

Connecting Dots

September 2024

September 2024 Highlights: A Snapshot of Cambodia's Investment Landscape and Key Foreign Investment Interests 3

Japan's Expanding Investment in Cambodia: A Look at MinebeaMitsumi and Honda 5

Sihanouk International Airport Achieved Level 3 Certification in Carbon Emission Reduction 8

Cambodia Seeks to Establish Its First Free Trade Zone (FTZ) 10

Cambodia and Malaysia Launched Cross-Border QR Payment System 13

And more

Connecting Dots is a monthly compilation of salient local developments in Cambodia.

Aquarii BD is a cross-sectoral business strategy and development company that leverages on its diverse network of contacts and its strong partnerships with leading in-market service providers, qualified trusted industry experts and competent resource persons.

The focus of our publication is to help businesses and investors connect the dots on what's been happening in the preceding month in the market and economy in Cambodia.

See **last page** for details on how to be featured in Connecting Dots.



September 2024 Highlights: A Snapshot of Cambodia's Investment Landscape and Key Foreign Investment Interests

In August 2024, Cambodia experienced a surge in investment activities, with the Council for the Development of Cambodia (CDC) approving 53 investment projects worth USD 1.2 billion, in which 46 are new investments, while the remaining 7 are expansions to boost production capacity. These projects are expected to generate approximately 33,000 jobs across the Kingdom. Of these, 22 out of 53 investment projects will be located in Cambodia's special economic zones (SEZs), highlighting the strategic importance of these areas in driving economic growth.

Key Investment Projects Reported by CDC

Investment Projects in SEZs

- *Koh Kong*: A USD 80 million project to establish the Srae Ambel SEZ, projected to create 775 jobs.
- *Kratie*: A tire manufacturing plant in the UBE Snuol SEZ, with a USD 430 million investment, expected to generate approximately 1,959 jobs.
- *Svay Rieng*: A USD 256 million tire factory in the Sin Bavet SEZ, anticipated to create around 1,500 jobs.
- *Kandal*: In the Suvannaphum SEZ, a non-alcoholic beverage factory valued at USD 40 million, expected to create 83 jobs.

Investment Projects Outside SEZs

- *Preah Sihanouk*: A five-star hotel, valued at USD 80 million, is projected to create 683 jobs and boost tourism. Additionally, a USD 19 million expansion of an animal feed and leather processing factory in Prey Nob district will enhance productivity and create 1,053 jobs. Lastly, a USD 28 million investment to upgrade a semi-finished products factory into a high-value producer of items such as bovine collagen peptide and fish collagen peptide, generating 200 jobs.
- *Kep*: A USD 25 million investment in a farm for breeding and raising quadruped animals, such as horses and cows, along with an animal feed processing factory and laboratory in Damnak Chang'aeur district, expected to create 271 jobs.

Cambodia's attractiveness as a dynamic destination for business and investment is reinforced by several key factors: political stability, a strategic geographical location, investor-friendly policies and incentives, a youthful and dynamic workforce, a rapid rate of digitalization, and ongoing infrastructure development. The investments are complemented by a series of high-profile diplomatic engagements and meetings with delegations from various countries that underscore Cambodia's increasing appeal to international investors.



H.E. DPM Sok Chenda Sophea, Cambodia's Minister of Foreign Affairs, led a delegation to the Philippines on August 27–28 to co-chair the Fourth Meeting of the Cambodia–Philippines Joint Commission for Bilateral Cooperation (JCBC). Key discussions with President Ferdinand R. Marcos Jr. focused on air connectivity, trade, investment, and tourism. Both nations expressed satisfaction with progress since the last meeting in 2021 and reaffirmed their commitment to strengthening cooperation in various sectors, including politics, defense, security, tourism, cultural exchanges, labor, technology, environment, and media. The meeting concluded with the signing of Agreed Minutes, and Cambodia will host the next meeting in 2026. Separately, on September 5, Philippine Ambassador H.E. Ann Camille P. Mayo met with Cambodia's Minister of Commerce (MOC), H.E. Cham Nimul, to explore cooperation in education, healthcare, construction, and food.

On August 28, a delegation from the Canada–ASEAN Business Council visited Cambodia to explore investment opportunities in the agro–food sector. This was followed by discussions between MOC and the Canadian Indo–Pacific Agriculture and Agri–Food Office (IPAAO) to improve agricultural trade and food safety, including plans for business matching meetings and trade fairs. On September 5, the two countries held their first Bilateral Consultations in Ottawa, reviewing cooperation and identifying new collaboration areas in trade, investment, demining, tourism, and Francophonie, reaffirming their commitment as "trusted partners." MOC officials also met with Investissement Québec International (IQI) in Quebec, where IQI expressed interest in organizing investment missions to Cambodia in sectors like financial services, green energy, logistics, digital medicine, and startups.




On September 10, PM Hun Manet welcomed a U.S. business delegation organized by the Cambodian Chamber of Commerce in California. The delegation, representing five companies, visited Cambodia to explore investment opportunities. Their aim is to identify investment prospects and establish partnerships to import Cambodian agricultural products, such as rice, cashew nuts, pepper, and dried mango, into the U.S. market. They also seek to enhance educational cooperation, with one American company planning to open a representative office in Cambodia to assist students pursuing studies in the U.S.

A Thai delegation, including representatives from the Board of Investment of Thailand (BOI), the Thai Business Council, and investors from 20 companies, visited Cambodia to explore investment and business opportunities, underscoring efforts to enhance bilateral trade and investment. In a separate meeting, H.E. DPM Sun Chanthol, First Vice–Chairman of CDC, discussed investment cooperation with the BOI Executive Director, focusing on sectors like manufacturing, agriculture, tourism, and services. They emphasized facilitating cross–border investments, streamlining regulatory processes, and promoting information sharing. DPM Sun Chanthol encouraged support for the "Plus–One Strategy," allowing foreign companies in Thailand to shift labor–intensive production to special economic zones in Cambodia, Laos, and Myanmar. The BOI representative expressed optimism about fostering future collaborations and forums to boost Thai investment in Cambodia within this framework.



Source:

- [Cambodia nets \\$1.2 billion investments in August | Khmer Times \(khmertimeskh.com\)](#)
- [Official Visit of Deputy Prime Minister SOK Chenda Sophea to the Philippines and the Fourth Meeting of Cambodia–Philippines Joint Commission for Bilateral Cooperation | Ministry of Foreign Affairs and International Cooperation \(mfaic.gov.kh\)](#)
- [Canada Eyes Cambodian Investment Opportunities | Estatedia \(estatedia.com\)](#)
- [Kazakhstan Eyes Boost in Trade with Cambodia, Targeting USD300 Million Milestone | Construction & Property \(construction-property.com\)](#)
- [Cambodia Welcomes More American Investments | Ministry of Information \(information.gov.kh\)](#)
- [Cambodia and Thailand pledge to strengthen investment ties | Khmer Times \(khmertimeskh.com\)](#)

Japan's Expanding Investment in Cambodia: A Look at MinebeaMitsumi and Honda

Japan continues to strengthen its economic ties with Cambodia, with recent expansions by MinebeaMitsumi and Honda reflecting the ongoing confidence in the Kingdom's investment potential. These moves highlight Cambodia's growing appeal as a hub for manufacturing and technology, driven by competitive labor costs, favorable investment policies, and strategic location within Southeast Asia.

MinebeaMitsumi's Second Factory

MinebeaMitsumi, a leading Japanese manufacturer of precision components and electronic devices, has broken ground on its second factory in Pursat province. This strategic location allows the company to enhance its environmentally friendly business profile and leverage the province's abundant renewable energy resources. Covering 50 hectares in the SEZ, the new facility will operate on 100% clean energy, in line with Cambodia's environmental guidelines. This expansion aims to boost the company's production capacity for various electronic components, including motors, sensors, and actuators.

Since launching its first factory in Cambodia in 2011 with an initial investment of \$23 million, MinebeaMitsumi has increased its total investment to \$600 million. The company has made significant contributions to the local manufacturing sector, employing thousands of Cambodian workers.

Honda's Expansion

Honda, another leading Japanese corporation and a key player in Cambodia's automotive and motorcycle market, is set to expand its manufacturing investments in response to rising motorcycle demand, following 25 years of successful operations through its local subsidiary, N.C.X. Co., Ltd. This announcement was made during a meeting between Honda's Executive Director, Minoru Kato, and PM Hun Manet. Mr. Kato commended the Cambodian government for its support, particularly through the "Cambodian Industrial Development Policy 2015-2025" and local vocational training programs that have strengthened the workforce.

Since entering the Cambodian market in 1992, Honda has produced over 4.3 million motorcycles and built an extensive network of 168 dealers nationwide, creating nearly 2,000 jobs. The Cambodian factory currently produces around 1,500 Honda Dream motorcycles per eight-hour shift, with most components manufactured locally.

The expansions by Honda and MinebeaMitsumi highlight Japan's increasing interest in Cambodia as a strategic destination for manufacturing and industrial growth. These moves underscore Japanese companies' confidence in Cambodia and their long-term commitment to its economic development, serving as a model to attract further foreign investment. Beyond boosting local employment and economic growth, these developments position Cambodia as an emerging player in regional supply chains and strengthen its standing as a manufacturing hub, setting the stage for continued foreign investment in the years ahead.

Source:

- [Honda eyes new investments in the Kingdom | Khmer Times \(khmertimeskh.com\)](https://www.khmertimeskh.com)
- [MinebeaMitsumi breaks ground for second factory | Khmer Times \(khmertimeskh.com\)](https://www.khmertimeskh.com)



Looking for investment – whether debt or equity financing – to scale your business or launch your product?

We can connect you with international capital funds interested in two key opportunities:

- **Start-ups ready to go to market**
- **Established, profitable businesses aiming to scale operations or bring strong, viable projects to fruition**

Contact us today at info@aquariibd.com.

ADVERTISE WITH US

CONTACT NOW

+855 (0) 85 321 121 / (0) 89 266 095

info@aquariibd.com

AQUARIIBD
BY CAMBODIA CO. LTD



Sihanoukville Port Inaugurates New Container Terminal



On September 12, the Sihanoukville Autonomous Port (PAS) officially inaugurated a new container terminal as part of Cambodia's major logistics development after 17 months of construction. The USD 37.5 million project was funded by a USD 10 million concession loan from Japan, with the remaining USD 27.5 million sourced from PAS's revenue and government funds. The inauguration ceremony was presided over by PM Hun Manet, Ambassador of Japan to Cambodia, and several high-ranking government officials.

The newly inaugurated container terminal is expected to significantly boost PAS's capacity to handle containers, marking a crucial upgrade for Cambodia's key commercial gateway. This expansion is important as PAS already manages around 60% of the country's import-export trade. It will enable PAS to handle a larger share of global and regional shipping, increasing its share of the world's shipping capacity from 18% to approximately 38% and up to 49.25% of the vessels operating in the Asia-Pacific region.

This development highlights Japan's long-standing commitment in supporting Cambodia's economic growth, particularly through its involvement with PAS since 1996. Both governments are actively exploring the implementation of the Free Port Concept at Sihanoukville Port, which aims to streamline trade by reducing taxes and customs duties. This initiative is expected to enhance the efficiency and competitiveness of PAS, positioning it as a key player in both regional and global trade.

Source: [PM inaugurates new container terminal at PAS | Khmer Times \(khmertimeskh.com\)](https://www.khmertimeskh.com)

The Features of the New Terminal

- **Dimensions:** 253 meters long and 11.5 meters deep.
- **Equipment:** Equipped with 2 quay cranes (QC) and 6 rubber-tyred gantry (RTG) cranes.
- **Vessel Accommodation:** Capable of handling vessels with a depth of up to 10.4 meters.
- **Capacity Increase:** Annual container handling capacity will rise from 550,000 TEUs (Twenty-Foot Equivalent Units) to 1 million TEUs, effectively doubling cargo management capability.
- **Significance:** Enhances the port's capacity to handle global shipping traffic and larger ships.

Development Phases Overview

The new container terminal will be developed in three phases with a total investment of USD 973 million, including USD 760 million in concessional loans from Japan, USD 192 million from the Cambodian government, and USD 21 million from PAS.

- **Phase 1 (2023-2025):** A port measuring 350 meters in length and 14.5 meters in depth, designed to accommodate larger vessels with a deadweight tonnage (DWT) of 60,000 (approximately 4,000 TEUs).
- **Phase 2 (to be completed in 2028):** This expansion project aims to increase the port's container capacity to 120,000 DWT (approximately 10,000 TEUs).
- **Phase 3 (to be completed in 2029):** This phase will further enhance capacity to 160,000 DWT (15,000 TEUs) and extend the port's shipping network to include Europe and North America.



Sihanouk International Airport Achieved Level 3 Certification in Carbon Emission Reduction

Cambodia's Sihanouk International Airport (KOS) has become the 4th airport in Southeast Asia to receive Level 3 certification under the **Airport Carbon Accreditation (ACA)** after Phnom Penh International Airport (PNH) which received it early this year; both airports are operated by VINCI Airports.

ACA is a program initiated by Airports Council International Europe (ACI EU) in 2009, aimed at reducing greenhouse gas emissions and engaging stakeholders in emission reduction efforts. Achieving this certification is a significant milestone, as it requires airports to monitor their carbon footprint and implement continuous measures to reduce emissions. To reach Level 3, KOS has introduced several sustainability initiatives, including upgrading to energy-efficient chillers for central air conditioning, replacing traditional lighting with LEDs, implementing automatic systems to optimize energy consumption, and launching awareness campaigns. The program also involves collaboration with third-party stakeholders, such as airlines and fuel suppliers, to extend environmental benefits across the airport community.

Achieving this certification reaffirms Cambodia's commitment to sustainability and climate action. This milestone showcases KOS's efforts to promote environmentally responsible practices, making it more attractive to eco-conscious airlines and travelers. It also aligns with the government's long-term carbon neutrality strategy, aiming for net-zero emissions by 2050, while improving operational efficiency through energy-saving technologies.

Source: [Sihanoukville Airport's environmental commitment gains new recognition | Khmer Times \(khmertimeskh.com\)](https://www.khmertimeskh.com/sihanoukville-airport-environmental-commitment-gains-new-recognition/)

ACA is a globally recognized certification program that acknowledges airports for voluntarily managing and reducing their carbon footprint in line with international climate targets.

It is the only institutionally endorsed program that evaluates airports' carbon management across seven certification levels: *Mapping, Reduction, Optimisation, Neutrality, Transformation, Transition, and Level 5 (the highest)*.

At Level 5, airports must maintain a Net Zero carbon balance for Scope 1 and Scope 2 emissions, while also actively addressing Scope 3 emissions. This includes engaging third-party stakeholders and using carbon offsets to remove residual emissions.

The program recognizes that airports are at various stages in their carbon management journey and is accessible to airports of all sizes, including those specializing in general aviation and freight.

Join Aquarii's Telegram Channel

FOR THE LATEST NEWS UPDATES

Cambodia's Climate Plan: USD 2 Billion Investment in Adaptation and Clean Energy Expansion

Cambodia has unveiled a USD 2 billion plan to combat climate change by 2030, focusing on critical sectors such as water resources, agriculture, and infrastructure. Simultaneously, the government is committing an additional USD 6 billion to reduce greenhouse gas emissions, demonstrating its strong commitment to global climate action despite its relatively small contribution to global emissions. Cambodia remains determined to actively participate in international climate efforts.

Since joining the United Nations Framework Convention on Climate Change (UNFCCC) in 1995, Cambodia has been actively engaged in global climate initiatives, ratifying the Kyoto Protocol in 2002 and signing the Paris Agreement in 2015. These actions underscore the country's dedication to addressing climate change, particularly given its reliance on climate-sensitive sectors such as agriculture, forestry, fisheries, tourism, and infrastructure, which are vital to its economic growth and the livelihoods of its population.

In a related development, PM Hun Manet has approved 23 clean energy investment projects for the 2024–2029 period, aimed at expanding Cambodia's renewable energy capacity and achieving the country's environmental and economic goals. With a total investment of USD 5.7 billion, the projects include 12 solar projects, 6 wind projects, 1 biomass-solar hybrid facility, 1 Liquefied Natural Gas (LNG) plant, 1 hydropower project, and 2 energy storage stations. These projects are expected to contribute 3,950 MW of power generation capacity and 2,000 MW of energy storage capacity. Spanning several provinces, including Battambang, Pursat, Kampong Chhnang, Ratanakiri, Mondulkiri, Preah Sihanouk, Kampong Cham, and Prey Veng, these projects aim to address electricity shortages and meet the growing energy demand. By enhancing energy security, the investments will reduce reliance on imports and support the expansion of domestic clean energy sources.

Cambodia aims to increase its renewable energy share to at least 70% by 2030, contributing to both environmental sustainability and economic growth. Currently, 62% of the country's energy comes from renewable sources such as hydropower, solar, and biomass, and these new investments will further support efforts to reduce greenhouse gas emissions in alignment with Cambodia's global commitments.

Source:

- [Cambodia unveils \\$2 bil plan to tackle climate change | Khmer Times \(khmertimeskh.com\)](https://www.khmertimeskh.com)
- [Big push to clean energy, govt okays projects worth \\$5.7 billion | Khmer Times \(khmertimeskh.com\)](https://www.khmertimeskh.com)

Cambodia Seeks to Establish Its First Free Trade Zone (FTZ)



Cambodia is enhancing its trade and economic competitiveness through strategic initiatives, including the establishment of Special Economic Zones (SEZs) while exploring the opportunity to establish a first Free Trade Zone (FTZ). Established in 2005, Cambodia's SEZs offer various fiscal incentives, including tax holidays and customs duty exemptions, to attract FDI. According to the Council for the Development of Cambodia (CDC), As of mid-2024, there are 26 operational SEZs employing over 180,000 workers, contributing to economic diversification and export growth.

(Next page)

To further accelerate economic development, Cambodia is assessing the feasibility of establishing a FTZ to facilitate trade and logistics by reducing customs barriers, simplifying procedures, and enhancing efficiency. On September 7, 2024, DPM Sun Chanthol led a delegation to Xiamen, Fujian, China, to collaborate with Chinese officials on establishing the FTZ and seek technical expertise from Fujian, known for its successful FTZs. He emphasized the importance of collaboration to expand SEZs by offering technical support and introducing potential companies to invest in the FTZ. The Kingdom is committed to attracting more manufacturing companies, particularly in the electronics and automotive sectors, through the establishment of the FTZ.

David Van, a veteran business and policy advisor in Cambodia, noted that while the country has actively promoted Special Economic Zones (SEZs) over the years, the government’s role has been limited to providing basic infrastructure, such as roads and utilities. Consequently, investors have been responsible for key resources, including workforce training and technology. He emphasized that many countries are now shifting towards Free Trade Zones (FTZs), which prioritize trade and logistics, offering streamlined processes to foster economic growth and attract foreign investment.

This comparison illustrates the distinct roles that SEZs and FTZs play in Cambodia’s economic development strategy. While SEZs are crucial for attracting a diverse range of industries, FTZs focus on streamlining trade and logistics. This creates a more specialized and efficient economic model, positioning Cambodia for long-term benefits.

Aspects	Special Economic Zone (SEZ)	Free Trade Zone (FTZ)
Scope	Comprehensive, including industrial, commercial, and services	Focused primarily on trade and logistics
Economic Impact	Significant contribution to GDP and industrialization	Significant contribution to GDP and industrialization
Incentives	Tax breaks, duty exemptions, infrastructure support	Simplified customs, reduced tariffs, and operational flexibility
Employment	High job creation potential	Limited to trade-related employment
Infrastructure	Development of extensive infrastructure	Focus on logistics and warehousing facilities
Technology Transfer	Facilities transfer and innovation	Limited to trade-related technologies
Regulatory Environment	Varies, often complex	Simplified, but can lead to regulatory loopholes
Environment Impact	Potential for significant environmental degradation	Environment risks associated with trade activities
Regional Disparities	Can exacerbate disparities	Less likely to create regional imbalances
Sustainability	Dependent on ongoing incentives	Vulnerable to global fluctuations

Source

- [Cambodia seeks China’s assistance in establishing first FTZ | Khmer Times \(khmertimeskh.com\)](https://www.khmertimeskh.com)
- [Special Economic Zones \(SEZ\) vs. Free Trade Zones \(FTZ\) | Khmer Times \(khmertimekh.com\)](https://www.khmertimeskh.com)





Cambodia's Agro-Processing Sector: Driving Economic Diversification and Resilience

Cambodia is on a determined path toward economic diversification, with the agro-processing sector playing a key role. The Cambodian government is implementing strategic policies to strengthen the value chains of key agricultural products, such as rice, cassava, and cashew nuts. These efforts aim to foster sustainable growth and enhance global competitiveness, ensuring long-term economic resilience.

The 7th Cambodia Rice Forum, held on September 10, highlighted the importance of this sector. Organized by the Cambodia Rice Federation (CRF) under the theme "Transforming the Cambodia Rice Supply Chain to be Resilient, Sustainable and Inclusive," the forum gathered over 400 stakeholders, including PM Hun Manet, key ministers, and industry leaders. Discussions focused on strengthening Cambodia's rice supply chain in response to environmental challenges and global trends, underlining the rice sector's critical role within the broader agro-processing industry.

PM Hun Manet emphasized Cambodia's capacity to export processed products duty-free to multiple markets, thanks to a new investment law offering incentives for private sector engagement. He highlighted the opportunity to tap into additional high-value markets through trade agreements like the Cambodia-China Free Trade Agreement (CCFTA) and the Cambodia-South Korea Free Trade Agreement (CKFTA). These initiatives are designed to diversify export destinations and improve market penetration.

H.E. Hem Vandy, Minister of Industry, Science, Technology & Innovation, underscored the sector's significance, noting the growth of Cambodia's rice processing capabilities, with 19 large-scale factories and a combined investment of USD 342.3 million, along with numerous small and medium-sized mills. The RGC aims to increase national rice exports to 1 million tonnes by 2025.

By August 2024, Cambodia had exported 412,023 tonnes of milled rice, valued at USD 305 million, to 65 international markets. In addition, 3.3 million tonnes of paddy rice were exported to neighboring countries, earning USD 918 million. According to the Ministry of Agriculture, Forestry, and Fisheries (MAFF), rice exports alone accounted for over USD 400 million, with total agricultural exports exceeding USD 1.8 billion.

Achieving these goals will require further investment in infrastructure, such as transportation, logistics, and processing facilities. These improvements would help Cambodia take advantage of larger commercial opportunities while accessing niche markets for organic and premium products. The agro-processing sector is also supported by the Pentagonal Strategy and the National Development Plan on Agriculture (2022–2030), which aim to add value to agricultural products and attract investment. With these measures in place, the agro-processing sector is positioned to play a key role in Cambodia's economic development and its participation in global markets.

Source: [Rice forum held with aim of expanding supply chain, climate resilience | The Phnom Penh Post \(phnompenhpost.com\)](#)



Cambodia and Malaysia Launched Cross-Border QR Payment System

Benefits for Travelers Between Malaysia and Cambodia

The cross-border QR payment system between Cambodia and Malaysia offers multiple advantages for travelers, streamlining transactions and promoting convenience. Key benefits include:

- **Seamless Payments:** Travelers can make payments using QR codes without the need to exchange currencies or rely on cash.
- **Reduced Transaction Costs:** The QR payment system reduces or eliminates many of these costs, making spending abroad more affordable for visitors.
- **Real-Time Transactions:** Payments between Cambodia and Malaysia can be processed in real-time, offering faster, more convenient experiences for travelers.
- **Currency Conversion:** The system handles currency conversion at competitive rates, eliminating the need for manual exchanges.

The National Bank of Cambodia (NBC) and Bank Negara Malaysia (BNM) have officially launched a cross-border QR payment system, allowing Cambodian travelers to use the Bakong App or Maybank's M2U KH App to make payments at over 2 million merchant outlets across Malaysia by scanning DuitNow QR code. The system aims to make cross-border payments between Cambodia and Malaysia quicker, cheaper, more accessible, and secure. In the first phase, Cambodians visiting Malaysia can use the Bakong App with Khmer Riel as the primary transaction currency. The second phase will allow Malaysians to use their mobile banking apps to pay at over 3.3 million merchant outlets in Cambodia using the Bakong (KHQR Code).

This initiative is expected to boost tourism, trade, and financial inclusion while enhancing economic connectivity between the two countries. Both governors emphasized that this system supports ASEAN's vision for an integrated and efficient regional retail payment network. Similar cross-border payment projects have also been launched with other regional partners, including Thailand, Vietnam, Laos, and China, further enhancing regional economic cooperation by facilitating trade and tourism while promoting financial inclusion in Cambodia.

In a similar vein, a new cross-border payment corridor was established by the National Bank of Cambodia (NBC) in partnership with Phnom Penh Commercial Bank Plc (PPCB) and Jeonbuk Bank in August 2024. This officially launched Phase 1 of the cross-border payment system between South Korea and Cambodia, allowing South Korean visitors to pay for goods and services in Cambodia using their mobile phones to scan the KHQR Code, eliminating the need for currency exchange.

Source

- [The Official Launch of Cross-border QR Code Payment between Cambodia and Malaysia | National Bank of Cambodia \(nbc.gov.kh\)](https://nbc.gov.kh)
- [The National Bank of Cambodia \(NBC\), in collaboration with Phnom Penh Commercial Bank Plc \(PPCB\) and Jeonbuk Bank, officially launched the cross-border payment between the Republic of Korea and the Kingdom of Cambodia Phase 1 | National Bank of Cambodia \(nbc.gov.kh\)](https://nbc.gov.kh)

Send Money Abroad

via Phillip Mobile

Only **\$4.99**

086 930 000
089 989 818
088 465 9999

The China corridor is available over-the-counter only.
Cut-off Time: 3:00 PM (Cambodia Time)
*Terms and Conditions Apply

PhillipCapital Cambodia Announces Key Leadership Appointments at Phillip Bank and Phillip General Insurance

PhillipCapital Cambodia has announced the appointments of Raymond Chee as the new Deputy Chief Executive Officer of Phillip Bank and Jeffrey Chew as the Chief Executive Officer of Phillip General Insurance.



Mr. Raymond Chee
Deputy Chief Executive Officer
Phillip Bank

Raymond Chee joins Phillip Bank after a distinguished 29-year career at a major Singapore financial service group during which he held leadership roles in various subsidiaries and international markets, including in Asia and North America. Notable businesses he led included Cash Management, Trusts & Fiduciary Services, Securities, and Corporate Banking. Raymond brings extensive experience in a wide spectrum of financial services to Phillip Bank.

Jeffrey Chew brings 26 years of strategic leadership and extensive Operations and Claims experience in the insurance industry to Phillip General Insurance. Previously, he served as Head of Claims & Performance Management at a large global insurance company, where he drove key strategic initiatives. In 2023, Jeffrey was awarded the Asia Pacific TEX Award for Claims and served as Chairperson for the General Insurance Association of Singapore Workgroup on the Regulation and Accreditation of Motor Surveyors. His career includes leadership roles with local and foreign insurance companies in Singapore.



Mr. Jeffrey Chew
Chief Executive Officer
Phillip General Insurance

Mr. Ong Teong Hoon, Director of PhillipCapital Cambodia, commented, "We're delighted to welcome Raymond Chee and Jeffrey Chew to our leadership team. Raymond's strategic leadership will be invaluable for Phillip Bank, while Jeffrey's expertise in digital strategy will introduce innovative solutions at Phillip General Insurance. Their appointments align perfectly with our vision for sustainable growth and customer-centric initiatives."

About PhillipCapital:

Since its inception as a stockbroker, PhillipCapital has grown into an integrated Asian financial house with a global presence that offers a full range of quality and innovative services to retail and high net worth individuals, family offices, as well as corporate and institutional customers. The group operates in 15 countries with Assets Under Management of over USD 50 Billion.

Cambodia Raises Minimum Wage for GFT Workers to USD 208

The Cambodian government has announced a minimum wage increase for workers in the garment, footwear, and travel goods sectors to **USD 208**, effective January 1, 2025. This marks a **1.96% increase** from the current wage of USD 204, as recommended by the National Council for Minimum Wage. PM Hun Manet approved the final increase, reflecting ongoing efforts to improve workers' living standards while sustaining the competitiveness of Cambodia's key export industries.

In addition, workers will receive supplementary benefits, including a USD 10 attendance bonus and an additional USD 7 for transportation and rent. The GFT sector employs around 913,000 people across 1,538 factories and is crucial to Cambodia's economy, generating billions in exports annually.

The recent announcement of Cambodia's minimum wage increase for GFT sector can be evaluated against neighboring countries to assess its competitiveness and cost of doing business. The table below compares the minimum wages in Cambodia, Thailand, and Vietnam from 2022 to 2024:

CAMBODIA	THAILAND	VIETNAM
2022: USD 198	2022 - 2023: THB 8528 - 9204 (USD 261 - 282)	2022 - 2023: VND 3,250,000 - 4,680,000 (USD 133 - 192)
2023: USD 200	2024: THB 8580 - 9620 (USD 263 - 294)	2024: VND 3,450,000 - 4,960,000 (USD 135 - 194)
2024: USD 204		

The cost of labor in Cambodia is lower than in Thailand and is potentially comparable to Vietnam's higher wage regions. Companies considering labor costs in the region should take into account not only the minimum wages but also local economic conditions and worker productivity. The increase to USD 208 reflects a commitment to improving living standards while aiming to maintain Cambodia's competitiveness as an attractive location for labor-intensive industries. While this minimum wage increase signifies progress, it is crucial to consider the broader economic context, including cost of living and regional disparities, when comparing labor costs with neighboring countries.

The minimum wage in **Thailand** varies by region, ranging from USD 10 to USD 11 per day. The tiered wage system in Thailand reflects regional economic disparities, with more developed provinces offering higher wages to account for differences in living expenses and economic activity. This is considerably higher than Cambodia's minimum wage, but Thailand also has a relatively higher cost of living, which impacts the overall cost of doing business and dilute the actual purchasing power of workers. Thus, while wages may appear higher, the effective cost of labor relative to living conditions could be more comparable.

Vietnam's minimum wage ranged between USD 135 and USD 194 per month, depending on the region. Similar to Thailand, Vietnam has a tiered system in which urban areas generally have higher wages than rural regions due to differences in cost of living and economic activity. Cambodia's minimum wage is notably higher than Vietnam's lower end but is comparable to the higher end of Vietnam's range. Vietnam's tiered wage system means urban areas may have wages close to or even exceeding Cambodia's new minimum wage.

Source: [Cambodia Increases Minimum Wage to \\$208 for Nearly 1 Million Garment, Footwear, and Travel Goods Workers | Cambodia Investment Review](#)



Cambodia Launches e-KYB System for Enhanced Business Verification

Key Features of the e-KYB System

- Secure and reliable digital verification of enterprise data against government registries.
- Electronic enterprise identification with an automated and rapid verification process.
- Accurate information validation through data exchange between entities.
- Efficient and sustainable use of infrastructure and base registries.

How to access e-KYB API

- During the pilot phase, private sector CamDX members must request API usage extensions through the CamDX membership application portal, managed by the Techo Startup Center.
- Non-members must first join CamDX to access the e-KYB APIs.

The soft launch of the electronic Know Your Business (e-KYB) system took place on September 6, 2024, at the Techno Startup Center in Phnom Penh.

The e-KYB system is designed to verify the identity, status, and legal compliance of enterprises, covering aspects such as business registration, tax registration, and enterprise declaration requests. This significant development within the Cambodia Data Exchange (CamDX) ecosystem parallels the functionality of the electronic Know Your Customer (e-KYC) system. It enhances various government IT systems, including e-invoicing, public procurement, and enterprise credit scoring systems. Private sector entities, such as banks and insurance companies, can collaborate with the public sector through the unified digital business ecosystem on the CamDX platform.

The implementation of the e-KYB system represents another digital development for Cambodia. It enhances the verification process for businesses, improving legal compliance and trust in the business environment by streamlining government processes and strengthening the overall digital economy. By integrating private sector entities with public services, Cambodia can foster a more efficient and transparent economic ecosystem, promoting growth and innovation across various industries.

Source: [Soft Launch of Electronic Know Your Business \(e-KYB\) System | The Ministry of Information \(information.gov.kh\)](https://www.information.gov.kh/)



Indochina Research Ltd. (IRL) is one of the leading full-service commercial and social research firms, with over 20 years of experience operating in Southeast Asia, including Cambodia, Laos, Myanmar, and Vietnam. IRL offers a comprehensive range of marketing research and brand consultancy services, catering to clients in all major consumer and business sectors.

Take your business your business to the next level. Find out more [here](#).

Real Estate in Cambodia: Price Adjustments and Emerging Opportunities



CBRE Cambodia's September 2024 report, **"Adapting to Change: Trends, Strategies, and Opportunities for Cambodia's Real Estate Developers and Landlords"** highlights declines in sales and rental prices in condominiums, offices, and retail, while identifying new opportunities for developers who can adapt to shifting market conditions.

"High-end condominium prices have dropped to USD 2,700 per sqm, down from over USD 3,000 in 2020, with mid-range and low-end condos averaging USD 1,950 and USD 1,200, respectively. Despite this, around 2,200 new condo units were launched in the first half of 2024.

The office space has similarly been impacted, Grade A office rental rates have fallen to USD 27 per sqm, down from USD 31 in 2020, with a 61.8% occupancy rate. Retail spaces saw mall rental rates drop from USD 32.5 to USD 24 per sqm, and retail occupancy stands at 58.7%. **"**

CBRE attributes these declines to the pandemic and regional and global economic challenges, exacerbated by reduced lending activity and a rise in non-performing loans (NPLs), which have further dampened demand. Nevertheless, Phnom Penh remains competitive, especially in the high-end real estate sector, where rental yields for high-end condominiums remain at 5.5%, outperforming regional hubs like Singapore, Kuala Lumpur, and Ho Chi Minh City. To watch for signs of recovery, key indicators include improved lending activity, rising occupancy rates in condos, offices, and retail spaces, and stabilization of NPLs.

Knight Frank's 2024 report, **"Navigating Recovery: Trends and Opportunities in Cambodia's Real Estate Sector"**, offers a cautiously optimistic outlook for Phnom Penh's property market. While challenges persist, long-term fundamentals like Cambodia's youthful population, rising incomes, and infrastructure projects support resilience in the sector.

"The condominium market saw average prices fall to USD 1,300 per sqm, with 7 new projects adding 3,118 units, bringing total supply to 53,158 units. The mid-tier segment now accounts for 57% of the market, signaling a shift towards affordable housing.

Office space supply increased by 4.4% to 963,939 sqm, with occupancy stabilizing at 59.3%. However, rental rates continue to decline, ranging from USD 10 to 25 per sqm.

The retail sector faces challenges, with a 67% occupancy rate and modest 3% growth in retail space. Meanwhile, the serviced apartment sector added 53 units, bringing the total to 8,388 units, with occupancy rising to 55% and rents for prime one-bedroom apartments between USD 980 and 1,300 per month. **"**

Knight Frank projects that despite ongoing challenges, particularly in sectors with oversupply, Cambodia's young demographic, increasing disposable incomes, and infrastructure development present a promising long-term outlook for the real estate market. *(Next page)*





Both CBRE and Knight Frank present a comprehensive overview of Phnom Penh's real estate market. While both reports acknowledge the current market's fragility—driven by falling prices, oversupply, and reduced demand—they also identify areas of opportunity, especially for developers and investors who can adjust to the evolving market dynamics. With Cambodia's GDP expected to grow between 5.8% and 6.2% in 2024, according to projections by international organizations such as the World Bank (WB), Asian Development Bank (ADB), International Monetary Fund (IMF), and ASEAN+3 Macroeconomic Research Office (AMRO), the long-term outlook for the real estate sector remains cautiously promising.

In conclusion, while challenges such as oversupply and non-performing loans continue to weigh on the market, Phnom Penh's real estate sector remains resilient. Investors who focus on adaptable strategies—targeting affordable housing, office space optimizations, or retail market innovations—could position themselves well for future growth as Cambodia's economy continues its recovery.

Source

- [Adapting to Change: Trends, Strategies, and Opportunities for Cambodia's Real Estate Developers and Landlords | CBRE Cambodia \(cbre.com.kh\)](#)
- [Cambodia: Real Estate Highlights H1 2024 Edition | Knight Frank Cambodia \(knightfrank.com\)](#)

Cambodia's Trade Performance (January - August 2024)

Cambodia's total trade continued to grow in the first eight months of 2024, according to a report from the General Department of Customs and Excise (GDCE). This growth reflects the country's increasing economic activity, stronger trade relations, and expanding role in global markets, with a key contributor being the surge in tyre exports.

Cambodia exported **USD 527 million worth of tyres** during this period, a remarkable **173% YoY increase** from USD 193 million. This growth is driven by the expansion of tyre manufacturing facilities and diversification of export markets, reflecting the rising demand for high-quality Cambodia-made tyres. Currently, the country has three operational tyre factories in Svay Rieng, Preah Sihanouk, and Kratie provinces, with more projects pending approval. Two newly approved investments, valued at USD 686 million, are expected to create over 3,500 jobs and further boost Cambodia's tyre production capacity.

Garments, footwear, and travel goods (GFT) exports also increased by 23.33% YoY, generating USD 9.08 billion. GFT accounted for 51.7% of Cambodia's total export earnings, which reached USD 17.58 billion. In August 2024 alone, GFT exports reached **USD 1.57 billion**, marking a **57.51% YoY increase**, with the United States and Europe as major markets.

Rubber exports have shown steady growth as well. Cambodia exported 209,733 tonnes of rubber, earning over **USD 328.3 million—up 15.5%** from the same period in 2023. In August 2024, rubber exports reached 35,818 tonnes, a 7.68% increase from the previous month. The average price per tonne of rubber latex rose by USD 180 year-on-year, reaching USD 1,565, with key markets including Malaysia, Vietnam, Singapore, and China.

Overall, Cambodia's trade performance in 2024 highlights its growing presence in global markets, with tyre exports playing a significant role in the country's economic growth. As more investors show interest in the tyre sector, Cambodia is poised to expand its manufacturing capacity, create jobs, and strengthen its position as a rising player in international trade.

Source

- [Cambodia's exports rise 16.7% in eight months | Khmer Times \(khmertimeskh.com\)](#)
- [Cambodia exports car tyres worth \\$527 million in first eight months | Khmer Times \(khmertimeskh.com\)](#)

(Next page)

Cambodia's Trade Summary

Total Trade

Total International Trade Volume:

USD 36.48 billion (YoY Increase: 16.5 %)

Total Exports:

USD 17.58 billion (YoY increase: 16.7%)

Total imports:

USD 18.9 billion (YoY Increase: 16.2%)

Top Trading Partners

- China (YoY Increase: 24.5% to USD 10.07 billion)
- United States
- Vietnam
- Thailand
- Japan

Major Export Destinations

- United States
- Vietnam
- China
- Europe (YoY Increase: 16.27% to USD 2.9 billion)

Key Export Products

- GFT
- Machinery and electrical equipment
- Rubber and other agricultural products

Major Import Destinations

- China
- Vietnam
- Thailand

Key Import Products

- Mineral fuels, mineral oils
- Knitted fabrics
- Electrical machinery equipment

Cambodia's Trade with RCEP Countries

Total Trade Volume with RCEP Countries:

USD 22.92 billion (YoY Increase: 17.2%)

- Share of Total Trade Volume: 62% of Cambodia's total trade

Exports to RCEP Countries:

USD 6.05 billion (YoY Increase: 15%)

Imports from RCEP Countries:

USD 16.87 billion (YoY Increase: 18%)

Top 5 RCEP Trading Partners

- China
- Vietnam
- Thailand
- Japan
- Singapore

Cambodia's Trade with ASEAN Countries

Total Trade Volume with ASEAN Countries:

USD 10.49 billion (YoY Increase: 11.8%)

- Share of Total Trade Volume: 28.4% of Cambodia's total trade

Exports to ASEAN Countries:

USD 3.43 billion (YoY Increase: 10%)

Imports from RCEP Countries:

USD 7.06 billion (YoY Increase: 12.5%)

Top 5 ASEAN Trading Partners

- Vietnam
- Thailand
- Singapore
- Indonesia
- Malaysia

"Sousdey Indonesia" Celebrates 65 Years of Indonesia-Cambodia Diplomatic Relations

Sousdey Indonesia, formerly known as Indonesia Trade and Tourism Promotion (ITTP), took place on September 13-14 at the Diamond Island Exhibition & Convention Center (DICED). Celebrating the 65th anniversary of Indonesia-Cambodia diplomatic relations, the event featured various activities promoting trade, tourism, education, arts, and culture. Attendees included Cambodia's Minister of Commerce, H.E. Nimul Cham, and the Indonesian Ambassador to Cambodia, H.E. Santo Darmosumarto. Highlights included product exhibitions, tourism promotions, an education fair, cultural performances, a culinary festival, and a batik fashion show, all showcasing Indonesia's rich heritage and strengthening the friendship between the two nations.

Source: [Sousdey Indonesia: A 65th Anniversary Tribute to Cambodia-Indonesia Friendship | Cambodianess \(cambodianess.com\)](#)

Gumball 3000 Rally Debuts in Cambodia, Showcasing Luxury Cars and Supporting Charity

The Gumball 3000 Rally, founded in 1999, combines cars, music, fashion, and culture in global journeys. This year, it debuted in Cambodia with a 3,000-mile drive from Saigon to Singapore. In partnership with Chip Mong Group and Rev Up Cambodia, the 25th annual rally took place in Phnom Penh from September 15 to 17, showcasing luxury cars and live entertainment. Attracting high-profile athletes and celebrities from 40 countries, it became the largest luxury car show in Cambodia's history. The opening featured a car display and a large concert, drawing 8,000 to 10,000 young attendees. The rally promotes Siem Reap's Angkor Archaeological Park as a global tourism destination while raising funds for the Angkor Hospital for Children.

Source: [Gumball Rally 3000 hits Phnom Penh roads with glamour | Khmer Times \(khmertimekh.com\)](#)

Cambodia Launches Southeast Asia's First Premium Cashew Apple Liqueur

Abandoned cashew apples from the deforestation-free cashew program at Lumphat Wildlife Sanctuary in Ratanakiri are being used to create Southeast Asia's first premium cashew apple liqueur. This initiative, led by USAID Morodok Baitang in partnership with Seekers Spirits, aims to boost farmers' income by enabling the sale of both cashew nuts and previously discarded fruit, inspired by Goa's Feni liqueur. The liqueur was recently showcased at Mekong Strategic Capital's 10th anniversary event, highlighting its potential, though it remains in the research phase and requires further development before market launch. This initiative could enhance community involvement in conservation and create new economic opportunities for local farmers, representing a promising step toward sustainable agricultural innovation and environmental stewardship in the region.

Source: [Initiative repurposes discarded cashew apples into liqueur - a first in South-East Asia | The Star](#)

"Mother Earth" Exhibition: Explores Nature and Feminine Influence

Nak Noy, an artist from Siem Reap, showcased his deep connection to nature and family in his solo exhibition "Mother Earth" at the Plantation Urban Resort & Spa, which ran through September. The exhibition featured 30 thought-provoking artworks inspired by Khmer temple sculptures and rural Cambodian landscapes, exploring themes of love, hope, and beauty. Noy's vibrant paintings highlight the intricate relationship between humanity and nature, as well as the significant role women play in his life. Through "Mother Earth," Noy celebrated both the planet and the women who influence our lives.

Source: ["Mother Earth:" An Artist Expresses the Importance of Nature and Women in the World | Cambodianess \(cambodianess.com\)](#)

AGRICULTURAL LAND FOR SALE IN SIHANOUKVILLE PROVINCE, CAMBODIA

Overview

- *Location:* Sihanoukville Province, Cambodia
- *Size:* 107 hectares and smaller parcels are available
- *Title:* Hard titled land
- *Current Use:* Organic fruit plantation

Strategic Location

- 20 minutes from Sihanoukville Airport
- 35 minutes from Sihanoukville Seaport
- 30 minutes from Kampot Deep Seaport

Key Features

- *Infrastructure*
 - Natural waterway with 10 water reservoirs
 - 7 deep wells
- *Facilities*
 - Electric power lines
 - Equipment warehouse
 - 200 pig fattening house and feed warehouse
 - 7 chicken houses
 - Two 40-foot container homes (2 rooms each)
 - One 20-foot office container
- *Agricultural Assets:*
 - 1,000 hybrid acacia trees
 - 4,848 mango trees
 - 550 tangerine trees
 - 4,000 jackfruit trees
 - 3,636 coconut trees
 - 1,500 areca nut trees
 - 1,400 orange trees
 - 1,100 rambutan trees
 - 800 longan trees
 - 190 avocado trees
 - 114 litchi trees
 - 100 lime trees
 - 82 Meyer lemon trees
 - 20,500 lemongrass plants
 - 30 neem trees
 - 600 golden teak trees
 - 300 rosewood trees

Future Opportunities

- Processing of coconuts and fruit
- Cultivation of black pepper
- Expansion of chicken and pig raising operations
- Potential Development: Industrial park, special economic zone, tourist resort, residential community, golf course



Contact our team:

+855 (0) 85 321 121 | info@aquariibd.com



OFFICE SPACE FOR RENT

Location: Sangkat Srah Chork, Khan Daun Penh, Phnom Penh

Offering Grade A modern office space for rent, an international-standard facility with raised floors and exposed ceilings. This property spans an incredible 41 floors, built with the finest construction materials, contemporary design elements, and timeless with refined interior styles perfect for front offices, corporate headquarters, and private facilities.

- Price: USD 30/sqm, USD 3,000/month
- Size: 100 sqm
- Management Fee: USD 5/sqm
- Parking
- Elevators
- 24 Hours Security

Contact our team:

+855 (0) 85 321 121 | info@aquariibd.com

OFFICE SPACE FOR RENT

Location: Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh

This property is a 18-floor office building located in Tonle Bassac area, offers a conducive workplace environment and modern interior design includes frosted glass dividers of cubicles forms with private desk spaces, which is suitable for start-up levels or even expanding a larger company.

- Price: USD 24/sqm, USD 9,360/month
- Size: 390 sqm
- Management Fee: USD 4/sqm
- Parking
- Elevators

Contact our team:

+855 (0) 85 321 121 | info@aquariibd.com





JOIN US for the 5th Red Hornet Chairman's Cup – Golf for a Cause

The Red Hornet Chairman's Cup (RHCC) is an annual golf tournament held in Cambodia that draws local and international participants from diverse backgrounds and nationalities, including senior government officials, diplomats, businesspersons and professionals.

The "5th Red Hornet Chairman's Cup- Golf for a Cause" to be held this year will benefit the **Cambodia Kantha Bopha Foundation**, to provide vital support to young patients and their families.

His Excellency Say Samal, Deputy Prime Minister and Minister of Land Management, Urban Planning and Construction of the Kingdom of Cambodia, will be the Guest of Honor at the Prize Presentation Networking Dinner. Similar to previous editions, we anticipate several ministers, ambassadors and prominent members of the business communities, to join the tournament and/or the dinner.

Join us as a sponsor or participant in this meaningful event. Click [here](#) to find out more about RHCC and Golf for a Cause. For more information on how you can participate or be involved as a sponsor, refer to the the EDM Flyer [here](#).



Friday, 29 November 2024, 11:30 AM



Chhun On Golf Course, Phnom Penh

For inquiries, contact:

1. Mr. Candra Tanpatti: +855 88 789 1919 (WhatsApp/Telegram)
2. Ms. Sovannaroth Leap: +855 89 266 095 (WhatsApp/Telegram)

Jointly Organized by





Connecting Dots is a monthly compilation of salient local developments in Cambodia.

In this publication, our focus is to help businesses and investors connect the dots on the recent market and economic events in Cambodia, providing a clear overview of what has occurred in the preceding month.

PUBLISHER

Aquarii BD Cambodia

PHOTO CREDIT

Canva

AQUARII

BD CAMBODIA Co Ltd

Let us know if you'd like information on how to feature your business or project in **Connecting Dots**.

Reach a wider audience and help international businesses and investors better understand developments or opportunities of interest.

+855 (0) 85 321 121 (Telegram/WhatsApp) | info@aquariibd.com

Follow our social media platforms:

