power parity
RGC	: Royal Government of Cambodia
SRIA	: Siem Reap International Airport
SCA	: La Société Concessionnaire des Aéroportes
SEZ	: Special's Economic Zone
SCCC	: Siam City Cement Public Company Limited
SL	: Southern Line (Railway route of direction from Phnom Penh- Preah Sihanoukville)
S&M	: Serbia and Montenegro
SNEC	: Supreme National Economic Council, Cambodia
SqKm	: Square Kilometer
Sqm	: Square meter
S&T	: Science and Technology System in S&M
SWOT	: Strengths, Weakness, Opportunities and Threats
USD	: Dollar of United State
USSR	: Union of Soviet Socialist Republics
YTD	: Year To Date
WB	: World Bank
WIPO	: the World Intellectual Property Organization

Remark: Using some punctuation marks to be notable [. (period) for decimal separator and , (coma) for thousand separator], <http://grammar.ccc.commnet.edu/grammar/marks/marks.htm>

* Borey : Borey is the name of Cambodian origin, meaning of Borey is "city". Essentially, a Borey is a gated community or block of flat houses, twin villa houses and single villa houses, including public areas, gardens and full security services,

* B-O-T : Build-Operate-Transfer (a form of project financing, whereby a private entity receives a franchise from the private or public sector organization to finance, design, construct, and operate a facility for a specified period of time, after which the ownership is transferred back to the funding entity).

* CAGR: To calculate compound annual growth rate, divide the value of an investment at the end of the period in question by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result.

$$CAGR = \left(\frac{\text{Ending Value}}{\text{Beginning Value}} \right)^{\left(\frac{1}{\# \text{ of years}} \right)} - 1$$

* DWT or TDW : is a measure of how much mass a ship is carrying or can safely carry; it does not include the weight of the ship. DWT is the sum of the weights of cargo, fuel, fresh water, ballast water, provisions, passengers, and crew.

* YTD : refers to the period beginning the first day of the current calendar or fiscal year up to the current date. YTD information is useful for analyzing business trends or comparing performance data, and the acronym often modifies concepts such as investment returns, earnings and net pay.

* SNEC was established on September 07th 2001 to advise the Prime Minister (PM) of the Royal Government of Cambodia (RGC) on socio-economic policy including governance. It is attached to the PM's Cabinet and is administratively placed under the Council of Ministers. By Royal Decree, the SNEC has four principal functions: (i) coordinate policymaking for domestic and international economic issues, (ii) coordinate economic policy advice for the PM, (iii) ensure that policy decisions and government programs are consistent with the RGC's economic goals, and (iv) monitor implementation of the PM's socioeconomic policy agenda (Rectangular Strategy or RS)

I. INTRODUCTION

1.1. General information

Cambodia, formerly the Khmer Empire (802-1431), is located at the southern region of the Indochina Peninsula in Southeast Asia. Cambodia is currently the 69th most populous country in the world, bordered by Thailand to the northwest, Lao to the northeast, and Vietnam to the east, and the Gulf of Thailand to the southwest (see Figure 1).

Cambodia is divided into twenty five provinces including to Phnom Penh; the Phnom Penh is capital city, not province but a special administrative area and is included as the 25th province since it is administered at the same level as the other 24 provinces. Phnom Penh has both the highest population and the highest population density. The largest province by area is Mondulkiri and the smallest Phnom Penh.

Kep is the one of 25 provinces has the lowest population, while Mondulkiri has the lowest population density (according to the year 2008 census). The total area is 181,035 sq Km, 88th of Sovereign states and dependencies by are with percentage of water 2.5% and the population is 15,827,241 people in 2016 e and 13,388,910 people (2008 census) (source: UN, World bank and Ministry of Planning, Cambodia) with 90% of Cambodia's population is of Khmer origin. The population of Cambodia is fairly homogeneous with other ethnic groups being Vietnamese (5%) and Chinese (1%). (United Nations -World Population Prospects) the demographics of the country are very affected by the civil war and later genocide, and 50% of the population is under 22 years old. It also has the most female-biased sex ratio in the region.

Over 95% of the population practices Theravada Buddhism, the official religion (Karma belief), with an estimated 4,400 monastery temples in the country. Islam is the main religion of the majority of Malay and Chams minorities in the country, while most Muslims are Sunnis. There are approximately 300,000 Muslims in Cambodia, with about 1% identified as Christian.

The official language is Khmer or Cambodian (Kampuchea) of Cambodia. English is commonly used in most business meetings. Some senior government officials, however, prefer using Khmer in official meetings. Chinese, French, Thai, and Vietnamese are also widely spoken.

The currency is Riel, KHR but dollar of United State \$US also can pay for all parts in whole country.

Table 1: Description of actual situation of Cambodia's profile

Official name	The Kingdom of Cambodia	
	Constitutional Monarchy	
Government type	Head of State: H.M. King Norodom Sihamoni Head of Government: H.E. Prime Minister Hun Sen (Cambodian People's Party, CPP)	
Population	16 million (January 2016)	
Area	181,035 km ² (≈2.80 times smaller than Spain), coastline 443 km	
Main cities	Phnom Penh (capital, around 1.55 million), Sihanouk Ville, Koh Kong	
Time difference	+6 hours ahead (Spanish winter time), + 5 hours ahead (Spanish summer time)	
Currency	Cambodian Riel (KHR), 1 EUR = 4,635 KHR (29/04/2016). US dollars are widely accepted in Cambodia.	
GDP growth rate	7.0% (2015), 7.1% (2014), 7.4 % (2013), 7.3% (2012), 7.1% (2011)	
FDI	Registered FDI (USD billion): 1.41 (2015), 1.04 (2014), 1,63 (2013), 1.68 (2012), 3.35 (2011)	
Trade volume	Export USD 8.2 billion (2015), import USD 11.5 billion (2015)	
Inflation	3.0% (2015 est.)	
Global Competitiveness Index	Rank 90/140 (2015/2016)	
Ease of Doing Business	Rank 127/189 (2016)	
Global Corruption Perception Index	2015: Rank 150/168 (Score 21/100)	
Memberships	WCO, WTO, ASEAN, APEC, GMS, ACMECS	
Main trading partners	EU, US, China, Korea, Japan, Thailand, Vietnam, Singapore and Malaysia	
Major exports	Textile goods, vehicles, footwear, natural rubber and fish, rice	
Major imports	Petroleum products, fabrics, vehicles, wholesale yarn, cigarettes, electrical communications equipment and medicines	
Trade	Dutch – Cambodian	Export to NL: EUR 167 million (2015), import from NL: EUR 28 million (2015)
	Cambodia-EU	Export to EU28: EUR 3,713 million (2015), import from EU28: EUR 511 million (2015)
	Cambodia-US	Export to US: EUR 371,331 million (2015), import from US: EUR 248,975 million (2015)
	Cambodia-World	Export to world: EUR 1,791,312 million (2015), import from world: EUR 1,725,518 million (2015)

Source: Eurostat Comext - Statistical regime 4 & Netherlands Embassy in Bangkok

Cambodia is a member of ASEAN and WTO, and implements MFN and GSP preference with other countries, especially the United States (US) and the European Union (EU). Cambodia's GDP grew by 7% in 2015. GDP growth is forecast to be at least 7% for the year 2016 and 2017 respectively. The inflation rate was 3.9% in 2014 and plunged to 1.2% in 2015. The inflation rate is forecast to increase to 2.5% in year 2016.



Figure 1: Map of Cambodia (source: Wikipedia)

Phnom Penh has more than 1.5 million people living and also more than each total people in provinces in Cambodia (2008 census) and still continues increasing, for example 15, 703, 820 e in 1st January of 2016(see: Cambodia population history from 1952-2016). The development of urban planning in Phnom Penh, specially the construction industrial investment for last during 10 years is boom highly is to be notable in ASEAN

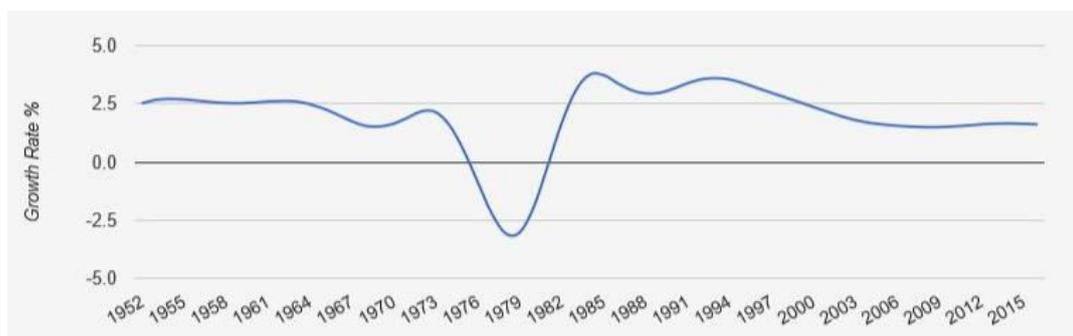


Figure 2: Cambodia historical population (Growth rate % 1951 - 2016), the data is given as of 1st of January per each year

The capital (*reach thani*) and provinces (*khaet*) of Cambodia are first-level administrative divisions. Cambodia is divided into 25 provinces including the capital. Municipalities and districts are the second-level administrative divisions of Cambodia. The provinces are subdivided into 159 districts and 26 municipalities. The districts and municipalities in turn are further divided into communes (*khum*) and quarters (*sangkat*).

Table 2: List of actual Cambodian provinces

No	Name	Native Name	City	Population (2008 census)	Area (km ²)	Density
1	Phnom Penh Municipality	ភ្នំពេញ	Phnom Penh	1,501,725	6,786	221
2	Banteay Meanchey	បន្ទាយមានជ័យ	Serei Saophoan	677,872	6,679	102
3	Battambang	បាត់ដំបង	Battambang	1,058,174	11,702	89
4	Kampong Cham	កំពង់ចាម	Kampong Cham	928,694	4,549	204
5	Kampong Chhnang	កំពង់ឆ្នាំង	Kampong Chhnang	472,341	5,521	86
6	Kampong Speu	កំពង់ស្ពឺ	Kampong Speu	716,944	7,017	102
7	Kampong Thom	កំពង់ធំ	Kampong Thom	631,409	13,814	51
8	Kampot	កំពត	Kampot	58,585	4,873	120
9	Kandal	កណ្តាល	Ta Khmau	1.265,280	3,568	355
10	Koh Kong	កោះកុង	Khemarak Phoumin	117,481	1,116	12
11	Kep	កែប	Kep	35,753	336	120
12	Kratié	ក្រចេះ	Kratié	319,217	11,094	29
13	Mondulkiri	មណ្ឌលគិរី	Senmonorom	61,107	14,288	4
14	Oddar Meanchey	ឧត្តរមានជ័យ	Samraong	185,819	6,158	30
15	Pailin	ប៉ៃលិន	Pailin	70,486	803	88
16	Preah Sihanouk	ព្រះសីហនុ	Sihanoukville	221,396	868	230
17	Preah Vihear	ព្រះវិហារ	Phnom Tbeng Meanchey	171,139	13,788	12
18	Pursat	ពោធិ៍សាត់	Pursat	397,161	12,692	31
19	Prey Veng	ប្រៃសណីយ៍	Prey Veng	947,372	4,883	194
20	Ratanakiri	រតនគិរី	Banlung	150,466	10,782	14
21	Siem Reap	សៀមរាប	Siem Reap	896,443	10,299	87
22	Stung Treng	ស្ទឹងត្រែង	Stung Treng	111,671	11,092	10
23	Svay Rieng	ស្វាយរៀង	Svay Rieng	482,788	2,966	163
24	Takéo	តាកែវ	Takéo	844,906	3,563	237
25	Tboung Khmum	ត្បូងឃ្មុំ	Suong	754,000	4,928	153

Source: Wikipedia

1.2. Demographic Profile

The population is 15.70 million (1st January of 2016 est.) with total GDP for USD54.035 billion (2015) and GDP per capita is USD 1,140. If compare to members of ASEAN countries, Cambodia is 10th GDP (PPP) per capita and 8th of GDP (PPP).

Table 3: List of ASEAN countries GDP - data is according to International Monetary Fund's October 2015 estimates

Rank	Country	Population		GDP Nominal		GDP Nominal		GDP (PPP)		GDP (PPP)	
		in millions		millions of USD		per capita USD		millions of USD		per capita USD	
—	ASEAN	639.9	100.0	2,578,121	100.0	11,619	100.0	7,336,981	100.0	24,806	100.0
1	Indonesia	260,91	40.7	936,243	35.5	5,781	87.3	3,042,614	41.1	16,112	101.1
2	Thailand	68.15	10.6	409,536	15.2	5,426	138.7	1,107,000	16.0	16,081	146.3
3	Malaysia	30,75	4.8	309,479	12.8	10,073	257.5	813,517	11.8	26,141	237.7
4	Philippines	102,31	15.9	310,314	12.2	2,951	75.5	742,251	10.7	7,318	66.6
5	Singapore	5.7	0.89	294,959	12.0	53,224	1,360.8	468,909	6.8	84,901	772.1
6	Vietnam	94,45	14.7	201,805	8.1	2,171	55.5	551,256	8.0	6,020	54.7
7	Myanmar	54,37	8.4	74,775	2.7	1,269	32.4	267,736	3.9	5,164	47.0
8	Cambodia	15.92	2.48	19,714	0.7	1,140	29.1	54,174	0.8	3,486	31.7
9	Laos	6,92	1.01	13,548	0.5	1,785	45.6	37,499	0.5	5,335	48.5
10	Brunei	0.42	0.65	9,636	0.5	27,759	709.7	32,896	0.5	78,476	713.7

Source: Wikipedia

Table 4: List of ASEAN countries GDP, International Monetary Fund 2020 estimates

Rank	Country	Population	GDP Nominal	GDP (Nominal)	GDP (PPP)	GDP (PPP)
—	World	7,758.16 ^[2]	96,193,497	12,400	149,463,948	19,265
—	United States	321.41	22,294,105	67,064	22,294,105	67,064
—	European Union	513.44	20,187,567	39,318	149,463,948	45,010
—	China	1,374.96	17,100,063	12,117	28,920,974 ^[3]	20,500 ^[4]
—	Japan	124.35	4,746,880	38,174	5,512,220	44,329
—	ASEAN	668.56	3,574,932	5,347	9,815,708	14,682
—	India	1,380.01	3,443,596	2,495	12,706,008	9,207
—	South Korea	51.67	1,898,763	36,750	2,408,301	46,612
1	Indonesia	272.60	1,193,909	4,380	4,103,298	15,052
2	Malaysia	33.86	544,418	16,080	1,133,204	33,470
3	Philippines	111.98	507,251	4,530	1,113,547	9,944
4	Thailand	69.31	473,997	6,839	1,430,411	20,639
5	Singapore	5.70	394,977	69,276	600,688	105,357
6	Vietnam	96.47	287,257	2,978	812,057	8,418
7	Myanmar	53.72	106,221	1,977	431,653	8,035
8	Cambodia	16.74	27,089	1,618	84,280	5,033
9	Laos	7.72	20,713	2,682	58,970	7,636
10	Brunei	0.45	19,100	42,044	47,600	104,780

Source: Wikipedia

1.3. Cambodian Economic Situation

1.3.1. Size of Economy

Real GDP growth is estimated at 7% in 2014. It is projecting for a stable growth of real GDP at 7% in 2015. Nominal GDP at current value has been steadily grown with 61,414 billion Riels in 2013 (approximately US\$15.35 billion) and 67,643 billion Riels in 2014 (approximately US\$16.91 billion) and is projected to be 74,444 billion Riel in 2015 (approximately US\$ 18.61 billion). According to the Ministry of Economy and Finance, GDP per capita has also steadily increased from US\$1,043 in 2013 to more than US\$1,130 in 2014 and continue to increase in medium term in which per capita GDP is projecting to reach US\$1,225 in 2015. Inflation is manageable between 3% to 3.5% from 2013 to 2015, while exchange rate is maintaining at 4,050 Riels per US\$ 1 in 2015(CDC, 2015).

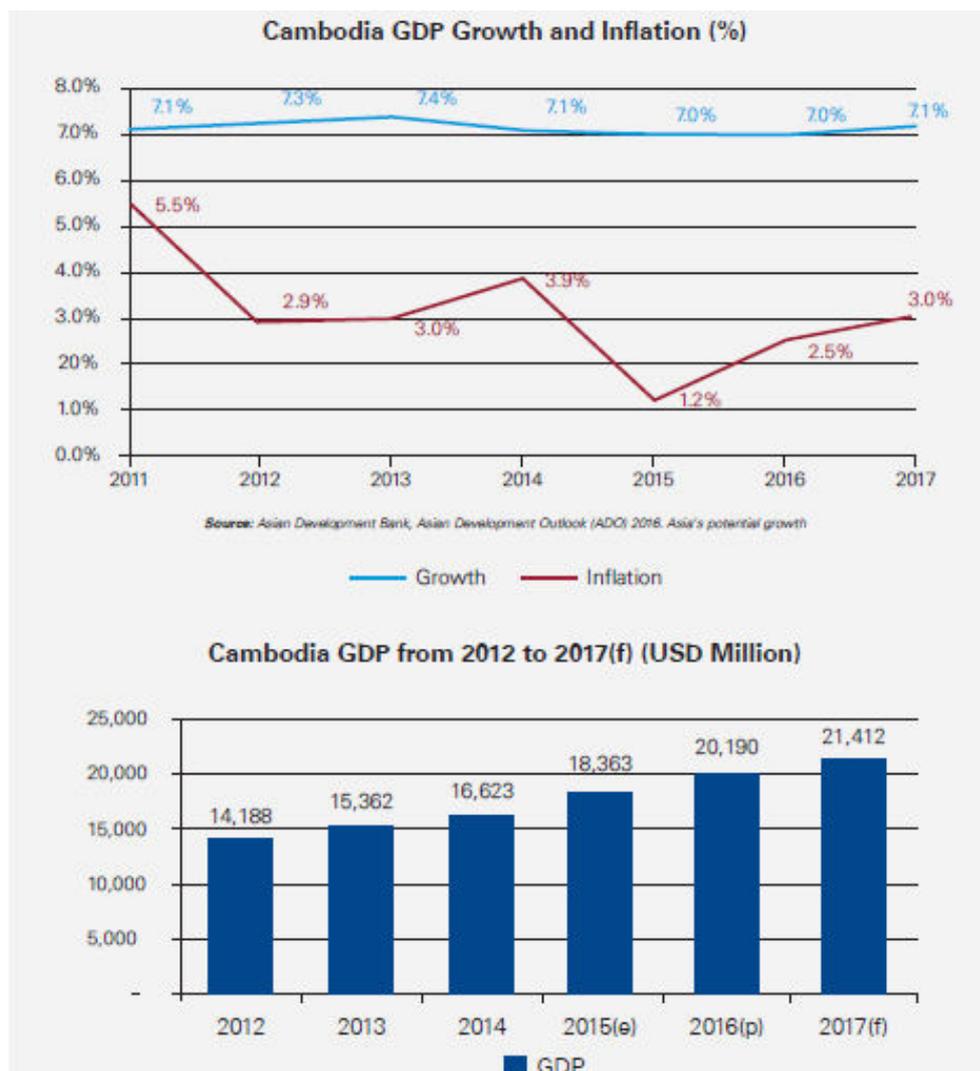


Figure 3: Cambodia's GDP Growth and Inflation from 2012-2017(f)

Table 5: Real GDP Growth Rate in Percent

Real GDP Growth Rate in Percent	2011	2012	2013	2014*	2015*	2016p*	2017p*
World	4.2	3.5	3.3	3.4	3.1	3.1	3.4
Emerging Market and Developing Economies	6.3	5.3	4.9	4.6	4.0	4.1	4.6
Advanced Economies	1.7	1.2	1.2	1.8	1.9	1.9	2.0
USA	1.6	2.2	1.5	2.4	2.4	2.2	2.5
Euro Area	1.6	-0.9	-0.3	0.9	1.7	1.6	1.4
Germany	3.7	0.6	0.4	1.6	1.5	1.6	1.2
France	2.1	0.2	0.7	0.6	1.3	1.5	1.2
Italy	0.6	-2.8	-1.7	-0.3	0.8	0.9	1.0
Spain	-1.0	-2.6	-1.7	1.4	3.2	2.6	2.1
United Kingdom	2.0	1.2	2.2	3.1	2.2	1.7	1.3
Japan	-0.5	1.7	1.4	-0.03	0.5	0.3	0.1
ASEAN-5	4.7	6.2	5.1	4.6	4.8	4.8	5.1
China	9.5	7.7	7.7	7.3	6.9	6.6	6.2
Percentage Change in World Trade Volume (Goods and Services)	7.1	2.8	3.4	3.7	2.6	2.7	3.9
Percentage Change in Price of Commodities							
Oil	31.6	1.0	-0.9	-7.5	-47.2	-15.5	16.4
Non-oil commodities	18.0	-10.0	-1.4	-4.0	-17.5	-3.8	-0.6

Source: World Economic Outlook (WEO) April and July, 2016

Note: 2011-2013 growth is from WEO April 2016 while 2014-2017 growth is from WEO July

1.3.2. Industrial Structure

In 2015, the primary industry occupies 26.18% of the total economy, while the agriculture is contributing at 29% and service sector has reached 39.43%. Major agricultural products are rice, rubber, maize, cassava, etc. The secondary industry and tertiary industry respectively account for 22% and 38% of the total economy. The major industry of the manufacturing sector is apparel products, which are directed to exports. Among the tertiary industry, the tourism-related industries are important to the Cambodian economy. Cambodia saw solid growth during 2014, with GDP increasing by 7 percent. This growth is expected to trend upwards, with growth of 7.3 percent projected for 2015 and 7.5 percent for 2016 (ADB 2016). This strong performance is being largely driven by the continual expansion of the Kingdom's key industries.

One of Cambodia's key industries, the export of garments and footwear, reached \$6 billion in 2014, an increase of 10.7 percent on the previous year. Other key industries such as light manufacturing, tourism and agriculture also experienced positive growth.

Table 6: Sunrise and Sunset Industries (Average growth of value added)

	1993-1997	1998-2004	2005-2007	2008-Present
Sunrise (Average share growth rate >0.05%)	Textile, Wearing Apparel & Footwear Wood, Paper & Publishing Rubber Manufacturing Electricity, Gas & Water	Textile, Wearing Apparel & Footwear Mining Construction	Mining Textile, Wearing Apparel & Footwear Non-Metallic Manufacturing Construction	Mining Textile, Wearing Apparel & Footwear Food, Beverages & Tobacco Non-Metallic Manufacturing Electricity, Gas & Water
Sunset (Average share growth rate < 0.05%)	Mining Food, Beverages & Tobacco Non-Metallic Manufacturing Basic Metal and Metal Products Construction	Food, Beverages & Tobacco Wood, Paper & Publishing Rubber Manufacturing	Food, Beverages & Tobacco Rubber Manufacturing Wood, Paper & Publishing	Wood, Paper & Publishing Construction

— Evolution of Industry in Cambodia

- 1960s and early 1970s
 - Strong growth driven by manufacturing,
 - New factories built mostly by foreign aid and run by state, thus inefficient.
- 1975-1979
 - Manufacturing was destroyed,
 - People were evacuated to work in rice field.
- 1980s
 - Socialism backed by Vietnam and Soviet Union,
 - A little manufacturing was resumed with assistance from Vietnam and Soviet Union,
 - All factories were owned by the state,
 - Industrial products were produced for local consumption or traded with the communist bloc.
- After 1980s
Cambodia freed its economy, initially with Thailand and other neighboring countries.
- 1996 access market to US and EU
- 1999 Joined ASEAN
- 2003 Joined WTO
- 2015 Joined WPIO (95th member)

1.3.3. Trade

1.3.3.1. Cambodia Foreign Trade and Aid Before 1996

CIA World Factbook (1987) the government controlled all official foreign trade. In July 1979, the Ministry of Local and Foreign Trade set up the Kampuchean Export and Import Corporation (KAMPEXIM, the state trading agency) to handle exports, imports, and foreign aid. In addition, the National Trade Commission was created to be in charge of both internal and external economic coordination. In March 1980, the Foreign Trade Bank was formed to deal with international payments, to expand trade, to provide international loans, and to control foreign exchange. There were reports of special clearing arrangements for trade among the Indochinese countries and with some members of the Council for Mutual Economic Assistance (CMEA, CEMA, or Comecon--see Glossary).

Beginning in 1982, the government made serious efforts to promote foreign trade as a means of accelerating national reconstruction and development. The First Plan emphasized exports as a way to correct imbalances in the national economy, but it did not provide any commodity export target figures. In the late 1980s, Cambodian officials released information revealing the direction and the patterns of trade rather than specific numbers. Most official trade was being conducted with Comecon countries in the form of exchanges of commercial goods. In the absence of authoritative data, unofficial Western sources placed Cambodia's trade deficit at US\$100 million to US\$200 million annually from 1981 to 1987. According to the Asian Development Bank, the country's total external debt in 1984 was US\$491 million, up from US\$426 million in 1983 and US\$368 million in 1982.

According Ministry of Commerce, Cambodia has traditionally been an exporter of primary products and an importer of finished goods. The country's normal trade patterns virtually disintegrated during the war as exports declined and Cambodia was largely sustained by US-subsidized imports. Under the Pol Pot regime, foreign trade virtually ceased. According to Western estimates, total trade (excluding trade with China) was \$3 million in exports and \$22 million in imports in 1977. With the installation of the PRK government, foreign trade began to rise in volume. The value of total exports rose from an estimated \$3–4 million in 1982 to approximately \$10 million in 1985; imports in that year came to about \$120 million. Almost all foreign trade has been with the former USSR and its allies, and most imports are in the form of

grants. In 1985 Cambodia imported R 100.2 million of goods from the USSR, compared to R 18.8 million in 1984. Cambodia exported R 14.9 million worth to the USSR in 1985, up from R 3.9 million in 1984. The main import categories are food, vehicles, fuels, and raw materials. Cereal imports dropped from 223,000 tons in 1974 to 60,000 tons in 1985. Foreign trade is legally restricted to licensed private-sector firms and government agencies, although there is considerable smuggling between Cambodia and Thailand. In 1985, Cambodia and Vietnam signed an agreement to double their mutual trade in 1986.

In 1986 major export trading partners with Cambodia were Vietnam, the former USSR, Eastern Europe, Japan, and India. For imports major trading partners were the same countries. In an attempt to increase foreign exchange earnings, the Heng Samrin regime in 1987 encouraged expatriate Cambodians to remit money to relatives and to friends remaining in the country. Cambodia's Foreign Trade Bank provided the names of sixteen banks in Western Europe, Canada, and Australia that were authorized to handle such transactions. The list included the Moscow Narodny Bank in London and several capitalistic financial institutions, such as the Société Générale in France and the Union des Banques Suisses in Switzerland.

Soviet Union and CMEA assistance to Cambodia ceased in 1991. The US trade embargo against Cambodia was lifted in January 1992 by President Bush. As of 1992 Cambodian exports were mostly agricultural, comprised of timber mainly and rubber. Logging is a ready source of badly needed export revenues for both the government and the other political factions. The United Nations Development Program (UNDP) estimated that the forest cover had fallen to as little as 40% of the land area by 1992. Cambodia's own forestry department figured that in 1969 forests covered 73% of the country's land area. The UNDP concluded that deforestation was a major threat to Cambodia's development.

1.3.3.2. Cambodia Foreign Trade After 1996

In 1996, a textiles factory opened. In 2000, major export commodities were timber, garments, rubber, rice, and fish. Major import commodities were cigarettes, gold, construction materials, petroleum products, machinery, and motor vehicles.

Table 7: The principal trading partners in 1998 (in millions of US dollars)

COUNTRY	EXPORTS	IMPORTS	BALANCE
United States	293	39	254
Singapore	133	96	37
Thailand	77	169	-92
Germany	72	11	61
China (inc. Hong Kong)	69	226	-157
Vietnam	42	91	-49
Taiwan	21	126	-105
France	12	41	-29
Japan	8	71	-63
Malaysia	6	47	-41
Korea	1	68	-67

Source: Encyclopedia of the Nations, Cambodia- Foreign trade

The trade balance of Cambodia keeps a continuous deficit. Both exports and imports have been expanding as a result of economic growth. As of July 31st, 2015, the exporting value is about US\$ 5.35 billion which seen as an increasing of more than 20.5% in comparison within the same period of 2014, while the importing value is reaching a record of US\$ 6.70 billion marking an increase of 17.2% comparing to 2014 within the same period.

The major destination countries of exports are USA, Hong Kong, China, EU, Canada, and Vietnam.

The major importing countries are Hong Kong, China, Taiwan, Thailand, and Vietnam.

The primary export product is apparel, which accounted for more than 80% of the total exports. The major import products are textiles, petroleum product, and vehicles. Cambodia is significantly depending on the imports for industrial input products and daily commodities.

Table 8: Cambodia-EU & the world partners Trade from 2005 to 2015

Total Goods: Trade flows and balance

Year	Imports		Exports		Balance		Total trade	
	Value Mil €	% Growth*						
2005	2,046		2,427		382		4,473	
2006	2,373	16.0	2,843	17.1	470	23.1	5,216	16.6
2007	2,590	9.2	2,578	-9.3	-12	-102.6	5,168	-0.9
2008	3,003	15.9	2,963	15.0	-40	225.3	5,967	15.4
2009	2,797	-6.9	3,575	20.6	778	-2056.7	6,371	6.8
2010	3,694	32.1	4,212	17.8	518	-33.4	7,906	24.1
2011	4,412	19.4	4,814	14.3	403	-22.3	9,226	16.7
2012	5,497	24.6	6,100	26.7	604	49.9	11,597	25.7
2013	6,940	26.3	6,959	14.1	20	-96.7	13,899	19.9
2014	13,193	90.1	8,120	16.7	-5,073	-25654.2	21,312	53.3
2015	17,005	28.9	10,744	32.3	-6,261	23.4	27,749	30.2

Total Goods: Top trading partners 2015

Imports			Exports			Total trade		
Partner	Value Mil €	% World	Partner	Value Mil €	% World	Partner	Value Mil €	% World
World	17,005	100.0	World	10,744	100.0	World	27,749	100.0
1 Thailand	4,841	28.5	1 EU 28	3,713	34.6	1 Thailand	5,364	19.3
2 China	3,737	22.0	2 USA	2,477	23.1	2 China	4,283	15.4
3 Vietnam	2,766	16.3	3 Japan	794	7.4	3 EU 28	4,224	15.2
4 Hong Kong	1,024	6.0	4 Canada	724	6.7	4 Vietnam	3,302	11.9
5 Singapore	953	5.6	5 China	546	5.1	5 USA	2,866	10.3
6 Taiwan	667	3.9	6 Vietnam	536	5.0	6 Hong Kong	1,221	4.4
7 South Korea	647	3.8	7 Thailand	523	4.9	7 Japan	1,093	3.9
8 EU 28	511	3.0	8 Hong Kong	198	1.8	8 Singapore	1,081	3.9
9 Indonesia	426	2.5	9 South Korea	177	1.7	9 South Korea	825	3.0
10 USA	389	2.3	10 Singapore	127	1.2	10 Canada	744	2.7
8 EU 28	511	3.0	1 EU 28	3,713	34.6	3 EU 28	4,224	15.2

Source: IMF

Note: World trade: excluding intra-region trade
 Top partners: excluding region member states
 % Growth: relative variation between current and previous period

Khmer Times (2016) bilateral trade between India and Cambodia was \$186 million last year, according to figures from the Indian embassy. Cambodian exports to India are mostly agricultural and timber products, valued at \$36 million, while Indian exported \$150 million of commodity products to Cambodia such as medicine, cotton and leather.

Table 9: Cambodia, Trade with World from 2005 to 2015

Total Goods: Trade flows and balance

Year	Imports		Exports		Balance		Total trade	
	Value Mil €	% Growth*						
2005	1,183,909		1,049,477		-134,432		2,233,386	
2006	1,368,254	15.6	1,152,485	9.8	-215,768	60.5	2,520,739	12.9
2007	1,450,340	6.0	1,234,482	7.1	-215,858	0.0	2,684,822	6.5
2008	1,585,231	9.3	1,309,147	6.1	-276,084	27.9	2,894,378	7.8
2009	1,235,636	-22.1	1,093,961	-16.4	-141,675	-48.7	2,329,598	-19.5
2010	1,529,387	23.8	1,353,196	23.7	-176,191	24.4	2,882,583	23.7
2011	1,726,698	12.9	1,554,180	14.9	-172,519	-2.1	3,280,878	13.8
2012	1,798,339	4.2	1,684,681	8.4	-113,658	-34.1	3,483,020	6.2
2013	1,687,324	-6.2	1,736,648	3.1	49,324		3,423,972	-1.7
2014	1,692,185	0.3	1,702,915	-1.9	10,731	-78.2	3,395,100	-0.8
2015	1,725,518	2.0	1,791,312	5.2	65,793	513.1	3,516,830	3.6

Total Goods: Top trading partners 2015

Partner	Imports		Partner	Exports		Partner	Total trade	
	Value Mil €	% Extra-EU		Value Mil €	% Extra-EU		Value Mil €	% Extra-EU
World	1,725,518	100.0	World	1,791,312	100.0	World	3,516,830	100.0
1 China	350,436	20.3	1 USA	371,331	20.7	1 USA	620,306	17.6
2 USA	248,975	14.4	2 China	170,376	9.5	2 China	520,812	14.8
3 Russia	135,569	7.9	3 Switzerland	150,873	8.4	3 Switzerland	253,190	7.2
4 Switzerland	102,317	5.9	4 Turkey	79,129	4.4	4 Russia	209,481	6.0
5 Norway	74,249	4.3	5 Russia	73,911	4.1	5 Turkey	140,732	4.0
6 Turkey	61,603	3.6	6 Japan	56,585	3.2	6 Norway	123,105	3.5
7 Japan	59,770	3.5	7 Norway	48,856	2.7	7 Japan	116,355	3.3
8 South Korea	42,343	2.5	8 United Arab Emi...	48,509	2.7	8 South Korea	90,240	2.6
9 India	39,446	2.3	9 South Korea	47,897	2.7	9 India	77,626	2.2
47 Cambodia	4,086	0.2	122 Cambodia	465	0.0	61 Cambodia	4,551	0.1

Source: EU Commission, Directorate General for Trade & Eurostat Comext - Statistical regime 4

Note:

% Extra-EU: imports/exports as % of all EU partners i.e. excluding trade between EU Member States

% Growth: relative variation between current and previous period

The total output of export/import from both source are so far different in 2015,(Eurostat Comext - Statistical regime 4) the total export of 1,791,312 Euros more than total import of 1,725,518 Euros but ,(IMF) the total export of 10,744 Euros lower than total import of 17,005euros.

(MEF, 2015) as of October 2015, trade volume was recorded at US\$ 15.62 billion. The exports reached US\$ 6.99 billion. The trading volume from 2012 to 2014 as showed an upward trend with a sharp increase from US\$ 14.89 billion in 2012 to US\$ 29.72 billion in 2014 marking an increase of 99.60%.



Figure 4: Trade trend 2011- Oct of 2015

Source: General Department of Customs and Excise of Cambodia and MEF

But (WB, 2015) regarding the Cambodian export, since 1993, it has increased about 28 folds from only about \$406.84 million\$ in 1993 to \$11424.8 million in 2014, though it slumped during the Asian financial crisis in 1997 and global economic crisis in 2008. This dramatic increase is caused by several important reasons. The first reason is the government policies. Cambodian economy was changed from centralize economy to free market economy in the late 1980s with the adaptation of policy of deregulation, privatization of state-owned enterprises (Tang & Wong, 2011) and the Law on Investment. The Council for the Development of Cambodia was also established to manage and facilitate all the investment activities. Furthermore, in 2005 Cambodia also established the Special Economic Zone (SEZ) in total of 11 SEZs (CDC, n.d.) to promote export. After the general election in 2013, Cambodian trade environment has been changed in an unprecedented pace.



Figure 5: The Import/Export of Cambodia (in Current US Dollar), source: WB (2015), World Development Indicators

1.1.1.1. Intellectual Properties in 2015

MOC and WIPO (2015) In compliance with article 19 and 52 of the Law on Marks, Trade Names and Acts of Unfair Competition, and 27 (3) of Sub-Decree on the Implementation on Marks, Trade Names and Acts of Unfair Competition, the public and all owners of marks are informed by the Ministry of Commerce that application for recordal in recognizing license contracts or franchise contracts shall be done at the Ministry of Commerce as in the attached application forms. Applicant shall be required to enclose the application for original license contract or franchise contract along with a Khmer translation version that has been certified by a legal agent of the mark's owner or by a professional translator unit recognized by the Ministry of Commerce.

Cambodia deposited the instrument of accession to the Madrid Protocol for International Registration of Mark at the World Intellectual Property Organization (“WIPO”), in Geneva, Switzerland on 5 March 2015. The Protocol will enter into force on 5 June 2015. As a result of this accession, Cambodia became the 95th member of the Madrid System and the fourth member of the Association of Southeast Asian Nations (“ASEAN”) after the Philippines’ accession on 25 April 2012, Singapore’s accession on 31 July 2000, and Vietnam’s accession on 11 April 2006. The Madrid Protocol refers to a treaty that provides for the international registration of trademarks (including service marks). Filing a single application (called “International Application”) in one language, in order to obtain a single registration (called “International Registration”), provides protection for mark(s) in the territory of any contracting parties. What are the benefits of the accession to the Madrid Protocol for International Registration of Mark? it simplifies the process of multinational trademark registration by reducing the application requirement by filing a single application at the intellectual property office (“Single Office”) covering each country in which protection is sought; it also simplifies the subsequent management of the mark, since it is possible to record further changes subsequent to registration, such as a change in the name or address of the holder, or a change (total or partial) in ownership or a limitation of the list of goods and services may be recorded with effect for several designated contracting parties through a single simple procedural step and the payment of a single fee; and there is only one expiry date and only one registration to renew the registration through a single procedural step.

It will be interesting to see how the current trademark registration system in Cambodia will be adjusted after the entry into force of the Madrid Protocol.

1.1.2. Economical Growth

The one-billion-dollar International Finance Complex (IFC) is being backed by South Korea's GS E&C company and is expected to be completed in 2012. Cambodia's economic growth has been boosted in recent years by a burst of urban construction funded by foreign investment, especially from China and South Korea who are the leading countries in terms of investment.

Source: CDC, WB

Table 10: GDP Growth Rate by Economic Activity, 2005-2011

Growth Rate of GDP (%)									
	2005	2006	2007	2008	2009	2010	2011e		
Agriculture, Fisheries & Forestry	15.7	5.5	5	5.7	5.4	4	3.6		
Crops	27.6	5.3	8.2	6.6	5.8	5.7	3.7		
Livestock & Poultry	5.6	8.2	3.7	3.8	5	5.6	3.9		
Fisheries	5.6	3.8	0.8	6.5	6	0.4	3.8		
Forestry & Logging	5.1	7	1.1	0.9	1.1	0.2	1.1		
Industry	12.7	18.3	8.4	4	-9.5	13.6	8.5		
Manufacturing	9.7	17.4	8.9	3.1	-15.5	29.6	9		
Textile, Apparel & Footwear	9.2	20.4	10	2.2	-9	18.5	10.4		
Construction	22.1	20	6.7	5.8	5	-25.5	6.4		
Services	13.1	10.1	10.1	9	2.3	3.3	6.3		
Trade	8.5	7.1	9.5	9.4	4.2	7.5	6		
Hotel & Restaurant	22.3	13.7	10.2	9.8	1.8	11.2	10.7		
Transport & Communication	14.5	2.1	7.2	7.1	3.9	8	6.8		
Real Estate & Business	7.8	10.9	10.7	5	-2.5	-15.8	5.1		
Other Services	18.3	17.2	12.1	12	2.9	4.2	4.6		
Taxes on Products	6.1	7.6	45.7	9.1	6.1	0.1	4.1		
GDP	13.3	10.8	10.2	6.7	0.1	6	6		

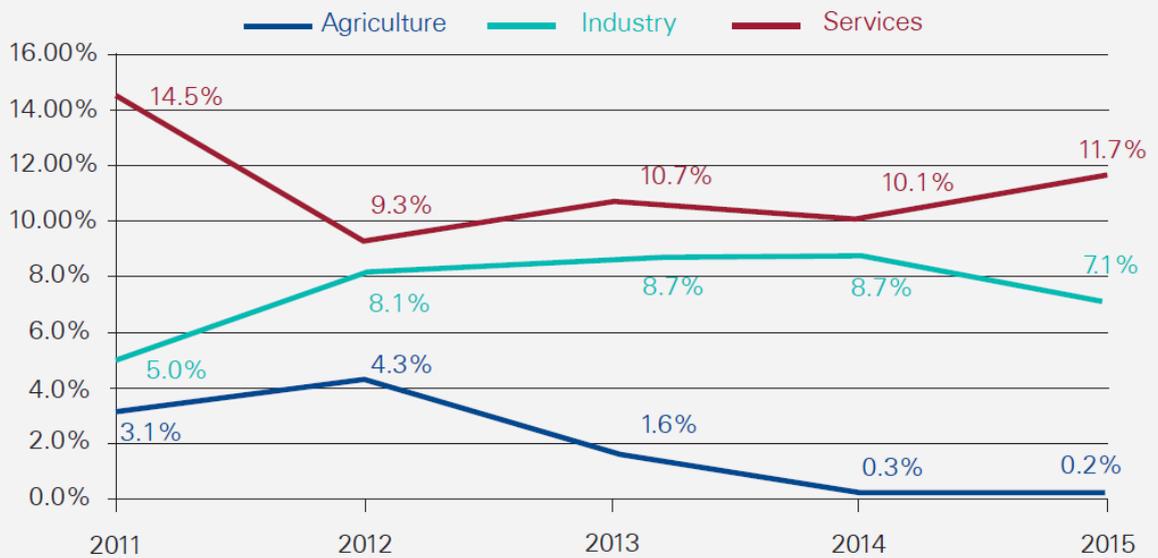
Source: Ministry of Economic and Finance, Cambodia

Table 11: Composition of GDP of Selected Southeast Asian Countries in 2010, Unit: (%)

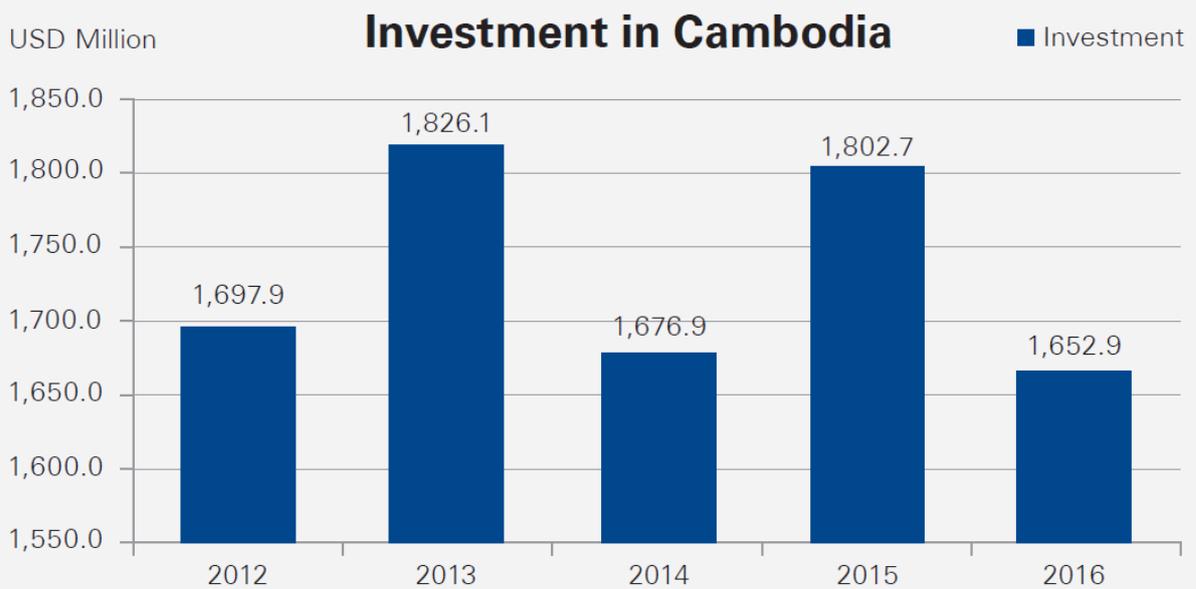
Country	Agriculture	Industry	Service
Cambodia	36	23	41
Indonesia	15.3	47	37.6
Laos	30.8	27.4	41.8
Malaysia	10.4	43.6	46
Myanmar	36.4	26	37.6
Philippines	12.3	32.6	55.1
Singapore	0	28.3	71.7
Thailand	12.4	44.7	42.9
Vietnam	20.6	41.1	38.3

Source: Wikipedia

Cambodia GDP Growth by Sector (%)



Source: Asian Development Bank, Asian Development Outlook (ADO) 2016. Asia's potential growth



Source: Cambodia Economic Update: Improving Macroeconomic and Financial Resilience, World Bank Group April 2016

Figure 6: Cambodia GDP Growth by Sector (%) and Invest in Cambodia

1.1.3. Cambodia Special's Economic Zones

The CDC is a one-stop-service government agency that provides permission for all kinds of investment, particularly granting operational licenses for Special Economic Zones (SEZ) within the Kingdom of Cambodia. One of the best conditions to attract foreign investor is the law that permits Investors to setup 100% foreign-owned investment projects and employs skilled workers from overseas, where these workers cannot be found in the domestic labor force.

SEZ refers to the special area for the development of the economic sectors which brings together all industrial and other related activities and may include General Industrial Zones and/or Export Processing Zones. Each Special Economic Zone shall have a Production Area which may have a Free Trade Area, Service Area, Residential Area and Tourist Area.

The main rationale of establishing SEZs is to: Provide investors with adequate infrastructure and supportive facilities effectively respond to the challenge of diversifying the Cambodian economy and to promote demand-driven development, such as export promotion, enhance competitiveness of garment industry and other labor intensive activities, promote agro-industry, food processing, promote assembling industry and promote electronic and electric appliances industries.

It must have a land of more than 50 hectares with precise location and geographic boundaries. It must have a surrounding fence (for Export Processing Zone, Free Trade Area and the premise of each investor in each zone).

It must have management office building and Zone Administration offices and all necessary infrastructures must be provided. It must have water sewage network, waste water treatment network, location for storage and management of solid wastes, environment-protection measures and other related infrastructures as deemed necessary.

(MPWT, 2015) Asian countries hold the majority of investment in Cambodia SEZ. Japan is the largest investor (\$299.14 million), then China (\$179.75 million), Taiwan (\$142.42 million), Singapore (\$131.99 million) and Thailand (\$51.92 million) (update in 2015).

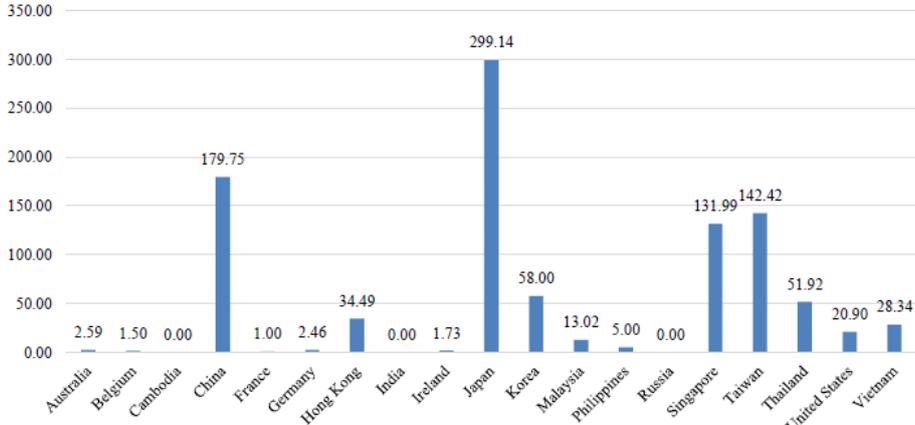


Figure 7: Foreign investment by countries in Cambodia SEZ, source: JICA and MPWT

Up to 2015, there are 32 SEZ licenses have been granted by CDC out of which 7 SEZ have Zone Administration (indicated with *). (See table below)

Table 12: List of SEZ investment capital updated in 2015

No	Location	Company, Investor	Investment Capital	Land area Development (Hectare)
1	Neang Kok Koh Kong SEZ*	Koh Kong SEZ Co., Ltd.	N/A	335.43
2	Suoy Chheng SEZ	Suoy Chheng Investment Co., Ltd.	14 Million USD	100
3	S.N.C SEZ	SNC Lavalin (Cambodia) Holding Limited	14 Million USD	150
4	Stung Hav SEZ	Attwood Investment Group Co., Ltd	14 Million USD	196
5	N.L.C SEZ	N.L.C. Import Export Co., Ltd.	13 Million USD	105
6	Manhattan (Svay Rieng) SEZ*	Manhattan International Co., Ltd.	15 Million USD	157
7	Poi Pet O'Neang SEZ*	Chhay Investment Ltd	15 Million USD	467
8	Doung Chhiv Phnom Den SEZ	Doung Chhiv Special Economic Zone Ltd.	28 Million USD	79
9	Phnom Penh SEZ*	Phnom Penh SEZ Co., Ltd.	68 Million USD	350
10	Kampot SEZ	Cambodia International Investment Development Group Co., Ltd.	15 Million USD	145
11	Sihanoukville SEZ 1	Cambodia International Investment Development Group Co., Ltd.	100 Million USD	178
12	Tai Seng Bavet SEZ*	Tai Seng Bavet SEZ Co., Ltd	37 Million USD	99
13	Oknha Mong SEZ	Oknha Mong Port Co., Ltd	40,107,080 USD	100
14	Goldfame Pak Shun SEZ	Goldfame Pak Shun SEZ Co., Ltd	34,462,510 USD	80
15	Thary Kampong Cham SEZ	Thary Investment Co., Ltd	69 Million USD	142.14
16	Sihanoukville SEZ 2*	Sihanoukville Special Economy Zone Co., Ltd.	N/A	1,688
17	D&M Bavet SEZ	D&M Bavet SEZ Co., Ltd	52,266,830 USD	117.95
18	Kiri Sakor Koh Kong SEZ	Koh Kong SEZ Co., Ltd	110,818,860 USD	1,750
19	Sihanoukville Port SEZ*	Sihanoukville Port SEZ	34 Million USD	70
20	Kampong Saom SEZ	CAMBODIA CATERING AND SUPPLY Co., Ltd.	190 Million USD	255
21	P (SEZ) IC	PACIFIC (SEZ) INVESTMENT Co., Ltd.	70 Million USD	107.55
22	M D S THMORDA SEZ	M D S THMORDA S E Z Co., Ltd.	30,392,000 USD	2,265
23	KANDAL S.E.Z	KANDAL S.E.Z Co., Ltd.	84,739,160 USD	105
24	H.K.T S.E.Z	H.K.T Special Economic Zone Co., Ltd.	48,358,802 USD	345.2
25	Dragon King S.E.Z	Dragon King Special Economic Zone Co., Ltd.	40,488,000 USD	106.5
26	Zhong Jian Jin Bian Jing Ji Te Qu S.E.Z	Zhong Jian Jin Bian Jing Ji Te Qu Co., Ltd.	90,706,000 USD	470.28
27	TRY PHEAP OYADAV S.E.Z	TRY PHEAP OYADAV S.E.Z Co., Ltd.	44,994,360 USD	136
28	SHANDONG SUNSHELL SVAY RIENG SEZ	SHANDONG SUNSHELL INTERNATIONAL (CAMBODIA) Co., td.	36,709,800 USD	96.14
29	Sanco Cambo SEZ	Sanco Cambo Investment Group Co., Ltd.	38,613,485 USD	66.5
30	HI-PARK SEZ	HI-PARK SEZ DEVELOPMENT Co., Ltd.	62,784,780 USD	263.13
31	Suvanaphum Investment Co., Ltd. SEZ	-	55,792,000 USD	200
32	RATANA SEZ	RATANA RESOURCE INVESTMENT (CAMBODIA) CORPORATION.	172,866,660 USD	615.62

Source: MPWT and CDC

1.2. Priority Sectors of Cambodia's Economic

There are four principal pillars for economic of Cambodia:

- Agro-food and horticulture (Rice, rubber,)
- Tourism and hotel,
- Garments and footwear,

— Construction & Real estate (this sector, I will describe at chapter three with infrastructure sector that are the potential goal for this research's study).

1.2.1. *Agro-food and Horticulture*

I refer to rice export that EU & US are the principal market of Cambodia's trade.

Although the agriculture sector became relatively less important in overall GDP in recent years, it remains one of Cambodia's largest economic sectors. Rice is still the country's main crop, but over the past decade production has been diversifying towards more profitable products, such as vegetables, sugarcane, cassava, soy bean and maize.

Livestock is another fast growing industry. Although pig farming is traditionally dominating the life stock market, the poultry industry is growing fast, despite being highly volatile due to flows of surplus production from Thailand and Vietnam. The market for eggs is dominated by duck eggs. Layer ducks are most preferred as the ducks are fed free range on leftovers from the rice harves. However, chicken layer hens are becoming more popular due to better feed efficiency and the milder flavour of their eggs. Cambodia's large Tonlé Sap lake and the Mekong rivers, provide around 500.000 tons of wild fish yearly. Although aquaculture production is still low compared to other countries in the region, this industry is growing rapidly, due to an increasing domestic demand and export opportunities.

Despite its impressive growth, Cambodia's agribusiness is basic and most commodities are exported in raw form. Technological know-how on production, food safety and post-harvest chains is often lacking and the country is still heavily relying on the import of genetics, feed (additives), medicines, vaccines, etc. Increasing productivity, diversification of production and commercialization will be key to sustain the sector's growth and competitiveness.

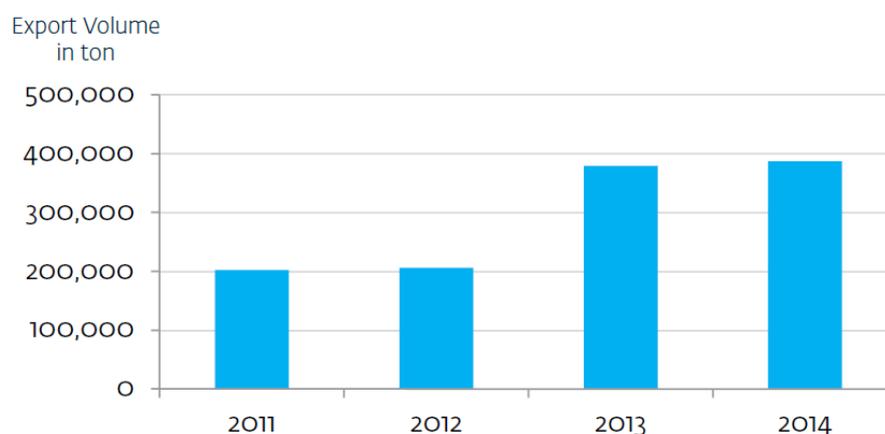


Figure 8: Cambodian Rice Exports from 2011-2014, source: IFC and SNEC

Table 13: Rice product export

	2012	2013	2014
Total Paddy Rice Surplus for Export	4,748,648	4,828,832	5,136,138
Total Rice Surplus for Export	3,039,135	3,090,452	3,287,128
Total Export of Milled Rice	205,717	378,856	561,456

Unit: In Tons

Data Sources: Ministry of Agriculture, Forestry and Fisheries

Note: Figures for 2014 are unofficial estimates.

Table 14: Common Across Targeted Countries for Cambodian Rice Exporters

Strengths	China	Côte d'Ivoire	France	Germany	Singapore	USA
Price		•	•	•		•
EBA duty-free under the EU GSP			•	•		
Significant fragrant rice market demand	•	•	•	•	•	•
Cambodian fragrant rice competitive with Thai		•	•	•		
Market for certified organic rice			•	•		•
Market has appetite for new/exotic brands		•				•
Geographic proximity (reduced shipping/freight costs & time)	•				•	
Similar rice-based culture and agriculture	•				•	
Significant ethnic market opportunity			•		•	•
Non-GMO rice available			•	•		•
Market values 'non intensive agriculture'				•		•
Market forecast strong long-term increase in rice demand	•					

Opportunities	China	Côte d'Ivoire	France	Germany	Singapore	USA
Potential to win market share (e.g. from Thailand)	•	•	•	•		•
Increasing demand for fragrant rice	•	•			•	•
Processors willing to delve into different/exotic products			•	•		•
Market interested in origin of product/traceability			•	•		•
Respect accolades/awards (e.g. World's Best Rice)				•		
Country/market must import rice	•			•	•	
Growing market for brown/organic rice	•			•	•	•
Vietnamese fragrant rice not seen as competition with Cambodian fragrant rice	•				•	
Relatively close country relationship	•					
Market sensitivity to value/price of Cambodian fragrant rice vis-à-vis other fragrant rice		•			•	

Weaknesses	China	Côte d'Ivoire	France	Germany	Singapore	USA
Weak/uninformed view of Cambodian rice quality	•	•	•	•	•	•*
Market lack of awareness of fragrant/luxury rice			•		•	
Market lack of awareness of Cambodian rice/rice industry	•	•	•	•	•	•
Strong competitor presence (i.e. Thai or Vietnamese)	•*	•	•*	•		•
Weak country image			•	•		
Not price competitive	•	•	•	•	•	•
Cambodian exporters preference to sell FOB (not CIF)	•	•	•	•	•	•
Cambodian traders viewed as lacking trading expertise/initiative	•				•	
Market lack of confidence in Cambodia to deliver large volume quality over long term	•					
Need significant capital for business development	•					•
Market lacking confidence in packaging capacities					•	
Market represents logistical challenge		•				•
Market uninterested in organic rice					•	

Threats	China	Côte d'Ivoire	France	Germany	Singapore	USA
New competition from Myanmar, Suriname			•			
Possible decrease in Thai rice prices	•*	•	•	•	•	•
GMO is prohibited	•*		•	•		
White/commodity rice sold on price basis		•				•
Increased local production of fragrant rice	•					•
Stronger competition from Vietnam for fragrant market share	•				•	
Market determined by political forces	•					
Local rice production improving		•				
Competition from low cost producers		•				

Source: IFC and the Supreme National Economic Council (SNEC), Support to the Commercialization of Cambodian Rice Project”, Cambodia Rice Export Potential and Strategies

1.2.2. Tourism and Hotel

The tourism sector in Cambodia has been growing at a steady and exponential rate in the last decade and has become the second largest income source for the Cambodian economy, after the garment sector (Kim and Tong 2010). The development of this sector is mainly driven by political stability, World Heritage monuments, especially Angkor Wat, improved tourism infrastructure, close proximity to tourism hubs, and the government’s policies on tourism, most notably the Open Sky Policy (Political principal of RGC). The number of international tourists

has gradually increased from less than 118,183 in 1993 to over three million in 2012. This is expected to reach over four million in 2013 (MOT 2012).

With more direct flights to Cambodia the number of foreign arrivals reached 4.8 million in 2015, providing USD 3 billion annually, or 13 percent of the country's GDP, and employing around 620,000 people. The majority of tourists are attracted to the historical/cultural complex of Angkor Wat, but an increasing number of tourists are also visiting the beaches in the southern town of Sihanoukville. Ecotourism in Cambodia is underdeveloped, but has a large potential together with the development of coastal areas (MOT 2016).

1.2.3. Garments and Footwear

Sokty Chhair and Luyna Ung(2015) the garment sector is now one of country's fastest-growing sectors for private investment and by far leads the country's exports. Robust growth in the garment sector is mainly the result of normalized trade relationship (NTR) agreements, first signed with the European Union (EU) in 1996 and then signed with the USA in 1997. The agreements were the result of Cambodia's being granted most favoured nation (MFN) status and status under the generalized system preference (GSP) agreement. Between 1994 and 1999, Cambodia's garment exports grew by more than 100 per cent, from US\$495 million to US\$1,102 million, with about 90 per cent of garment shipments going to the USA. This strong performance prompted the USA to introduce quotas on 12 categories of Cambodian garment exports in 1999, but fortunately this measure has not significantly affected the expansion of the industry, whose exports continued to rise to nearly US\$3,000 million in 2008 (Chan and Oum 2010).

The garment industry in Cambodia was established in the early 1990s when foreign investors started to set up manufacturing facilities. The garment industry has grown significantly over the past twenty years, contributing to one third of the country's economy and employing over 700,000 in more than 1,000 garment factories. Most factories are foreign owned, using Cambodia for the CMT (Cut, Make and Trim) process and arrange sourcing for textile from other countries, in particular from China. Garment exports account for about 80 percent of the country's total exports. The two main export destinations for garments and footwear are the EU and the United States.

Table 15: (Garments and Textiles) Export & raw material import

	Total exports	Exports to US	% of exports to US (as % of total garment exports)	Exports to EU	% of total exports to EU (as % of total garment exports)
Monthly (March 2014)	\$445.73 million €352.94million	\$160.74 million €127.28million	36%	\$ 172.63 million €136.69 million	39%
Annual 2013	\$ 4.97 billion €3.93 billion	\$ 2.03 billion €1.60 billion	41%	\$1.76 billion €1.39 billion	35%

Since the Garment Industry in Cambodia is primarily a CMT (Cut/Make/Trim) industry, most raw materials and fabrics which are used in the industry are imported into the country.

2011	Total imports ³⁹	% of Total imports
Light Rubberized Knitted Fabric	\$ 1.39 billion / €1.12 billion	13.24%
Other synthetic Fabrics	\$306 million / € 246 million	2.90%
Pile Fabrics	\$233 million / €186 million	2.21%

Source: Clean Cloths Campaign

1.3. Summary of the Research Paper

This structural composition of this thesis is separated into five chapters:

—1— Chapter one- Introduction:

This part presents the general context related to Cambodia's profile that focuses on actual mass area of Cambodia, provinces, population growth, GDP, international/domestic investment trade, foreign investment direct, situation of economy, main partners of trade and membership of trade organizations.

—1— Chapter two- Brief history and political organization of Cambodia:

This chapter presents into two parts: the history of Cambodia's evolutions with political organization of Cambodia and budget of national finance.

—1— Chapter three- Actual Situation of Construction industry in Cambodia:

This chapter presents a brief overview on the construction industry and infrastructure & logistics, the main economic situation of Cambodia, the contribution of construction sector in country's economy and the foreign investment scheme.

—1— Chapter four- Analysis of construction sector market:

This chapter is divided into three parts: SWOT analysis, PEST analysis, and Blue Ocean Strategy. It is described the strategies used to analyze the construction and others sectors, and specially, the variables still define opportunities and threats for investments. A SWOT analysis measures a business unit or proposition, a PEST analysis measures the market potential and situation, particularly indicating growth or decline, and thereby market attractiveness, business potential, and suitability of access - market potential and 'fit' in other words. PEST analysis uses four perspectives, which give a logical structure, in this case organized by the PEST format that helps understanding, presentation, discussion and decision-making. The four dimensions are an extension of a basic two heading list of pro's and con's.

—1— Final chapter - Conclusion and future research:

This chapter presents the general remarks, recommendations for improvement concerning the results obtained from the analysis, and the limitations of the study. Specially, are there any reasonable views for investors of foreign companies can invest in construction industry, agriculture and others sectors? And I'd like to research in future of my Ph.D for the use of ordinal regression models that ranks the values, but the real distance between categories is unknown. Diseases are graded on scales from least severe to most severe. Survey respondents choose answers on scales from strongly agree to strongly disagree.

II. BRIEF HISTORY AND POLITICAL ORGANIZATION OF CAMBODIA

2.1. Review of Cambodia's Evolutions with Political Structure

Cambodia is a multiparty constitutional monarchy under which the King is the head of state and the prime minister is the head of government. The prime minister is appointed by the King, on the advice and with approval of the National Assembly.

The kingdom formally takes place according to the nation's constitution (enacted in 1993) in a framework of a parliamentary, representative democracy. Executive power is exercised by the government. Legislative power is vested in the two chambers of parliament, the National Assembly and the Senate.

Cambodia emerged a newly independent nation in 1953 with ambitions for growth and development through the expansion of industry. 60 years later, following decades of war and destruction, these ambitions are beginning to be realized with double-digit growth rates and an

expansion of business and economic activity. The historical evolution of the economy of Cambodia and documents the political and economic events that led to its current economic structure. Over the last 60 years Cambodia has experienced a number of very different political ideologies which strongly influenced its industrial policy of the time. (**Nick Ray, Greg Bloom**, No 1 La guía más vivienda de Camboya) describe each of these regimes, focusing on the development of the industrial sector and the successes and failures that characterize the time.

The main regimes below that we describe from 1953 to present day will detail about Cambodia:

- i. the Sihanouk Regime (1953–1970), which attempted to foster industrial development through a mixed approach of encouraging private capital and enterprise coupled with state investment;
- ii. the Khmer Republic (1970–1975), which adopted a laissez faire approach but was ravaged by civil war;
- iii. Democratic Kampuchea (1975–1979), which saw the rise to power of the Khmer Rouge leading to nationalization, deindustrialization, genocide, and the destruction of all private capital; in this regime period killed about 1.5 million people
- iv. the People’s Republic of Kampuchea (PRK) (1979–1989), a socialist regime with a focus on agriculture that remained closed to the world economy;
- v. the State of Cambodia and the UN Period (1989–1993), a transition period to a market economy; and
- vi. the Kingdom of Cambodia (1993 to present day), a market economy mainly based on foreign investment and foreign markets. For the period before the civil war in 1970 limited documented evidence exists and so we rely on three leftist economic scholarly works by Hou (1955), Khieu (1959), and Hu (1963). Among them, only Khieu (1959) focuses on industry. Moreover, most historians tend to focus on political history rather than economic history due to the incidence of chronic civil war, genocide, the UN brokered international peace settlement, democracy, governance, and other political issues during the last four decades. Exceptions include Slocomb (2010), Ear (1995), and Vickery (1986). We draw heavily from these works in our review of the industrial sector and economy in general in the period up to 1993. After 1993, many additional sources are available. (Yale University, Chronology of Cambodian Events Since 1950 and Wikipedia)

Table 16: The summary of evolution of Cambodia

Regime:	Period	
	START	END
— Kingdom of Funan • Funan-Chenla War: 550–627	68	550
— Kingdom of Chenla • Two Kingdoms of Chenla: Land Chenla and Water Chenla: 706–802 • Javanese Invasion: 774–802	627	802
— Khmer Empire	802	1431
— Kingdom of Cambodia • Chaktomuk Era (1431–1525) • Longvek Era (1525–1593) • Srei Santhor Era (1594–1620) • Oudong Era (Dark Age of Cambodia: 1620–1863)	1431	1863
— French protectorate and French colonial era period • Obtaining Independence(9 th of November 1953)	1863	1953
— Kingdom of Cambodia • First Administration of King Sihanouk(1955-1970)	1955	1970
— The Khmer Republic and internal conflict	1970	1975
— Democratic Kampuchea (the Khmer Rouge Regime)	1975	1979
— People’s Republic of Kampuchea	1979	1991
— United Nations Transitional Administration in Cambodia (UNTAC) • Paris Peace Accords (23 th of October 1991)	1991	1993
— Kingdom of Cambodia • Monarchy restored (24 September 1993)	1993	Present

Source: Wikipedia, List of monarchs of Cambodia

Since the 1993 election, overseen by the United Nations (UN), Cambodia has been in transition to a full market economy, following decades of war and isolation from international markets by a socialist regime. It is since then that an expansion of industry has been observed. This growth and development focusing on the structure of industry in terms of output and employment and the characteristics of enterprises. We also document the key sunrise sectors including tourism, banking, rice production and processing, and rubber plantations. Particular focus is also placed on the garment sector, the sector for which Cambodia is perhaps most known from an international perspective. The overview of the various policies in place to address the growing needs and priorities of this industrializing nation.

The paper concludes with a discussion of the key opportunities and challenges facing Cambodia, most notably the need to develop industry further and in a new direction that promotes local business, produces more value added, creates more links with the domestic economy and meets international labour standardization.

2.2. Budget of National Finance

Cambodia's national budget in 2012 was 10,767,982 million riels (US\$2.62 billion). This was an increase of about 9 percent compared with 2011's US\$2.4 billion (Xinhau, 2011). According to the budget rules, the government can borrow up to 700 million SDR (Special Drawing Rights), or US\$1.09 billion, in 2012 from foreign countries. Currently, Cambodia's debt to foreign countries is only 29.1 percent of its GDP. In 2011, its GDP was US\$11.4 billion.

In 2012, the budget plan mainly focused on general administration, national defense and security, social affairs, and the economic sector.

For 2013, Cambodia's National Assembly approved a budget of US\$3.1 billion for government spending, up from the previous year's US\$2.6 billion. In the same year's budget, the expected expenses account for 19.8 percent of the country's GDP of about US\$15.6 billion. Here, government spending aims to ensure that economic growth is sustained at around 7 percent and poverty is reduced by at least 1 percent a year. According to its Ministry of Economy and Finance's estimation, Cambodia's per-capita GDP will surpass US\$1,000 in 2013, up from US\$909 in 2011.

Cambodia's infrastructure financing is also covered by the PIP. Table 14 shows the program's projected public investments for 2013-2015.

Table 17: Planned Expenditure of the PIP 2013-2015

Expenditures	US\$ Million
— Total planned expenditure in PIP (2013-2015)	4,938.9
• Ongoing projects	2,363.10
• Planned Projects	2,575.80
— Amount of resources that ministries have reported as committed	2,732.70
• By Royal Government of Cambodia	593.90
• By Development partners	2,138.70
• For Ongoing projects: Total commitment	1,989.80
• Royal Government of Cambodia	372.20
• By Development partners	1,617.50
• For planned projects: Total commitments	742.90
• Royal Government of Cambodia	221.60
• By Development partners	521.20
• Additional resources required (in addition to committed funds) for implementing	2,206.20
• Ongoing projects	373.30
• Planned projects	1,832.80

Source: Public Investment Plan (PIP)

III. CONSTRUCTIONS SECTOR IN CAMBODIA

Tia Chanlyda (2003) after decades of civil wars in Cambodia, the integration of Khmer rouge into society has created suitable condition for national reconciliation, peace, stability and opportunity to rehabilitate and to reconstruct the country. A great deal of work has been undertaken while the country has adapted to a free market economy. Cambodia has recently practiced a policy of incentive to attract foreign investment which has resulted in making the national economy more stabilized compared to the recent years. Among the major activities in reconstructing the country, the construction industry in Cambodia nowadays plays a significant role in the national economy through its large and various investment scales. Meanwhile, in this area the performance of involving parties who are from the public and private sectors relies basically on their limited resource and management qualification.

The types of construction and infrastructure sector in progress in Cambodia:

- Roads,
- Building, Housing Constructions Sector,
- Hydro-electro power and irrigation dam, Channel,
- Aviation transportations,
- Ports(Inland water, seaport and dry port),
- Railways,
- Mining Exploration.

In terms of the quality of construction industry, Cambodia is still very much behind Vietnam, Thailand and Singapore. The government has recently taken initiative to focus on the development of infrastructure such as roads and bridges. However, the government lacks funds to improve the facilities. As such, the Cambodian government had sought loans from the Japanese and Chinese governments to ensure that they have the necessary funds to execute these large infrastructure projects.

In addition, the governments which provided the loans have stipulated conditions to allow their local companies to secure certain infrastructure projects.

Cambodia also formed its first constructors' association, Cambodia Constructors' Association, in October 2011, with the aim of boosting the technical expertise of the sector. Cambodia has 1,074 construction and design companies, comprising 847 foreign firms, according to the Ministry of Land Management, Urban Planning and Construction.

The outlook of the industry is that it is moving towards high-rise buildings. Previously, the government stipulated restrictions on the Cambodia's laws on construction quality and structural safety are also outdated. Poor quality of construction may threaten public safety and reputation of the industry. Construction industry in Cambodia has become the fourth largest component of economy after the garment, tourism and agriculture. Past little year's" economic growth has spurred massive construction activity particularly in Phnom Penh.

MLMUPC (2015) wide ranging construction activity includes building of high rise office towers, residential complexes, services residences, commercial complexes, shopping malls, international schools and special economic zones or industrial parks. It is estimated that the sector has attracted \$3.2 billion in investment, mostly from China and South Korea, in the first six months of this year alone. The sector employs an estimated 40,000 workers.

Investment in the construction sector reached an all-time high last year of almost \$3.5 billion, up about 40 percent from the \$2.5 billion invested in the sector in 2014, according to data from the Ministry of Land Management, Urban Planning, and Construction.

There were 2,500 construction projects, covering 7.70 million square meters of land last year, according to the ministry. About 700 buildings, ranging from five to 55 floors, were built last year across the country, with most going up in the capital, Kandal, Siem Reap, Sihanoukville, and Battambang provinces.

Phnom Penh has been declared only marginally cheaper than Bangkok and Jakarta for expats to live in. As of current, Phnom Penh ranks 41st out of the top 50 most expensive Asian Pacific cities for expats to stay, according to the latest report released by ECA International.

Climbing up three ranks from number 44 last year and up a total of seven ranks from placing 48 in 2012, Phnom Penh's steady pace is considered healthy.

The report by ECA International – a market leader in providing knowledge, information and technology to aid companies in gauging costs and expenses for their expatriate workers – included review charts of the 50 most expensive cities in the Asia Pacific region; one of a five-year review between 2012 and 2016, and another of a one-year review from 2015 till now.

Table 18: The top 10 most expensive Asian Pacific cities to live in 2016 e.

50 most expensive cities in Asia Pacific region: 5 year change				
Country	Location	Regional rank		
		2016	2012	Difference
Japan	Tokyo	1	1	-
Hong Kong	Hong Kong	2	17	▲15
China	Shanghai	3	14	▲11
China	Beijing	4	9	▲5
Japan	Yokohama	5	3	▼2
Japan	Nagoya	6	2	▼4
Japan	Osaka	7	4	▼3
China	Guangzhou	8	22	▲14
Korea Republic	Seoul	9	15	▲6
Singapore	Singapore	10	16	▲6

Source: ECA International

However, according to ECA International for Asia, a year-on-year analysis does not give much insight to whether a city or country will keep its place, climb or fall for the next few years. It is much better to look at the five-year review rather than the one-year review, as year-on-year changes are based on economic volatility.

There are two reasons for Phnom Penh's climb up the ranks; the first is due to the strengthening of the US dollar over the course of the last 12 months, which naturally leads to the increased strength of the Cambodian currency and economy thanks to its US-dollarised economy.

“Secondly, Phnom Penh has also shown a substantial increase in general inflation in terms of day-to-day expenses, services, and transportation,” he continued, adding that the data collected by ECA gives companies an estimate of how to protect the purchasing power of their expat workers.

Table 19: The 10 least expensive; wherein Phnom Penh comes in at number 41 the year 2016 e.

50 most expensive cities in Asia Pacific region: 5 year change				
Country	Location	Regional rank		
		2016	2012	Difference
Cambodia	Phnom Penh	41	48	▲7
Laos	Vientiane	42	44	▼2
Philippines	Metro-Manila	43	45	▼2
Vietnam	Hanoi	44	51	▲7
India	New Delhi	45	46	▲1
Vietnam	Ho Chi Minh City	46	54	▲8
India	Mumbai	47	47	-
Thailand	Chiang Mai	48	43	▼5
Malaysia	Kuala Lumpur	49	42	▼7
Indonesia	Surabaya	50	41	▼9

Source: ECA International

Based on the five-year review which compares Asia Pacific cities in 2012 and 2016, Phnom Penh leads among its immediate regional counterparts at rank 41, with Laos coming in directly behind at 42 – down two ranks from 44; Hanoi at 44 – up seven ranks from 51; and Ho Chi Minh City at 46 – up eight ranks from 54 (Phnom Penh Post, 2016).

3.1. Regulation and Legal Specification

Cambodian government have set up some legal aspects for construction industry which includes Constitution of land law , article 4, article 7, article 8 and article 15 by undertaking these articles the builders and investors must take into consideration prior and after of construction. By breach of this law, penalty has been may be imposed under article 6 5 and article 24 and thus ceases the ongoing projects. If the work still continues the case shall be deferred to a Court. In 2001 Land Law provides a framework for real property security and a system for recording titles and ownership.

The government is making efforts to accelerate the issuance of land titles, but in practice, the titling system is cumbersome, expensive, and subject to corruption. Instead of unaccountable, purely procedural, building permits, Cambodian developers will have to abide by a national building code and overarching laws. The industry is already gearing up for the changes by hiring a multitude of international sub-contractors to fill the skills and knowledge gap currently characterizing the Cambodian property industry. Law on land management, urban planning and constructions **Sub-decree/04NS94/10Aug94 Enacted on May 24, 1994**

3.1.1. Construction Permits

The Ministry of Land Management, Urban Planning and Construction (MLMUPC) are a government ministry of Cambodia. The Ministry is responsible for governing land use, urban planning, construction projects, and for the resolution of land use conflicts. The construction permits shall be signed by the delegate of the Royal Government to the Municipality by **Sub-decree 86 ANK/BK/ December 19, 1997**

3.1.2. Ownership of Land

It is prohibited for any foreigner, either a natural person or legal entity, to own land. The Constitution stipulates that “All persons, individually or collectively, shall have the right to

ownership. Only Khmer legal entities and citizens of Khmer nationality shall have the right to own land (Article 44)”. The Land Law for 2001 also said that only natural or legal entities of Khmer nationality have the right to ownership of land in Cambodia and a foreigner who falsifies national identity to become an owner of land in Cambodia shall be punished (Article 8). In this regard, the legal entities of Cambodian nationality mean the companies of which 51% or more of share are owned by Cambodians or Cambodian companies.

3.1.3. Foreign Direct Investment (FDI)

About **90%** of **FDI** is in light industry, services and infrastructure construction. But the country attracted \$4 billion FDI in 2014, with China, Malaysia and South Korea being the top foreign investors for industrial, infrastructure, agriculture. The Cambodian Law on Investment (LoI) encourages both local and foreign investors without discrimination. The LoI provides incentives (significantly on the import duty and tax on profit, up to 9 years maximum). Export industry is given priority from the Cambodian government via the LoI.

Cambodia has opened its economy for FDI in all sectors, inclusive of insurance, banking and telecommunications. In comparison to other countries, investors are enabled to guard 100% of the share holding in Cambodia, without the re-quirement of some local participation. Main foreign investors who are interest-ed in investments into Cambodia have been Asian or American investors so far. However, the interest in investments from the EU is minimal.

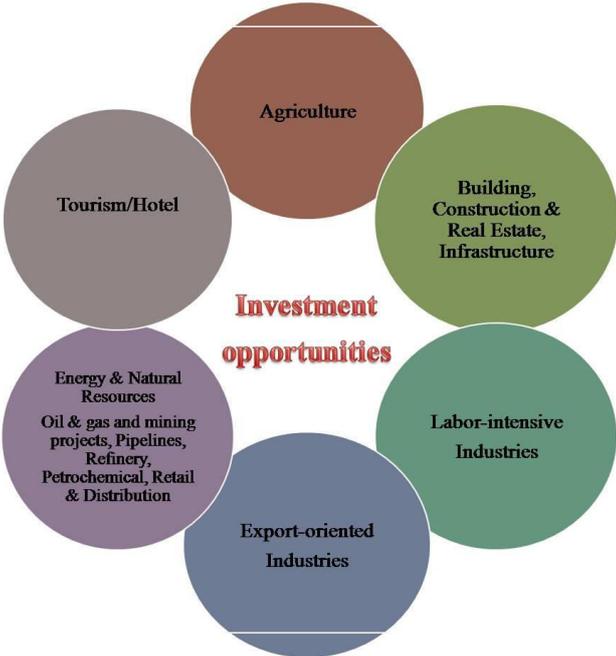


Figure 9: Investment opportunities in Cambodia

Cambodia has a high potential in rice growing as I already mentioned above and it exports its surpluses worldwide. Its nation-wide fertile land has not been fully used and still shows a growing potential. Cambodia needs foreign investment in order to improve the productivity of agriculture and therefore also the rice supply/export into the world and surrounding regions

Table 20: Investment approved by CDC by major countries (1999 –Sept 2012) in USD million

Country	1994-2006 Total		2007	2008	2009	2010	2011	2012 1-9	1994-2012.9 Total	
		Rank								Rank
Cambodia	4,341	-	1,323	3,932	3,753	391	1,930	261	15,931	-
China	1,581	2	180	4,371	893	694	1,193	230	9,142	1
Korea	1,361	3	148	1,238	121	1,027	146	150	4,191	2
Malaysia	1,960	1	241	3	7	167	235	0	2,614	3
UK	107	11	26	6	0	0	2,238	25	2,429	4
USA	428	5	3	671	1	36	144	5	1,290	5
Vietnam	81	12	139	21	210	115	631	84	1,281	6
Taiwan	576	4	40	21	27	92	82	78	916	7
Thailand	384	6	108	74	178	2	0	120	866	8
Singapore	271	8	2	52	272	37	14	83	732	9
HKG	248	9	26	0	7	30	331	56	697	10
Russia	279	7	0	102	235	0	0	0	617	11
Israel	0	14	2	300	0	2	0	0	304	12
France	208	10	35	6	50	0	0	3	303	13
Japan	22	13	113	8	5	0	6	2	157	14
Others	269	-	305	84	127	222	393	26	876	-
Total	12,116	-	2,656	10,889	5,859	2,691	7,012	1,123	42,346	-

Source: CIB (CDC)

According to the survey, the accumulated amount of foreign direct investment from 1994 to 2014 was estimated at \$19.2 billion, in which Asian countries accounted for nearly 90 per cent. China, included together with Taiwan, Hong Kong, and Macau, contributed 44 per cent of the total.

According to data of International Monetary Fund (IMF), total foreign direct investment in Cambodia amounted to \$2.63 billion in 2012, with the Republic of Korea constituting the largest proportion (53 percent of total investment). The other top foreign direct investment countries in Cambodia were Malaysia, Thailand, France, and Denmark. The number of Cambodian investments outside the country was quite small compared to inward foreign direct investment. In 2012, outward foreign direct investment was \$370 million, with 81 percent of the total investment going to China. Two other major countries were Singapore (\$77 million) and the Republic of Korea (\$2 million).

The International Monetary Fund's 2013 data is not yet available. The Council for the Development of Cambodia provided updated stock foreign direct investment data on registered capital and fixed assets for approved projects, including domestic investment, broken down by

country of origin. The top 15 approved foreign direct investment registered capital figures by country below may overstate investment because they include ongoing projects and/or projects that may never be completed. Retention of dormant or defunct projects from earlier years makes the investment figures appear higher.

Table 21: Total Cumulative Registered Investment Projects by Country of Origin (August 1994 to December 2013)

Countries	US\$ Millions	Percent
Cambodia	1,949	27%
Malaysia	1,609	22%
China	893	12%
Vietnam	529	7%
Taiwan	522	7%
Korea	299	4%
Thailand	236	3%
Singapore	228	3%
Hong Kong	205	3%
United Kingdom	140	2%
United States	80	1%
Japan	75	1%
Canada	69	1%
Australia	59	1%
Indonesia	56	1%
Other	201	3%
Total	7,150	100%

Source: US commercial service, Doing Business in Cambodia 2014 Country Commercial Guide for US Companies & the Council for the Development of Cambodia

But despite the competition to attract investors from more mature manufacturing sectors like neighboring Thailand and Vietnam, Cambodia is well positioned to play a major part in the regional supply chain.

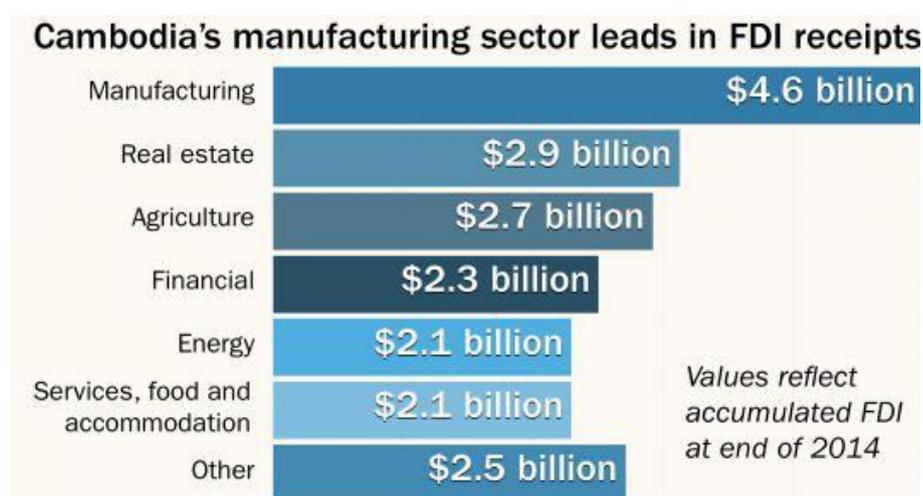


Figure 10: FDI to Cambodia over a 20-year period (1994 to 2014), Source: National Bank of Cambodia and National Institute of Statistics of MOP

Table 22: Investment capital by countries from 2011-2015

Investment Capital by Country										
Year	2011		2012		2013		2014		2015	
Total	\$5.7 Billion		\$2.9 Billion		\$4.9 Billion		\$3.9 Billion		\$4.6 Billion	
Rank	Country	%								
1	Cambodia	41.24	Cambodia	42.08	Cambodia	66.80	Cambodia	64.00	Cambodia	69.28
2	China	30.55	China	20.69	China	15.68	China	24.44	China	18.62
3	Vietnam	11.99	Korea	9.89	Vietnam	6.10	Malaysia	2.18	U.K	3.00
4	U.K	4.30	Japan	9.15	Thailand	4.37	Japan	1.72	Singapore	2.18
5	Malaysia	4.20	Malaysia	6.04	Korea	1.76	Korea	1.66	Vietnam	1.92
6	Korea	2.91	Thailand	4.53	Japan	1.59	Vietnam	1.26	Malaysia	1.61
7	U.S.A	2.47	Vietnam	2.89	Malaysia	1.04	UK	1.13	Japan	1.28
8	Japan	1.15	Singapore	2.59	Singapore	1.03	Singapore	0.89	Thailand	1.18
9	Australia	0.43	U.K	0.51	UK	0.43	Thailand	0.88	Korea	0.21
10	Singapore	0.28	U.S.A	0.42	France	0.27	Australia	0.51	Canada	0.19
11	Others	0.48	Others	1.21	Others	0.94	Other	1.36	Others	0.52

Source: CDC, CIB

3.1.4. Construction Specification for Using in Cambodia

For any construction specifications in Cambodia, there are Cambodian Road and Bridge Design Standard and Construction Specifications. Dr. Vong Seng and Mom Mony (2008) the constructions which are done by foreign investments, they used engineers from their own country to work with local engineers by applying their own design standards. Based on the knowledge of the authors, the popular design codes used in Cambodia are ACI, AISC /LRFD AASHTO, European Codes (Euro Code), French Codes, Russian Codes, JSCE standards and Australian Standard. The main reasons of using different design codes in Cambodia are:

- Official Development Assistance (ODA) from the developed countries such as Japan, France, Australia, USA and Germany, they use their own standard
- Engineers are got the formation in different design codes
- Foreign investments on construction industry are from different countries

Although Cambodian road and bridge design standards have already been set up under the Australian ODA scheme, it is still not suitable for local conditions.

3.1.4.1. Problem and Difficulties

According to study on Cambodia's market, the construction materials are imported from various countries except some raw materials such as sand and crushed stone. In each design code, it requires the materials with quality defined in code. Therefore it is quite difficult to find the materials to be suitable to the design code used. It is also difficult to check the quality of

materials to satisfy the design codes used due to the lack of equipment for testing, the test condition, test method and the capable of engineers about those design codes. The different design codes used in Cambodia are not suitable for local conditions such as climate, materials, skilled labour, equipment, and construction method. It is high risk to use these design codes without studying and doing research.

3.1.4.2. Necessity of Design Codes for Cambodia

According to the Asian Civil Engineering Coordinating Council (ACECC, 2008), for the future development of the country of Cambodia, it is important to set up a kind of system that all the construction works shall be carried out by local engineers and technicians. The design codes are necessarily required for Cambodia to ensure the quality of construction in term of economical development. At present time with her own capability, Cambodia will not be able to develop her own design codes without foreign assistance.

However by expecting the Asian Codes will develop with the consideration of the environment in regional area of Asia, Cambodia would be able to benefit from these codes to make her own national application documents.

3.1.4.3. Construction 2015

In 2015, to be facilitated for control and management, the Royal Government of Cambodia has introduced/issued several laws and legal standard letters related to the construction sector focus on notification for enterprises/companies using-studying blueprint designs for construction, and for construction building groups on strengthening and managing all types of building constructions.

— Notification on legal norms letters developed by the ministry of land management, urban planning and construction, notification (MLMUPC), 26 February 2015

To effectively implement the laws and legal norms letters in force, the Ministry of Land Management, Urban Planning and Construction informs the public about the construction requirement as follows: (1) any construction shall be required to obtain a construction permit and authorization to open a construction site; (2) construction owner must rent/hire any construction companies or construction builder team which have been properly registered with an insurance certificate for the construction site; and (3) authorities of all sections and levels must cooperate and monitor all construction sites to be carried out in accordance with the applicable laws and legal standard letters.

— Notification to companies-enterprises that use blueprint designs for constructions, to construction building teams on strengthening and managing construction of all types of buildings.

In accordance with applicable laws and legal standard letters related to the construction sector, the Ministry of Land Management, Urban Planning and Construction informs companies-enterprises utilizing blueprint designs for construction, and all construction building teams which are operating a business in the Kingdom of Cambodia as follows: (1) all companies-enterprises studying blueprint design and construction must have a certificate for conducting business of blueprint design and construction issued by the Ministry of Land Management, Urban Planning and Construction, and have insurance responsible for construction site as stated in article 2 of the Inter-ministerial Prakas № 655, dated 16 October 2002; (2) all construction building teams are required to have a certificate for operating a business issued by the municipal-provincial departments of land management, urban planning, construction and land; (3) must respect and implement in accordance with laws and legal standard letters, technical standard of blueprint design and construction relating to the management of construction sector with professional conscience and high responsibility on quality, safety, beauty and environment; (4) not to be responsible for any construction without having a construction permit and a permit for opening the construction site; (5) must regularly provide training regarding work safety to workers and staff on the construction site; and (6) must make a report to relevant authority of the municipal, Khan-district office of land management, urban planning, construction and land about risks that may occur and be caused by the construction activities affecting safety, security and public order.

3.1.5. Public Contract and Company

The foreign direct investment must be registered with the Ministry of Commerce, and investors must obtain operating permits from the relevant line ministries (see Figure 11). If a foreign investor seeks investment incentives as a Qualified Investment Project, he/she must register and receive approval from the Council for the Development of Cambodia or the Provincial-Municipal Investment Sub-Committee. The application to the Council for the Development of Cambodia may be made either before or after registering with the Ministry of Commerce. There are few limitations on foreign control in Cambodia. Foreign investors may own 100 percent of their investment projects except in the sectors of cigarette manufacturing, movie production, rice milling, gemstone mining and processing, publishing and printing, radio and television, wood and stone carving production, and silk weaving. According to Cambodia's Amended Law on

Investment and related sub-decrees, there are no limitations based on shareholder nationality or discrimination against foreign investors except in relation to investments in real property or state-owned enterprises.

Accordance with CDC, the law on Investment and the Amended Law on Investment state that the majority interest in land must be held by one or more Cambodian citizens. Pursuant to the Law on Public Enterprise, the Cambodian government must directly or indirectly hold more than 51 percent of the capital or the right to vote in state-owned enterprises. As described more fully below, Cambodian courts are ostensibly independent, and the government has no right to intervene in private commercial disputes. Foreign investors, however, are generally reluctant to resort to the Cambodian judicial system to resolve commercial disputes because the courts are perceived as unreliable and susceptible to external political influence or bribery. To address these concerns, the Cambodian government is in the process of creating a commercial court, which it hopes will increase the judiciary's professionalism and discourage corruption and external political influence.

Cambodia's 1994 Law on Investment (LoI) created an investment licensing scheme to regulate the approval process for foreign direct investment and provide incentives to potential investors. In March 2003, the government simplified the licensing scheme and increased transparency and predictability by enacting the Law on the Amendment to the Law on Investment (Amended Law on Investment). The licensing scheme for investments of less than \$2 million was clarified in a sub-decree on the Establishment of the Sub-Committee on Investment in the Provinces-Municipalities of the Kingdom of Cambodia in February 2005. Sub-decree No. 111 on the Implementation of the Law on the Amendment to the Law on Investment, issued in September 2005, lays out detailed procedures for registering a Qualified Investment Project with the Council for the Development of Cambodia and provincial/municipal investment sub-committees. There is process bellow for legal register of investment in Cambodia:

—L— Licensing Authorities

- Council of Ministers(CoM): 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



Figure 11: Process for Investment Approval

Investment Protection

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

- Equal treatment of all investors
- No requirement of local equity participation
- No price controls on products or services
- No restriction on forex convertibility
- Free remittance of foreign currencies abroad

Cambodia is currently reviewing its investment laws and regulations in connection with the formation of the ASEAN Economic Community in 2015.

The “Law Bearing upon Commercial Regulations and the Commercial Register (Law on Commercial Enterprises)” was first enacted in May 1995 and modified in November 1999. This law defines the meaning of “Merchant”, “Trade”, “Trading Activities”, etc. and stipulates the obligation of the companies, including the foreign business, to register and the procedures of commercial registration. The “Law on Commercial Enterprise” was adopted by the National Assembly on April 26, 2005, and promulgated on May 19, 2005, as the first comprehensive company law in Cambodia. **This Law applies to the “Partnership,” which falls into the category of a General Partnership or a Limited Partnership; “Limited Company,” which is either a Private Limited Company or a Public Limited Company; and “Foreign Business” as well.**

A foreign business is a legal person formed under the laws of a foreign country where it has a place of business and doing business in Cambodia (Chapter 4 – Foreign Business General Provisions: Article 270). It may conduct business in Cambodia in the following forms (Article 271): Commercial representative office, commercial relations office or agency (“representative office”)

3.1.5.1. Branch of Company

A branch may perform the same acts as a representative office and, in addition, may regularly buy and sell goods and services and engage in manufacturing, processing and construction as a local enterprise as long as it does not perform acts prohibited by law to a foreign physical or legal person (Article 278). The assets of the branch shall be the assets of the principal. The principal shall be liable for any obligation of the branch (Article 279), and a branch may be closed by a decision of its principal (Article 282).

3.1.5.2. Subsidiary

A subsidiary is a company that is incorporated by a foreign company in Cambodia with at least 51% of its capital held by the foreign company (Article 283) and has a legal personality separate from the principal (Article 284). A subsidiary may be incorporated in the form of a partnership or limited company (Article 285) and may carry on business the same as a local company except for any act that is prohibited for foreign natural or legal person by laws of Cambodian law (Article 286).

A representative office and a branch are agents of their principals and do not have a legal personality separate from their principals. A foreign business shall be considered to be “doing business” if the foreign business performs any of the following (Article 272):

- Rents office or any other space for manufacturing, processing or performing services for more than one month
- Employs any person for more than one month
- Performs any other act permitted for a foreign physical and legal person by Cambodian law,

3.1.5.3. Representative Office

A commercial representative office or commercial relations office may perform the following acts in Cambodia (Article 274):

- Contact customers for the purpose of introducing customers to its principal
- Research commercial information and provide the information to its principal
- Conduct market research
- Market goods at trade fairs and exhibit samples and goods in its office or at trade fairs
- Buy and keep a quantity of goods for the purpose of trade fairs
- Rent an office and employ local staff
- Enter into contracts with local customers on behalf of the principal

However, a representative office may not regularly buy and sell goods, perform services or engage in manufacturing, processing or **construction in Cambodia**. A commercial representative office may be closed by a decision of its principal (Article 277 of Cambodian Constitution).

3.2. Description of Construction Industry and Real Estate

Netherlands Embassy in Bangkok (May, 2016) and US Embassy in Phnom Penh described that the construction industry in Cambodia has grown substantially over the last years. The majority of the construction projects concern condominiums, residential units, commercial buildings, shopping malls, hotels and factories. Increasing numbers of tourists visiting Cambodia supported growth, particularly in Siem Reap. Phnom Penh also witnesses a growth in the construction and real estate sector, aided by a regulatory change in 2009 allowing foreign ownership of houses, apartments and condominiums from the second floor up. Major foreign investors in this sector are from South Korea, China, Japan, Malaysia, India and Vietnam.

The Cambodia's Ministry of Land Management, Urban Planning and Construction had granted licenses to 915 construction projects with a total investment of 808 million U.S. dollars in the first six months of 2015. Ministry's General Department of Construction released the figures during a construction management conference and added that currently, 646 construction companies, including 202 foreign developers, are doing businesses in Cambodia.

According to the Construction Department of the Ministry of Land Management, Urban Planning & Construction said that “those construction projects include condominiums, residential units, commercial buildings, shopping malls, hotels, and factories. Top five countries investing in the country's real estate and construction are South Korea, China, Britain, Thailand and Japan”.

Construction is one of the four pillars supporting the economy. The sector attracted 1,960 projects with a total investment of 2.5 billion U.S. dollars in the whole year of 2014. The ministry approved 1,641 projects covering a total area of 7.5 million square meters, and with a total value of \$2.8 billion in 2013, an increase of 31 % year-on-year.

In 2012, there were 1,694 projects were approved, with a total area of 6.5 million square meters and total investment capital of \$2.11 billion, according to ministry’s data.

Table 23: Overview of Construction Project (2012 - 2015)

	2012	2013	2014	2015
Total Value of Approved Construction Projects	2,100,000	2,800,000	2,507,000	3,338,000
Construction materials imported	153,260	182,570	217,480	308,610

Unit: US thousand, Exchange Rate: 1 USD \cong 4,000Riels

Sources: Approved construction projects: Ministry of Land Management, Urban Planning and Construction & Construction materials imported: Ministry of Economy and Finance & CCA

Cambodia is in the process of rehabilitating its hard infrastructure, principally with assistance from international donors. Given the current poor condition of the country’s infrastructure, construction and engineering services will be in high demand for the foreseeable future. Public works and transportation, including the road network, are a high priority for the Cambodian government. The total investment in infrastructure in Cambodia is estimated to be in the range of \$12 billion to \$16 billion from 2013 to 2022. Infrastructure investment is state-led, and the public-sector capital investment rate as a percentage of GDP is approximately six percent per year. In addition to infrastructure construction, Cambodia has witnessed a major boom in residential and commercial construction over the last few years. Several residential and commercial development projects are underway, such as mixed-use towers, shopping malls, and suburban commercial-residential developments.

Table 24: Total number of construction projects from 2004 -2015

YEARS	NUMBER OF PROJECTS	TOTAL AREA (m ²)	ESTIMATED COST (Million USD)	PERCENTAGE OF ESTIMATED COST COMPARISON
2005	2,995	4,117,402	857	Compared with 2004, Increased by 4%
2006	2,583	6,244,402	1,192	Compared with 2005, Increased by 39%
2007	1,942	10,695,340	3,212	Compared with 2006, Increased by 169%
2008	2,156	10,339,642	3,192	Compared with 2007, Decreased by 0.64%
2009	2,230	6,614,747	1,989	Compared with 2008, Decreased by 38%
2010	2,149	3,287,468	840	Compared with 2009, Decreased by 58%
2011	2,129	5,257,585	1,734	Compared with 2010, increased by 106%
2012	1,694	6,528,452	2,109	Compared with 2011, Increased by 72%
2013	1641	7,596,151	2,773	Compared with 2012, Increased by 31,45%
2014	1960	6,460,148	2,507	Compared with 2013, Decreased by 9.58%
2015	2,305	7,686,112	3,338	Compared with 2014, Increased by 33.14%

Source: CCA

The Cambodia Institute of Development Study estimates that the construction sector has contributed 7-8% to the GDP. However, the construction boom has also brought controversies. The main issues in the construction sector include allegations of land grab, working conditions and minimum wage and benefits for construction workers, workplace safety, environmental impact and protection of cultural heritage. In the absence of strict safety standards or regulations for the construction industry, accidents are frequent. Builders often do not provide even basic safety gear such as helmets, protective boots, harness, eye shields, masks and gloves. Workers and supervisors also do not receive safety training. Though there are no official figures available, the president of the Cambodian National Federation of Building and Wood Construction (CNFBWC), was quoted in a media report recently that in Phnom Penh alone some 50 construction workers are injured each day and at least one worker dies each week. The same report quoted the president of Siem Reap-based Cambodian Construction Workers Trade Union Federation (CCTUF), who said about 10 construction workers are injured each day. Unions are demanding laws on safety, working conditions and wages for the construction industry.

According to Cambodia Constructors Association (CCA) and Department of Land Management, Urban Planning and Construction (MLMUPC), the total investment capital for construction sector as shown in figure 12.

We see that the year 2007, 2008, 2013 and 2015 the investment capital very higher than other year and we estimate in 2016. According to CVEA (2016) between 2008 and 2010, many businessmen who were involved in the first boom went into bankruptcy due to mismanagement in their projects. In that period, there were almost no big construction projects.

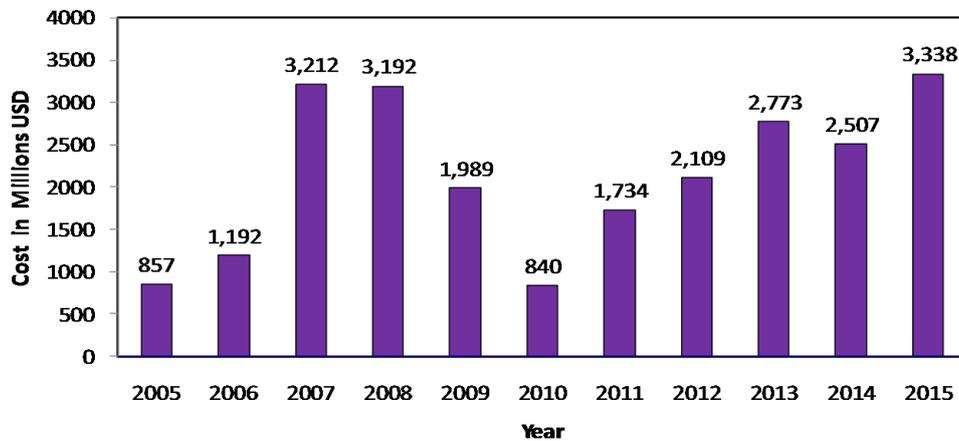
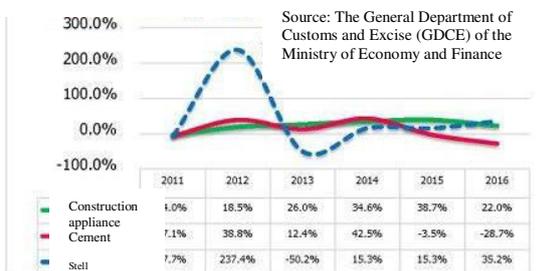


Figure 12: Total investment budgets for construction projects in USD million

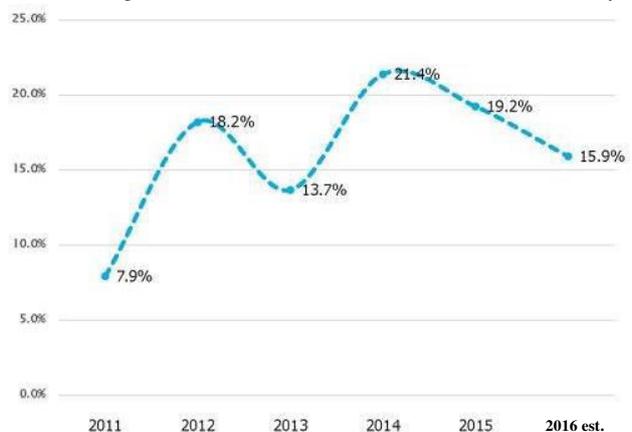
According to figures from the Ministry of Economy and Finance (2016), the slowdown has started 2016 and construction of new buildings will get progressively slower over the next five years. The construction boom will slow down in the next five years, according to government estimates, due to a glut of building space in the capital Phnom Penh and falling demand for new properties (Khmer Times, 2016). But in June of 2016 will see a growth rate of 15 percent in the construction sector, compared to a growth rate of 19 percent in 2015. In 2017 est., the construction sector will slow down to a growth rate of 12.4 percent. In 2018 f. it will decline to 10.3 percent and 2019 f., it will drop to 10 percent. (Source: MEF, 2016)

ការបន្តកំណើនខ្ពស់នៃការនាំចូលសម្ភារៈសំណង់ ជាពិសេសដែក បច្ចុប្បន្នភាពនៃទីផ្សារសំណង់ដែលនៅតែបន្តរុញកំណើនសេដ្ឋកិច្ច នោះបើកំណើននៃសំយោងនេះមានការថយចុះបន្តិច ប្រូបសិទ្ធិការថយចុះនៃឥណទានផ្តល់ឱ្យទៅនឹងសំណង់

The growth of imports of materials within the first 6 months of the year



The growth of the construction sector in the national economy



Credit growth of the construction

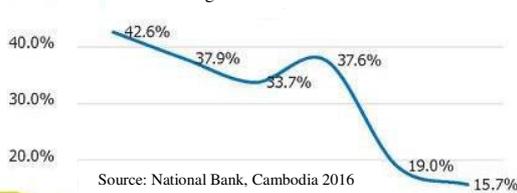


Figure 13: The growth of materials imports and the construction sector into national economy

3.2.1. Building Construction

For the first 5 months of this early year 2016, there are 990 construction projects including investment capital USD 6.5 billion, but there were 2,305 construction projects with total investment budget USD 3,338 million in 2015(see table 24). (Source: MLMUPC, 2016)

It is also in 2015, the construction industrial in Cambodia have provided many type of jobs for the people between 208, 290 to 251, 490 labors per day and Phnom Penh, there were variable numbers between 96, 500 to 108, 500 labors per day that depended on the construction project size. That figure raised 2 times if compare to 2014.

In Cambodia nowadays has much many type of building constructor project, there are condominiums, apartment, flat, villas, for renting and housing of companies and people living. There are many projects realized and still under construction including:

One of the pillar boosting domestic economy, the construction and real estate, after the sluggish point in 2008 and 2009 from the global recession, attracted a number of investors to register their investment. The figures 13 illustrated the green signal, growing significantly. Pointing out from many analysts, the growth of the current days is from demand driving, rather than the 2007-2008 when the speculation driven the growth. Consequently, the high-rise building, skyscraper, large housing complex (Borey) are all spreading like the mushroom both in the commercial city and the suburb areas.

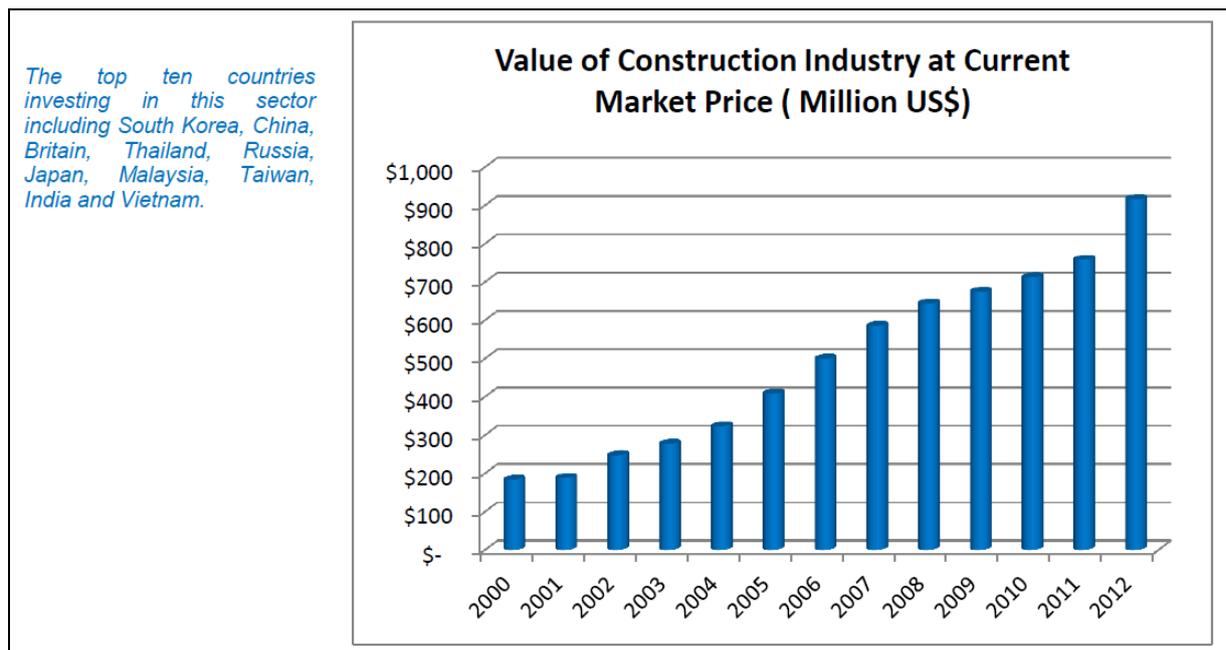


Figure 14: Construction Industry at Current Market Price, source: ADB Key Country Indicators for Asia and Pacific 2013

According to the MLMUPC has found that China, which is ranked No. 1 investment in construction in the country among the 18 countries to invest in developing countries.

The report of the General Department of Construction, Ministry of Urban Planning and Construction unit Fresh News gets on the morning of September 06, 2016, confirmed that since 2000 until August 2016, the investments of the private sector abroad have 284 projects with an area of construction, totaling 12,496,615 square meters worth estimated total investment of 4.280 million US dollars, of which China is ranked 1st Korea ranked 2nd and Japan were ranked No. 3 among investment capital from 18 countries.

Meanwhile, the General Department of Construction, reported that since 2000 to August 2016, the Ministry of registered enterprises, companies, business design study and construction of a total of 1862 companies, however, valid only 871 companies in which local companies have 588 companies and foreign companies from 29 countries, there are some 283 companies and physical individual design study with 122 persons received Architects 84 Foreign 1 and engineers 38, too.

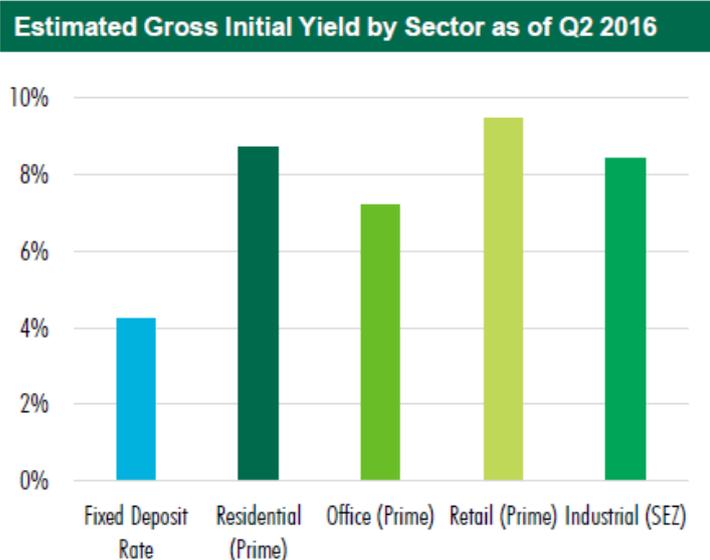


Figure 15: Property investment in Cambodia (source: CBRE Cambodia, Q2 2016)

Solid economic growth and strong foreign investor demand are helping to drive Cambodia’s condo boom, but some worry it could lead to a glut (PropertyGuru, 2016).

The study for Cambodia’s real estate market is heating up, especially in its capital Phnom Penh, with foreign developers from China, Singapore, Taiwan and Korea looking to expand their footprint in the fast-growing city. For Singaporean developers, restrictive cooling measures in the city-state, as well as the passing of legislation some years back allowing foreigners to own Cambodian property, have been the main pull factors for companies such as Oxley Holdings,

Teho International and TA Corporation to develop large-scale commercial and residential projects in Phnom Penh.

Under the Foreign Ownership Property Law, foreigners can own upper-floor units, but not ground floor units, and up to 70 percent of a condominium project. This restriction has little impact on foreign buyers, considering that apartments are usually not built on the ground floor (CBRE, 2016).

Phnom Penh has seen a remarkable increase of demand on housing units, including condos, among local population as their incomes have been rising steadily. One of the fastest GDP growing in the world, Cambodian was predicted by International Monetary Fund (IMF) to reach 7.2% of GDP growth rate in 2014 (Sophirom, 2014), while annual GDP per capital was about US\$1,130 (Xinhua Daily, 2014). According to a recent study by Park Café, 13% of the professional population in Phnom Penh City earned more than US\$600 to US\$1,000 per month, and another 6% of the population earned more than US\$1,000 to US\$2,000 per month (Seiha, Restaurant Consumer Survey 2014, 2014).

The increasing demand on housing seems to be interrelated with the increased number of households, whose trend has been steadily shifted from extended families to nuclear families, who potentially look to buy separated housing units for their own.

The price of some flat housing in Phnom Penh Capital were depended on location and areas in Capital and also based on commercial and non-commercial areas.

Table 25: The summaries of market price for flat housing estimated 4m X 16m in Phnom Penh

No.	Type of Location/Areas	Low/High Prices	Ground Floor	Ground Floor to 1st Floor	Ground Floor to 3rd Floor	1st + 2nd Floor
		US\$	US\$	US\$	US\$	US\$
1	Residential Areas	Low	70,000	90,000	130,000	40,000
1	Residential Areas	High	130,000	160,000	190,000	50,000
2	Around Commercial Markets	Low	400,000	500,000	650,000	40,000
2	Around Commercial Markets	High	500,000	800,000	900,000	60,000
3	Commercial Areas	Low	180,000	280,000	350,000	40,000
3	Commercial Areas	High	280,000	350,000	500,000	60,000
4	Sub-Commercial Areas	Low	120,000	140,000	170,000	35,000
4	Sub-Commercial Areas	High	180,000	180,000	285,000	70,000

Source: Real estate in Cambodia in February, 2015

The figure 14 below shows that there are many constructions and office building for rent around Phnom Penh capital, there are also business centers below:



Figure 16: Summary of area development of the main construction projects in Phnom Penh updated from 2010

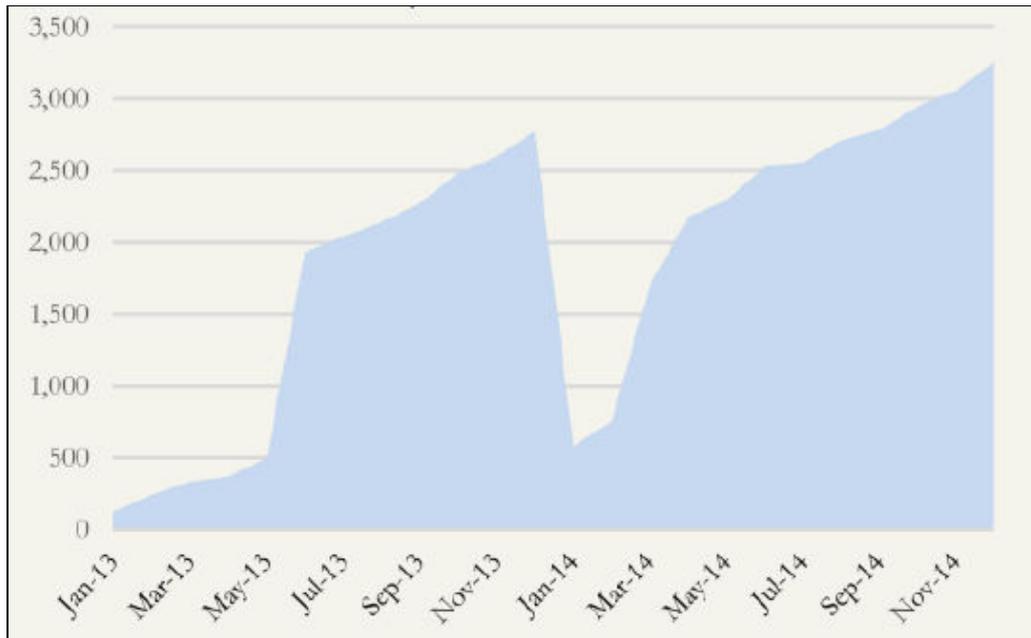


Figure 17: Continued expansion of construction sector in 2014, construction approval permits (YTD, US million)

3.2.1.1. Any Construction Projects in Phnom Penh

There are nowadays many constructions projects in Phnom Penh exclude projects at others provinces, were invested by domestic and foreign investors with starting for USD millions.

Cambodia is developing, so that there are needs of all sectors development for increasing economic growth. CDC and the Phnom Penh Post (April 2015) while investments in the real estate industry from Asian countries is booming, European investors have been rather hesitant to invest. “In Cambodia, laws and regulations are not yet harmonized, may be incomplete or not thoroughly implemented”, said Guillaume Massin, managing director of law firm DFDL Cambodia, when explaining the reason for the absence of European investors, who lack confidence in the Cambodian construction sector. Despite these shortcomings, two European construction companies, the French Saint-Gobain and the multinational Schneider Electric, signed a joint agreement in April 2015 to expand their distribution in Cambodia. After establishing their businesses in Thailand, they now see potential in the Kingdom’s construction sector.

These two could be the first in a number of European companies coming to Cambodia, giving hope that with them the standard of safety regulations will improve.

3.2.1.1.1. The Rise of Satellite City and Large Housing Complex (Borey or town)

From a high digit of economic growth, and to fulfill rising demand of the real estate from an increasing number of populations, a number of investors bring billion of dollar to make up the sub city outside the main city, as the satellite. Encourage by the rising price of house and land in the main cities, many dwellers also looks for satellite city as their choices since the plan of the satellite city will provides the habitant a wide range living experience including the shopping mall, the sport center or the office center...etc. Currently, there are more than 100 Boreys being built or already built in Phnom Penh, Borey developers have attributed the slight hiatus of borey projects to a cooling down period of the borey market, preferring to lay low for now and observe the Kingdom's economy and domestic politics. There are some boreys that continue to construct and some had to finish by setting construction project into phase by phase, all projects focus on flat housing, villa, market, apartment...etc.

Satellite cities are growing quickly, the coming sprawls of Phnom Penh's new satellite cities will bring about not only opportunities but also challenges for the population. The expansion of the central city to the outskirts of Phnom Penh can also be a good solution to the rising population. The latest data obtained from Phnom Penh City Hall shows the current population is about 1.6 million, growing from 1.4 million in 2008, while other sources indicate more than 2.2 million people in the city in 2012.

I cannot find all data of boreys in Phnom Penh but I have data about some boreys that describe shortly below:

—L— Borey Camko City

is an urban development project in suburban Phnom Penh, Cambodia. **Camko City** means Cambodia and Korea. It is constructed by World City Co., Ltd. and with Hanil Construction help, and the project is divided into six phases. It has finished its construction and the Region 2 has started its construction in the early 2015. The first phase of the project began December 2005 and is expected to be completed in 2018. It will consist of the construction of villas, townhouses and high-rise residential condominiums. When built the Phase I will have some 1,000 units. As of 2009, more than half of the condominiums are sold while the townhouses and villas are sold out, although construction has just begun with piling materials that covers 119 hectares at total investment of US\$2 billion.

—┘— **Phnom Penh Sunwah International Finance Centre (Phnom Penh Ifc)**

Phnom Penh IFC is Sunwah's main investment project in Cambodia. The project is located at Samdech Hun Sen Park Street, next to Chaktomuk and the Royal Palace, the tourist and commercial hub. The development involves a 15,000 sq. m. complex with three luxury residential blocks, a first class office building, a five star hotel, a private club house and a large shopping mall. The complex has an excellent river view at the junction of three main rivers- Tonle Bassac, Tonle Mekong and Tonle Sap.

▪ **Borey Sunwah Victory City, Phnom Penh**

It is the project of **Phnom Penh Sunwah International Finance Centre (Phnom Penh Ifc)**, Victory City is located at Domnak Thom Village, Sangkat Stung Meanchey, Khan Meanchey, 15 minutes drive from the international airport and city centre. Victory City is the biggest town house-style residential district that covers 150,000 sq. m. at an investment of US\$50 million.

—┘— **Borey New Satellite City (Chroy Changva)**

The city will be located in the northeast of Chroy Chang Va bridge (Chroy Chang Va Development Zone formerly known as Sunway City). The city will cover on the area of 387Ha of 3 Sangkats, Sangkat Chroy Chang Va, Prek Leap and Prek Ta Sek of Russey Keo District. This development zone will be divided into 4 principal zones:

1. A Botanic Garden, about 60Ha.
2. 40Ha for an International Standard Stadium.
3. 45Ha for the ASEAN Plus 3 zone, this area is prepared for ASEAN plus 3 countries (10 ASEAN members plus China, Japan and South Korea) for their meetings or events .
4. The housing complex, business centers, banks, schools, theaters...etc will cover on the area of 162Ha.

The villagers are protecting the last 7 hectares of the land granted to the Overseas Cambodian Investment Corporation (OCIC) for a \$3-billion real estate project to be known as "Chroy Changva City: City of the Future." OCIC has already pumped millions of cubic meters of sand into the once-verdant wetlands. (Source: ODC)

—┘— **Borey Koh Pich(Diamond Island)**

Koh Pich, which in Khmer means "Diamond Island", sits at the mouth of where the Tonle Bassac river's journey begins towards Vietnam. The island, which was formed by alluvial silt deposits, didn't even exist until about half a century ago. Local legend has it that a boat sank where the island is today, steadily accumulating silt and sand until the island was formed.

From these humble beginnings, Koh Pich has become a showcase for Phnom Penh's (and developer OCIC's) growing developmental ambitions. The two-kilometre-long island is home to a golf driving range, the city's largest international exhibition centre, a fire station, a new city hall and a theatre. Since being designated for development by the municipal government in 2006, Koh Pich has been abuzz with activity. Now covered in the widest, least-congested roads in

central Phnom Penh, this island is filling up quickly with residential, retail and hospitality projects aimed at affluent locals and visitors.

And that's only what's been completed. Massive developments are well under way, including the Elite Town, La Seine residential communities and **the massive \$200 million** Diamond Island Riviera project. And there are others US\$ hundreds million for OCIC and Canadia Bank investment of construction projects proposal and underconstruction in Koh Pich and other place in Phenh Penh.

Funded by OCIC subsidiary Canadia Bank, Diamond Island Riviera will feature two 28-storey buildings and three 38-storey buildings. The project consists of apartments, a supermarket, condominiums, offices, an amusement park and a two-hundred metre-pool running across the tops of the 38 storey-buildings while they are working with their partners to aid the construction. The average price for condominiums was announced at \$1,800 per square metre. According to the Cambodian Valuers and Estate Agents Association (CVEA) and VMC Real Estate Cambodia (2012) said that this project is an opportunity to succeed in making Koh Pich became a busy economic center so it will be popular after completing construction. The success of this project is due to good location and circumstance. The project is in a good location and environment that is surrounded by water and fresh air, as Chinese Feng Shui is a priority. On the other hand, it also updates the beauty of Phnom Penh and real estate as well as attracts tourists.

—L— **Borey River Town**

The construction of Borey River Town has been carried out with an investment of \$20 million. The river town comprises 26 twin villas, five single villas and 60 flats. The second project would consist of twin villas, single villas, shop houses, flats and more than 10 floors of office space, and have a starting date for construction. By following the success of Borey River Town for the first project, the investor behind it has announced plans to inject \$100 million into developing a new project. The construction of Borey River Town is now 50 per cent complete, with some 80 per cent of the units already sold.

The company contemplated investing \$100 million in a new 25-hectare property development near Borey River Town that will be both residential and commercial. The area will attract more investors and residents for many reasons, including the riverside setting, infrastructure, riverside gardens, resorts, hotels, guesthouses, condominium and apartment developments and the Chroy Changvar Satellite City. (The Phnom Penh Post, 2014)

In addition to the satellite city, the large housing complex (Borey) also increases very significantly. Just only at the Phnom Penh cities, the US\$2 billion Malaysian-backed Sunway City, US\$300 milion Boeung Snor Satellite City, the current initiate Korean BooYoung Town on the Russian Boulevard worth US\$1.1 billion.there are more 10 tens Borey especially around the suburb of the city. As reported, most of the residential buildings are from the foreign direct investment. The two significant housing complex are Borey Peng Huot and Borey New World.

According to the 2013 Real Estate Forecast, the price of real estate in the region are predicted to stay in the upward trend, not just because of the rising price of commodities, but from the growth expectation in the underlying demand from end-users, occupiers and investors.

Table 26: Top 20 satellite town (Borey) in Phnom Penh

No	Name of Borey	Companies	Land Area Development
1	Borey Angkor Phnom Penh	Angkor Continent Group Co., Ltd	NA
2	Borey Peng Houth	Borey Peng Houth Group	
3	Borey Camko City	World City Co., Ltd	119 ha
4	Borey Grand Phnom Penh International City	Ciputra Group - Indonesia and YLP Group - Cambodia	260 ha
5	Borey Hi Tech	SL Hi-Tech Co., Ltd	NA
6	Borey Koh Pich(Diamond Island)	OCIC, Canadia Bank	387 ha
7	Borey Lim Chheang Hak	Lim Chheang Hak Co., Ltd	NA
8	Borey Moha Sethey	Borey Moha Sethey	NA
9	Borey New World (Pipup Thmey)	Pipup Thmey Group	NA
10	Borey Chamkar Mon	-	NA
11	Borey Phnom Penh Thmey	Borey Phnom Penh Thmey Co., Ltd	NA
12	Borey Rith	Borey Rith Co., Ltd	NA
13	Borey River Town	Borey River Town	25 ha
14	Borey Santepheap	7NG Group Co., Ltd	NA
15	Borey Sony	-	NA
16	Borey Sopheak Mongkul	Borey Sopheak Mongkul	NA
17	Borey Sunway	-	NA
18	Borey Tonle Bassac	-	NA
19	Borey Vivean Phnom Penh	Ly Hour Group	18 ha
20	Borey 999	MCII	NA

Source: Real Estate in Phnom Penh

According to construction companies and market prices of building types around housing, commercial and non-commercial areas in Phnom Penh:

—L— House/ Flat = cost around US\$20, 000.00 you can do your own project for the construction like buying construction materials, cements, steels, tile or any other construction materials at your own cost and hire services only if you know how to manage the work.

—L— Villa/ Big House = US\$50,000.00 to US\$100,000.00 the cost is in estimation according to the size of villa building type and materials using to build the house.

—L— Factory/ Hotel/ Condominium = US\$500,000.00 to US\$1,000,000.00 build on the prime location or somewhere outside of the city but good for business and operating for profits return.

Table 27: Total number of registered companies with estimation budgets

No.	Countries	Total number of registered companies	Total area (sq.m)	Estimate cost (USD)
1	Korea	44	3,602,221	1,561,257,987
2	China	91	3,640,727	912,413,889
3	Japan	24	517,985	180,019,798
4	UK	9	478,437	139,575,499
5	Thailand	19	306,359	120,222,006
6	Malaysia	15	191,861	75,897,001
7	Taiwan	8	208,443	52,796,354
8	Russia	2	125,326	51,958,216
9	Lao PDR	1	75,742	36,356,160
10	Canada	3	116,529	31,581,840
11	Singapore	3	105,656	30,677,560
12	Vietnam	7	97,252	28,123,452
13	France	4	45,061	18,019,390
14	India	2	37,804	16,876,550
15	USA	3	29,115	8,498,240
16	Australia	2	8,249	4,311,600
17	Belgium	1	14,380	3,541,200
TOTAL		238	9,601,148	3,281,446,692

Source: CCA

3.2.1.1.2. The Raise of Phnom Penh Condominium, Apartment and Office Market

Knight Frank Cambodia Research (2016) the construction industry has been one of the main contributors to GDP during the first 9 months of 2015. Despite growing concerns over certain sectors of the Cambodia real estate market, according to the Ministry of Land Management, Urban Planning and Construction, during the first 9 months of 2015 investments in the real estate and construction sector had a combined worth of US\$1,752 million compared with US\$1,540 million during the corresponding period of 2014, equating to an annual increase of 13.8%. The top five investing countries were Korea, China, Japan, Britain and Malaysia, indicating that the majority of investment inflows into Cambodia still originate from countries within Asia.

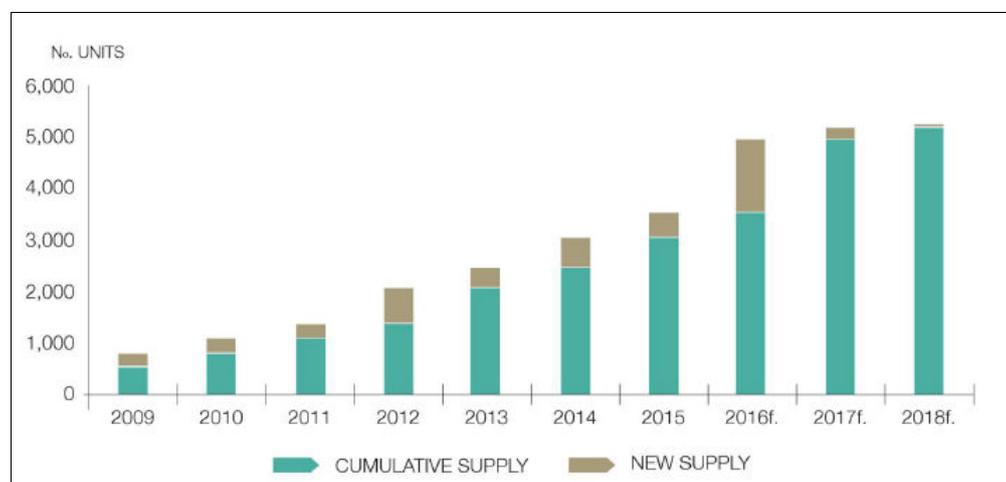


Figure 18: Cumulative supply of serviced apartments in Phnom Penh from 2009- 2018f

Reuters (2015) high-rise apartments are springing up across Cambodia's capital, part of a property boom led by expat demand, while developers are also betting the country's growing middle class will shed a traditional distaste for "living on top of each other".

As once red-hot property markets like Singapore lose steam, frontier markets such as Cambodia are gaining more attention from investors, and that is helping make the construction and real estate industries the Southeast Asian nation's most dynamic engine of growth.

Developers such as Singapore's Oxley Holdings and Teho International are embarking on high-rise up market condominiums complete with swimming pools, gymnasiums and river views.

Japan's Creed Group as well as Taiwanese and South Korean firms have jumped into the market, while local developers are also building, albeit mostly low-rise apartments.

Reuters (2015) a lack of condominiums in prime Phnom Penh areas for expats has led to high rental yields for investors. But some experts worry supply could outstrip demand in a few years unless the country's middle class moves away from a traditional preference for houses with land.

With an economy of only \$16.7 billion, Cambodia could be very slow in shifting to high-rise living as its urban middle class, while growing, remains small.

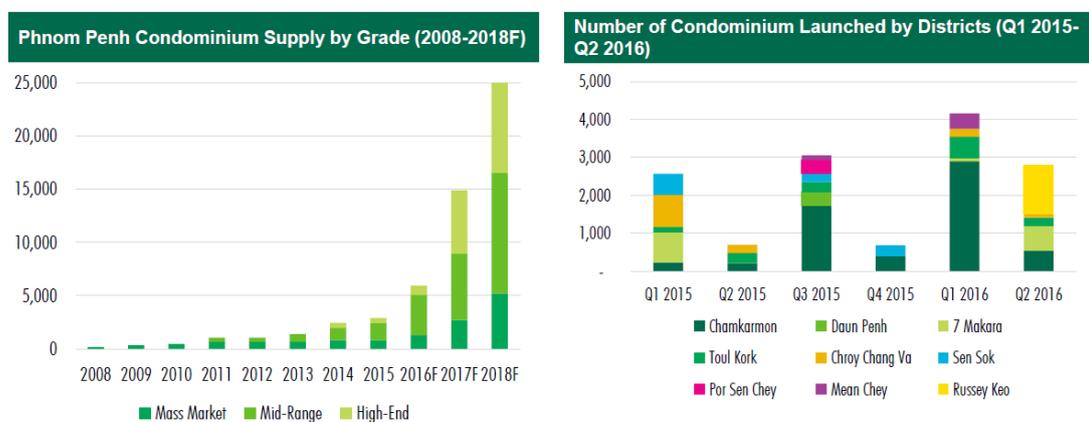
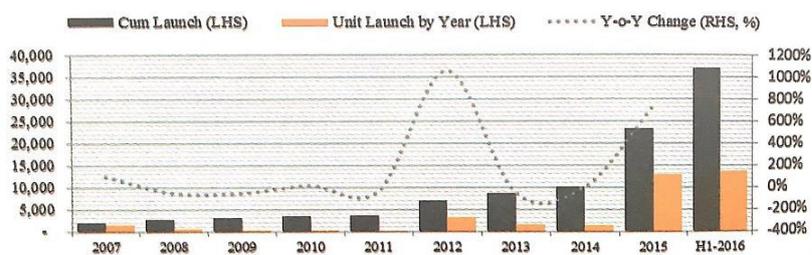


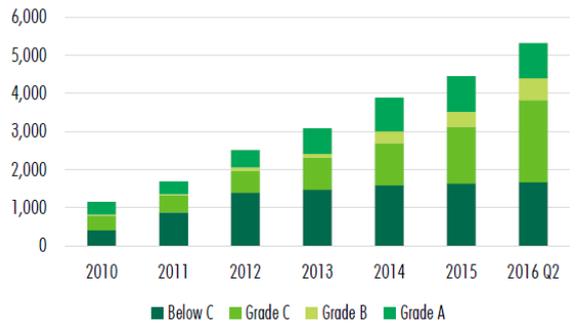
Figure 19: Condominium supply in Phnom Penh



សម្គាល់: RHLHS = ផ្នែកខាងស្តាំ/ផ្នែកខាងឆ្វេង, Cum = កើនឡើងបន្តបន្ទាប់, (%) ជា ព្រាសណ៍ដោយផ្អែកលើការសម្រេចបានប្រចាំឆ្នាំដោយអ្នកអភិវឌ្ឍន៍និមួយៗ, ប្រភព..

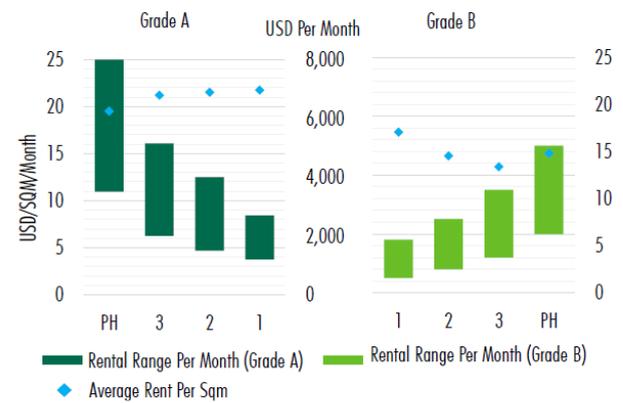
Figure 20: The numbers of condominium units have announced for sell in Phnom Penh from 2007 to 2016(6), (Source: Century 21st Cambodia and realestate.com.kh)

Serviced Apartment Supply by Grade (2010-Q2 2016)



Source: CBRE Cambodia, Q2 2016

Rental Rate Range by Bedrooms, Type / Grade (USD/Month) Q2 2016



Serviced Apartment Supply by Grade & District and Occupancy Rate as of Q2 2016

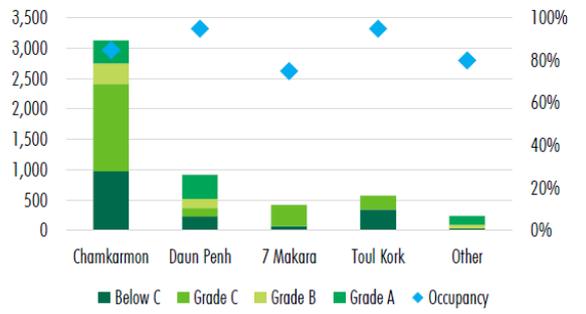


Figure 21: Serviced apartment by grade in PP

Phnom Penh’s residential sector has been evolving rapidly since the end of the economic downturn in 2009. Central locations which were once dominated by low-rise apartments for rent, villas and shop houses are now dotted with mid-to high rise projects undergoing construction.

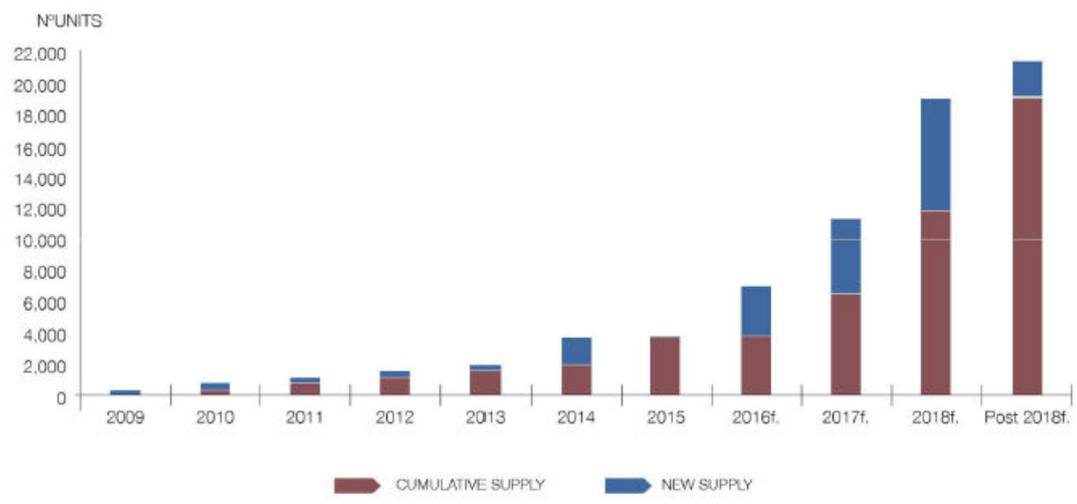
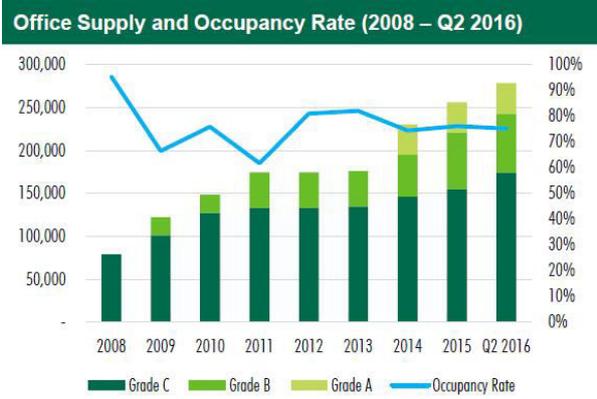


Figure 22: Cumulative supply of condominium in Phnom Penh (Knight Frank Research)

Condominium development is often among the large-scale investments in residential property developments such as major gated flat houses and shop houses. For condo development, the smallest project ever was made by US\$10 million. The medium scale project was made by US\$70 million, while the 75%-scaled project was about US\$250 million. The largest project ever

was made with US\$700 million development of D.I. Rivera.

Most of the condo development projects in Cambodia depend on pre-sales and off-plan sales to fund the whole projects.



Source: CBRE Cambodia, Q2 2016



Source: CBRE Cambodia, Q2 2016



Canadia Tower (2009)



Phnom Penh Tower (2011)



Vattanac Capital (2014)



Exchange Square (2016)

Figure 23: Phnom Penh Office Market (source: CIBE)

In Cambodia, a condominium is usually a high-rise building with multi-freehold strata titles allowed for both foreign and domestic owners. Some of the condominiums are 99-year strata leasehold properties. This term is different from an apartment (usually serviced apartment), which is usually owned by only one legal owner. This type of property is usually has multi leasehold units aimed for rental purposes.

Cambodia is in the midst of an urban property boom right now as developers respond to the high demand from foreign investors chasing Phnom Penh’s attractive rental yields (the South China Morning Post: South East Asia, 2015).

Cambodian-Australian developer J&L Property Development, announced that company would invest \$250 million in the Sky Tree Condo, located in the Toul Sangke, Russei Keo District. The 32-storey development will offer 1,104 units, starting at 62 square metres. A unit of this size would cost \$668 a month and would require a down payment of \$8000 – 10 per cent of the \$80,000 unit starting price.

This latest announcement underscores the move by property developers to take on Phnom Penh’s

more affordable north and North West, by targeting local buyers who are often priced out of the market in the city's southern districts such as Boeung Keng Kong.

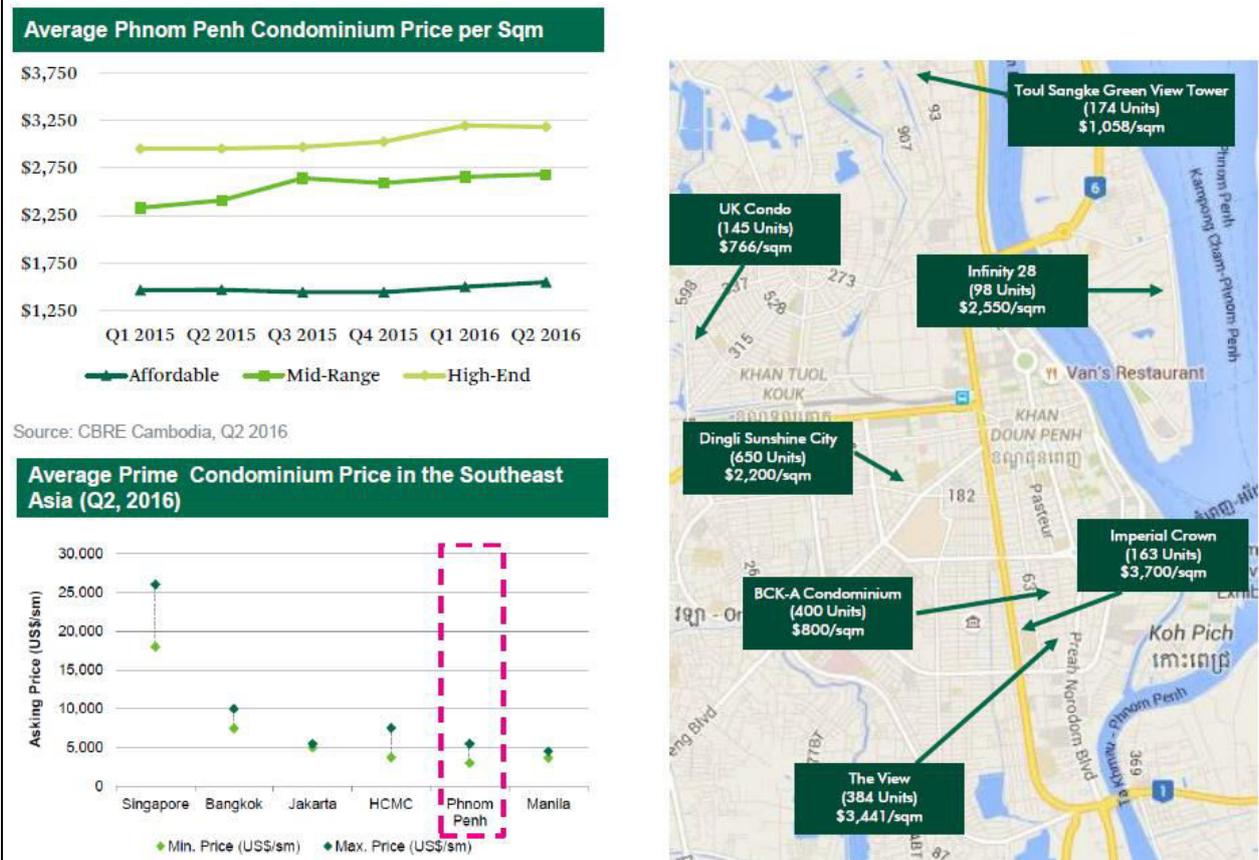


Figure 24: Average condominium price & new launches in Q2 2016

3.2.1.1.3. Phnom Penh Retail Supply and Existing Market

The CDC approved a total of seven Japanese investment projects in Cambodia under the Kingdom's qualified investment project (QIP) scheme during the first six months of the year, with total investment of \$259.7 million, compared to just \$22.3 million during the same period early 2016. Yasuhara Hiroto, head of the Japan Desk at the CDC indicated while the number of approved QIPs was similar to last year, total investment soared as the result of Aeon Mall Co., Ltd investing in construction of its second mall in Phnom Penh.

This big investment in the first half is heavily dependent on the Aeon investment, declining to disclose Aeon's share of the total. Aeon's Cambodian office could not be reached for details on the investment amount, but the company previously said it sunk \$205 million into building its first 108,000 square metre mall in Phnom Penh, which opened to construct in June 2014.

Aeon's second mall is located under construction inside Pong Peay City on the northern flank of the capital, is set to cover more than 151,000 square metres of floor space.

Apart from Aeon's investment in the shopping mall, the CDC also approved Toyota Tsusho's

project to develop an industrial park in Poipet, as well as a new hotel by Japanese conglomerate Starts Corporation. QIPs approved by the CDC are eligible for tax holidays and other investor incentives.



Figure 25: Phnom Penh Existing Supply and Retail Market Updates

Table 28: The summaries of top 10 offices space for rent with their prices

No.	Name of Place for Office Space for rent	Low Price	Medium Price	High Price
		US\$/m2	US\$/m2	US\$/m2
1	Phnom Penh Tower	22	27.7	45
2	Canada Tower	25	30	32
3	Vattanac Tower	28	30	32
4	VTRUST Property	8	10	18
5	Hong Kong Center-Phnom Penh	16	16.5	17
6	Delano's Business Center	15	15	15
7	Intelligent Office Center (IOC)	12	12	12
8	Phnom Penh Center	11	12	12
9	Attwood Business Center	9	10	12
10	KT Tower	10	11	11

Source: Real estate in Cambodia in February, 2015

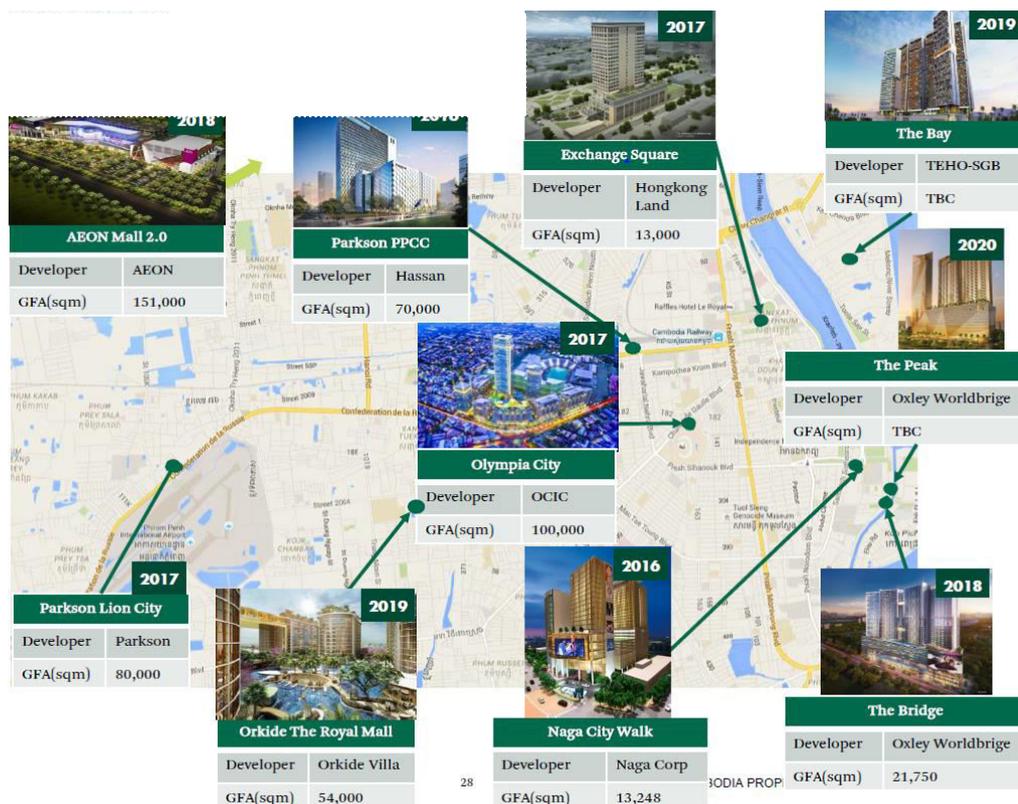


Figure 26: Phnom Penh Future Retail Supply

3.2.1.2. Any Construction Projects in others Provinces

▪ Siem Reap

Siem Reap province has also seen intensive construction activity riding on the tourism boom.

— Angkor New City

Construction of the Angkor New City development project in Siem Reap province’s Varin district, according to an investor in the project, amid concerns from villagers about the compensation they will receive for being displaced.

The Cambodian company Banya Group, said investors would spend US\$1.25 billion in the first phase of construction, which will include hotels, condominiums and a golf course, roughly 4,000 hectares of the 7,000-hectare site in Sre Noy and Lavea Kreaing communes would be developed.

— Satellite City in Sre Noy and Lavea Kreaing

Two companies plan a massive ecotourism destination and satellite city to ease congestion, but residents are saying ‘no’ the project.

The project is slated for 3,900 hectares of land granted to two private companies out of a total 7,000 for the site.

An agreement between the government and Cambodian-based Baya Group and the Korean company Euro Corp, based in the United States - to build a US\$12 billion satellite city in Sre Noy and Lavea Kreaing communes in Varin district.

The land concession for the proposed satellite city, to be located on 7,000 hectares of land near the Thai border in Siem Reap province and about 50 kilometres from Siem Reap town, was approved by the Council of Ministers and Prime Minister. Cambodian media reported that Siem Reap Governor and representatives of the Baya Group and Euro Corp signed a memorandum of understanding for the project.

— — **Borey Sieng Nam Satellite City**

Construction of Siem Reap's Borey Sieng Nam satellite city, about five kilometres southeast of the town centre, was nearing completion and investors are snapping up property., the area has been sold to eager buyers who predicted it turn into a hotspot as the population of Siem Reap climbs.

Construction on the 52 hectares of land, the satellite city contained housing, two markets, hotels, restaurants, guesthouses and a large quantity of office space. Cambodia Angkor Real Estate, said that the district will be less Westernized than Siem Reap town. The markets and businesses will be local rather than European," in addition the area will likely appeal to Asian tourists. Borey Sieng Nam as the future administrative capital of Siem Reap. A lot of the government departments moving down there. "It's not too far from town. The office space there would suit organizations that don't rely on walk-in customers."

As the population of Siem Reap grows, so does the pressure to expand the town boundaries. But the expansion prospects of Siem Reap are limited by geographical factors.

▪ **Sihaknoukville**

One of the largest Cambodian companies involved in the infrastructure sector, Royal Group, is keen to drive developments, announcing ambitious plans in May 2010 to develop Asia's 'first environmentally planned resort island' according to news source Travel Daily. The Royal Group has been granted a 99-year lease on the 78 square kilometre is land of Koh Rong, which is 30 minutes by boat from Preah Sihanoukville. It aims to create a destination to rival neighbouring Phuket, Koh Samui and Bali, with a corresponding increase in transport infrastructure. The \$20 million Royal Sands Koh Rong is a joint venture between Royal Group and Luzi Matzig, CEO of travel group Asian Trails. It held its groundbreaking ceremony on December 12. The project will take just one year to complete, with construction of the more than 60 houses and villas scheduled for completion in December next year.

In December 2015, there was Singaporean developer HLH Group Limited had reached a deal to acquire a plot of land in Cambodia for \$1.77 million, on which it plans to develop public executive condominium and shop houses in Preah Sihanouk.



Figure 27: Coastal & Island Developments

—L— **Satellite Smart city**

According to a recent Korea Herald report, South Korea’s Ministry of Land, Infrastructure and Transportation will sign a memorandum of understanding (MOU) with Cambodia’s Ministry of Land Management, Urban Planning and Construction to fully-develop the first ever “Smart City” in Sihanoukville.

The proposed development in Sihanoukville is said to integrate full development of road, power and water networks, along with environmental and security systems also included in the designs from the outset. The “Smart city” in Sihanoukville, once completed, will harness information and communication technology to create efficiencies of automation throughout the project.

A minister at South Korea’s Ministry of Land, Infrastructure and Transportation stated that, “South Korea’s experience in using ICT to resolve urban area problems will help Cambodia’s efforts to deal with reckless development near Sihanoukville.”

It has been claimed that the MOU will also allow the Korea Land and Housing Corp., a state run enterprise, to provide strategic support for the Cambodian government to create affordable housing options for low-income earners in Sihanoukville and Phnom Penh. This follows previous requests to Seoul for assistance from the Cambodian government in recent times.

According to the Korean ministry, guidelines on land acquisition, project development and supply plans are now in formation with the intention of launching a pilot program for the affordable housing project in the capital city of Phnom Penh as soon as August 2017.

3.2.2. Prices of Land for Construction

Knight Frank Research Cambodia (2016) in Southeast Asia, a strong supply pipeline in the prime office markets of Jakarta, Kuala Lumpur and Singapore weighed on rents. Meanwhile, the lackluster global economy has softened leasing demand. In particular, the Jakarta and Kuala Lumpur office markets continued to be impacted by the slump in the oil and gas industry, while the slowdown in financial services sector is dampening demand in Singapore. Consequently, the prime office land indices for these cities registered negative growth in H1 2016. In addition to economic slowdown, the prime residential market in Jakarta was also adversely affected by the government's effort to tackle tax evasion as well as lower affordability following years of rapid price appreciation. Residential land prices barely moved as a result. However, if the recently passed tax amnesty scheme succeeds, the repatriation of funds, together with the easing of monetary and macro-prudential policies by raising loan to-value and financing-to-value ratios for instance, could boost demand for prime residential properties. In Singapore, the prices of luxury homes started rising in H2 2015 after tumbling by more than 20% in the previous one and a half years according to Knight Frank's Prime Global Cities Index. As such, prime residential land prices could stabilize in the near future. Demand for prime land in Bangkok remained robust due to limited availability.

The latest report from global property consultancy Knight Frank shows that Phnom Penh's overall property prices rose a staggering 26.2 per cent in 2015, far higher than any other city in the Asia Pacific region. According to the Knight Frank Prime Asia Development Land Index, the cost of residential land in Phnom Penh rose by 10.6 per cent in the second half of 2015, cooling somewhat after a meteoric first half, bringing the capital in just behind Tokyo as the city with the greatest rise in land values in the region.

In the same time, Frank's Nicholas Holt, head of research for Asia Pacific, said, "The confluence of easing construction costs and rising residential prices and office rents propelled Phnom Penh's prime land prices upwards."

Table 29: Land price index (% Change) in 2015

Prime Residential			Prime Office		
City	H2 2015	Year to Dec' 15	City	H2 2015	Year to Dec' 15
Tokyo	13.5%	14.8%	Phnom Penh	8.7%	19.2%
Phnom Penh	10.6%	26.2%	Mumbai	5.9%	0.4%
Beijing	7.9%	11.3%	Shanghai	4.4%	9.0%
Shanghai	4.3%	6.2%	Tokyo	3.5%	11.8%
Bangkok	4.0%	9.0%	NCR	3.4%	7.4%
Bengaluru	3.3%	1.8%	Bengaluru	2.8%	6.6%
Guangzhou	2.0%	2.5%	Bangkok	2.7%	2.7%
Jakarta	0.8%	0.8%	Guangzhou	0.4%	3.5%
NCR	0.5%	-3.7%	Jakarta	0.0%	5.2%
Singapore'	0.0%	-5.8%	Singapore*	0.0%	6.0%
Hong Kong	-1.8%	0.7%	Kuala Lumpur	-1.4%	0.5%
Kuala Lumpur	-2.4%	-4.1%	Beijing	-4.7%	-1.8%
Mumbai	-2.9%	-3.7%	Hong Kong	-6.1%	0.4%

Source: Invest Phnom Penh, Cambodia Real Estate Investment & Knight Frank Research Cambodia

However, it is unlikely that Phnom Penh will retain its current near-top ranking, as, according Knight Frank Research Cambodia (March 2016), the forecast about Phnom Penh will move down the rankings over the next two years, although without any significant decline in land prices. Nevertheless, Knight Frank Cambodia (2016) as evidenced in the moderation of price growth during 2015's second half, we expect the trend of growth in residential and prime office to continue in 2016 as land values in prime locations begin to plateau."

Cambodia has great future potential across all sectors of the economy, which will continue to attract investors and drive demand for real estate development, both residential and commercial.

Nearby, Phnom Penh (Knight Frank, 2016) continued to outperform other cities in Southeast Asia, although price growth is decelerating.

Table 30: Prime Asia development land index (% change) by each city of Asian countries

Prime Residential			Prime Office		
City	H1 2016	Year to Jun'16	City	H1 2016	Year to Jun'16
Tokyo	16.80%	30.80%	Bengaluru	6.10%	9.10%
Shanghai	9.60%	14.30%	Beijing	6.00%	7.00%
Beijing	6.70%	15.20%	Phnom Penh	5.60%	14.80%
Phnom Penh	5.80%	16.20%	Shanghai	4.50%	9.30%
Bangkok	3.20%	7.30%	Tokyo	3.90%	7.50%
Guangzhou	2.80%	4.70%	Bangkok	3.50%	6.50%
Jakarta	0.70%	2.90%	Hong Kong	2.50%	-3.90%
Bengaluru	0.40%	3.10%	Guangzhou	2.30%	2.60%
Kuala Lumpur	-0.20%	-2.20%	NCR	0.00%	3.50%
Mumbai	-1.00%	-4.80%	Jakarta	-0.20%	0.70%
Singapore*	-2.50%	-2.50%	Kuala Lumpur	-0.40%	-2.30%
Hong Kong	-6.30%	-7.80%	Mumbai	-0.80%	5.90%
NCR	-9.90%	-9.50%	Singapore*	-4.40%	-4.40%

Source: Knight Frank Research Cambodia

3.2.2.1. In Phnom Penh

In the table 24 shown that in 2015 construction investment was US\$3.33 billion, 32% increase from US\$2.5 billion in 2014. Local investors make up the majority of massive real estate investments, Chinese investors rank number one from the foreign investment sector. And 2016, MLMUPC is optimistic that investment in the construction industry will continue rising, even higher than in 2015.” Three or four investment projects have submitted to the Ministry are all big projects valued at hundreds of millions of dollars. (CVEA, 2016)

In the same time with increase of the construction project, the land prices in Phnom Penh continued to rise with rentals leading the way and low interest rates offered for home buyers.

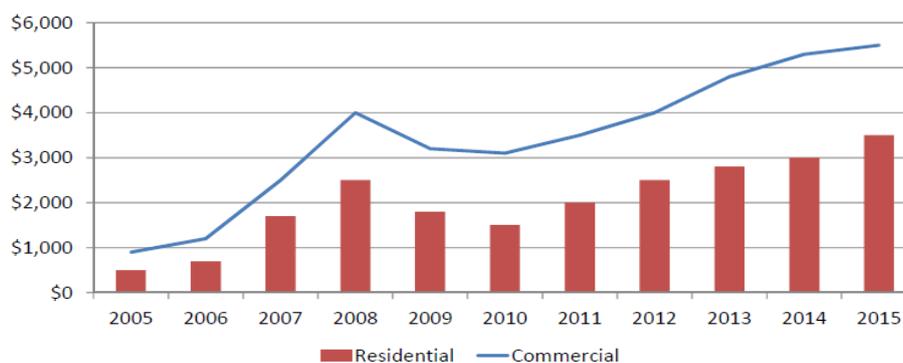


Figure 28: Cost of Land in Phnom Penh (2005-2015), source: CVEA

Despite the absence of official property price statistics, land prices in the country were estimated to have been rising recently. In Phnom Penh, Cambodia’s capital, land prices rose by an average of 15% during the first half of 2013 from the same period a year earlier, to US\$2,350 per square meter (sq. m.), according to local real estate experts.

In the **Boeung Keng Kang 1 (BKK1)** area, land prices stood between US\$3,500 and US\$4,000 per square meter (sq. m.) in mid-2013, up from the pre-crisis levels of between US\$3,000 and US\$3,500 in 2008, according to Kuy Vat CEO of VTrust Group. The increase in land prices can be attributed to the increasing number of business and integrated services in the area.

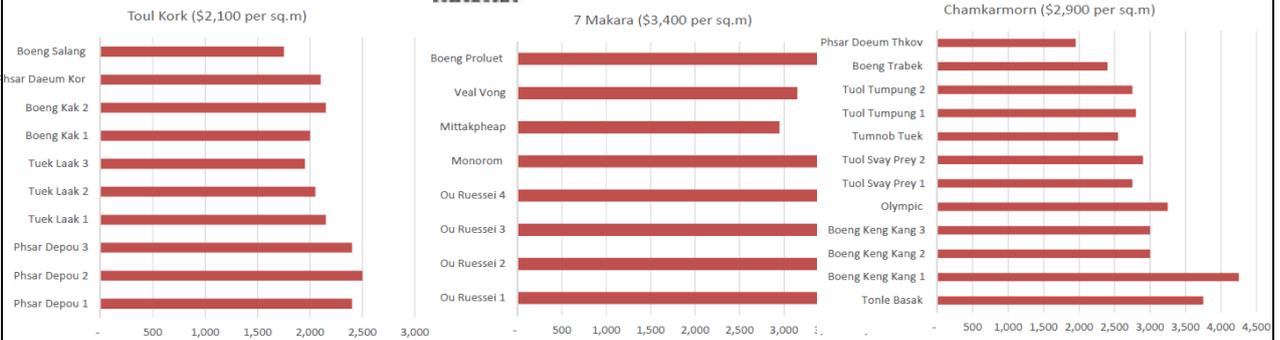
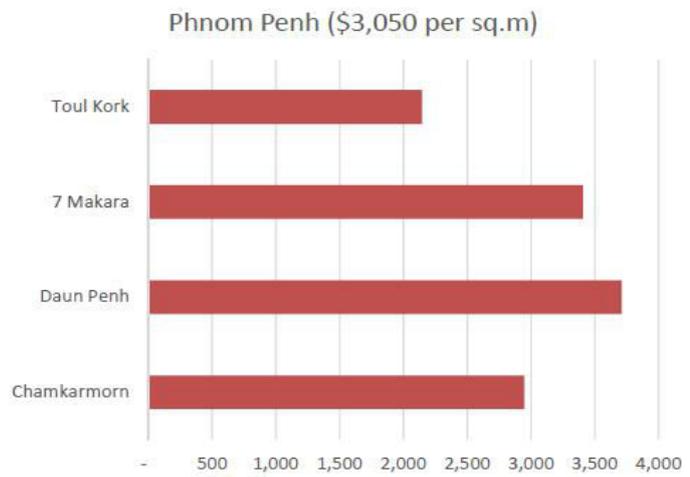


Figure 29: Land prices in Phnom Penh by area (source: CVEA)

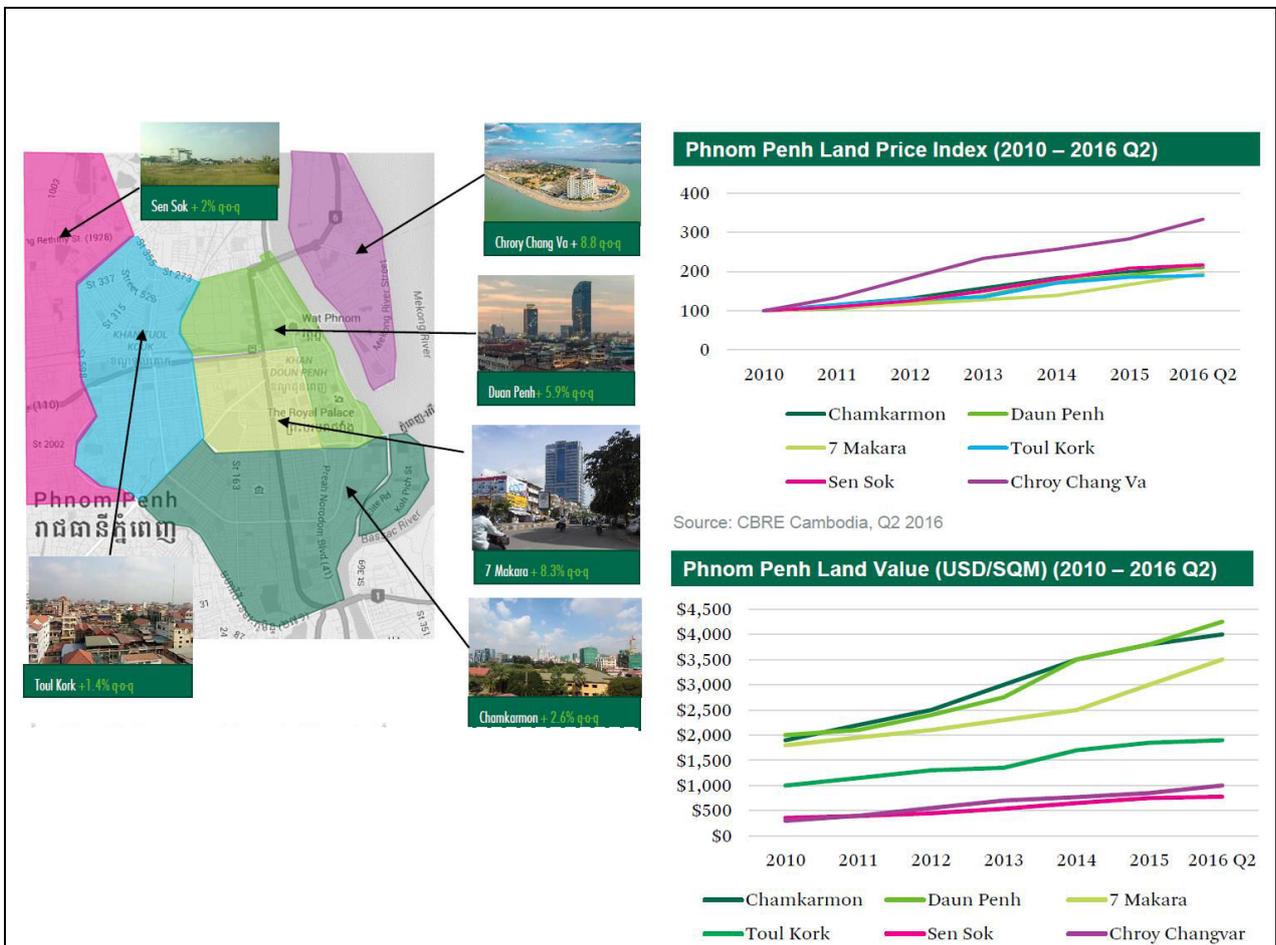


Figure 30: Phnom Penh Land Prices Continue To Appreciate (source: CBRE Cambodia, Q2 2016)

3.2.2.2. In Other Place out of Phnom Penh

And other place,

- **Takamau**, the capital of Kandal province where was located about 11 Km from Phnom Penh, land values also increased about 10% to 15% during the first half of 2013 from the same period last year, mainly due to the plan to build a new road, the Tumpun National Highway 2, according to some local property experts.
- **Preah Sihanoukville**, Cambodia's premier island and beach resort, also saw modest increase in land prices, estimated at about 5%, during the first half of 2013 from a year ago, and mainly fuelled by the construction of several hotels in the area.
- **Siem Reap**, is province of tourism land due to having a lot temple, specially Angkor Wat temple that there are hotels and guest house, as for prime residential land prices around the crowded hub of Pub Street, Po Eavkong said a landed property could fetch between \$300,000 to \$400,000, or equal to \$4,000 to \$5,000 per square metre. Meanwhile, along Sivutha Boulevard prices could range from around \$2,000 to \$2,500 per square metre,

with land further afield along National Road 6 falling anywhere from \$300 to \$150 per square metre. (Source: Asia real estate)

3.2.3. Infrastructure and Logistics Sectors

Investments in Cambodia grew by 18 per cent in 2014, with a bulk of this capital flowing into the infrastructure, agriculture and tourism projects, the investment projects accounted for \$4.6 billion, with local firms investing \$3.2 billion, followed by China with \$860 million and the United Kingdom with \$139 million, according to state-owned media AKP. (Source: CDC)

— Sources of Infrastructure Financing

For its infrastructure development and financing, the government of Cambodia has formulated the five-year National Strategic Development Plan (NSDP), and the rolling three-year Public Investment Plan (PIP). The last NSDP update (covering the years 2009-2013) was approved by the Council of Ministers and adopted by the National Assembly on 31 May 2010. Meanwhile, the PIP 2013-2015 was adopted during the Council of Minister meeting (or cabinet meeting) on 18 January 2013. It does not necessarily have to be approved by the National Assembly.

— The regulation instruments on infrastructure financing are:

- PIP 2013-2015,
- NSDP Update 2009-2013
- National Budget,
- Law on Investment,
- Law on Concession,
- Law on Appropriation,
- Swap arrangements

Meanwhile, the stakeholders or actors in infrastructure financing include:

- Royal Government Agencies: Ministry of Planning (lead), Ministry of Economy and Finance, Supreme National Economic Council (SNEC), Council for Development of Cambodia (CDC), Cambodia Reconstruction and Development Board (CRDB) for public investment, Cambodia Investment Board (CIB) for private investment and PPPs.
- Development Partners (Donors): World Bank, ADB, United Nations.

Cambodia's transport infrastructure leaves a great deal to be desired and in many cases is a serious impediment to future growth in the country. Public works and transportation, including the road network, are high priorities for the Cambodian government. The total investment in infrastructure projects in Cambodia is estimated to be in the range of USD 12-16 billion from 2013 to 2022. Infrastructure investment is state-led, and the public-sector capital investment rate as a percentage of GDP is approximately six percent per year.

The Japanese government, World Bank, Asian Development Bank (ADB), and the Chinese government are especially active in road, bridge, and railway construction in Cambodia. China's One Belt One Road (OBOR) initiative and the establishment of investment vehicles such as the Asian Infrastructure Investment Bank (AIIB) will provide additional funding sources for infrastructure projects.

3.2.3.1. Roads

Cambodia's road network currently extends approximately 44,709 km, consisting of 5,263 km of national roads and 6,441 km of provincial roads, which are under the responsibility of the Ministry of Public Works and Transport (MPWT), and approximately 33,005 Km of tertiary roads for which the MRD is responsible. (Source: CDC)

There are no any divided expressway exists yet in Cambodia.

The current situation of the international roads, which link Cambodia with the neighboring countries, National Roads No. 66 and 78 constitute a part of the arterial highway of the Greater Mekong Sub-region (GMS).

There are also Cambodian road network is part of the Asian Highway (AH) No.1, No.11 and No.123. AH No.1 is the longest route of the Asian Highway Network, running 12,845 miles (20,557 km) from Tokyo, Japan via Korea, China, Southeast Asia, India, Pakistan and Iran to the border between Turkey and Bulgaria west of Istanbul. (Source: MPWT)

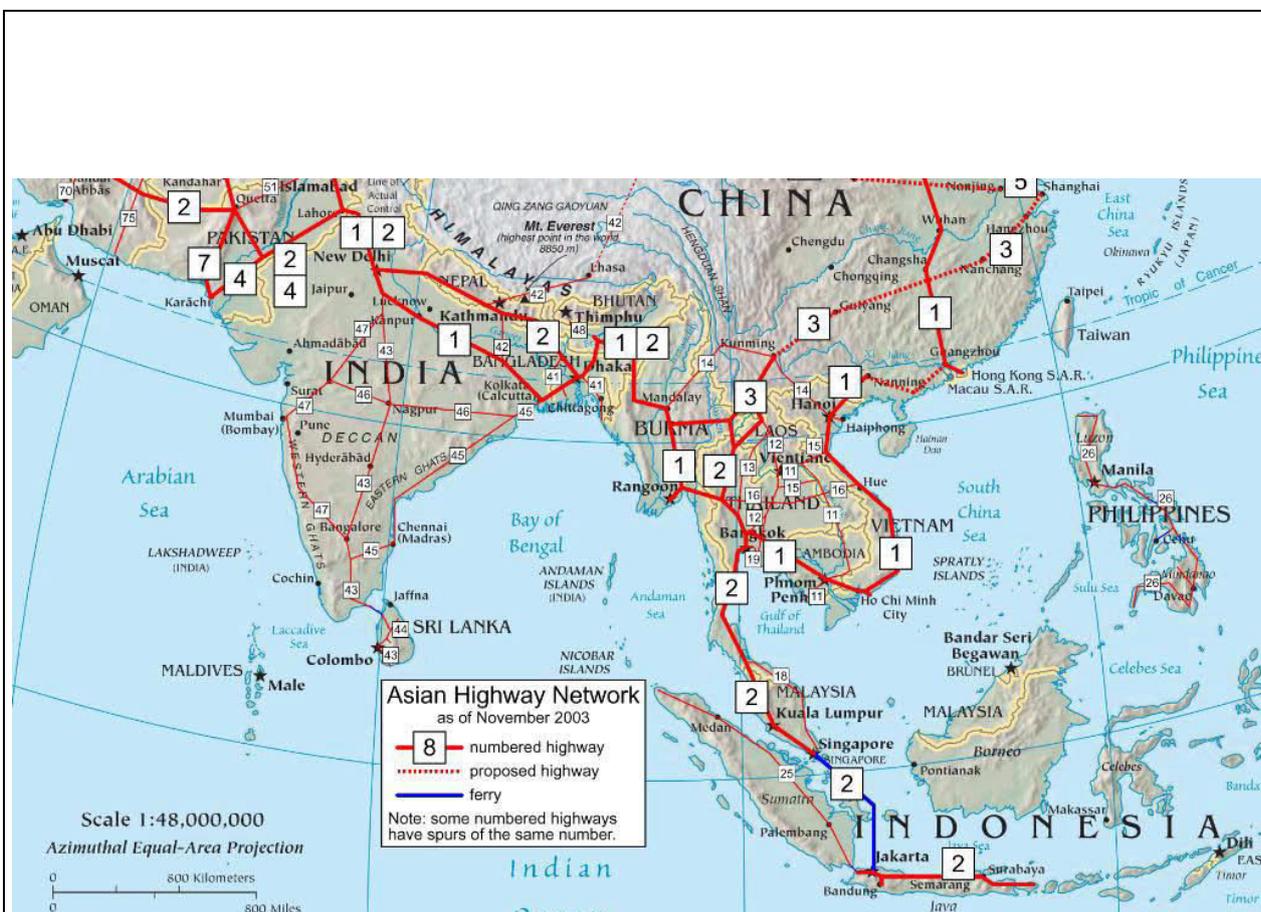


Figure 31: Asian Highway, source: MPWT and ESCAP

Table 31: List of International Roads in Cambodia

GMS Road No.	Asian Highway No.	ASEAN Highway No.	Cambodian Road No.	Route
R1 (Central Sub-corridor)	AH1	AH1	NR1, NR5	Poi Pet -Sisophon -Phnom Penh -Svay Rieng – Bavet
R6 (Inter-Corridor Link)	AH11	AH11	NR4, NR6, NR7	Sihanoukville -Phnom Penh – Kampong Cham – Stung Treng -Trapeng Kreal
R10 (Southern Coastal Sub-corridor)		AH123	NR48, NR3, NR4, NR33	Cham Yeam -Koh Kong -Sre Ambel -Veal Rinh -Kampot -Lork
R9 (Northern Sub-corridor)			NR66, NR7, NR78	Siem Reap –Talaborvath- O pongmoan- O Yadav Boder

Source: Infrastructure and Regional Integration Technical Working Group (2010)

Although many roads in Cambodia were severely damaged during the civil war, most of major roads have been improved under the assistance of international donors. The improvement work of 56km of National Road Number 1 has been almost completed except the last short leg near Phnom Penh.

The followings are the remaining sectors of road that are currently under construction or could not been confirmed the current status.

Table 32: Major Road Improvement Projects in Cambodia

No.	Donors	Cost (\$ mil)	Length (km)	Section	Year		Fund
					SART	END	
1	Japan	80	56	Phnom Penh- Neak Loeung	2005	-	Grant
2	ADB	-	63	Kbal Thnal- Takeo	2001	-	Loan
3	China	71.5	109	Preak Ta Mak- Anlong Chrey	2007	2010	Loan
4	ADB	13	17	Kampong Trach – Kampot	2007	2010	Loan
5	China	57.8	157	Meanchey- Preah Vihear	2008	2011	N/A
6	China	51.9	127	Snuol- Sen Monorom	2007	2010	Loan

Source: Infrastructure and Regional Integration Technical Working Group (2009)

Japanese government and the RGC signed the Grant Agreement in October 2010 for constructing the Neak Loeung Bridge over Mekong River. It is expected to be an indispensable part of the Southern Economic Corridor and Asian Highway No.1. Currently the traffic on National Road No.1 is blocked by Mekong River and has to cross the river by ferry. Once the new bridge is completed in 2016, the travel time between Phnom Penh and Bavet at Vietnam border will be considerably reduced.

Table 33: Major Bridge Constructions in Cambodia

Name of Bridge	Cost (\$ mil)	Length (km)	Location	Year		Fund
				START	END	
Kizuna	57	1.3	Kampong Cham NR7	1996	2001	Grant
Chrouy	23	0.7	Phnom Penh NR6A	1992	1994	Grant
Changvar						
Neak Loeung	131	1.6	Kandal, Svay Rieng NR1	2010	2014	Grant
Preak Ta Mak	43.5	1.1	Prey Veng NR8 & NR6A	2007	2011	Loan
Preak Kdam	28.9	1	Phnom Penh NR5 & NR61	2007	2011	Loan
Kampong Bai	-	0.3	Kampot, as a part of NR3	2005	2007	Loan
Se Kong	-	-	Toeng Treng, as a part of NR7	2005	2008	Loan
Koh Kong	7	-	Koh Kong, NR48	2001	-	BOT
Stung Meanchey	5	-	Phnom Penh –Chaom Chao	1999	-	BOT
New 2nd Churoy	90	-	Phnom Penh – NR6A	-	-	Loan
Changvar						
Prek Phnov	42	1.543	Phnom Penh – NR6A	-	2010	BOT
Tek Thla	-	-	Phnom Penh (along NR3)	2009	2010	-

Source: MPWT

3.2.3.2. Railway

The railway consists of the northern line from Phnom Penh to Poipet (386 km) on the border with Thailand and the southern line from Phnom Penh to Sihanoukville port (264 km). The railway in Cambodia forms part of the GMS Southern Economic Corridor, which aims to provide seamless transport services along a fully connected and integrated GMS transport network. This is expected to benefit Cambodia by promoting multimodal transport, leading to

greater competitiveness through reduced travel times and transport costs.

Infrastructure of both lines was in poor condition due to the damages caused during the civil war, the trains operated at a speed less than 15-20 km/h. To rehabilitate the entire railway network and improve the operation, the Royal Government has concluded 30-year concession agreement with “Toll Holdings” of Australia in June 2009.

ADB and AusAID agreed to fund US\$140 million for the network and infrastructure upgrading work, which includes the line reinstatement of 48km missing line between Poipet and Sisophon and the construction of new inter-modal freight terminal on outskirts of Phnom Penh. The rehabilitation work aims to upgrade the NL to take 20 tons of freight at maximum speed of 50 kilometer per hour and the SL to carry 15 tons of freight. Currently Toll holds 55% share and Royal Group of Cambodia has 45% in the railway concessionaire, Toll Royal Cambodia.

The development partners play a key role in providing financial and technical support to the ongoing project to rehabilitate the Cambodian rail system. ADB, AusAID and OPEC Fund for International Development (OFID) have been the main financiers of the project, whose funding comes largely through loans. The government of Malaysia, meanwhile, provided a small amount of in-kind assistance in the form of used rails. On the technical side, ADB provided training to the Cambodian government on matters related to project procurement and implementation, and secured consultancy services for major aspects of the project, such as quality assurance, resettlement planning, socioeconomic impact assessment, and project performance monitoring. Both ADB and AusAid also monitor the implementation of the resettlement process.

Given the extremely vague nature of the proposed railway expansion projects, it is difficult to determine if any development partners are or will be involved in them. Media reports indicate that Chinese investors have been connected to a number of railway expansion projects, but it is not clear how these projects will be financed if they go ahead. It is also unclear whether ADB will continue to be a partner in Cambodia’s railway expansion. What is clear is that ADB’s involvement is not only limited to railway rehabilitation in Cambodia. As part of its commitment to enhance economic growth in the Greater Mekong Sub-region, ADB has been actively supporting the improvement and expansion of railway networks in other countries across the region.

The rehabilitation of railway was carried out by TSO (French Company), who sub-contracts to local contractors. Rehabilitation work was completed and taken over by the MPWT in July 2013.

Table 34: Budget to fund railway rehabilitation (USD Million)

Source of Funds	Original Projects	Supplementary Financing	TOTAL
ADB	42.00	42.00	84.00
OFID	13.00	-	13.00
Government of Australia	-	21.50	21.50
Government of Malaysia	2.80	-	2.80
Government of Cambodia	15.20	5.10	20.30
Total	73.00	68.60	141.60

Source: ADB & MPWT

There was also the Korean International Cooperation Agency (KOICA), is another development partner that has recently been involved in the Cambodian railway sector. While railway rebuilding and expansion are considered to be a top development priority, no master plan exists for railway development in Cambodia. With a view to fill this gap, a project to establish a comprehensive 30-year plan (2010–2040) for the development of the rail network was signed by the Cambodian government and KOICA in June 2011. The master plan, according to KOICA, will facilitate “efficient and systematic development” of the railway system in Cambodia.

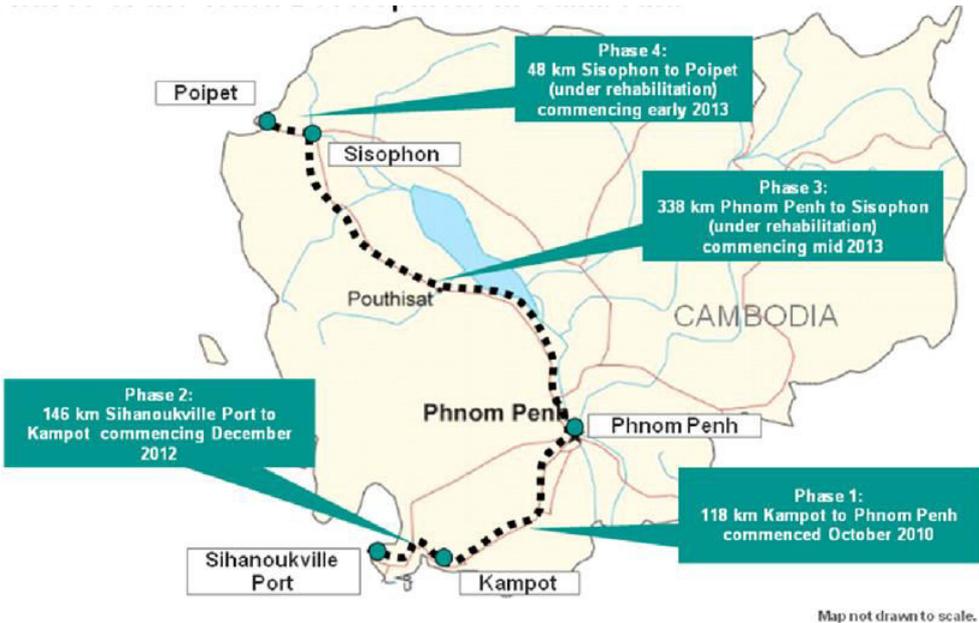


Figure 32: Phases of the track development in Cambodia (source: MPWT)

Following the conclusion of concession agreement, the Department of Railway was created under the supervision of Ministry of Public Works and Transportation by Sub-Decree #163 (RGC) of October 1, 2009, and the legal status of Royal Railway of Cambodia as a public enterprise was terminated as from November 15th, 2009 by Cambodian Constitution Sub-decree # 164 of the same date.

As the rehabilitation work started, all the train operation on NL and SL was suspended from November 2009. On October 1, 2010, however, the rehabilitation work of railway section between Phnom Penh and Touk Meas, which locates at 118km from Phnom Penh and near Kampot, has been completed and currently a cargo train is being operated once or twice per week carrying cement from Kampot to Phnom Penh. The whole route from Phnom Penh to Sihanoukville City is expected to be reopened at sometime in 2012. Upon completion of rehabilitation work of whole SL route, Toll Royal Cambodia expects to transport containers, construction materials, oil, coal and cement from Sihanoukville or Kampot to Phnom Penh. It is said that a train of 1-km long may be operated mainly for container transportation. In order to meet the requirements of the container transportation by railway, a new container handling yard is planned to be constructed between the Sihanoukville Port and Sihanoukville railway station.

Regarding NL, the rehabilitation work of a section between Phnom Penh and the separating point of NL and SL, which locates at 32km from Phnom Penh, has already been completed and a partial railway service has begun since April 2011. The reinstating work of a section of 48-km “Missing Line” between Poipet and Sisophon on NL has started in 2008. Although the work has been disturbed repeatedly by floods, it is expected to be reopened at sometime in 2012.

Nevertheless, it is still unknown when Cambodia railway will be connected with State Railway of Thailand because no concrete plan for restoring the iron bridge which exists between Poipet and Thai border has been declared. If two railways are reconnected, the volume of railway transportation on NL is expected to increase drastically in terms of passengers and commodities. A complex of the Angkor Wat temple is located at 150km east of Poipet. Reconnection of these railways will potentially draw a large number of tourists from Thailand as well. It is also noted that apart from tourism, the economy of western Cambodia is tightly connected with that of Thailand. Therefore, the railway reconnection is expected to boost Cambodian economy, especially its local cities such as Sisophon and Battambang.

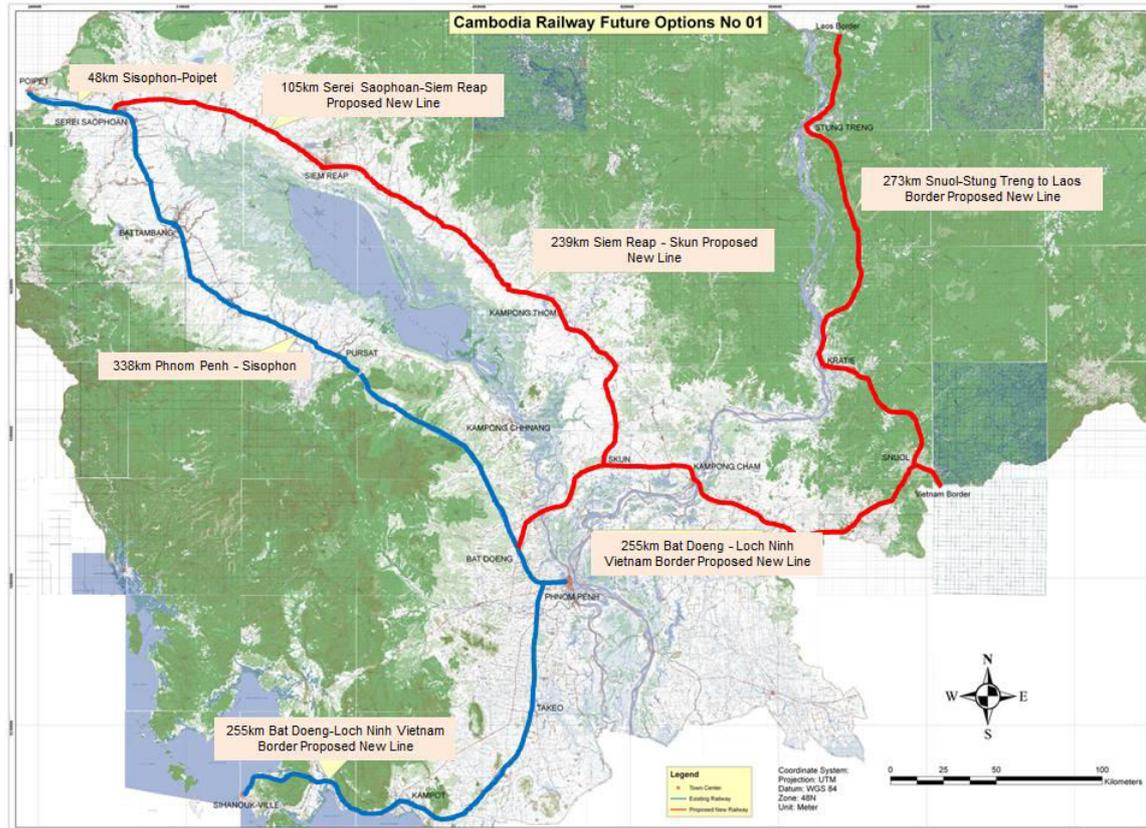


Figure 33: The Cambodian railway integration for future project (source: MPWT)

Cambodia continues to integrate more fully into the system of global trade and investment. There has been notable reform in the management of public finances, and the trade regime is more open and transparent. In an effort to foster the capital market's vitality, Cambodia's Securities and Exchange Commission has eased listing requirements for companies.

The railway is now being revitalized under a series of reforms and investments, with a private concession agreement for operations. The Department of Railway has been formed, investment funds are in place, and a concessionaire has been appointed. A freight service started in October 2010. Improvements include the GMS rail cross-border facility and a rail and road freight terminal near Poipet. It is unlikely that the newly established railway will provide a passenger service because it would not be profitable.

There is stakeholder interest in building a railway from Thailand to Viet Nam, thereby completing a route starting in the People's Republic of China (as part of the GMS). To achieve this, a new railway line is required from Phnom Penh to the northeast border, where it will link to Ho Chi Minh City. It is anticipated that private finance will be required because of the high cost involved (\$500 million–\$600 million). (Source: MPWT and ADB)

3.2.3.3. Ports

3.2.3.3.1. Seaport

There is only one deep seawater port in Preah Sihanouk in Cambodia. The Sihanoukville Autonomous Port (PAS) has been expanded steadily and it has now 12 berths equipped with modern cargo handling facilities. It has two channels, namely South Channel (Length 5.5km, Depth 8.4m, and Width 80-100m) and North Channel (Length 1km, Depth 10m, Width 150-200m). The details of current situation of the Port are shown in the following tables. (Source: PAS brochure, April 2010)

Beside, six offshore oil fields have been developed or are planned to be developed at offshore of Sihanoukville Port. A new multi-purpose terminal, which will consist of a supply base for those offshore oil fields and a handling area for bulky materials such as wood chip or coals, is now in the process of detailed design with assistance of Japan International Cooperation Agency.

PAS has planned for development of the multipurpose Terminal Development project, which is the first deep sea port of Cambodia to accommodate larger vessels with loading capacity from 30,000 to 40,000 DWT in order to meet requirements from all social circles as well as the global marketplaces.

The project approximately costs USD 71.7 mil (7,167 mil JP Yen) and construction period is estimated to commence in September and completed in May 2017.



Figure 34: Long term development plan at PAS, Source: PAS

Beside the Sihanoukville Autonomous Ports, there are other smaller ports such as Sre Ambel Port, Kampot Port and Oknha Mong Port. Among them, Oknha Mong Port is quite active for imports of smaller general cargo. Kampot Port is now under the expansion works. Kirisakor of Koh Kong has an expansion plan for sugar transportation. There are also the plans for developing new ports in Kirisakor of Koh Kong Province (deep seawater port), Steung Hav of Preah Sihanouk Province (International port) and Kep Province (tourist port).

Table 35: List of seaports using in Cambodia

No.	Port	Company	Investment scheme	Cost in Million	Agency	Project Start
SP1	Koh Kong	-	-	-	DPWT	1992
SP2	Sre Ambel New Port	MDH trading company	-	-	Private	2003
SP3	OKNHA MONG	OKNHA MONG PORT Co.,LTD	BOO		Private	2004
SP4	Port for Petroleum at Stunglav	SOKIMEX			PAS	2001
SP4	Port for Petroleum at Stunglav	TELA PETROLEUM GROUP INVESTMENT CO.,LTD	BOO	\$14.50	PAS	2004
SP4	Int. Port at Stunglav	ATTWOOD IMPORT EXPORT Co.,LTD	-	\$30.00	Private	
SP6	Int. Port at Kampot	Veng Hour Co., Ltd.	-	\$9.00	DPWT	
SP7	Int. Tourist Port at Kep	Aussic-Cam Group Investment and Development Co., Ltd (Local)	BOT		DPWT	
SP7	Int. Tourist Port at Kep	Rotong Development Co., Ltd	BOT		DPWT	
SP7	Commercial Port at Kep	KEP POWER SUPPLY CO.,LTD	BOT	\$41.00	DPWT	

Source: MPWT

3.2.3.3.2. Inland Waterway Transportation

The Phnom Penh Autonomous Port (PPAP) is an international port which is under the supervision of the Ministry of Public Works and Transport and the Ministry of Finance and Economic. It is located 2km from the Chak Tomouk confluence, on the latitude 11o35'N and on longitude 104o55'E. The access distance to the port is about 332km from the Cuu Tieu entrance mouth, part of South China Sea, and about 100km from Ka-am Samnar, Cambodia-Vietnam border gate. The access channels to the port taken by the Bassac/Hau Giang and Menkong/Tien Giang River. The port's zone covered from Phnom Penh to Neak Leoung (part of lower Mekong river) and Phnom Penh to Tonle Bet (part of upper Mekong river), and the remained parts covered by the sub-decree number 02 dated on 31 December, 1986.

The Cambodian inland water network mainly consists of the Mekong River and its sub-streams, Tonle Sap River and Bassac River, of which total length is approximately 1,750km in the rainy season and may decrease to 580km in dry season when navigation is limited. The bends of the river prevents the passage of vessels more than 110 meters long. The Mekong's mainstream accounts for 30% of the total length, the Tonle Sap River 15%, the Bassac River 5%, and other tributaries 50%. Year-round navigation is possible through 580km.



Figure 35: Phnom Penh Autonomous Port

Phnom Penh Autonomous Port is located about 100 km from Ka-am Samnar of the Cambodia-Vietnam border and about 332km by river from the Cuu Tieu, an entrance mouth to the South China Sea. It provides one local terminal which is the base for distributing and collecting the goods to/from many provinces. The major ports along the inland water are as follows:

- Stung Treng Port (Stung Treng Province): on the mainstream of the Mekong 1280km up from Kratie Port,
- Kratie Port (Kratie Province): on the mainstream of the Mekong 121km up from Kampong Cham Port,
- Tonle Bet Port (Kampong Cham Province): on the mainstream of the Mekong 106km up from Phnom Penh,
- Neak Loeang Port (Prey Veng Province): on the mainstream of the Mekong 60km down from Phnom Penh Port,
- Chong Khneas (Siem Reap Province) Port: on the Tonle Sap River 190km up from Phsar Krom Port,
- Phsar Krom Port (Kampong Chunang): on the Tonle Sap River 100km up from Phnom Penh Port.

In recent years, the inland waterways transport activities have decreased, except between Phnom Penh and Cai Mep of Vietnam, as a result of an increase in road transport. Transport by inland waterways vessels through the Mekong River and its tributaries would provide access to markets and other necessary services for those who live in rural areas. Maximum navigable vessel size in the Mekong River basin is shown in below table:

Table 36: List of routes for inland waterway in Cambodia

River	River Section	Length (km)	Year-round navigation possible?	Vessel Size Restriction (DWT)	
				Low Water	Mean-high water
Mekong Mainstream	Golden Triangle - Luang Prabang	362	Yes - but is limited by rocky passages and strong currents		60
	Luang Prabang - Vientiane	425	Yes - but requires small boats and skilled pilots during dry season	15	60
	Vientiane - Savannakhet	459	Yes	200	500
	Savannakhet - Pakse	261	No "high water" only navigation possible	Less than 10	50
	Pakse - Khinak	151	Yes	50	
	Khinak - Veune Kham	14	No - navigation not possible at any time due Khone Falls		
	Veune Kham - Stung Treng	30	Yes - with size limitations at low water	15	50
	Stung Treng - Kratie	128	Yes - with size limitations at low water	20	50
	Kratie - Kampong Cham	121	Yes	80	400
	Kampong Cham - Phnom Penh	100	Yes - navigable by sea-going ships	2,000	
	Phnom Penh - Junction of Vam Nao Pass	154	Yes - navigable by sea-going ships	3,000-4,000	5,000
Bassac River	Phnom Penh - Junction of Vam Nao Pass		Yes - but not possible by sea-going ships	20	50
	Vam Nao Pass - South China Sea	188	Yes - navigable sea-going ships	5,000	5,000- 6,000
Tonle Sap (Cambodia)	Phnom Penh - 5km South of Kampong Chhnang	94	Yes - navigable by sea-going ships	1,000	2,000
	Kampong Chhnang - Chhnoc Trou	46	Yes - with size limitations at low water	20	150
	Chhnoc Trou - Chong Kneas109	109	Yes - with size limitations at low water	20	150
Mekong Delta Waterways	Dense network of man-made canals, natural creeks and Mekong tributaries, with a total navigable length of 4,785 km	4,785	Yes - Vessel size restrictions within this network vary from 10-300DWT		
	Sekong - Mekong tributary (Lao PDR and Cambodia)		Yes - this waterway is navigable between the Lao PDR and Cambodia, providing an alternative international transit corridor to the Mekong, which is non-navigable through the Khone Falls		

Source: MPWT

(MPWT and ADB, 2015) Phnom Penh Autonomous Port also handles the international container cargo. Following the commencement of operation of Cai Mep deepwater port in southern Vietnam in June 2009, some of the exporters in Phnom Penh area now tend to send cargoes through the Mekong River to Cai Mep Port (Vietnam water border), then to the global markets, particularly to Singapore and the USA, which is said to be cheaper and faster. To meet the increasing demand, Phnom Penh Port started on 9 March 2011 the construction of new container dock which will locate at 30km east of Phnom Penh, along Mekong River and the National Road No. 1 in Kien Svay District of Kandal Province. New container dock will have a space of 10 hectares, allows two 5,000-ton ships to anchor simultaneously and has an annual handling capacity of 120,000 TEUs. The project will be financed by Chinese government, constructed by Shanghai Construction Group and take 30 months to be completed.

3.2.3.3.3. Dry ports

Dry port in Cambodia locates at 3 main locations, there are Bavet (Cambodia-Vietnam border), Poi Pet (Cambodia-Thai border) and around Phnom Penh. The main purposes of these dry ports are to process goods from point of entrance. In this case, containers arriving at Sihanoukville Port could be taken by road to the dry ports near Phnom Penh for customs clearance, saving time and reducing inconvenience for customers based in Phnom Penh.

Table 37: Dry Port Development in Cambodia

Code	Developer	Location	Invest. Scheme	Cost in USD million	Partner	Years
DP1	LY SAYKHENG Co.,LTD.	Poitpet	BOO	-	MFF	2002
DP2	CHHAY CHHAY INVESTMEN Co., LTD.	Poipet(Oneang)	BOO	-	MFF	-
DP3	HAN SENG LAND and PROPERTY Co.,LTD.	Bavet-NR1	BOO	-	MFF	2002
DP4	GREEN TRADE COMPANY	NR5(6Km)	-	-	MFF	Completed
DP5	OLAIR WORLDWIDE LOGISTIC Co., LTD.	Chomchav, NR4	BOO	2,5	MFF	Licensed: July 2007
DP6	TENG LAY IMPORT EXPORT AND TRANSPORT Co., LTD	Chomchav, NR4	BOO	6,2	MFF	Licensed: July 2007

Source: MPWT

3.2.3.4. Aviation Transport

According to State Secretariat of Civil Aviation of Cambodia (SSCA), there are 11 airports in Cambodia. The regular flights have been available only at two airports, Phnom Penh International Airport (PPIA) and Siem Reap International Airport (SRIA), but new regular flight route will be opened in December 2011 between SRIA and Sihanouk International Airport.



Figure 36: International Air Transport route map, source: SSCA update 2015

“La Société Concessionnaire des Aéroports (SCA)”, which is a private consortium of French “Vinci” (70%) and Malaysian-Cambodian “Muhibbah Masteron” (30%) was given the 25-year BOT concession of PPIA in 1995 and of SRIA and Sihanouk International Airport (former “Kang Keng Airport”) in 2001 and 2006 respectively. Cambodia Airport Management Services Ltd. (CAMS), 100% controlled by SCA since 2005, operates these three airports. All other airports are under management of the State Secretariat of Civil Aviation (SSCA) except Kampong Chhnang Airport. In addition, the construction project of a new airport in Siem Reap, called Angkor International Airport, is now under preparation by the investors group including South Korea’s Lees & A A Co., Ltd.

The number of international flight passengers has been increasing yearly (except from 2008-2011) at both international airports (Phnom Penh and Siem Reap International airports), and has exceeded 2 million since 2012.

When combined with the number of domestic flight passengers, each airport is used by a total of some 2.6 to 3.0 million passengers a year for Phnom Penh and Siem Reap International Airports.

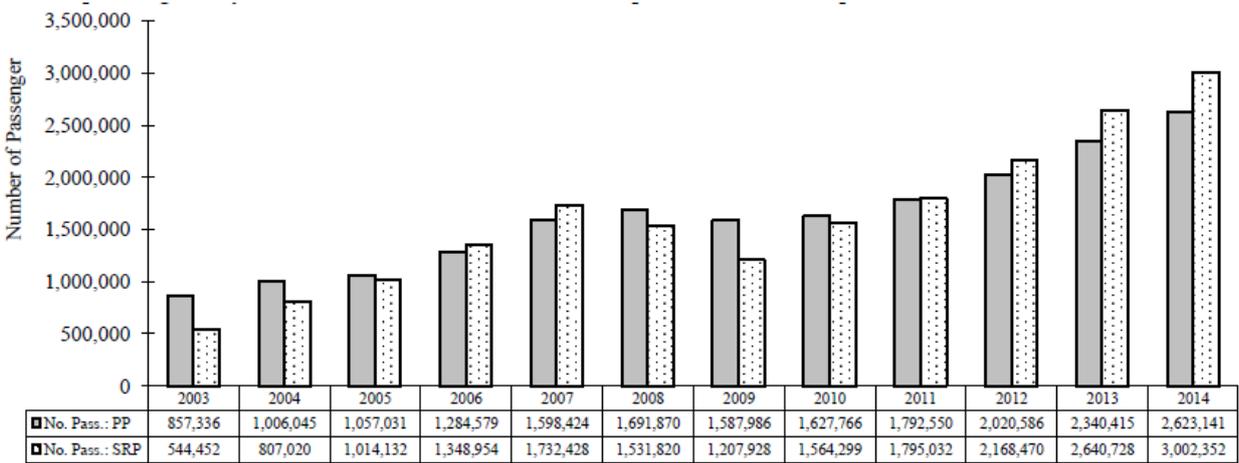


Figure 37: Number of Passenger, source: SSCA & MPWT

At Phnom Penh International Airport, compared to international travelers the domestic passenger share dropped from 22.29% in 2003 to just 9.12% in 2014. If compared to the number of domestic passenger from 2003 to 2014, the figure shows continuous dropped over the last 10 years except in 2014 where the figure shows a 125% increase, which indicates a switch in modes of transport. This switch might be a combination of the following factors: a) economic growth; b) affordability; c) comfort of land transport is hindered due to the rehabilitation of NR5 and NR6 (linking Phnom Penh to Siem Reap province).

In general, over the last 11 years (2003-2014), except during the Asian economic crisis in 2009, Phnom Penh International Airport enjoyed average steady flow of passenger at an annual increase of 18.72%. More than 90% of passenger is from international flights.

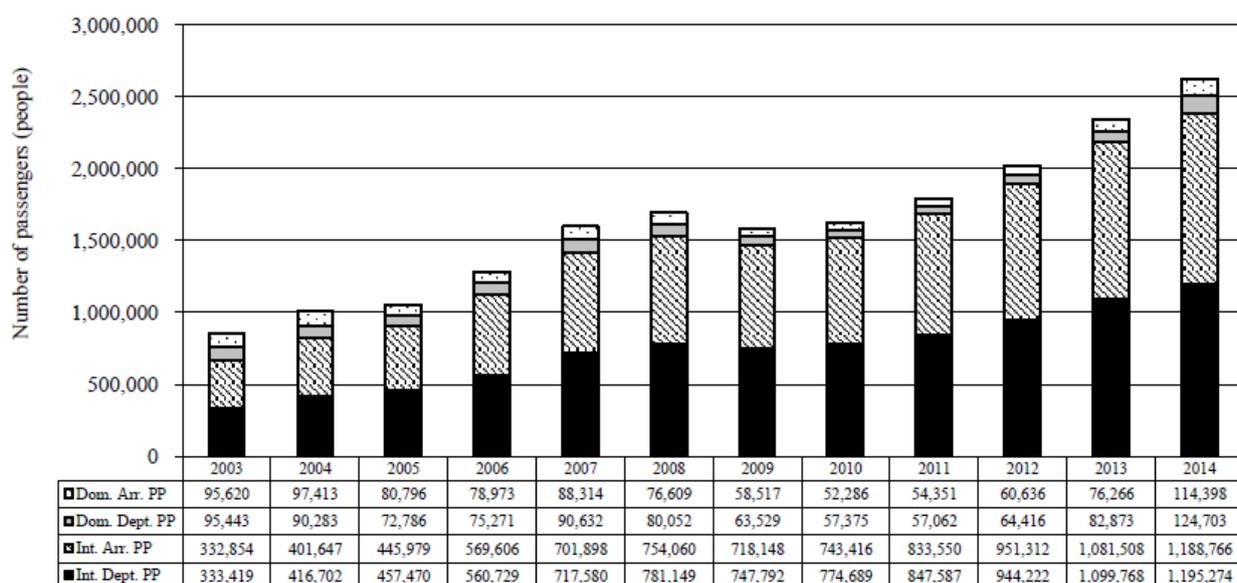


Figure 38: Number of Passenger (Phnom Penh Int. Airport), source: SSCA and MPWT

The majority of passengers using Siem Reap International airport is foreign tourist who come to visit Cambodia temple heritage at Siem Reap province (the most famous one being Angkor Wat temple). The Asian economic crisis in 2009, significantly affected Cambodia in the form of a major dropped in foreign visitors. After the crisis, Siem Reap Internal airport became busy again with an average year-on-year passenger rate increase of 7% over the last 6 years.

In general, over the last 11 years (2003-2014), except Asian economic crisis in 2009, Phnom Penh International Airport enjoyed a steady flow of passenger at an average increase of 24.76% per year. More than 90% of passengers are from international flights.

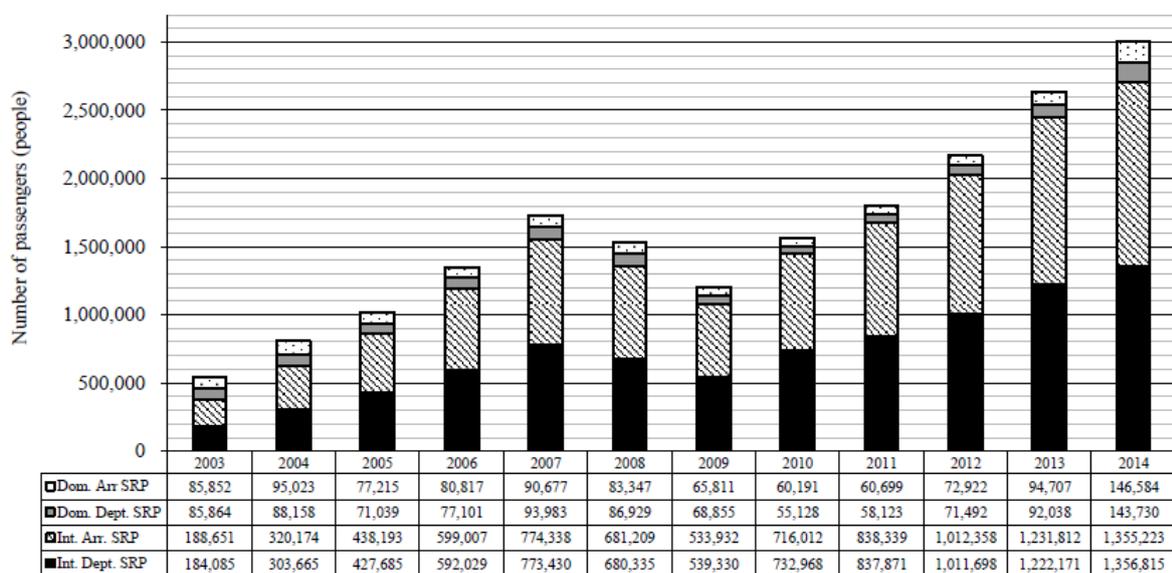


Figure 39: Number of Passenger (Siem Reap Int. Airport), source: SSCA & MPWT

La Société Concessionnaire des Aéroports is a special purpose company that holds a 25-year concession (from 1995) from the Government of Cambodia to manage and operate the Pochentong and Siem Reap Airports. Some parts of the operation of the two airports are delegated to Cambodia Airport Management Services Limited under an operating agreement with SCA.

A major improvement program in 2003-07 is planned, funded in part by the International Finance Corporation:

- US\$23.2 million to upgrade the facilities of Phnom Penh International Airport (runway lengthening and widening, construction of a parallel taxiway, expansion of apron and warehouse facilities and modernization of the airport operating equipment);
- US\$23.9 million for Siem Reap Airport (major repairs of the runway and taxiway, extension of the taxiway and aprons, construction of a new terminal building, modernization of the airport operational equipment and construction of a new cargo warehouse).(Source: World Bank)
- A Malaysian company will begin construction on a new domestic terminal at Phnom Penh International Airport soon, at a cost of about \$23 million. Muhibbah has a 30 percent stake in Cambodia Airports—which holds the concession to operate the Phnom Penh, Siem Reap and Sihanoukville airports—with French construction company Vinci holding the remaining 70 percent.

Citing a rapid increase in passengers transiting through Cambodia’s three international airports, the filing submitted by Muhibbah Engineering says that the project “to design and construct a new domestic terminal of the Phnom Penh Airport in Cambodia” will commence “immediately” and wrap up by the end of 2017. New international terminals were officially opened in Phnom Penh and Siem Reap last month, built at a combined cost of \$100 million. (ODC, Cambodia Daily, 2016)

3.2.3.5. Hydro-electro Power Dam, Channel and Irrigation System

The total electricity supply in 2013 was 4.3 billion kilowatt-hours (kWh)², with imported energy from Vietnam and Thailand accounting for more than 60 percent. However, this situation is set to change as Cambodia is promoting exploration in coal and natural gas, and championing investment in the hydropower sector. Developing the energy sector along these lines is a key priority of the country’s National Strategic Development Plan for 2009–2013.

Table 38: List of hydro-electric power and irrigation system dams cost

N°	Project Name	Location	Duration (Month)	Cost (USD)	Status	Detail of project
1	Kirirom I Hydropower project	K. Speu	NA	NA	completed	hydro power
2	Kamchay	Kompot	NA	280 million	completed	hydro power
3	Kirirom III Hydropower project	K. Speu	NA	56,205,596.86	completed	hydro power
4	Lower Russei Chrum	Koh Kong	NA	290 million	completed	hydro power
5	Lower Sesan 2 Dam project	Stung Treng	NA	816 million		hydro power
6	Kampong Trabek River Flood Control Project	Prey Veng	NA	31.01 million	completed	NA
7	Pursat Dam Development Project	Pursat	40	64.90 million	completed	Irrigation system
8	Achang Irrigation Project	K. Chhnang	35	43.1 million	completed	Irrigation system
9	Multipurpose Dam Development Project	Battambang	52	101.97million	completed	hydro power & Irrigation system
10	Kanghot phase 2 Irrigation Project	Battambang	40	31.45 million	completed	Irrigation system
11	Sreng phase I irrigation Project	Siem Reap	36	53.5 million	completed	Irrigation system
12	Sreng phase II irrigation Project	Siem Reap	35	44.2 million	completed	Irrigation system
13	Stung Chikreng Irrigation Project	Siem Reap	43	43849 million	completed	Irrigation system
14	Stung Staung Irrigation Project	K. Thom	35	50.78 million	completed	Irrigation system
15	Prek Stung Keo Water Resources Development Project	Kompot		47.25 million		Irrigation system
16	Vaico Irrigation Development Project – Phase I	K. Cham, Prey Veng, Svay Rieng	48	99.3 million	on going	Irrigation system
17	The Improvement of Agricultural River Basin Management and Development Project	-	NA	6.49 million	completed	Irrigation system
18	West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project	Battambang, Pursat, Kampong Chhnang	NA	44.34 million		Irrigation system
19	Ta Tay hydropower dam project	Koh Kong	NA	47.1 million	completed	hydro power

Source: ADB and Open Development Cambodia

The Kamchay Hydro Power Plant, The hydropower facility was constructed by China-based Sinohydro Corporation for a cost of US\$280 million under a 44-year build-operate-transfer contract. Under terms of the agreement, Sinohydro will sell power to the state-owned Electricity of Cambodia.

The Kamchay hydroelectric facility is one of five in a 915-MW, \$1.6 billion makeover that is being funded primarily by Chinese investors.

Khmer Time (January 2016) The Cambodian government will not allow the construction of any new hydropower dams in the country until 2020. Cambodia currently operates six hydropower dams in four provinces—Koh Kong, Pursat, Kampong Speu, and Kampot—supplying 1,000 Megawatts of energy per year, roughly 62 percent of the nation's total electricity production.

Table 39: Investment capital for hydroelectricity, coal

Project	Country of Supplier	Investment Capital USD	Type	Power (MW)	Year of Operation
Kamchay Hydro Power Plant	China	280 million	Hydro	193	2011
Kirirom III Hydro Power Plant	China	56,205,596.86	Hydro	18	2012
200MW Coal Power Plant in Sihanoukville (I) (Phase 1)	Malaysia+ Cambodia	NA	Coal	100	2013
Stung Atay Hydro Power Plant	China	179 million	Hydro	120	2013
Stung Tatay Hydro Power Plant	China	215 million	Hydro	246	2013-2014
Lower Stung Russey Chhrum Hydro Power Plant	China	290 million	Hydro	338	2013
700MW Coal Power Plant in Sihanoukville(II) (Phase 1)	-	NA	Coal	100	2014
700MW Coal Power Plant in Sihanoukville(II) (Phase 2)	-	NA	Coal	100	2015
700MW Coal Power Plant in Sihanoukville(II) (Phase 3)	-	NA	Coal	100	2016
200MW Coal Power Plant in Sihanoukville(I) (Phase 2)	Malaysia+ Cambodia	NA	Coal	135	2017
Lower Se San II & Lower Sre Pok II	Vietnam	781.52 + 338.90 million	Hydro	400	2017
700MW Coal Power Plant in Sihanoukville(II) (Phase 4)	-	NA	Coal	100	2017
Stung Chhay Areng Hydro Poer Plant	China	732 million	Hydro	108	2017
700MW Coal Power Plant in Sihanoukville(II) (Phase 5)	-	NA	Coal	100	2018
Lower Sre Pok III + IV Hydro Power Plant	-	338.9 million	Hydro	368	2018
Add 700MW Coal Power Plant at Offshore	-	NA	Coal	200	2019
Sambor Hydro Power Plant	China	4,947.85 million	Hydro	450	2019
Coal Power Plant (III) or Gas Power Pant	-	NA	Coal / Natural Gas	400	2020
Total:				3,576	

Source: MIME, Hydro-Electricity Department General Department of Energy

Currently, the total power supply capacity in Phnom Penh including that of the Kirirom Hydroelectricity plant currently is around 150 megawatts. Approximately 90% of the electricity supply comes from diesel power plants. However, demand in Phnom Penh and throughout the country is growing rapidly and the current power supply cannot meet the growing demand. Power blackouts in Phnom Penh continue to occur. Currently, Cambodia is currently importing electricity from Vietnam and Thailand to serve the provinces along the borders. According to the Cambodia Power Sector Strategy (1999-2016) developed by the Ministry of Industry, Mines, and Energy (MIME), annual electricity demand in Cambodia is projected to rise from 522GWh in 1998 to 2,634 GWh in 2016. To meet this demand, the government plans to develop \$1 billion worth of hydro, gas turbine, thermal, and combined cycle base load thermal generating plants in Phnom Penh, Sihanoukville, Battambang, and other cities between 2000 and 2010.(Business in Cambodia, 2016,) Cambodia is Building Transmission Lines.

Table 40: Cumulative Activities as of: 7/1/2016

Sector	Commitments (US\$mil)
Transport	36
Water Supply & Sewerage	16
Energy	10
Multi-Sector	7.8
Total	US\$ 69.8m

Source: ADB

Table 41: Budget for water supply & sewerage

No.	Donors	Cost (\$ mil)	Type of project	Approval date	Statue	Fund
1	ADB, OFID, Government, NORAD	66.29	New install	9/17/1996	Completed	Loan
2	OFID, ADB, ADB (Grant), Government, Beneficiaries	31.90	the rehabilitation and improvement	9/21/2010	On going	Grant
3	OFID	16	-	07/01/2016	On going	Loan

Source: ADB

3.2.4. Sector of Mining Exploration

Cambodia's mining sector will struggle to attract foreign investment in the coming years as mining companies re-prioritize their investment spending to focus on the development of brown field projects. Furthermore, political uncertainty and the lack of sound infrastructure will remain significant challenges for investors to grapple with. (The Mining Insight of BMI Research May 2015)

For the mining sector in Cambodia's still largely undeveloped, and most active mining companies operate small-scale quarries producing materials for construction, such as laterite, marble, granite, limestone, gravel and sand. Cambodia's mineral potential has been well known since at least the 1960s, when geological mapping found for 25 types of minerals at 145 sites.

There are also a large number of artisanal miners running small operations recovering gold and gemstones, often on a seasonal or part-time basis. To date there has been no industrial scale extraction of precious minerals, although in recent years there have been a large number of

exploration licenses granted to both local and international companies. Some companies have made promising finds, and commercial production of gold is likely to begin in 2015. (VOA Cambodia, After Long Wait, Cambodia Opens to Mining)

There are bauxite, copper, zinc, gold, iron ore, nickel, granite, gemstones and tungsten, mostly discovered in Pailin and the provinces of Kampong Thom, Kampot, Battambang, Pursat, Preah Vihear, Oddar Meanchey, Mondulhiri, Ratanakiri and Kratie.

Small and traditional mineral extraction in gold and gemstones has taken place among Cambodian people for many years, as well as with non-metal materials like sand and stone used as construction material.

In 2012, industrial minerals dominated the production of minerals in Cambodia. These included gravel, sand, and stone, which were mostly consumed domestically by the construction industry, and limestone, which was used for the production of cement. The gross domestic product (GDP) at constant 2000 prices was \$8.7 billion in 2012, which was an increase of 6.8% compared with that of 2011. In 2012, according to the National Bank of Cambodia (NBC) reported that the country's total trade increased by 12.3% to \$12.8 billion from \$11.4 billion in 2011. The country's domestic exports were valued at \$5.50 billion compared with \$4.93 billion in 2011, which was an increase of about 12%; also, the total value of imports in 2012 increased by 13% to \$7.32 billion from \$6.49 billion in 2011. Imports of petroleum and electricity were valued at \$1.13 billion and \$145.7 million, respectively, and represented 15% and approximately 2% of the country's total import value, respectively. Cambodia's exports to the United States were valued at \$2.7 billion. Imports from the United States were valued at about \$226 million and included aluminum and alumina, fertilizers, nonmonetary gold, nonferrous metals, nonmetallic minerals, precious metals, and petroleum products valued at about \$802,000. In 2012, the NBC reported that it had issued four licenses for the trade of metals and precious stones, which brought the total number of valid licenses to 19 (table 1; National Institute of Statistics of Cambodia, 2012; National Bank of Cambodia, 2013, p. 11, 14, 41; U.S. Census Bureau, 2013a, b). Were industrial mining to take off, it could follow lucrative revenue from oil and gas, which is expected to come in 2013 with an estimated revenue stream of \$1.7 billion by 2021.

Table 42: production of mineral commodities (Metric tons)

Commodity	2009	2010	2011	2012	2013 ^e
Cement	933,9	789,025	906,711	980	1,000,000
Gravel	41,875	82,5	38,438	43	45
Laterite, blocks	631	1,612,500	355	412,5	415
Sand, construction material	14,035,775	38,367,500	8,296,590	8,800,000	8,800,000
Stone, crushed	2,819,804	6,331,000	5,223,345	5,850,000	5,850,000

Source: Cambodia's Ministry of Industry, Mines and Energy, General Department of Mineral Resources; U.S. Geological Survey Minerals Questionnaires for Cambodia 2007–12.

Table 43: Structure of the mineral industry in 2013(Thousand metric tons)

Commodity	Main operating companies and Main equity owners	Location of main facilities	Annual Capacity
Cement	Kampot Cement Co. Ltd. (Siam City Cement Co. of Thailand, 94%, and Khaou Chuly Group, 6%)	Touk Meas District, Kampot Province	1,000
Gemstones	Jireh International Cambodia Construction and Import-Export Co. Ltd.	Anlong Krapeu-Preak Bey, Samlot District, Batdambang Province	NA
Do.	Seoul Digem Cambodia Co. Ltd.	Loamphat District, Rotanakiri Province	NA
Do.	Sonuba Cahm Industries Co. Ltd.	Phnom Trop, Pailin City	NA
Do.	Ultra Marine Kiri (Cambodia) Ltd.	Pating Thom Village, Ting Chak Commune, Borkeo District, Rotanakiri Province	NA
Do.	do.	Sen Chauv, Samlot District, Batdambang Province	NA
Granite	TTY-Rithy Mexico	Svay Chreas District, Kracheh Province	NA
Limestone	Kampot Cement Co. Ltd.	Tatung, Kampot Province	1,500
Do.	Thai Boon Roon Cement Co. Ltd.	Phnom Laang Laan Commune, Donghtung District, Kampot Province	NA
Do.	United International (Cambodia) Foreign Investment Group Co. Ltd.	East Touk Meas, Banteay Meas District, Kampot Province	NA

Source: USGS Science for changing world, U.S. geological survey minerals yearbook-2013

Note: Do., do. Ditto. NA: Not available.

3.2.4.1. Mineral Resources in Cambodia

There are many Cambodia's resource wealth lies in the northeast of the country, in Mondul Kiri, Ratanak Kiri and Kratie. Although these areas have relatively low populations, they are home to diverse ecosystems and extremely sensitive biodiversity. Although logging has taken its toll on the region, much of the northeast is still forested and the area has a number of wildlife

sanctuaries, protected areas, protected forests and a national park. According to a 2009 NGO report, “Mondul Kiri province contains areas of four protected wildlife sanctuaries and two protected forests which in their entirety total 1,267,322 hectares. As of 2008 no less than 282,700 hectares or 22 percent of these protected areas were covered by mining concessions.”²³ Many people are concerned that the promise of extremely high revenues is likely to outweigh concerns for environmental protection. However, earlier in 2011 a planned titanium mine in Koh Kong province was cancelled due to “concerns of the impact on the environment, biodiversity and local livelihoods”, which many saw as an encouraging sign that decision makers are aware of the need to balance the impacts of development with its benefits.

By using the available mineral and geological data, so far there are around 91 companies (from Australia, China, Vietnam, Thailand, and domestic) licensed to conduct 139 exploration projects as shown below. Currently, they are being under their exploration phase. However, the preliminary results showed that about 17 of 139 exploration projects were confirmed positive.

Table 44: Mineral Investment

NUMBER OF COMPANIES	EXPLORATION LICENSES	
	EXPLORATION LICENSES	NUMBER OF LICENSES
71	Metallic Minerals (Iron, gold, cooper, ect.)	118
1	Bauxite	1
1	Antimony, Chrome	1
13	Coal	14
2	Silica Sand	2
3	White Clay (Kaolin)	3
Total = 91		139

Source: MIME (2013)

Up to 2013, 13 of 91 companies (5- China, 3-Thailand, and 5-domestic) have been licensed to conduct 13 mining projects, gold (4), iron (1) coal (1), limestone (5), and phosphate (1). For the first quarter of 2013, three mining project proposals, one gold project in Mondulkiri province, one coal project in Kratie province and one silica sand project in Kampong Som province, were submitted to Ministry of Industry, Mines and Energy for review and approval.

The result of geological studies and mineral investigations, carried out since the latter half of 19th century by French and Chinese geologists, have indicated significant mineral potential in Cambodia, including gold, iron, bauxite, manganese, silica sand, kaolin, limestone, phosphate, sapphires, rubies, coal, construction materials and other minerals. But, the reserves of those mineral resources have not been evaluated yet for development and mining. The mineral occurrences found in Cambodia are divided into five commodities grouping:

—1— Metallic Minerals

- Antimony (Sb) and Chromium (Cr) – found in Pursat province,
- Iron (Fe) - in Battambang, Kampot, Preah Vihear, Siem Reap and Stung Treng provinces,
- Manganese (Mn) - in Preah Vihear province,
- Molybdenum (Mo) - in Kandal, Preah Vihear and Takeo provinces
- Tungsten (W) - in Kampong Speu provinces
- Bauxite (Al) - in Battambang and Monduliri provinces,
- Copper (Cu) - in Kratie, Preah Vihear, Ratanakiri and Stung Treng provinces
- Copper-Lead-Zinc - in Kampong Speu, Monduliri, Preah Vihear and Ratanakiri provinces,
- Tin (Sn) - in Kampong Speu and Takeo provinces,
- Gold (Au) - in Battambang, Kampong Cham, Kampong Thom, Kampot, Monduliri, Preah Vihear, Ratanakiri, Siem Reap and Stung Treng provinces.

—1— Non-Metallic Mineral/ Industrial Minerals

- Dolomite - in Stung Treng province,
- Fluorite - in Prey Veng province ,
- Graphite - in Kampot province ,
- Limestone - in Banteay MeanChey, Battambang, Kampot and Stung Treng provinces,
- Phosphate mineral - in Banteay MeanChey, Battambang, Kampot and Kampong Speu provinces,
- Silica sand - in Koh Kong province and Kampong Som

—1— Gemstones and Ornamental Stone

- Sapphire - in Koh Kong and Preah Vihear provinces,
- Sapphire, Ruby - in Pailin (Battambang province),
- Zircon - in Preah Vihear and Ratanakiri provinces,
- Amethyst - in Kampong Thom and Stung Treng provinces,
- Ornamental Stone: Jet - in Koh Kong and Preah Vihear provinces,
- Marble - in Kampong Speu and Stung Treng provinces and
- Pagodite - in Pursat province.

—1— Solid Fuel Minerals

- Coal - in Stung Treng province,
- Lignite - in Kampong Som, Kampot, Savy Rieng, Kratie and Preah Vihear provinces

—1— Construction materials

- Basalt - found in Kampong Cham and Ratanakiri provinces,
- Granite - in Kandal, Kampong Chhnang, Prey Veng and Takeo provinces,
- Jaspers - in Takeo province,
- Laterite - in Battambang, Pursat and Takeo provinces,
- Quartzite - in Kampot province,
- Rhyolites - in Kampong Cham province,
- Sandstone—in Koh Kong and Kampong Speu provinces,
- Gravel - in Kampong Cham, Kratie and Stung Treng provinces,
- Sand for construction - in Kandal, Kratie, Kampong Chhnang and Kampong Speu provinces,
- Clay for brick and Tile Manufacturing - everywhere in Cambodia.

3.2.4.2. Investment on Cement Plant

In Cambodia nowadays, there is only one plant to produce cement, K-Cement, in late 2005 an \$80 million project to build a cement plant in Kampot Province, which was proposed by Siam Cement Group of Thailand, expected to pour between US\$200 million and \$300 million (Bt7 billion to Bt10.7 billion) of additional investment into Cambodia over the next five years, said Aree Chavalitcheewingul, vice president for regional business of SCG Cement-Building Materials. It was approved by the government. In January 2006, construction work on the 800,000 metric-ton-per-year cement plant was begun by Thai Siam Cement Industry in the Touk Meas, Kampot Province. The cement plant, which was located 130 km south of Phnom Penh, was scheduled to begin production during the second quarter of 2007. Kampot Cement Co. Ltd. and Tahi Boon Roon Cement Co. Ltd., which were licensed to quarry limestone in the areas of Tatung and Phnom Laag, would supply limestone to the cement plant.

Thailand is the eighth-largest investor in Cambodia, having poured \$746 million into the country from 1994 to 2011(CDC, 2013).

Cambodia's cement demand is expected to reach 5 million tons per year next year. Kampot

Cement, which was set up in January 2008 as a joint venture between Siam Cement Group (SCG), which owns 90 percent of the company, and domestic firm Khaou Chuly Group, is one of the largest cement factories in Cambodia. Initially, its annual production capacity was about 1.1 million tons. In June, SCG invested \$120 million in the second production line, which has annual production capacity of 900,000 tons.

A unit of domestic conglomerate Chip Mong Group, Chip Mong Insee Cement, has signed a partnership agreement with China's CITIC Heavy Industries Co. Ltd. to build a \$262 million cement plant in Kampot province, with construction slated.

Chip Mong Insee is a joint-venture with Thailand's Siam City Cement Plc formed in December 2012. The plant will have the capacity to produce 5,000 tons of cement per day.

Aidan Lynam, CEO of Chip Mong Insee Cement, said during the signing ceremony on Saturday in Phnom Penh that the deal was forged to take advantage of the dramatic growth in Cambodia's construction sector. The plant would have "Cambodia's largest single cement line with the most modern and state-of-the-art equipment and technologies from Germany and China."

3.2.4.3. Gold

(CDC, 2015) Today there are companies from China, Korea, Vietnam, Australia and other countries exploring for minerals in Cambodia. Some work in partnership with local companies, but as Cambodian law allows for wholly foreign-owned mining companies to receive licenses, some foreign companies are working alone.

Admittedly, foreign investors are not allowed to own land under Cambodia's Constitution and are only able to lease the land for a period of up to 70 years with the option to renew thereafter. However, the country's investment law allows foreign companies to own 100% of their mining investment, in addition to the fact that foreign-owned assets will not be nationalized. Vinacomin, Southern Gold Ltd, Brighton Mining, and *Angkor Gold Corp* are amongst the largest foreign players that have expressed their interest in Cambodia's mining space. (The Mining Insight, 2012)

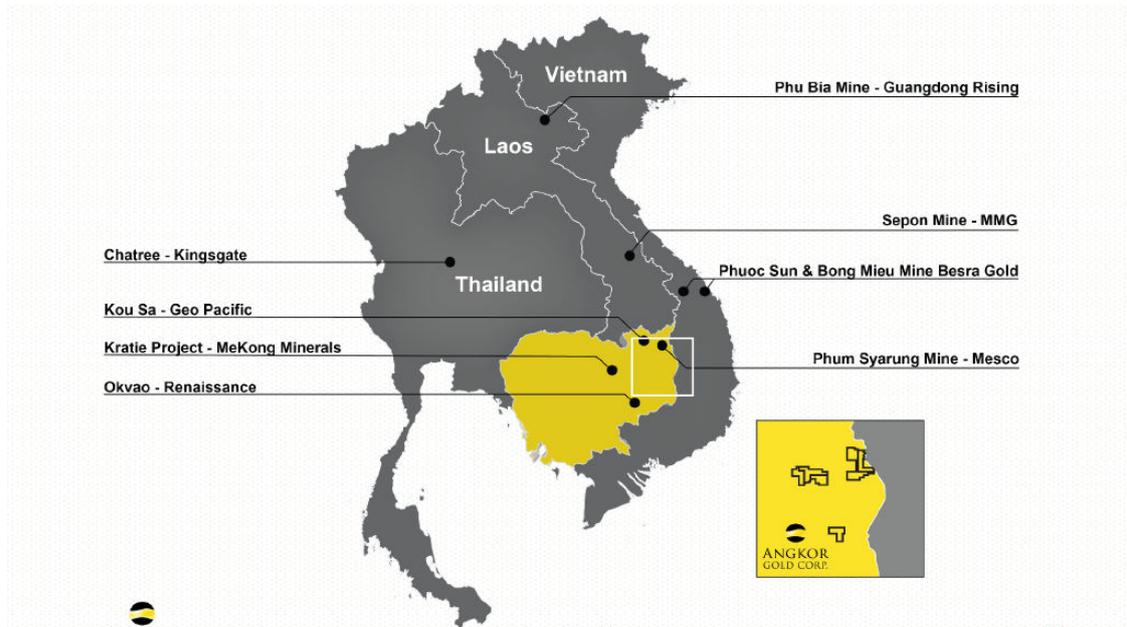


Figure 41: Proven regional geology (source: Angkor Gold Corp)

MIME (2013) while resource nationalism is certainly not as prevalent in Cambodia as compared with other countries such as Indonesia and Mongolia, the waning attractiveness of frontier mining will nonetheless put a lid on deal flows. In particular, we expect the gold mining sector to come under pressure from lower prices in the coming years. We expect gold prices to average USD1, 100/oz in 2015 and will steadily decline to reach USD900/oz in 2019, significantly lower than the average price of USD1, 669/oz in 2012.

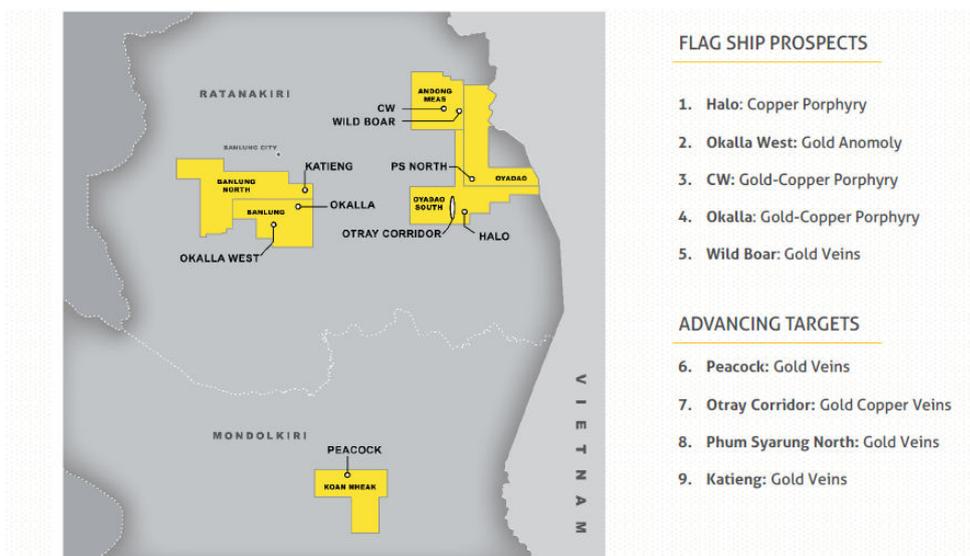


Figure 42: Multiple prospects

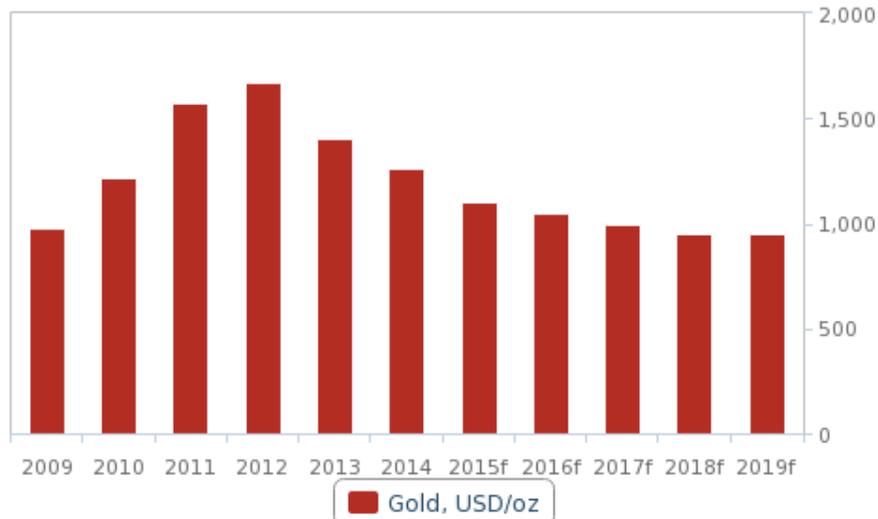


Figure 43: Average Gold Price (USD/oz) in Cambodia



ASSET TRANSACTIONS

AllSol: \$2.4MM
 Mesco: \$1.9MM & 7.5% NSR on sliding scale

EQUITY FINANCING

Tohui: \$2.12MM
 JV 5% Option: \$1.425 MM
 NSR Sale: \$875K with buyback clause
 Warrants: \$2.12MM

FARM-IN AGREEMENTS

Mesco – Oyadao North: \$1.25MM
 Blue River: \$3.5MM

\$15.6MM
 Total Value of Deals (USD)

Figure 44: Detail of investment budget (source: Angkor Gold Corp)

IV. ANALYSIS STRATEGIES OF CONSTRUCTION INDUSTRIAL MARKET

In order to facility easily to know important points that we have existing and actual result that Cambodia and we need to analyze some principal sector to improve better.

As a result of a worldwide competition being global is becoming more important for the companies. One good cause for the endless competition according to Daniels & Radebaugh (1998) is that the global market is not large enough for all the companies.

Anderson et al (1998) argue that the internationalization is being more important due to borderless world. According to Daniels and Radebaugh (1998), there are several reasons for organizations to enter the global market today. The very first reason for going global is to expand sales. Sales dependent on two major factors: consumer's interest in goods and services and the willingness or ability to buy those products. If there's a match of those two factors outside their home country, companies can get higher sale going global. Second factor is to acquire resources, when there is lack or inadequate resource in the home country; companies tend to move into global arena where they can seek out resources which can also help them reduce cost and getting competitive advantage. Third but not the least is for minimizing the risk, diversifying sources of sales and suppliers by operating in different countries and different business cycles, helps businesses to reduce swings in sales and profit. Sales always decrease or don't grow much in a country that is in recession and sales increases in one that is economically expanding. Example of Nestle in early 2000 shows that their sales was sluggish in Western Europe and United States but the growth in Asian, Eastern European and Latin American market was quite fast.

I use three strategies to analyze about Cambodia 1, SWOT analysis, I find information for analyze sector of Building, Construction & Real Estate, Infrastructure sector, The objective of a SWOT analysis is to use the knowledge an organization has about its internal and external environments and to formulate its strategy accordingly. 2, PEST analysis, I analyze focus on Political, Economic, Socio-culture and Technological development. And final, I use Blue Ocean Strategy to analyze market of Cambodia's investment for foreign investors who want to know about Cambodia.

4.1. SWOT Analysis

SWOT Analysis is a useful technique for understanding about Strengths and Weaknesses, and for identifying both the Opportunities and the Threats.

As a reflection of the previous analysis, we make an effort to elaborate a SWOT analysis for Cambodian construction industry. A SWOT analysis is a useful tool to access strengths, weaknesses, and opportunities and threats for an organizational entity.

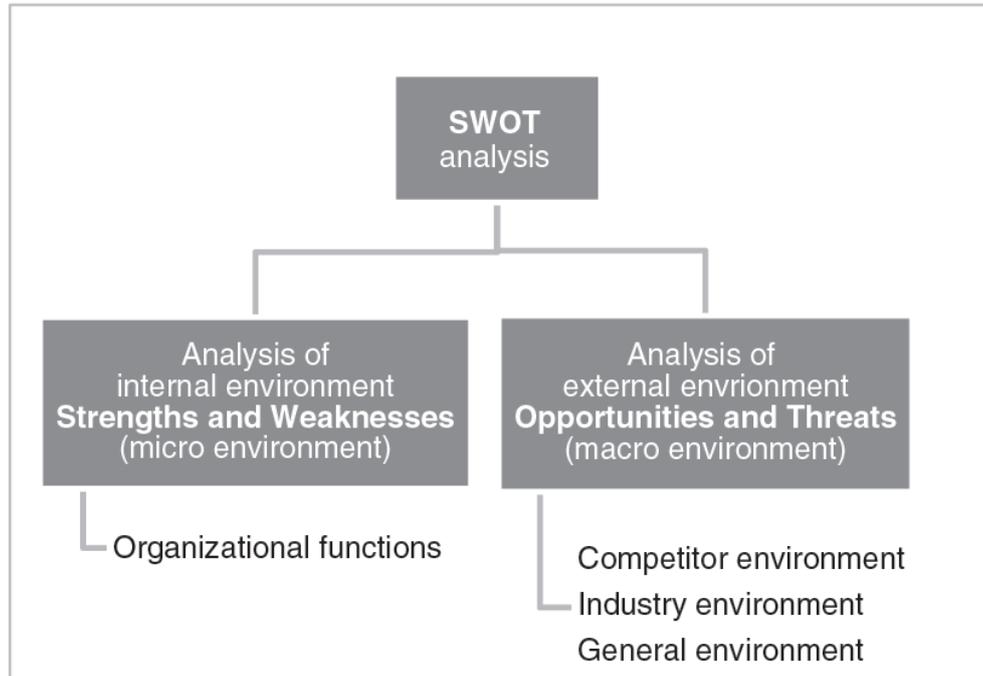


Figure 45: SWOT analysis main components.

Tanya Sammut-Bonnici and David Galea (2015) A SWOT analysis evaluates the internal strengths and weaknesses, and the external opportunities and threats in an organization's environment. The internal analysis is used to identify resources, capabilities, core competencies, and competitive advantages inherent to the organization. The external analysis identifies market opportunities and threats by looking at competitors' resources, the industry environment, and the general environment. Wayne Gretzky (2010) SWOT analysis is an examination of an organization's internal strengths and weaknesses, its opportunities for growth and improvement, and the threats the external environment presents to its survival.

According to Cambodian activities nowadays, there are many factors of overview have been under constructed and realized that they are important critical points for consideration to improve.

Table 45: Strengths, Weakness, Opportunities & Threats Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Increasing international investment: particularly from Asian development funds which provides stimulus for the sector, ▪ Some of the lowest construction costs in the region, ▪ High return on investment for successful projects, ▪ Robust tourist arrivals into Cambodia, driving demand for infrastructure. ▪ Recognition that the transport sector is vital for socioeconomic growth <ul style="list-style-type: none"> — Law and policy ▪ Some MPWT and MRD policy documents drafted ▪ Road traffic law adopted ▪ Law on Concessions adopted ▪ Rail infrastructure legal requirements complete ▪ Department of Railways established ▪ Operating concessionaire appointed (30 years);rehabilitation of railway infrastructure ongoing, will relieve roads of some heavy goods due to cargo transport modal shift <ul style="list-style-type: none"> — MPWT roads ▪ GMS and primary national roads paved, providing good access to borders and international connectivity ▪ Development partner funds attracted to develop the national network; currently, 10 development partners have projects ▪ MPWT has the capability to deliver large investment projects through its project management units ▪ Development partner funds have been secured for primary road periodic maintenance ▪ Permanent weighbridges in place at seven locations ▪ Technical specifications suitable for Cambodia using historical climate patterns ▪ Technical specifications adapted for vulnerable road users (use of road shoulders) <ul style="list-style-type: none"> — Rural roads ▪ Government commitment for rural road infrastructure development high ▪ Rural road development to laterite standard carried out to a good standard ▪ Draft technical standards consistent with national standards prepared Government decentralization and deconcentration program gaining support with a multitude of small value contracts being enacted by small-scale contractors, improving access <ul style="list-style-type: none"> — Rail infrastructure ▪ Investment assured and rehabilitation in progress; concession operator in place <ul style="list-style-type: none"> — Inland waterways ▪ Mekong dredging in progress ▪ Navigation improving <ul style="list-style-type: none"> — Aviation transport ▪ International airports regulated and operated privately 	<ul style="list-style-type: none"> ▪ Existing infrastructure is extremely poor especially access to electricity; thereby limiting the growth rate of projects, ▪ Excessive corruption and a lack of transparency lead to untenable delays to many projects. - Underdeveloped financial and regulatory systems create problems for project financing. <ul style="list-style-type: none"> — Law and policy ▪ Road law not in place ▪ Draft policy documents not finalized ▪ Road traffic law on overloading not enforced <ul style="list-style-type: none"> — MPWT roads ▪ Most secondary national network unpaved ▪ Many provincial roads unpaved (laterite) and have insufficient width ▪ Funding for further development of national roads unsure ▪ Future national funding for road network maintenance unsure Technical specifications not suitable for climate change adaptation Road safety not improving significantly <ul style="list-style-type: none"> — MRD rural roads ▪ MRD has attracted few development partner projects, ▪ Planned investments not sufficiently focused, ▪ Capacity of MRD weak and does not exist for paved road development ▪ Laterite roads not suitable in many cases for traffic and climate of Cambodia; material quality low and resources for materials being depleted, ▪ Gravel roads not suitable from a health perspective for populated zones (dust); earth roads even less suitable for roadside communities because of very fine soils ▪ Rural road quality not adequate to meet requirements of agriculture and other sectors, ▪ Decentralization and deconcentration program for rural roads requires development partner support and strong technical management to succeed <ul style="list-style-type: none"> — Railway ▪ Railway unlikely to support passenger traffic, ▪ GMS link to Viet Nam required <ul style="list-style-type: none"> — Inland waterways ▪ Bassac River not navigable; Tonle Sap very limited navigability ▪ Rural Tonle Sap ports not supported as alternative mode <ul style="list-style-type: none"> — Aviation transport ▪ Domestic airports not sufficiently functional; there are no scheduled flights <ul style="list-style-type: none"> — Support for thematic areas ▪ Transport sector does not adequately support poverty reduction, social development, and sustainability of the environment.

Opportunities	Threats
<ul style="list-style-type: none"> ▪ Weak existing infrastructure provides many opportunities for growth, particularly in road and rail construction, ▪ Mekong-Japan Economic and Industrial Cooperation Initiative Action Plan promise new projects. Geographical location provides excellent opportunities for increased transportation links, ▪ Government keen to develop the tourism sector, with an ambitious target of 6 million foreign visitors by 2020, thereby boosting the demand for transport infrastructure, ▪ Large scope for international involvement, due to limited domestic expertise. ▪ Continued development partner leadership in transport sector ▪ Infrastructure and Regional Integration Technical Working Group to assist with <ul style="list-style-type: none"> • road maintenance initiatives • prevention of vehicle overloading • improvement of road traffic safety ▪ Promote public-private partnerships in the sector ▪ Develop strong and sustainable transport institutions ▪ Develop paved rural roads around semi-urban centers to link markets ▪ Pave provincial roads ▪ Maintain environment and social safeguard standards 	<ul style="list-style-type: none"> ▪ Strong dependence on Chinese and South Korean economies means that Cambodia is exposed to any possible double-dip recession in these countries, ▪ Lack of a mature infrastructure market leaves the sector open to external risks, such as recession or currency volatility, ▪ Regional competition is strong and skirmishes between Cambodia and Thailand may weaken the political situation. ▪ Decline in economic or political stability ▪ Sector development not supportive of development directions (e.g., agriculture and tourism) ▪ Sector does not support diversification of socioeconomic opportunities ▪ Policies not focused or not explained adequately ▪ GMS bilateral agreements for road and rail traffic not completed successfully ▪ Lack of policy inhibits development partner support ▪ Private sector partnerships not attracted or sustained ▪ Heavy vehicle loading regulations not enforced ▪ Traffic safety regulations not further developed or enforced ▪ Development partners not attracted to rural road infrastructure ▪ Pace of urban development exceeds that of rural development ▪ Technical requirements for international movements of trains not resolved ▪ Inadequate or expensive transport preventing achievement of Asian Development Bank theme objectives in poverty reduction, social development, and sustainability of the environment

4.2. PEST Analysis

PEST Analysis Identifying "Big Picture" Opportunities and Threats also Known as PESTLE, PESTEL, PESTLIED, STEEPLE, SLEPT and LONGPESTLE to identify the threats and opportunities in business environment. Dr. Abhishek Gupta (2013) The PEST analysis is the most common approach for considering the external business environment. PEST analysis stands for Political, Economic, Social, and Technological analysis and describes a framework of macro-environmental factors used in the environmental scanning component of strategic management but the word PEST is no more than a convenient mnemonic. The underlying thinking of the PEST analysis is that the enterprise has to react to changes in its external environment. This reflects the idea that strategy requires a fit between capabilities and the external environment and so it is necessary for an enterprise to react to changes.

This PEST country analysis report on Cambodia provides a holistic view of the country, with insightful analysis of current and future issues, supplemented with relevant quantitative data to support trend analysis. Particularly, this study will use PEST analysis to assess one of the developing countries in South-East Asia, Cambodia. According to Frynas and Mellahi (2011), PEST analysis is not a severely accurate analytical tool, but a broad framework to assist managers apprehending the macro environment.

More importantly, PEST analysis can be utilized as a checklist for managers to see how political, economic, social and technology advancements can impact their industry and business. Since country changes overtime, it is smart to use PEST analysis to keep track and forecast the future.

In this regards, Cambodia will be evaluated according to four important factors, political matter, economic status, social concerns and technology developments.

Being in Apparel Industry of USA, it is very essential to do some research and study for finding out which country to select or which country is much better for the industry to operate smoothly and can give good returns. There are two known environmental factors which can affect the company, Internal and External. Internal environmental factor, to some extent can be controlled by the company being an internal one whereas the external environmental factors can't be controlled by the company itself.

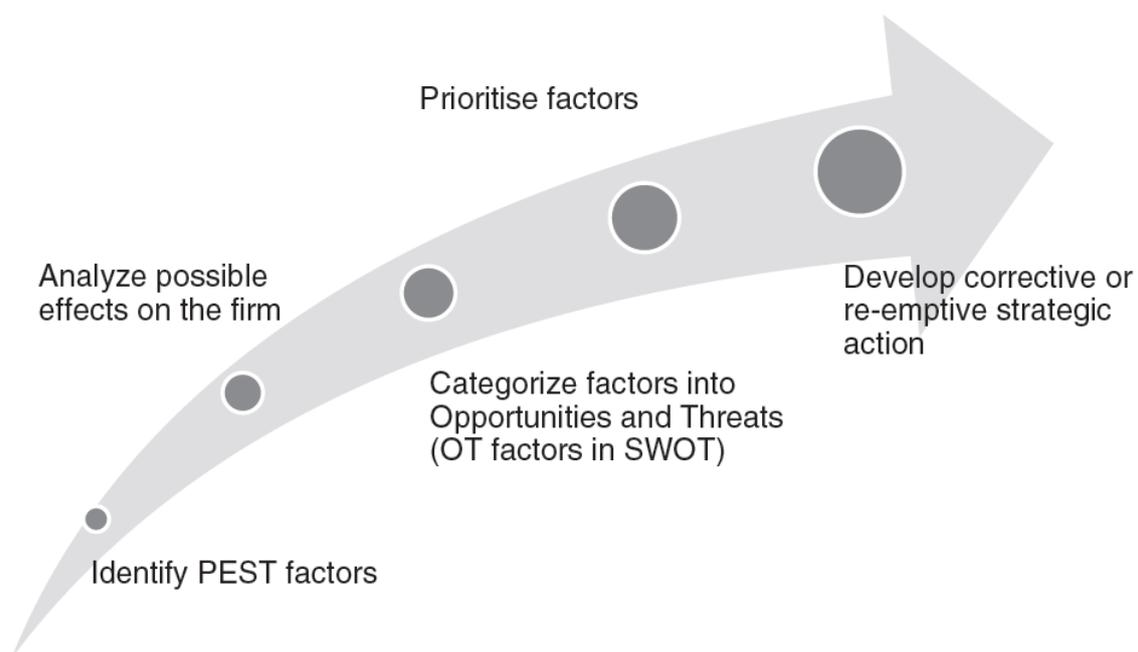


Figure 46: The process involved in exploring a firm's external macro environment involves five main stages

PEST analysis is focus on four critical factors; factors under external environment are Political/Legal, Economic, Socio-Cultural and Technology. It is necessary for conducting study on the various external environmental factors that may affect the company or can make negative impact. In order to get a clear picture for selecting the best country that is much suitable for expansion. I found that PESTLE analysis and Diamond Analysis Strategy are also more helpful strategic management tools that provides useful framework to analyze the environmental pressure on business.

—L— **Political & Legal:**

Cambodia is one the developing countries of South East Asia by having constitutional monarchy with a multi democracy party and an elected government. No party got the proper majority in the elections held in July 2008, hence formed a coalition government. The constitution written in 1993 helped the country for political environment stability in comparison of past decades of war and internal strife. Diplomatic relations with most countries have been established including the US. Cambodia has a membership of most major international organizations like UN, ASEAN, ADB, IMF, The World Bank and WTO. US-Cambodian bilateral relations have been deepened and broadened in past years. US has helped the country nearly \$62 million through various USAID mission welfare programs.

—L— **Economic:**

As similarly, I wrote brief detail for chapter two, according to WB, ADB (2016) the Gross Domestic Product (GDP) in Cambodia expanded 6.90 percent in 2015 from the previous year, according to preliminary estimates. GDP Annual Growth Rate in Cambodia averaged 7.64 percent from 1994 until 2015, reaching an all time high of 13.30 percent in 2005 and a record low of 0.10 percent in 2009 (NIS 2015).

Expansion in industry and services sustained solid economic growth in Cambodia in 2015. Inflation slowed to its lowest rate since 2009 but picked up at the end of the year. Cambodia has a GDP (2009) of \$10.8 billion, Per Capita GDP (2009) of \$731 and inflation (2009) of 4.5%. Garment, Textile and shoe manufacturing, rice milling, tobacco, fisheries and fishing, wood and wood products, cement, rubber, papers and food processing are major industrial sector of the country which hold 21.7% of GDP (2009 est.). Country has been able to export worth \$3.9 billion in 2009 to its major partners like US, UK, Germany, Singapore, Japan etc. and has imported fuel, cigarette, vehicles, consumer goods, machinery worth \$5.4 billion (2009). Sound macroeconomic policies, political stability, regional economic growth and government openness

(100% share holding FDI allowed) towards the investment has attracted growing number of investors, due to which FDI has increased 12 fold since 2004. Garment and tourism are the key industry which drove the country's economy having sustainable 10% growth during 2004-2007.

In 2009, infrastructure are not adequate, however road networks are improving rapidly. Corruption and lack of legal protection for investors are the two main reasons which may hamper economic opportunity and competitiveness. Cambodia continues to enjoy robust growth, albeit at a slightly slower pace. Real growth in 2015 is estimated to have reached 7 percent, compared to 7.1 percent in 2014.

The garment sector, together with construction and services, are the main drivers of the economy. Growth is expected to remain strong in 2016, as recovering internal demand and dynamic garment exports offset stagnation in agriculture and softer growth in tourism.

Poverty continues to fall in Cambodia, although the pace has declined significantly. The poverty rate was 17.7 percent in 2012, with almost 3 million poor people and over 8.1 million who are near-poor. About 90 percent of them live in the countryside. World Bank estimates suggest that Cambodia achieved the Millennium Development Goal (MDG) of halving poverty in 2009. However, the vast majority of families who escaped poverty were only able to do so by a small margin, thus the significant share of the near-poor.

Cambodia continues to enjoy robust growth, albeit at a slightly slower pace. Growth is expected to remain strong in 2016, as recovering internal demand and dynamic garment exports offset stagnation in agriculture and softer growth in tourism. WB (2016) therefore Cambodia's economy mostly depends on agriculture.

Nevertheless, in recent years the importance of manufacturing has been growing due to establishment of export oriented textile and shoes factories. Cambodia is also taking advantage of fast developing tourism sector. More importantly, oil deposits found beneath Cambodia's territorial waters and the prospective exploration of mineral resources (bauxite, gold, iron and gems) will likely reshape Cambodia's economy. Currently, services are the biggest sector in the economy and account for 38 percent of total GDP. The industry sector accounts for 29 percent of GDP, and agriculture has the lowest share of 26 percent.

—1— **Socio-Cultural:**

-What are social-cultural factors underlying those behaviors?

There are many points to say but I take a small part to write, Cambodia people has faith in Theravada Buddhism and remaining include Islam, Christian etc. Country is a mixture of 90%

Cambodians, 5% Vietnamese, 1% Chinese and others 4% ethnic groups. Cambodia has a literacy rate (2007) of 75.1% and Khmer is a first language spoken by 95% of population and English is increasing as a second language for foreign communication.

Cambodians associate their beliefs in Buddhism, and they believe in Karma. They believe that there are previous life, current life and next life. So, the reason that you are poor now, because you did not done enough good things in your previous life. So, try to do many good things in this life, so that your next life can be better. The overall belief is “doing good things, will get good things”. Cambodians demonstrate their beliefs by going to the pagoda, which is the spiritual place to do good things. Monks symbolize Buddhism and are respected by all Cambodians.

The worst period in life was the Khmer Rouge regime, in which most people were hungry.

The most traditional Cambodian food is rice and fish. From rice, Cambodians produce many other foods such as noodle, wine, desserts (sticky rice), sweet foods etc.

Jeniffer Huong and James Heng (2008) In Cambodia today, Western cultural (Europe) influence is being accepted. Cambodian men often shake hands. Women, however, often adhere to the traditional greeting and are reluctant to shake hands, as Cambodians are not accustomed to touching, especially those of the opposite sex. In the U.S., Canada, Australia, France, New Zealand, many Cambodian women still are reluctant to shake hands, especially the older generation or new immigrants.

Cambodia’s official language is Khmer, a member of the Mon-Khmer subfamily of the Austro-Asiatic Language Group. 95% of the population speaks the language as their mother tongue (CIA FACTBOOK: Cambodia) and this official language is used heavily at the national level is common official language in Cambodia including government administration, education at all levels, and in the mass media. Koji Igawa (2008) English is the language that this political context of English has been strongly encouraged and promoted. This political situation has paved paths for a variety of international aid agencies to come to Cambodia and accelerate the process of “globalization” in the country. I will demonstrate some behaviors of Cambodian people with non-verbal communication as bellow:

- Meetings do not stick to any schedule or agenda,
- Issues may be tackled separately and altogether if need be - once an issue has seemingly been resolved it may later be addressed again,
- Meetings will continue until the attendees feel everything has been satisfactorily covered.
- Building a relationship on mutual trust is crucial so initially time should be invested in getting to know your counterparts,
- Small talk should always be employed at the beginning of meetings,
- Cambodians are very indirect communicators so some reading between the lines is a

necessary skill,

- They will always consider the implications of making statements or using particular words especially if it involves anything negative as this draws in the issue of face,
- In fact if Cambodians disagree with someone they would rather remain silent than make any comment,
- If they disagree with an idea, they generally remain silent,
- If unsure about statements be sure to double check,
- Cambodians prefer ideas to be brought forward in a gentle way and to wait for others to respond,
- Pushy, pressured or boastful communication styles are a real turn-off,
- Punctuality is important,
- Arriving late shows a lack of respect for the person with whom you are meeting.
- For non-verbal behavior is just as important to be aware of. For example, smiling in Cambodia is situational and can have many meanings; it may mean a person does not understand what has been said, they are nervous or even irritated.
- Showing emotions is considered a negative behavior.
- Anger, impatience or frustration should be hidden as it would lead to a loss of face,
- overtly is not part of the culture and is considered a sign of weakness as well as poor manners,
- Modesty and humility are emphasized in the culture, so compliments and praise are generally responded to by a deprecating comment,
- It is a good idea not to speak with bravado, which may be interpreted as boasting.
- Avoid prolonged eye contact.
- Be sure to speak clearly, slowly and to avoid use of slang, adages and colloquial sayings.

—L— **Technological development:**

I observe that Cambodia is behind in their technology. As most of the FDIs have entered the country, they have also brought their own technology with them, so possibility of spill-over of the technological knowledge to the country can be seen. There is nowadays teaching a little in university but it seems not urge from government to create place for research of technology for researchers.

There are many challenges of having PEST analysis implemented to analyze about Cambodia.

I really find them very hard to gather important information. As Cambodia is a developing country, there are no much researches have been done to analyze Cambodia's macro-

environment. Even though I have found useful information, some of them were not usable due to written languages. Specifically, most of Cambodia’s ministry document reports are written in native language, which is a huge obstacle for this analysis. In addition to using PEST analysis, sometimes, it cannot ensure that the certainty of the analysis and forecasting if there will be country changes so fast over time.

4.3. Blue Ocean Strategy

W. Chan Kim and Renee Mauborgne (2005) the blue ocean strategy is best illustrated by the performance of Cirque du Soleil. Created in 1984 by a group of street performers, Cirque productions have been seen by almost 40 million people in 90 cities around the world. In less than 20 years, Cirque du Soleil has achieved revenue levels that took Ringling and Barnham and Bailey (the circus global champions of the circus industry) more than 100 years to attain

The blue ocean strategy is good for Cambodia, need to study and analyze factors that Cambodia has to do to increase all views were developed, reduce, innovate, eliminate.

For my point of view, I use this strategy with four concepts for action framework in order to improve construction market is one of others sectors to increase Cambodia’s economic growth as well as people’s GDP.

Table 46: The differentiation between Red Ocean and Blue Ocean Strategy

RED OCEAN	<i>Versus</i>	} - STRATEGY
BLUE OCEAN		
❖ Red Ocean Strategy	-	❖ Blue Ocean Strategy
• Compete in existing market space		• Create uncontested market space
• Beat the competition		• Make the competition irrelevant
• Differentiation or low cost		• Differentiation and low cost
• Competitive Advantage		• Value Innovation
• Segment existing customers		• Attract noncustomers
• Exploit existing demand		• Create and capture new demand

Source: Blue Ocean Strategy

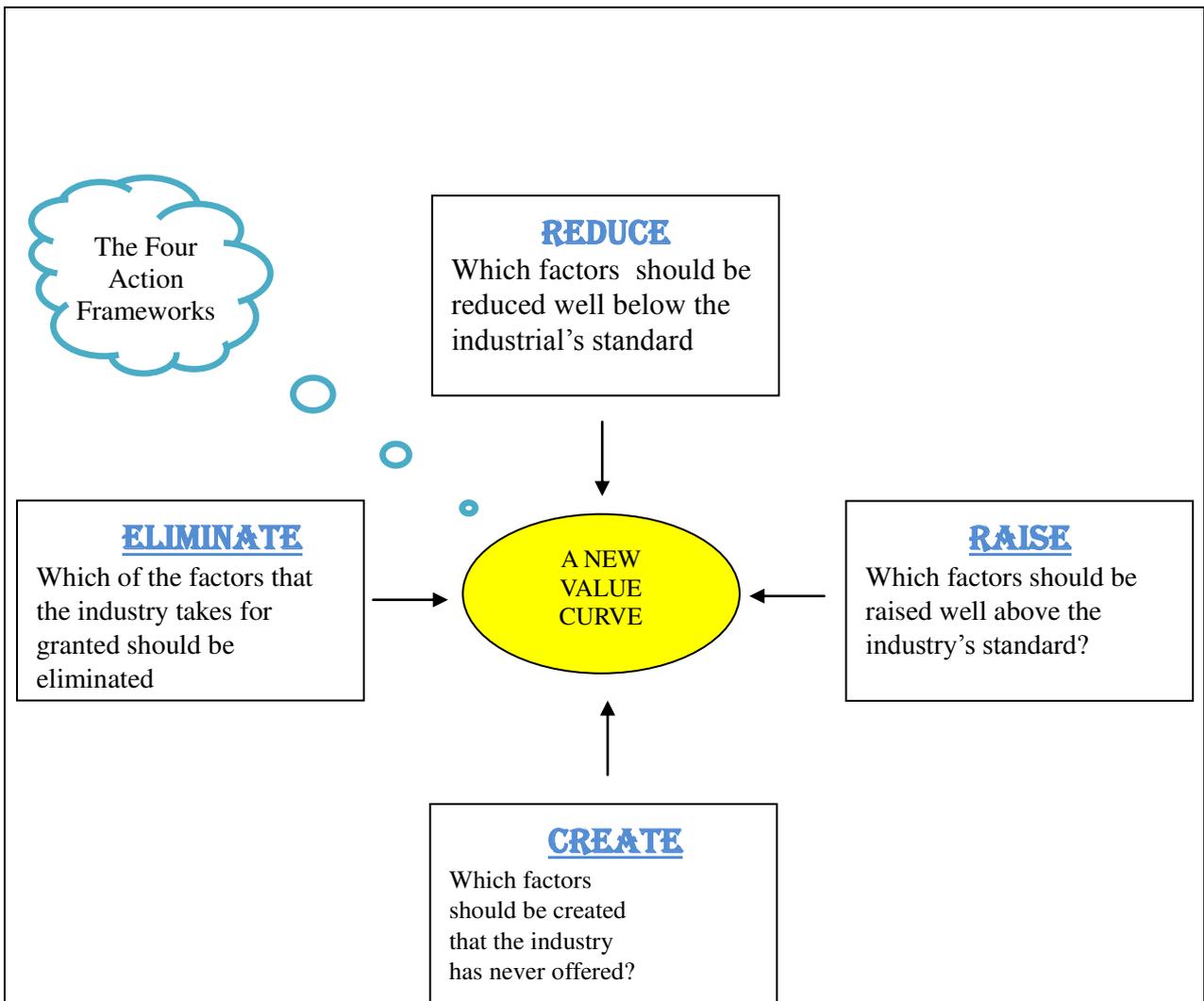


Figure 47: Four concepts of Blue Ocean Strategy

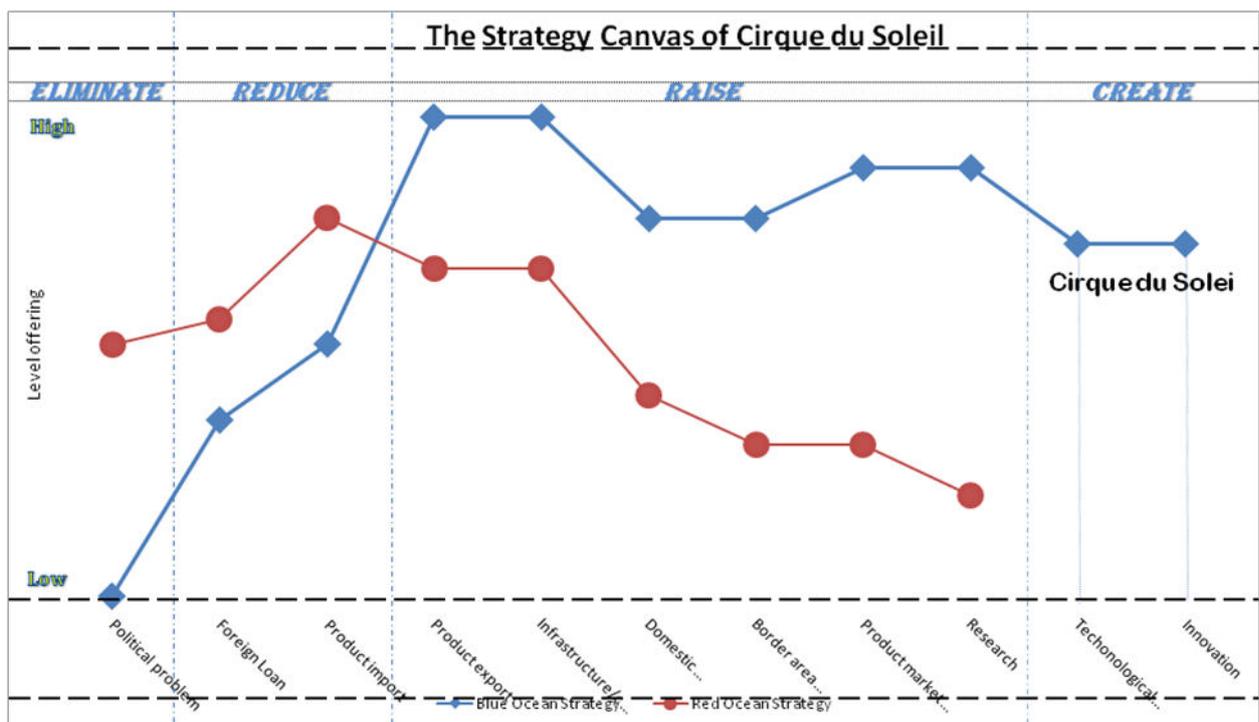


Figure 48: The Strategy Canvas of Cirque du Soleil

According to data that describe above and Cambodia's evolution and situation, I can write about Cambodia's factors base on Blue ocean strategy as detail bellow:

—┘— **Eliminate:**

- Political problem : Cambodia must prepare political stabilization in order to get safety and importantly to attract foreign investors come investing into agriculture, infrastructure/construction, mining exploration...etc.

—┘— **Reduce:**

- Foreign loan : Royal Government of Cambodia should cut down borrow load from donor and another country or ADB or World Bank, China...etc instead by adding domestic investment and FID.

—┘— Product import : Cambodia must reduce product imports that own country can produce by itself as vegetable, fruits ...etc. Because of year by year , Cambodia pay a lot money for importing vegetable, fruits from Vietnam and Thailand. Research conducted by the Center for Policy Studies' program shows that 200 to 400 tons of vegetables are imported daily from neighboring countries. The research found that between \$150 million and \$250 million is spent annually on vegetable imports from Vietnam, Thailand and China (Fresh Plaza and khmertimeskh.com, 2016). Those vegetable, fruits contain high chemical substance were not controlled and checked strictly by specialist at counterpart border. Specially, from Vietnam.

—┘— **Raise:**

- Product export: Should increase product as garment/footwear, paddy rice(Cambodian fragrant rice), original rubber, sugarcane, cassava...etc. with high quality , according to Memorandums of Understanding between Cambodia- EU and US and other countries, Cambodia is not necessary to pay any tax. Cambodia should consider about rice product that had problem in 2015, (Phnom Penh Post and Amru Rice (Cambodia), 2015 and AEC News Today 2016) mixed milling with Vietnamese rice that contained high chemical, it is not proportion into EU legal condition. In 2015 bilateral trade between Cambodia and the EU reached more than €4 billion (about US\$4.488 billion), with agricultural products accounting for about 4.4 per cent, or about €181 million (\$203 million), of the total. However, while EU foreign direct investment (FDI) into Asean accounts for about 25 per cent of the total only about five per cent finds its way into Cambodia. Between January and October 2015 total EU FDI into Cambodia was about \$76 million, a drop of 11.63 per cent over the \$86 million invested during the same period in 2014.

EU, IFC and AFD (2015) there are issues in the region stemming from the origin of the rice versus where or from whom it is being sold. Singaporean importers noted that they can buy Cambodian rice milled and packed in Vietnam more easily and at a lower price than that offered by Cambodian exporters – and that the Vietnamese do not disguise the origin of the rice. Several importers wondered if the price difference were due to the inefficiency and out dated technology of the Cambodian exporters’ milling equipment or those prices were increased due to Cambodian mills not storing milled rice, but buying paddy rice and milling it to order after an order has been received.

- **Infrastructure/construction sector:** all data that detailed above, shown that infrastructure/ construction are growing to be notable as shown in table 24 but need to build continually to fulfill people needs and population increase.
- **Domestic product** : Cambodia must urge people to plant vegetable and fruit and others crops to supply in domestic and export to abroad and attract foreign investors comes to invest agro-culture sector.
- **Border area development:** Over the past few decades Cambodian border areas have been economically marginal. Cambodia’s leading sectors, the garment and tourism industries, are centered on Phnom Penh and Siem Reap (with Angkor Wat), which attract customers from neighboring countries where gambling is illegal. However, the economic potential of the border areas is high because the strength of both Cambodia and the neighboring countries can be capitalized. For instance, on the Thai border and the Vietnam border, the development of manufacturing combining the better-developed infrastructure of these countries and Cambodia’s low-wage labor and custom-free access to developed countries. Respectively. the only substantial industry in Cambodia’s border areas are casinos but not all area, specially north-eastern part of Country such as Mondulkiri, Rattanakiri, Preah Vihea.,etc. Cambodia should develop border area, specially infrastructure and agriculture and also can create area of tourism resort to attract tourists for increasing national budget.
- **Product market:** Government of Cambodia should find or create market for people’s product for exchange including to domestic/international when giving output.
- **Research:** I poorly obtain information about this sector but I knew that in Cambodia, there is a little researcher to research new concept, in normally there are in university. I that Cambodia should create institute or department for investigating as other country

—1— **Create**

- **Technology development:** As detail in PEST analysis, Cambodia is behind technological evolution and development due to educational system, weak vision of educational leadership, weak vision of educational leadership, low contribution from communities, low contribution from communities, industries and business, industries and business, no clear strategy for credibility and no clear strategy for credibility and reliability for selecting the management reliability for selecting the management leadership, lack of school networking development, lack of school networking development. Weak policy framework for systemic, weak policy framework for systemic promotion of S&T education, research and promotion of S&T education, research and development, and innovation.
- **Innovation** : In last decade, Cambodia is poorly for innovation development, but nowadays new generation of people learns and practice. For example, U.S. Agency for International Development build capacity through group training curriculum and one-on-one coaching on human-centered design, video production, social media, project planning, user testing, and developing digital communication strategies. Provide financial and technical assistance through the Grants and Partnerships Fund to support the design and development of content, technologies, and tools that support civil society objectives. Develop a sustainable market for social innovation in Cambodia by educating civil society about the potential of technology to improve scale and impact of programming, and developing the technical skills of local technology and service providers to support civil society and cutting-edge programming.

I think that there are needs encourage, funds and urging from government or NGO.

Even though there are some obstacles for the study, they did not discourage me from doing the analysis; but they still strongly urged and motivated me much more to complete this research's study.

V. CONCLUSION AND FUTURE RESEARCH

According to research data, the Cambodia's economy is growing rapidly and liberal trade and investment policies have been introduced to promote trade and foreign investment.

Despite its still challenging business climate, business opportunities can be found in several sectors, in particular in agro-food/horticulture, garments, tourism/ hotel and construction/real estate including to infrastructure/logistics. Cambodia is one country in developing market economy in Southeast Asia with a population of nearly 16 million and a GDP of around USD 18.5 billion (2015).

There is no much time for this study, thus this study just describes about Cambodia's situation and analyzes opportunities condition for foreign investors but there is no analysis of the impact of strategies on performance. I'd like to study about this one for my future research. The research's study of the impact of strategic options in the performance levels in construction industry in Cambodia through the use of **ordinal regression models** (rank the values, but the real distance between categories is unknown. Diseases are graded on scales from least severe to most severe. Survey respondents choose answers on scales from strongly agree to strongly disagree.), it would be an interesting topic for the more research in future. This would allow investigating the effective strategies that enables the improvement of the performance of the firms. Moreover, the topic related to the competitive positioning of Cambodian construction firms would be a suitable subject for subsequent research, the goal is to find the strengths and weaknesses of the local companies as well as to identify the characteristics of the environment where they can operate with competitive advantage.

The end of this paper for my opinion, I see that foreign investors have a lot of potential conditions and opportunities to consider for investing in Cambodia with reasonable points below:

- GDP Growth for year by year
- People's needs with population raise, MLMUPC (2011) in additional 120,000 houses are required in the Kingdom by 2030, according to the housing development document 2010-2030. But MLMUPC, NNT (2015) and Phnom Penh Post(2014) Cambodia's total population is expected to increase up to 18 million by 2030, therefore about 1.1 million new houses will be needed without counting the current shortage of houses.
- Young & Inexpensive workforce, among Asia lowest work force (the labour cost is cheaper than others countries in the same area (ASEAN) and another country except for

ASEAN, too.

- Prime location in one of the fastest growing region in the world Sandwiched between 2 larger, more developed economics (Thailand & Vietnam) facilitating economic spillover
- Midway between china and India
- Along the Gulf of Thailand providing the country with ease of access to maritime trade
- Rising productivity Cambodia trade investment chart 2014
- Pro-Business government and favorable investment climate 100% foreign ownership, except land as said in FDI, attractive investment incentives, no Capital Gain Tax
- Increasing trade integration, WTO member since 2004, ASEAN membership offers regional trade benefits, duty free or preferential export access to most developed economies
- Improving transport connectivity, all key road and bridge links with neighboring countries have been or will soon be upgraded, railroad system is being rehabilitated, container sea port in Sihanoukville has been modernized and expanded, river port in Phnom Penh is being relocated and enlarged to better access Vietnam's new deep sea ports, three international airports have been opened
- Lower costs in telecoms and internet, hyper-competition in mobile and internet sectors has cut user costs
- New hydropower and coal-fired power plants underway will replace oil-based generation and cut energy costs
- Untapped natural resources and land
- Under-Penetrated, growing domestic consumer market, workforce participation, household formation, and urbanization will all show robust growth over the next decade, Per capita GDP and purchasing power has more than doubled over the past decade and will continue to rise,
- Emerging import substitution opportunities in various industries
- Un-leveraged financial position, relatively low levels of sovereign, corporate, and consumer debt, well capitalized, conservative banking system
- No tradition of government bailouts and subsidies (Surprisingly rare in today's world)
- Last Frontier Market, Cambodia is probably the Last investment frontier market in the region.

And there are remaining reasons that urge Cambodia will have many foreign investments, for example there are many Japanese investors who invest on sector of infrastructure, tourism, health...etc. CDC (2011) CAMBODIAN businesses have emerged as the Kingdom's leading source of investment funds, surpassing China in the first four months of 2011.

Cambodian investors received approval to invest US\$1.2 billion, while China and the United States invested \$1.09 billion and \$95 million respectively between January and April.

The total value of approved projects in Cambodia doubled in that period, with 27 projects, worth \$2.506 billion, approved by the CDC, a 176 per cent increase on the 35 projects, worth \$907 million.

The tourism sector benefited most from the increase in capital investment during the first four months. CDC (2014) investment projects accounted for \$4.6 billion, with local firms investing \$3.2 billion, followed by China with \$860 million and the United Kingdom with \$139 million, according to state-owned media AKP of Cambodia Press. The country attracted \$4 billion FDI in 2014, with China, Malaysia and Japan being the top foreign investors.

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Annex

— List of total number of companies registered under MLMUPC by country update in present

NO.	COUNTRIES	TOTAL NUMBER OF REGISTERED COMPANIES	NUMBER OF LICENSES STILL VALID	DESIGN	CONSTRUCTOR
1	Cambodia	1189	470	14	456
2	Korea	125	43	03	40
3	China	135	83	04	79
4	Japan	35	25	0	25
5	UK	29	10	0	10
6	Thailand	34	25	02	23
7	Malaysia	26	11	01	10
8	USA	12	05	01	04
9	Singapore	11	04	0	04
10	France	09	07	03	04
11	UK	06	02	02	0
12	Indonesia	03	-	0	0
13	Canada	02	0	0	0
14	Myanmar	01	-	0	0
15	New Zealand	01	-	0	0
16	Norway	01	-	0	0
17	Australia	03	02	01	01
18	Germany	01	01	01	0
19	Spain	01	01	0	01
20	Pakistan	01	01	0	01
21	Russia	01	01	0	01
TOTAL		1617	683	26	657

Source: CCA

— Cambodian history population from 1952-2016 (The data is given as of 1st of January of early year.)

Year	Population	Growth Rate	Year	Population	Growth Rate
1951	4, 486, 186	N/A %	1984	7, 335, 575	3.75%
1952	4, 599, 155	2.52%	1985	7, 609, 038	3.73%
1953	4, 721, 723	2.67%	1986	7, 866, 599	3.38%
1954	4, 849, 620	2.71%	1987	8, 109, 201	3.08%
1955	4, 979, 866	2.69%	1988	8, 347, 689	2.94%
1956	5, 110, 805	2.63%	1989	8, 595, 330	2.97%
1957	5, 242, 106	2.57%	1990	8, 866, 203	3.15%
1958	5, 374, 626	2.53%	1991	9, 166, 232	3.38%
1959	5, 510, 135	2.52%	1992	9, 491, 423	3.55%
1960	5, 650, 638	2.55%	1993	9, 833, 165	3.60%
1961	5, 797, 309	2.60%	1994	10, 181, 173	3.54%
1962	5, 949, 472	2.62%	1995	10, 524, 856	3.38%
1963	6, 103, 917	2.60%	1996	10, 858, 311	3.17%
1964	6, 255, 274	2.48%	1997	11, 180, 448	2.97%
1965	6, 398, 304	2.29%	1998	11, 490, 121	2.77%
1966	6, 528, 095	2.03%	1999	11, 784, 908	2.57%
1967	6, 642, 227	1.75%	2000	12, 063, 106	2.36%
1968	6, 745, 487	1.55%	2001	12, 323, 393	2.16%
1969	6, 848, 770	1.53%	2002	12, 565, 433	1.96%
1970	6, 962, 105	1.65%	2003	12, 791, 601	1.80%
1971	7, 094, 951	1.91%	2004	13, 006, 776	1.68%
1972	7, 249, 439	2.18%	2005	13, 216, 196	1.61%
1973	7, 404, 655	2.14%	2006	13, 422, 709	1.56%
1974	7, 519, 865	1.56%	2007	13, 627, 030	1.52%
1975	7, 556, 786	0.49%	2008	13, 831, 180	1.50%
1976	7, 491, 747	-0.86%	2009	14, 038, 999	1.50%
1977	7, 326, 778	-2.20%	2010	14, 253, 962	1.53%
1978	7, 102, 286	-3.06%	2011	14, 478, 343	1.57%
1979	6, 888, 812	-3.01%	2012	14, 712, 677	1.62%
1980	6, 756, 672	-1.92%	2013	14, 955, 410	1.65%
1981	6, 746, 375	-0.15%	2014	15, 203, 350	1.66%
1982	6, 859, 781	1.68%	2015	15, 453, 018	1.64%
1983	7, 070, 596	3.07%	2016	15, 703, 820	1.62%

Source: <http://worldpopulationreview.com/countries/cambodia-population/>

Note: The brutal regime, in power from 1975-1979, claimed the lives of up to two million people.

Under the Marxist leader Pol Pot, the Khmer Rouge tried to take Cambodia back to the Middle Ages, forcing millions of people from the cities to work on communal farms in the countryside

—L— *Tallest completed buildings*

Rank	Building	Location	Height (m)	Floors	Year (est.)	Image	Notes
1	Vattanac Capital Tower	Daun Penh District, Phnom Penh	188	38	2014		Tallest building in the Phnom Penh
2	OCIC Tower (Canadia Bank)	Daun Penh District, Phnom Penh	118	32	2010		Tallest office building in Phnom Penh
3	De Castle Royal	Chamkarmon, Phnom Penh	117	33	2013	~	~
4	Rosegarden Condo Building A, B, C, D	Chamkarmon, Phnom Penh	~	28	2012	~	~
5	Bali Scenery (south tower)	Chamkarmon, Phnom Penh	~	19	2015	~	~

Source: Wikipedia

—L— *Tallest under construction or proposed buildings*

Rank	Building	Location	Height (m)	Floors	Year (est.)	Image	Notes
1	Olympia City Tower	7 Makara, Phnom Penh	~	55	Unknown	~	Under construction
2	Gold Tower 42	Chamkarmon, Phnom Penh	192	42	Unknown		On-hold
3	The Bridge	Chamkarmon, Phnom Penh	154	45	2017	~	Under construction
4	Times Center	7 Makara, Phnom Penh	~	40	~	~	Cancelled
5	Diamond Twin Tower	Koh Pich (Diamond Island)	~	32	~	~	Under construction
6	D. I. Riviera Tower A, B	Koh Pich (Diamond Island)	~	28	2016	~	Under construction
7	D. I. Riviera Tower C, D, E	Koh Pich (Diamond Island)	~	38	2017	~	Under construction
8	Sky Villas	7 Makara, Phnom Penh	~	35	2017	~	Under construction
9	Casa Meridian	Koh Pich (Diamond Island)	~	33	2017	~	Under construction
10	Bali Scenery (north tower)	Chamkarmon, Phnom Penh	~	32	2016	~	Under construction
11	Platinum Bay	Chamkarmon, Phnom Penh	~	32	2015	~	Topped out
12	thai bonroong trade building	chamkamon phnom penh	~	115	2019	~	Under construction

Source: Wikipedia

—L— Table of resume of transport Sector Capital Investment Projects

Item	Development Partner	Project	Period		Amount (\$mil.)
			START	END	
Roads					
1	Viet Nam	Improvement of NR78	2007	2009	25.8
2	ROK	Reconstruction of NR3	2008	2011	37
3	JICA	Improvement of NR1	2003	2012	68
4	ADB and OPEC	GMS improvement of NR5 and NR6	2005	2010	77.5
5	PRC	Rehabilitation of NR76	2008	2012	52
6	PRC	Rehabilitation of NR62	2009	2012	52.6
7	PRC	Rehabilitation of NR57	2008	2012	42
8	World Bank	Provincial and Rural Infrastructure Project	2004	2009	16.6
9	Thailand	Rehabilitation of NR 67	2007	2010	32.5
10	PRC	Prek Tamak O Raing Ao-Anlung Chey road	2007	2011	77.5
11	ADB	Southern Coastal Corridor Project	2008	2012	18
12	ADB, World Bank, Australia	Road Asset Management Project	2008	2013	58.8
13	PRC	Rehabilitation of NR62 and provincial road No.210	2008	2012	57
14	PRC	Reconstruction of NR78	2008	2011	55
15	Kuwait	Rehabilitation of Thmor Korl-Bavet-Sampov Lun	2010	2012	58.8
16	ADB	Northwest Provincial Road Improvement Project	2009	2012	33
17	RGC	Rehabilitation of NR68	2009	2012	54
18	ROK	NR31, NR33, and Provincial Road N117 Kampot	2009	2012	35
Railways					
	ADB, Malaysia, OPEC, RGC	Rehabilitation of the railway in Cambodia	2008	2010	73
Major Bridges					
1	JICA	Construction of Neak Loeng Bridge	2011	2015	134
2	PRC	Construction of Prek Tamak Bridge	2007	2010	43.5
3	Viet Nam	Construction of Chrey Thom Bridge	2009	2011	22.7
4	PRC	Construction of Prek Kdam Bridge	2007	2010	29
Shipping Ports					
1	JICA	Sihanoukville port duty free zone, Stage I and	2006	2012	38
2	JICA	Renovation of Sihanoukville Quay II	2006	2009	40
3	JICA	Sihanoukville east port petroleum for offshore	2009	2015	67
Other					
1	ROK	Siem Reap sewage system	2009	2012	44
2	ADB	GMS Mekong tourism project development	2006	2009	10

Source: Ministry of Planning of Cambodia. 2009. Public Investment Programme: 3-Years-Rolling 2010–2012, Cambodian for Institute of Cooperation and Peace, ADB

— 1 — Nearly two decades after the ending of the civil war⁴, Cambodia was in the stage of infrastructure rehabilitation and development. Major support came from various foreign donors:

— 1 — *Digit National Road Improvement Projects in Cambodia*

Road No.	Org.	Cost (Mill.)	Length (km)	Section	Year		Fund	Pavement status
					Start	End		
1	Japan	\$47.48	43.0	PK: 13+000 – Neak Loeung (1 st and 2 nd phase)	2006	2009	Grant	AC
	Japan	\$11.17	9.0	PK: 4+000 – PK: 13+000 (3 rd phase)	2010	2011	Grant	AC
	Japan	\$15.00	4.0	Monivong Bridge – PK: 4+000 (4 th Phase)	2014	2016	Grant	AC (Detailed Design)
	ADB	\$50.00	107.0	Neak Loeung - Bavet	1999	2004	Loan	DBST
	WB	\$3.00	107.0	Neak Loeung - Bavet	2009	2013	Loan	Road Maintenance (Upgrading)
2	ADB	-	63.0	Kbal Thnal - Takeo	2001		Loan	DBST
	Korea	-	63.0	Kbal Thnal - Takeo	-	-	-	-
	Korea	-	-	Takeo - Ang Tasaom (NR3)	-	-	-	DBST
	Japan	\$12.45	51.7	Takeo - Phnum Den	2003	2007	Non-Project Fund	AC
3	Korea	\$41.50	134.8	Phnom Penh - Kampot (phase 2)	2008	2011	Loan	DBST
	Korea	\$17.05	32.79	Kampong Chhnang - Trapeang Lopaou (phase 1)	2004	2007	Loan	DBST
	WB	\$47.60	32.5	Trapeang Lopaou - Veal Renh	1999	2006	Loan	DBST
	ADB & AusAid	\$28.50		Southern Coastal Corridor Project (NR3: Kampong Trach to Prek Chak, NR3: Kampong to Veal Renh, Cross-Border Facilities at Lork (Vietnam Border))	2011	2014	ADB=\$7 AusAid=\$8	DBST (upgrading & Periodic Maintenance)
4	USA	\$50.50	217.0	Chaom Chao - Sihanoukville		1996		AC
	AZ		217.0	Chaom Chao - Sihanoukville	2001	2035	OT	OT (periodic maintenance)
5	Cambodia		91.0	Phnom Penh - Kampong Chhnang		2003	Treasury	DBST
	ADB	>\$1	85.0	PK:6+00 - Kampong Chhnang	2010	2011	Loan	Maintenance
	ADB	\$68.00	261.0	Kampong Chhnang - Sisophon	2000	2004	Loan	DBST
	China	\$56.80	30.0	Phnom Penh – Prek Kdam	2013	-	Loan	AC (4 lanes) 18.89% (As of 31 May 2014)
	Japan	\$88.00	81.20	Battambang – Sisophon	2013	2017	Loan	AD (Detailed Design)
5+6	ADB & OPEC	\$77.50	48+102	Poi Pet - Sisophon – Siem Reap	2006	2008	Loan	AC
6	Japan	\$28.00	44.0	Phnom Penh - Chealea	1993	1995	Grant	AC
	Japan		30.0	Chealea - Skun	1996	1999	Grant	AC (deteriorated condition)
	ADB		112.0	Cheung Prey -	2000	2004	Loan	DBST
	WB	\$16.10	73.0	Kampong Thom - Ro Lous	1999	2006	Loan	DBST
	Japan	\$12.00	15.0	Siem Reap - Bakong temple	2000	2001	Grant	AC
	ADB		100.0	Sisophon - Siem Reap	2006	2008	Loan	AC

Continue

Road No.	Org.	Cost (Mill.)	Length (km)	Section	Year		Fund	Pavement status
					Start	End		
	China	\$248.8	248.525	Thnal Kaeng – Skun (4 lanes) Skun – Angkroing (2 lanes)	2013	2016	Loan	AC (24.36% as of 31 May 2014)
	China	\$70.25	40.0	PK: 4+000 to Thnal Keng	2012	2015	Loan	AC (4 lanes) – 79.87% (as of 31 May 2014)
7	Japan		45.0	Skun - Kampong Cham	1996	1999	Grant	AC
	Japan	\$19.00	10.2	Kampong Cham - Chub	2001	2003	Grant	AC
	ADB		205.0	Chub - Kratie	2000	2004	Loan	DBST
	China	\$67.5	192.8	Kratie - Trapeang Kriel (Lao border)	2004	2007	Loan	DBST
8	China	\$71.50	109.08	Prek Tameak - Anlong Chrey	2007	2012	Loan	AC
8-1	China	\$14.80	5.6	Krabao - Moeun Chey	2010	2012	Loan	AC
8-2	China		18.56	Anlong Chrey - Krek	2010	2012	Loan	
9	China	\$63.8	143.33	Tbaeng Meanchey – Talaborivath	2012	2016	Loan	DBST (97.52% as of 31 May 2014)
11	ADB	-	90.4		2001	2004	Loan	DBST
11	China	\$63	90.4	NR1: Neak Loeung – NR7: Thnal Tortoeung	2015		Loan	AC
13	ADB	\$23.39	62.4	Svay Rieng - Anlong Chrey	2014	2016	Loan	DBST
21	ADB	-	77.5		2002	2004	Loan	DBST
	VN		0.4	Chhrey Thom			Loan	Bridge (50%-50% share with RGC)
	Korea	\$57.00	25.0		2010			
23	China	\$33.00	53.00	Pea Reang Leu – Chombork (border)	2013	-	Loan	DBST
31	WB	\$12.90	51.7		2003	2005	Loan	DBST
33	WB		39.8	Takeo - Kampong Trach - Kampot	2002	2005	Loan	
	ADB	\$13.00	17.0	Kampong Trach - Lork (Vietnam border)	2007	2010	Loan	DBST
41	WB			National Road 4 - Prek Thnout River	-	-	Loan	DBST
	China	\$95.28	46.25	Thal Tortoeng – Chum kiri - Kampot	2010	2013	Loan	DBST
43	China	\$42	77	NR4: Treng Troyeng – NR3: Thvear Thmey	2015	-	Loan	DBST (Under negotiation)
44	China	\$80.30	139.14	Chbamorn – Oral – Amleang – Udong	2012	2015	Loan	DBST (65.06% As of 31 May 2014)
48	Thai	\$21.69	159.0	Koh Kong - Sre Ambel	2004	2007	Loan	DBST
51	WB	\$5.80	38.9	Udong - Thnal Torteng	2003	2006	Loan	DBST
	China	\$27	38.9	Udong - Thnal Torteng	204	-	Loan	AC
55	China	\$140	189.70	Pursat – Thmar Da, Thai – Cambodia border	2013	-	Loan	DBST (next 5-year plan)
56	ADB + Korea	\$29.90	84.0	29km from Sisophon to Samrong	2009	2015	Loan	Road improvement
57	China	\$41.88	103.14	Batambang – Pailin - Thai Border	2008	2012	Loan	DBST
57B	China	\$176.81	89.98	1) Tmor Kol - Bovel - Sampov Luun 2) Bovel-Samseb-Phnom Prek 3) Samseb - Kamrieng	2010	2014	Loan	DBST
58	China	\$77.00	132.0	Banteaymeanchey – Banteay Meanrit – Thmar Daun - Phaong	2014	-	Loan	DBST (Under negotiation)

Continue

Road No.	Org.	Cost (Mill.)	Length (km)	Section	Year		Fund	Pavement status
					Start	End		
59	China	\$72.89	140.25	NR 59 (Koun Damrey - Malay - Sampov Luun - Phnom Prek - Kamrieng - Pailin)	2010	2013	Loan	DBST
5x	Private	\$5.50	13.0	National Road 5 - Thai border (through Chay investment)	2004	-	-	DBST (not yet started)
60B	China	\$130	140+1.67	Kg. Thmor - Kratie + Bridge	2015	-	Loan	DBST (+ bridge cost)
61	WB		16.0	Prek Kdam - Thnal Keng (NR6)	2002	2005	Loan	Maintenance
	China	\$9.76	15.63	Prek Kdam - Thnal Keng (NR6)	2010	2012	Loan	AC
62	China	\$57.80	157.0	Koh Ke - Thnal Bek, Tbeng Meanchey - Preah Vihear temple	2008	2012	Loan	DBST
	China	\$52.00	128.0	Kampong Thom - Tbaeng Meanchey	2009	2013	Loan	DBST
64C	China	\$100	132	Tbaeng Meanchey - Talaborivat	2011	2014	Loan	DBST
66	WB	\$1.40	18.5	Phnom Dek - Rovieng	2004	2006	Loan	DBST
66	WB	\$3.20	18	Rovieng - River Stung Sen			Loan	DBST (not yet started)
67	Thai	\$3.06	18.0	Choam Sa Ngam - Anlong Veng	2006	2007	Grant	DBST
	Thai	\$32.50	131.0	Anlong Veng - Siem Reap	2007	2009	Loan	DBST
68	Thai	\$35.00	113.0	O Smach - Kralanh	2007	2009	Loan	DBST
	Cambodia	\$33.00	113.74+3.18	O Smach - Kralanh + Bypass Samraong town	2009	2011	Nat. Budget	DBST Re-pavement
70B	China	\$90	150	Tonlebet - Srey Santhor - Prek Tameak - Lvear Em - Peam Ro	2015	-	-	DBST
	WB	\$1.50	15.5	Traueng (NR7) - Kampong Thmar (NR6)	2004	2006	Loan	DBST
71C	China	\$66	110	Tbong Khmum - Kroch chmar - Chamkarleu	2015	-	-	DBST (+ Kroch Chmar Bridge)
72	ADB		14.0	Memot - Tropeang Plong	2007	2009	Loan	
71 + 7 + 72	China	\$112	145	Tropeang Plong - Krek - Troeung - Kg. Thmar	2015	-	-	AC
76	China	\$51.90	127.0	Snoul - Sen Monorom	2008	2011	Loan	DBST
	China	\$91.68	171.78	Sen Monorom - Koh Nhek - Lumphat - Taang	2012	2016	Loan	DBST (52.25% as of 31 May 2014)
78	VN	\$25.00	69.56	Bang Lung - O Yadav	2007	2009	Loan	AC
	China	\$73.30	121.1	O Pong Moan - Ban Lung	2009	2013	Loan	DBST
78x	Private	\$6.00	36.0	Ban Lung - Bou Sra (waterfall)	2008	-	-	DBST (not yet started)
92	China	\$75	137	Sam An (NR9) - Kg. Sralaor 2 - Kg. Sralaor 1 - Mom 3	2015	-	-	DBST
134B + 135	China	\$24	43	Chumkiri - Chhuk - Dornng Tung - Kg. Trach	2015	-	-	DBST
181	WB	\$2.00	28	Samraong - Chong Kal	2004	2006	Loan	DBST
207	WB	\$1.00	1	Sautr Nikum - Beong Tonle Sap	2004	2006	Loan	DBST
210	Private	\$21.50	-	Siem Reap - Koh Ke	2003	-	BOT	DBST
258D	China	\$48.30	20.0	Kob (NR5, PK: 383) - O Beychoann	2011	2013	Grant	DBST
314D	ADB	\$14.32	25.6	NR1 - VN border: Prey Mlu	2014	2016	Loan	DBST
378	China	\$85	141	NR7: Dong Krolor - NR78: Banlung	2015	-	-	DBST

Continue

Road No.	Org.	Cost (Mill.)	Length (km)	Section	Year		Fund	Pavement status
					Start	End		
1551	China	\$72	135	NR4: Smach Meanchey – NR55: Promoy	2016	-	-	DBST
1554	China	\$41	70	Veal Veng (NR55) – Samlot (PR1577)	2015	-	Loan	DBST
1577	China	\$25.00	55.16	Sek Sork – Samlot – Border Pass 400	2015	-	Loan	DBST
3762	China	\$14.89	26.38	Sen Monorom - Dakdam	2010	2012	Loan	DBST
3787	China	\$98	180	Banlung – Kantuynak	2015	-	-	DBST

—L— Key Bridge Improvement Projects

Name of Bridge	Type of Bridge	Donor	Cost (Mills)	Length (km)	Location	Year		Fund	Progress status
						Start	End		
Kizuna	Concrete	Japan	\$60.00	1.3	Kampong Cham, NR7	1996	2001	Grant	Completed
Chroy Changvar	Main part is metal	Japan	\$27.00	-	Phnom Penh, NR6	1992	1993	Grant	Completed
Tsubasa Bridge	Cable	Japan	\$85.59	2.2	Kandal, Prey Veng, NR1	2011	2015	Grant	Completed in April 2015
3 Concrete Bridges	Concrete	Japan	\$7.67	-	On NR 2 and NR3	2005	2007	Grant	Completed
Concrete Bridge	Concrete	Japan	\$7.00	-	On NR1 (phase 1)	2005	2006	Grant	Completed
8 Bridges	Concrete	Japan	\$15.00	-	On NR11 (Prey Veng)	2012	2015	Grant	Completed
Prek Tameak	Concrete	China	\$43.50	1.066	Kandal, NR8 & NR6	2007	2010	Loan	Completed
Prek Kdam	Concrete	China	\$28.90	0.975	Kandal, NR5 & NR61	2007	2011	Loan	Completed
4 Bridges	Concrete	Thailand	\$7.20	1.6	Along NR48	2005	2007	Grant	Completed
38 Concrete Bridges & 57 Culverts	Concrete	ADB	\$10.50	0.185	Along 56-68 (Sisophon Samraong Kralanh)	2006	2008	Loan	Completed
New Monivong Bridge	Concrete	Cambodia	-	-	Phnom Penh	2007	2009	Nat. Budget	Completed
Kampong Bai	Concrete	Korea		0.3	Kampot, as a part of NR3	2005	2007	Loan	Completed
Se Kong	Concrete	China	\$15.00	1.057	Stoeng Treng, as part of NR7	2007	2007	Loan	Completed
Koh Kong	Concrete	Private	\$7.00		Koh Kong, NR48	2001		BOT	Completed
Stung Meanchey	Concrete	Private	\$5.00		Phnom Penh - Chaom Chao	1999		BOT	Completed
New 2nd Chroy Changvar	Concrete	China	\$30.00	0.719	Phnom Penh - NR6	2010	2013	Loan	Completed
Prek Phnov	Concrete	Private	\$42.00	1.543	Phnom Penh - NR6	-	2010	BOT	Completed
Mekong River Bridge	Concrete	China	\$52.72	1.731	Stung Treng (Junction NR7 & NR9)	2012	2015	Loan	Completed
Takhmao Bridge	Concrete	China	\$32.89	0.855	Takhmao town	2012	2016	Loan	Completed
Chrey Thom Bridge	Concrete	Vietnam	\$35.84	0.48	Vietnam Border	2014	2015	Loan (\$17.8)	In progress
Koh Poh Bridge	Concrete	Private	\$31	0.9	Sihanoukville – Morokot island	2009	2011	BOT (99 years)	Completed

Source: MPWT, Cambodia

— the Progress of Road-Bridge Project Implementation Used by International Donors for May 2016

No	Project's Name	Length (Km)	Result (%)	Period	
				START	END
1. Loan/Grant On Going Projects					
A. China					
1	Construction of Chroy Chava II Bridge	0.725	100	2011-2015	
2	Widening of NR 6 (Chroy Chanva-Thnal keng) 4 lane	40.49	100	2012-2015	
3	Mekong River Bridge (Stung Treng)	1.731	100	2012-2015	
4	Construction of Raod No 9 (214) (Tbeang Mean Chhey – Thalaboriwatt-Stung Treng).	143.33	100	2012-2015	
5	Construction of National Road 76 (Ta ang-Senmonorom)	171.78	100	2012-2015	
6	Road connecting to Ta Kmao Bridge	12.07	100	2011-2014	
7	Construction and Rehabilitation NR 44 (Chbarmorn-Oral-Au Daung)	139.14	100	2013-2015	
8	Widening of NR 5(Phnom Penh-Prek kdam) 4 lane	30.33	94.99	2013-2016	
9	Construction and Rehabilitation NR 6 (Thnal Keng-Skun-Kampong Thom-Ang Kroeung)	247.70	94.66	2013-2017	
10	Construction of Koh Thom Bridge	0.415	85.52		
11	Construction NR 55	182.160	53.92	2013-2017	
	Construction NR 58	174	34.38	2015-2018	
B. Japan					
1	Construction the Second Mekong Bridge(Neak Loeung)	2.22	100	2011-2015	
2	Prevent Flooding Disaster on NR 5 and 11		100		
3	Sihanoukville Port multipurpose terminal development project		51.28		
4	Supply Shipping		100		
5	Rehabilitation NR1 Phase 4	4	42		
C. Korea					
1	Improvement of NR31, NR33 and Provincial Road No.117 and Kampot Bypass Project	106.1	100	2011-2013	
2	Consturction of Siem Reap Seweage System and Improvement of Siem Reap River Project	6000m3/day	100	2011-2014	
3	Cambodia Northwestern Provincial Road Improvement Project (NR56) Phrase II (Svaychek-Somrong)	84	100	2012-2014	
4	Construction and Rehabilitation NR 21 (AC)	55.5	16.83		
D. ADB					
1	Southern Coastal Corridor Project	67.6			
	1.1. Border Post Fasility (Prek Chak)	1	100	2012-2014	
	1.2. Cambodia Northwestern Provincial Road Improvement Project (NR56) Phrase I (Sesophon -Svaychek)	29	100	2012-2014	
E. Multi-Donors					
1	Road Asset Management Project (ADB, WB, AusAID, OPEC, OFID and KTF)				
	1.1. Maintenance of NR2 (Takoe City – Phnom Den)	51.11	100		
2	Rehabilitation of the Railway in Cambodia (ADB, AusAID, OFID and Malaysia)	652			
	2.1. Line 2 (Northern line) (Phnom Penh-Poipet)	386	32	2008-2015	
2. Loan/Grant Planed Projects					
A. China					
1	Mainternanace NR7(Kratie-O Chalang)	39.00	100		
B. Japan					
1	Construction and Rehabilitation NR 5 (Battambang-Sesophon)	84.74		begin October of 2015	
2	Construction and Rehabilitation NR 5 (Phrek Kdam-Tlea Maom,	135.40		bigin in 2016	

	Pursat province)		
3	Construction and Rehabilitation NR 5 (Tlea Maom-Battambang)	133	will start in 2017
4	Expressway (Phnom Penh-Ho Chi Min)		First Studying
C. Korea			
1	NR2 & NR 22 (AC)	72.21	Select Consultant
2	NR3 (AC)	201.70	Study
D.ADB			
1	Provincial Roads Improvement Project		
	1.1. National Road 13	62.40	31.90
	1.2. National Road 314D	25.50	40.90
	1.3. National53, 150B and 151B	87,9	34
E.Vietname			
1	Construction of Chrey Thom Bridge & Road Connection	3.09	82.10

— the Completed Road-Bridge Project Implementation Used by International Donors from 2009 to Semester 1, 2014

No	Project's Name	Length (Km)	Completed
A. China			
1	Construction of Prek Kdam Bridge	0.981	2010
2	Construction of NR 8 (Prektamak – Anlounchey)	109	2011
3	Construction of Prek Tamak Bridge	1.066	2011
4	Rehabilitation of NR62 (Tbeng Meanchey – Preas Vihear) & R.No. 210	144	2011
5	Rehabilitation of NR 62 (Kampong Thom – Tbeng Mean Chey)	128	2012
6	Construction of NR 57 (Battambang – Pailin – Thai Border)	103.62	2012
7	Construction of NR 76 (Snoul - Senmonorom)	127	2012
8	Extension Roads NR8-1 (Krabao-Moeun Chey)	5.62	2012
9	Extension Roads NR8-2 (Anlung Chrey-Krek)	18.59	2012
10	Reconstruction of NR 78 (O Pongmoan-Banlung)	121.10	2012
11	Rehabilitation of NR 3762 (Senmonorom-Dadam)	26.45	2012
12	Rehabilitation of NR 59 (Koun Domrey-Malai-Sompoev Loun-Phnom Preuk-Kamrieng-Pinlin)	144.27	2013
13	New Container Terminal Phnom Penh Port	1 Port	2013
14	The Rehabilitation Project Road No 258D (Nimit-O Beichoan)	20	2013
15	Widening of NR 61 (Prek kdam- Thnol Totoeung NR6)	16	2013
16	Rehabilitation of NR57B (Thor Kol-Bovel-Sampoev Loun), PR 1593 (Bovel-Phom 30-Phnom Preuk), PR 1BB1 (Phom 30- Komrean)	176.81	2014
17	Constructino of NR62 (Foot of Mountain-Prasat Preah Vihera)	6.20	2014
18	Rehabilitation of NR41 (Thnol totoeung-Chum kiri, Kampot province)	95.27	2014
19	Construction of Ta Kmao Bridge	0.855	2014
B. Japan			
1	The Project on the Improvement of NR 1(Korki- Nak Loeung) Phase II	42.88	2010
2	The Project on the Improvement of NR 1(Korki-Wat Nirouth Rainsy) Phase III	9.10	2011
3	Sihanoukville Port SEZ Development Phase II	1 Place	2012
C. Korea			
1	NR 3 Improvement Project (Choam Chao-Kompot) (II)	137.50	2011
D. Thailand			

1	Rehabilitation NR 67 (Anlong Veng -Siem Reap)	131	2009
E. Vietnam			
1	Reconstruction of NR 78 (BanLung-Oryadav)	70	2010
F. ADB			
1	Construction of National Road 6 (Poipet-Siem Reap)	145.43	2009
2	Siem Reap Seweage Waste Water Treatment Plant	2.10	2010
3	Southern Coastal Corridor Project		
	3.1. Construction of NR33	15.80	2014
	3.2. Maintenance of NR3 (Kamport-Veal Rinh)	54	2014
G. Multi-Donors			
1	Road Asset Management Project-RAMP (ADB, WB, AusAID, OPEC, OFID and KTF)		
	1.1. Maintenance of NR 5 (Phnom Penh-Kompong Chhnang)	88	2011
	1.2. Maintenance of NR 1 (Neakleung-Bavet)	96.20	2012
	1.3. Maintenance of NR 5 (Kampong Chhnag-Pursat)	79.80	2013
	1.4. Maintenance of NR 73 (Pratheath-Chhlong)	58	2013
	1.5. Maintenance of NR7 (Skun-Pratheath)	84	2013
	1.6. Maintenance of NR 7	95.30	2013
	1.7. Maintenance of NR 72	13.37	2013
	1.8. Maintenance of NR 71	32.80	2013
	1.9. Maintenance of Provincial Road 2714	32.67	2013
	1.10. Maintenance of NR7 (Snoul, Kratie province)	35	2014
	1.11. Maintenance of NR11 (Neakleung-Thnol Toteung)	90	2014
2	Rehabilitation of the railway in Cambodia (ADB, AusAID, OFID and Malaysia)		
	2.1. Line 1 (southern line) (Phnom Penh-Sihanoukville)	266	2013

— — — *Major Development Partners*

Development Partner	Project Name	Duration	Amount (\$ million)
Road Transport^a			
ADB	GMS: Southern Coastal Corridor	2008–2014	7.00
ADB	Road Asset Management	2008–2014	6.00
ADB	GMS: Cambodia Northwestern Provincial Road Improvement Project	2009–2014	16.26
ADB	Rural Roads Improvement Project	2011–2016	35.00
ADB	Provincial Roads Improvement Project	2012–2017	52.00
ADB	Flood Damage Emergency Reconstruction Project	2012–2015	55.00
Australia	Cambodia Emergency Flood Rehabilitation Project	2012–2015	4.84
Australia	Cambodia Road Asset Maintenance Project	2007–2014	5.81
Australia	Southern Coastal Corridor	2007–2014	10.00
PRC	Construction of National Road 41 from junction NR4 to Thnal Toteung-Chum Kiri (Kampot)	2011–2015	44.99
PRC	Enlargement Project of National Road Number 6 of Cambodia	2011–2015	68.39
PRC	National Road Number 5 of Cambodia	2012–2017	53.31
PRC	National Road Number 61 (Prek Kdam–Thnol Keng National Road 6A)	2011–2014	9.49

Continue

Development Partner	Project Name	Duration	Amount (\$ million)
PRC	Project of Design–Build New Chroy Changvar Bridge in Phnom Penh	2011–2015	26.75
PRC	Project Extension of National Road 76	2012–2017	89.27
PRC	Project of National Road 214 of Cambodia and Construction of Across the Mekong River Bridge	2012–2015	113.44
PRC	Project of Reconstruction of National Road 6 of Cambodia (the section from Thnal Kaeng to Ang Kroeung)	2012–2017	242.27
PRC	Project of Rehabilitation of National Road 44	2012–2017	78.19
PRC	Project of Takhmao Bridge over Tonle Bassac River and its Connecting Roads	2011–2015	31.99
PRC	Rehabilitation of National Road 57B Project	2010–2014	102.15
PRC	The Rehabilitation of National Road 59 Project – Kamrieng–Phnom Prik; Sampov Loun–Malay–Kaun Damrey Project	2011–2014	82.75
Japan	National Road 5 Improvement Project (Battambang–Sri Sophorn Section)	91.95
Japan	Project for Comprehensive Urban Transport Plan in Phnom Penh Capital City	2012–2014	2.85
Japan	The Project for Capacity Development on Container Terminal Management and Operation in Sihanoukville Port	2013–2016	3.11
Japan	The Project for Construction of Neak Leoung Bridge	2010–2016	124.03
Japan	The Project for Flood Disaster Rehabilitation and Mitigation	2012–2015	15.68
Republic of Korea	GMS Cambodia Northwestern Provincial Road Improvement Project	2009–2014	29.94
Republic of Korea	Improvement of National Road 21	2012–2016	52.54
Republic of Korea	Improvement of National Road 31 and 33, Provincial Road 117 and Kampot Bypass Project	2009–2014	35.37
Republic of Korea	Project for Feasibility Study of Cambodia Mekong River Water Road Dredging	2014–2015	5.50
Republic of Korea	Rural Improvement Project	2011–2014	21.00
World Bank	Road Asset Management Project	2008–2014	45.25
Irrigation			
ADB	GMS Flood and Drought Risk Management and Mitigation Project	2012–2019	35.00
ADB	Water Resources Management Sector Development Program	2010–2017	
ADB	Tonle Sap Lowlands Rural Development Project	2009–2015	
PRC	Development Project of Design–Build Stung Pursat Dam	2011–2015	63.13
PRC	Kampong Trabek River Flood Control Project in Prey Veng Province	2010–2014	31.01
PRC	Kanghot Irrigation Development Project – Phase II	2012–2016	33.93
PRC	Kanghot Irrigation Development Project in Battambang Province	2010–2014	49.91
PRC	Multipurpose Dam Development Project in Battambang Province	2012–2017	99.28
PRC	Prek Stung Keo Water Resources Development Project in Kampot Province Project	2011–2015	47.25
PRC	Sreng River Water Resource Development Project	2011–2015	52.04
PRC	Vaico Irrigation Development Project – Phase I	2012–2017	99.30
Japan	The Improvement of Agricultural River Basin Management and Development Project	2019–2014	6.49
Japan	West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project	2011–2016	44.34

ADB = Asian Development Bank, PRC = People's Republic of China, GMS = Greater Mekong Sub-region
Source: ADB

—L— Seeking construction business companies

No	Company Name	Member	Name	Nationality	Business Type
1	OVERSEAS CAMBODIAN INVESTMENT CORPORATION	CCA's Chairman	Neak Oknha. Pung Kheav Se	Cambodian	Contractor, Real Estate, Banking
2	LY CHHUONG Construction Import Export Co.,Ltd	CCA's Vice Chairman	Lok Oknha.Ly Chhuong	Cambodian	Asphalt, Construction Contractor, Interior design, Interior decoration, Property investment, Road building, Architectural design, Engineering Contractor, Construction equipment
3	MUHIBBAH ENGINEERING (Cambodia) Co.,Ltd	CCA's Vice Chairman	Lok Oknha. Hann Khieng	Cambodian	Construction - Contractors, Consultants Management, Engineers - Civil, Marine, etc, Metal Products & Works, Cranes - Sales, Rental Services, Road Building Equipment, Quality Assurance Consultants Equipment, Asphalt, Quarries, Engineering Equipment Supplies.
4	MONG RETHTHY GROUP Co.,Ltd	CCA's Secretary General	Neak Oknha. Mong Reththy	Cambodian	Construction (Building, Road Bridges) - Contractors, Importers, Exporters, and Agriculture
5	SENG ENTERPRISES Co.,Ltd	CA's Deputy Secretary General	Lok Oknha. Seng Chhayour	Cambodian	Construction - Contractors, Consultants Management, Engineering, Road Building Contractors Equipment, Irrigation Equipment, Systems Services, Maintenance - General, Building, Electrical, Plumbing,
6	KHUN SEA GROUP DEVELOPMENT Co., Ltd	CCA's Deputy Secretary General	Neak Oknha. Khun Sea	Cambodian	Construction - Contractors, Consultants Management
7	CHIP MONG GROUP Co., Ltd	cca board	Lok Oknha. Leang Meng	Cambodian	Scaffolding, Electric Equipment Supplies, Importers Construction Equipment Materials - Supplies, Construction - Contractors, Consultants Management, Tiles Supplies Manufacturers, Metal Products Works, Cement Suppliers Manufacturers.
8	NURIE N C Co., Ltd	cca board	Mr. Cho Kwi Yeun	Korean	Construction - Contractors, Consultants Management, Design Engineering, Condominiums Boreys, Apartment Rental Services.
9	JIT ENGINEERING Co.,Ltd	cca board	Mr. Sun Sok Kheang	Cambodian	Industrial and Construction Safety Equipments, Structural Construction, Bore Pile Works, Machine for Construction, Mechanical Works, Pipes Fittings (Stainless Steel and Carbon Steel), Super Liquid Apply for Seamless Waterproofing System, Various Industrial Hydraulic Hoses Flexible Bellows Expansion Joints For Pipe work.
10	COMIN KHMER Co., Ltd	cca board	Mr. Denis Astgen	French	Electrical Works, Cold Rooms - Wholesalers Manufacturers, Measuring Machines Equipment, Construction - Contractors, Consultants Management, Pumps, Automation Equipment Systems, Solar Energy
11	MEGA CAMBO CONSTRUCTION COMPANY.,Ltd	cca board	Mr. Charles Vann	Cambodian	Construction - Contractors, Consultants Management
12	7 F T D CO., LTD	Member	Mr. Kenn Meyfrootd	Belgian	Pile and Pole Products
13	SIKA (CAMBODIA) Ltd	Member	Mr. Sin Dina	Cambodian	Parkway office Center, 2nd floor, 2FB2, Moa Tse Tung Boulevard, Sangkat Toul Svay Prey I, Khan Chamkarmon, Phnom Penh.
14	Branch of P.T.S GROUP CO., Ltd	Member	Mr. Sonthavy ORADOM	Thai	Construction Supply Heavy Equipment
16	HENG ENG KONG CONSTRUCTION Co., Ltd	Member	Mr. Heng Eng Kong	Cambodian	Construction - Contractors, Consultants Management.
17	VENTURE (CAMBODIA) Pte. Ltd	Member	Mr. Chua Poh Seng	Singaporean	Construction - Contractors, Consultants Management, Trading.
18	JOTUN (CAMBODIA) Limited	Member	Mr. Thouse Chantrea	Cambodian	Decorative Paint, Protective Coating Marine Coating
20	CAMCONA GROUP Co.,Ltd	Member	Mr. Varheng Dawuth	Cambodian	Construction - Contractors, Consultants Management; Architectural - Design, Consultants; Construction Equipment & Materials – Supplies: Water Heating Appliances, Outdoor Lighting, Mortar Spraying Conveying Line, Light Construction Machinery.
21	T-RO Construction Co., Ltd	Member	Mrs. Chhim Moa Charo	Cambodian	Designs for complex building electricity, Construction of public buildings private accommodation, Plumbing / Air-Con installation design

22	SUN HOUR GROUP Co., Ltd	Member	Mr. Seng Seamlay	Cambodian	Pumps, Swimming Pool Equipment, Maintenance, Installation Supplies, Water Purification Filtration Equipment Services, Construction - Contractors, Consultants Management, Gas Appliances Bottled Gas Refill Delivery, Tiles
23	L.B.L INTERNATIONAL	Member	Mrs. Khao Lysine	Cambodian	Construction - Contractors, Consultants Management Engineering-Contractors Consultants
24	DAT HOA TRADING (CAMBODIA) Co., Ltd	Member	Mr. Traing Huy	Cambodian	Plastic Products, Pipes Fittings
25	ASSOCIATE ASPHALT PRODUCTS GROUP Co.,Ltd	Member	Mr. Chhin Ken	Cambodian	Equipment Materials, Scales, Power Plants
26	Plus Enterprise Co., Ltd	Member	Mr. Voeung Prayut	Cambodian	Education, Production, Machinery, Employment, Travel Tours, Media Consulting, Engineering Construction, Franchising Representation, Import Sale Resort Development.
27	CAMPU LONPAC INSURANCE Plc.	Member	Mr. Chan Lek Wei	Malaysian	Insurance Companies, Brokers Agents
28	HSC Co., Ltd.	Member	Lok Oknha Sok Hong	Cambodian	Paint supplier, Air conditioning supplier, Kitchen, Sanitary and allu Material Supplier
30	UNITED MERCURY GROUP	Member	Mr. Alfred K Aliwarga	Indonesian	Tractor, Heavy, Agricultural Equipment
31	Taing Cheng Oing Construction Co., Ltd	Member	Mr. Taing Cheng Oing	Cambodian	Construction - Contractors, Consultants Management
32	Cambodia-Vietnam Insurance Plc	Member	Mr. Cao Minh Son	Vietnam	Insurance Companies, Brokers Agents
36	Bonna Realty Group Co.,Ltd	Member	Mr. Sung Bonna	Cambodian	Real Estate Agencies Appraisers, Business Consultants - Management, Development Consultants,Property Investment Companies, Property Management, Apartment Rental Services.
38	TEM Trading Co.,Ltd	Member	Mr. Kry Sokda	Cambodian	Pipes Fittings, Construction Equipment Materials - Supplies, Agricultural Equipment Supplies, Pumps, Security Equipment, Electric Equipment Supplies, Air Conditioning - Supplies Services, Water Purification Filtration Equipment Services, Valves
40	BITUS PLC (Public Limited Company)	Member	Mr. Jung Young Nam	Korean	Building, House Villa, Renovation, Decoration, Road, Consulting.
41	R T D ENTERPRISE Co., Ltd	Member	Mr. Nam Vandy	Cambodian	Carpet, Home Appliance, Window, Door and Window, Floor Carpet
42	HENG ASIA	Member	Mr. Or Pisath	Cambodian	Water Heaters Coolers, Construction Equipment Materials - Supplies, Pumps, Cookers Kitchen Equipment, Water Purification Filtration Equipment Services, Bathroom Equipment Supplies
43	ENGINEERING TECHNICAL SERVICE Co., Ltd	Member	Mr. Thy Vanthoeun	Cambodian	Air Conditioning - Supplies Services, Electric Panel Builders, Electrical Works, Electric Equipment Supplies, Security Equipment
44	ADVANCED TECHNICAL SUPPLIES Co., Ltd	Member	Mr. Guillon Nicolas	Franch	Electrical Panel Builder, Electrical Equipment, Electrical Component, Low Medium Voltage Distribution, Telecommunication Solutions, Lightning Protection, Energy Management System
45	MULTICO MS (CAMBODIA) Co.,Ltd	Member	Mr. Hartono Tiodora	Indonesian	Heavy Equipment Services Supplies, Heavy Equipment Services Supplies, Tractor Dealers - Equipment Parts, Battery Supplies, Machinery Machine Shops
49	Lotus Green Team Co.,Ltd	Member	Mr. Hong Leang Y	Cambodian	MEP Constrator, Maintenance - General, Building, Electrical, Plumbing, Cleaning, etc. Mechanical Contractors Electrical Works Construction - Contractors, Consultant
50	Professional Engineering Plus Co.,Ltd	Member	Mr. Chum Sam Veasna	Cambodian	Engineering Construction Design
51	WIKI Trade Co.,Ltd	Member	Mr. Bun Nara	Cambodian	

53	Taiwan Kamhwa Crushing International Co.,Ltd	Member	Mr. Kuy Vat	Cambodian	Construction Stone Quarry, Supply, Crashing Rock, Riprap, Aggregate for rood, building and bridge...etc.
54	Sports Engineering and Recreation Asia(Cambodia) Co.,Ltd	Member	Mr. Simon Doron Rapoport	Israel	Sports Equipments, Sports Construction...etc.
55	Branch of SINOHYDRO CORPORATION LIMITED	Member	Mr. Kim Sovan	Chiness	Engineering Construction, Investment,
56	C.Melchers GmbH Co.KG (Cambodia)	Member	Mr. Chhun Samnang	Cambodian	Power Tools, Power Tool Accessories, Hand Tools, Ginding Materials, Surface Finishing Equipments Construction, Electrical, Steel Welding, Air-conditioning, Mechanical Ventilation System, Fire Fighting System, Water Treatment Plant, Piping System
57	INOVAR (CAMBODIA) Pte.Ltd	Member	Mr. Francis Yeow	Malaysia	Flooring products:Superior water resistant laminate flooring, PVC flooring and Bamboo flooring.
62	VRK Corporation Co.,Ltd	Member	Mr. Yim Keokalyan	Cambodian	Construction, Electrical, Steel Welding, Air-conditioning, Mechanical Ventilation System, Fire Fighting System, Water Treatment Plant, Piping System
63	Vann Sophy Group Co.,Ltd	Member	Ms. Vann Sophy	Cambodian	Transports, import /export, tariffs, ware house, insurance, cargo handling, distribution Construction, Electrical, Steel Welding, Air-conditioning, Mechanical Ventilation System, Fire Fighting System, Water Treatment Plant, Piping System
65	Camko Pile Plus Enterprises Co., Ltd	Member	Mr. Kim Kiwon	Korean	Bored Pile, Spum Pile, D.R.A (S.D.A), Hydraulic Hammer, S.I.P (Soil Cement Injected Precast Pile), S.C.W (Soil Cement Wall).
66	Cambodian Chemical Supply Co.,Ltd	Member	Mr. Soum Sambath	Cambodian	Paint - Dealers Contractors
67	Soil Testing Laboratory Co.,Ltd	Member	Mr. Hun Sochara	Cambodia	Soil Testing Construction - Contractors, Consultants Management
69	B Scientific Instrument Co.,Ltd	Member	Mr. Chum Saborith	Cambodian	Supply Survey Equipment Laser Tools, Rent, Calibration, Repair, etc
71	Meng Leng Eav Co.,Ltd	Member	Mr. Meng Reaksmeay	Cambodian	Power Tools, Security Systems, Home Appliance, Packaging Technology, Thermo technology, Control Technology, Security Equipment, Automotive, etc
72	DHINIMEX Co., LTD	Member	Mrs. Vong Sorphorn	Cambodian	lectric Equipment, Electrical Appliances, Metering System, Electric Engineering, Transformers, Prestress Concrerte, Power Generator , Network Equipment
73	Soma Construction Development Co., Ltd.	Member	Mr. Chea Chandara	Cambodian	Construction - Engineering, Consultants Management , Architectural - Design, Interior Exterior Decorator, Designer Services,Electrical Works , Civil, Marine, etc
75	Wuerth (Cambodia) Ltd.	Member	Mr. Tep Tino	Cambodian	Hotel Motel Equipment Supplies, Automotive Maintenance , Chemicals , Lubricants Oils , Safety Fire Equipment ,Electrical, Plumbing, Cleaning, etc.
76	Infinity General Insurance Plc.	Member	Mr. Chhay Ratana	Cambodian	Insurance, Travel, Car, Life Health, Brokers Agent, etc
77	Bisho International Engineering Co.,Ltd	Member	Mr. Tanaka Toshiaki	Japanese	Consultant Construction_
78	J C M NIPPON PRIVATE LTD	Member	Mr. Heng Meng	Cambodian	Construction, Nippon Paint..etc._
79	Property Management Group Co.,Ltd	Member	Mr. Tek Sovantheht	Cambodian	Construction Design Furniture, Mechanical, Plumbing Electrical, Doors Windows
80	SOKUN Windows	Member	Mr. Keo Sokun	Cambodian	Doors Windows - Workshops Retailers_
81	PCG Co-Operation Co.,Ltd	Member	Mr. Hel Oudom	Cambodian	Cable, Cable Gland. Cable Tray Ladder, Cable Transit, Cable Tie, Bolt Nut, Junction Box, Fitting, Lighting
82	LILICO STEEL Co.,Ltd	>Member	Mr. Sun Soben	Cambodian	Steel Structural Works, Roofing, Tole / Steel: Pre-pained and zinc galvanized steel sheet, cold steel plate/ tole (square wave, circular wave, river) Color painted roller door, windward door, gutters and other doors, All kinds of edges and accessories of tole.
83	DYNAMIC SCIENTIFIC Co.,Ltd.	Member	Mr. Kimson Tom	Cambodian	Laboratory Equipment Supplies, Pharmaceutical, Companies Products, Health Care Products Services Importers

84	KANG HWA EC (CAMBODIA) Co.,Ltd	Member	Mr. Kim Hee Soo	Korean	Engineering - Contractors Consultants
85	ASIA CONCRETE COMPANY Ltd	Member	Mr. Cheng Tzan Chang	Taiwanese	Concrete Business View
86	Meanchey International Investment Co.,Ltd	Member	Mrs. Teav Thyda	Cambodian	Construction, Condominiums Boreys..etc
87	TK Generation Co.,Ltd	Member	Mr. Kang Tae Wook	Korean	Wood Furniture: Door, Sliced Veneer Wood, Flooring, Finger Joint Laminated Board, Deck, Molding
88	E.M Construction Import Export Co.,Ltd	Member	Mr. Eav Meng	Cambodian	Construction Equipment and Material Supply Constructor, Construction Consultant and Management Electrical Works Electric Equipment Supply
89	P. K LIGHT BLOCK Co.,Ltd	Member	Mr. Khou Youheang	Cambodian	Lighting Fixtures and Supplies
90	ALEXTORIA BUILDMART (CAMBODIA) Co.,Ltd	<Member	Mr. Nhem Sothea	Cambodian	Building and Decoration Materials and Services
91	ALEXTORIA BUILDMART (CAMBODIA) Co.,Ltd	Member	Mr. Nhem Sothea	Korean	Construction Equipment Materials - Supplies
92	NEW CONSOLIDATED MAX WORLD	Member	Mr. Kobayashi Toko	Korean	Real Estate Agencies & Appraisers , Business Consultants - Management , Investment Companies
93	ATAD Steel Structure Corporation.	Member	Mr. Nguyen Quang Long	Korean	Steel Structural Works.
94	TNRC Logistics (Cambodia) Co., Ltd	Member	Mrs. You Vanna	Korean	Custom Brokerage, Shipment Handling , Freight Forwarding , Door to Door Services , Shipping Agency , Shipping Consultant , Logistics , Transportation.
95	Daun Penh Construction Co.,Ltd	Member	Mr. Chuon Vichetseila	Korean	Construction - Contractors, Consultants Management, Buildings, Bridges Road, M / E Service Designing, Maintenance Services, Building Renovation.
96	Branch of Schneider Electric Overseas Asia Pte.Ltd.	Member	Mr. Ang Koon San	Cambodia	Electrical Equipment and Services.
97	Yun Xiang Global Construction Co.,Ltd	Member	Mr. Chen Kun	Korean	Construction - Contractors, Consultants Management, Buildings, Bridges Road, M / E Service Designing, Maintenance Services, Building Renovation.
98	Voolim Company Limited	Member	Ms. Meas Lina	Korean	Adjustable Jacks, Safety, materials, Scaffolding Accessories, Waterproofing, Plywood, Clamp and Machines for Construction
99	Vattanac Transformers Supply Co.,Ltd	Member	Mr. Ny Socheat	"Cambodia	Electric Equipment Supplies .etc.
100	Fuxin Steel Buildings Co.,Ltd	"Member	Mr. Kang Sen	Cambodia	Construction - Contractors, Consultants Management Steel Structural Works, Engineering Equipment Supplies Equipment Materials - Supplies, Stainless Steel .etc.
101	Jing Long Ma Global Co.,Ltd	Member	Mr. Wang Xiao Ming	Cambodia	waterproof material production sale and construction .etc.
102	Compagnie Francaise De Commerce S.A.R.L	"Member	Ms. Said Sahida	Cambodia	Concrete, Waterproofing Materials Services, Tiles Supplies Manufacturers .etc.
103	Hua Chuanxin International Construction Co.,Ltd	Member	Mr. Huang Shangji	Cambodia	Professional Civil Construction, General Contracting, Housing Construction, Municipal, Highway, Earthwork, The building subcontractor, Woodworking, Reinforcing Steel Bar, Masons, Scaffolders, Plumbers and Electricians.
104	A.P.E Trading and Construction Co.,Ltd	Member	Mr. Nam Sarith	Cambodia	Construction Equipment and Materials Supplier...etc,
105	EQ Architects Construction Co.,Ltd	Member	Mr. Chorong Kim Dorn	Cambodia	Construction - Contractors, Consultants Management.etc.
106	Chamroen Vanly Co.,Ltd	Member	Ms. Sao Vanly	Cambodia	SmartBlock AAC Lightweight Brick, TTM Mortar Cement Innovative Plastering and Mansory, SHERA Decorative products with modernized innovation.

107	CREED ASIA (CAMBODIA) CO.,LTD	Member	Mr. Tomohiro Yakushi	Cambodia	Investment Companies, Property Management
108	V-STRAND Co.,Ltd	Member	Mr. Van Mohamath	Cambodia	Construction - Contractors, Consultants Management, Interior Exterior Decorator, Designer Services, Architectural - Design, Consultants etc.
109	Think Biotech (Cambodia) Co.,Ltd	Member	Mr. Seo Kyung Youl	Cambodia	Construction Equipment Materials - Supplies, Tiles Supplies Manufacturers, Floor Materials - Supplies, Wood Works, Processing Treatment, Furniture, Doors Windows - Workshops Retailers
110	Branch of CAST LABORATORIES PTE LTD.	Member	Mr. Gary NG Kin Choy	Cambodia	Construction Equipment Materials - Supplies, Tiles Supplies Manufacturers, Floor Materials - Supplies, Wood Works, Processing Treatment, Furniture, Doors Windows - Workshops Retailers
111	Mixtra Electric Co.,Ltd	Member	Mr. Chiek Chansamphors	Cambodia	Cable, Cable Gland, Cable Tray Ladder, Cable Transit, Cable Tie, Bolt Nut, Junction Box, Fitting, Lighting
112	China Sinomach Soueast Machinery (Cambodia) Co.,Ltd	"Member	Mr. Wang Guorong	Cambodia	Construction Supplies, Concrete Pipeline, Petroleum Tanks, Concrete Batch Mixing, Oil Tank, Heavy Equipment, Fork Lifts Cranes
113	Hanvico Cambodia Co.,Ltd	Member	Mr. Truc Huynh (Mark)	Cambodia	Mattresses - Dealers
114	Seatop Logistics (Cambodia) Co.,Ltd.	Member	Mr. Chan Seiha	Cambodia	Export: International Freight Forwarding Logistics...etc,Import: Customs Brokerage or Clearance, Pick and Pack...etc,Warehousing: Container Stuffing Un-Stuffing, Storage Staging...etc.etc.
115	Hot Dip Galvani Factory Co.,Ltd	Member	Mr. Leng Chanthoeun	Cambodia	Telecommunication Equipment, Supplies Services, Factory Fabrication Process, Factory Profile, Galvanizing Procedure, Galvanizing Sequences, Process Control, Production Sequence of Steel Work
116	REAL ESTATE .COM.KH.	Member	Mr. O'sullivan Thomas Francis	Cambodia	Real Estate Agencies Appraisers , Business Consultants - Management , Investment Companies
117	KNN Cambodia Co., Ltd.	Member	Mr.Cheam Konnat	Cambodia	Heavy Equipment Services Supplies Tractor Dealers - Equipment Parts Machinery Machine Shops
118	MPM Mekong Property Management Co.,Ltd	Member	Mr. Thach Channy	Cambodia	Heavy Equipment Services Supplies Tractor Dealers - Equipment Parts Machinery Machine Shops

Source: CCA updated 2016



Sanco Poipet SEZ

Area : 67ha
 Rental fee : 50\$/m² (50 Years)
 Access :
 About 7km from Thailand border,
 10mn by car. About 250km from
 Laem Chabang Port.



Border(Province)	Camcontrol and Customs office time
1 Poipet(Ratanak Kiri)	07:00~11:30, 14:00~17:30
2 Prum(Pailin)	07:00~11:30, 14:00~17:30
3 Cham Yearn(Koh Kong)	07:00~11:30, 14:00~17:30
4 Prek Chak(Kampot)	07:00~11:30, 14:00~17:30
5 Phnom Den(Takeo)	07:00~11:30, 14:00~17:30
6 Bavet(Prey Veng)	07:00~11:30, 14:00~17:30
7 Dong Krakor(Stung Treng)	07:00~11:30, 14:00~17:30

Tai Seng Bavet SEZ

Area : 125ha
 Land fee : 22\$/m² (50 Years)
 Access : 6km from Vietnam border
 (Bavet), 86km along Vietnam National
 Road 22 to Ho Chi Minh. 160km along
 Cambodia National Road 1 to Phnom Penh.



Phnom Penh SEZ

Area : 358ha
 Rental fee : 66\$/m²(50 Years)
 Access :
 About 8km from Phnom Penh Airport
 15mn by car. 18km from center of
 Phnom Penh, 45mn by car.



Koh Kong SEZ

Area : 336ha
 Land fee : 40\$/m²(50 Years)
 Access :
 470km from Bangkok, 297km from
 Phnom Penh, 370km from Laem Chabang
 Port, 233km from Sihanoukville Port.



Manhattan SEZ

Area : 500ha
 Land fee : 35\$/m² (50 Years)
 Access : 6km from Vietnam border
 (Bavet), 86km along Vietnam National
 Road 22 to Ho Chi Minh. 160km along
 Cambodia National Road 1 to Phnom Penh.



Sihanoukville Port SEZ

Area : 63ha
 Land fee : 65\$/m²(50 Years)
 Access :
 Close to Sihanoukville Port
 15km from Sihanoukville Airport
 230km from Phnom Penh



Sihanoukville SEZ

Area : 1,113ha
 Land fee : 27\$/m²(50 Years)
 Access :
 12km from Sihanoukville Port
 3km from Sihanoukville Airport
 212km from Phnom Penh



Dragon King SEZ

Area : 200ha
 Land fee : 25\$/m² (50 Years)
 Access : 12km from Vietnam border
 (Bavet), 92km along Vietnam National
 Road 22 to Ho Chi Minh, 154km along
 Cambodia National Road to Phnom Penh.



- ### Other SEZ
- 9 Suoy Chheng SEZ
 - 10 S.N.C SEZ
 - 11 Sung Hay SEZ
 - 12 N.L.C SEZ
 - 13 Poi Pet O'Neang SEZ
 - 14 Doung Chiv Phnom Den SEZ
 - 15 Kampot SEZ
 - 16 Sihanoukville SEZ 1
 - 17 Oknha Mong SEZ
 - 18 Gold'ame Pak Shun SEZ
 - 19 Thary Kampong Cham SF7
 - 20 D&M Bavet SEZ
 - 21 Kiri Sakor Koh Kong SLZ
 - 22 Kampong Saom SEZ
 - 23 P (SEZ) C
 - 24 M D S THMORDA SEZ
 - 25 KANDAL SEZ
 - 26 H.K. SEZ
 - 27 Zhong Jian Jin Bian Jing Ji Te Qu SEZ
 - 28 TRY PIICAP OYADAV SEZ
 - 29 SHANDONG SUNSHELL SVAY RIENG SEZ
 - 30 HI-PARK SEZ
 - 31 Suvaniaphum Investment Co., Ltd. SEZ
 - 32 RATANA SEZ
 - 33 SVAY RIENG SEZ
 - 34 CHHAK KAMPONGSAOM SEZ

	Main National Road
	Other National Road
	International Airport
	Port
	Capital
	Other Country Road
	Planning Road
	Railway
	Planning Railway
	Sea Route
	River Route

Capital	Main Area	Distance	Duration
Phnom Penh	Sihanoukville	214km	4 Hours
Phnom Penh	Poipet(Thai Border)	407km	6 Hours
Phnom Penh	Bavet(Vietnam Border)	168km	3 Hours
Phnom Penh	Koh Kong(Thai Border)	297km	5 Hours

SOURCE: Ministry of Planning and Transport, JETRO Survey

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 Production:
 Japan External Trade Organization Phnom Penh office
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 Update: March 2015

