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# NBC: CAMBODIAN RIEL AVAILABLE ON SINGAPORE FOREIGN EXCHANGE

According to the National Bank of Cambodia, those who are in need of riel banknotes before arrival in the Kingdom can now be able to change foreign currencies for Cambodia's national currency at the Travelex money exchange counters in Singapore's major international airport, Changi Airport.

## RISING INTERNATIONAL RECOGNITION



NBC's newly-appointed Governor Chea Serey pointed out on her official Facebook account that those travellers can exchange for foreign currencies such as Singaporean Dollar, US dollar, Australian Dollar, European Euro and Japanese Yen for Cambodian Riel at Travelex counters in the airport's terminals 2 and 3.



Inversely, passengers who have Cambodian Riel and need to exchange for other foreign currencies while arriving at Changi Airport are also able to make these exchange services at Travelex money exchange counters in the two terminals to sell Cambodian Riel to get any foreign currency that they need to use for their respective travel purposes in Singapore.

Speaking this month, In Channy, President & Group Managing Director of Aceda Bank Plc, said that it evidences the rising image of riel available for money exchange in such foreign exchange markets as Singapore, which is one of the prominent financial hubs in the Asia and ASEAN region.

“ It is really quite beneficial for our nation because if our national currency cannot be exchanged for other foreign currencies at international exchange rates in international foreign exchange markets, our national currency would not be recognised or known well by currency users at the international level ”

He also said it is a matter of pride that Cambodian Riel starts to be available for being converted from other currencies overseas as before this those currencies had been only available in Cambodia, while Cambodian Riel had not been available in other countries. “This is our potential pride as we want to see our national currency in international markets,” he added. [Read more](#)

# CAMBODIA'S INVESTMENT LAW REDEFINING POLICY & TAX INCENTIVES

Cambodia is ushering in a new era for foreign investors with the unveiling of its reformed investment policies under the 2021 Investment Law. The newly introduced law highlights “smart incentives” and mandatory “after-care services,” aiming to draw more foreign capital and fortify the nation’s socio-economic fabric.



The EuroCham discussion was held this month

Secretary General of the Council for the Development of Cambodia (CDC), Sok Chenda Sophea, emphasized the openness and collaborative spirit of these initiatives, stating, “We are extending a warm invitation to investors without imposing any regulations. We are paving the way to build a prosperous, inclusive and resilient Cambodia and we want to work hand-in-hand with investors.”

The comprehensive sub-decree laid out under the law encompasses a wide array of incentives intended to attract foreign investors. These include VAT exemptions, tax rebates, incentives to train workers, basic and special incentives, additional incentives, tax exemptions, and provisions for special depreciation. These policies, according to the Cambodian government, are strategically aimed at constructing an economy resilient to future uncertainties, thereby drawing investors to contribute to the Cambodian growth story.

The newly proposed law strategically highlights 19 key sectors. These sectors primarily focus on high-tech industries that engage in innovation or research and development, such as automobile, electronics, agriculture, agro-industry, agro-processing industry, special economic zones, digital industries, education, health, physical infrastructure, logistics, and green energy.

During the “Sub-decree of 2021 Investment Law” forum, organised by EuroCham Cambodia, Sophea aimed to assure investors of Cambodia’s commitment to an attractive investment climate, while Sar Senara, director of CDC’s Legal Affairs and Investment Law, provided insights into the sub-decree’s scope.

Cambodia’s revamped 2021 Investment Law showcases a comprehensive strategy to attract foreign investment and contribute to the nation’s socio-economic resilience. By offering extensive tax benefits, sector-specific incentives, and mandatory after-care services, Cambodia is repositioning itself as a prime destination for global investors. [Read more](#)

# LIFESTYLE IN CAMBODIA

Here we round up the latest in lifestyle news in the Kingdom!

## RETIRING IN CAMBODIA - OR ELSEWHERE?

Choosing a place to retire has always been a discussion point that has been ongoing, but does the Kingdom remain an attractive option for retirees or have other options surpassed regionally and globally, especially regarding ROI? [Read More](#)



## TWO NEW WORLD-CLASS HOTELS COMING TO SHV



Two world-class hotels are scheduled to open in Sihanoukville in the fourth quarter of 2023, said Long Dimanche, deputy governor of Sihanoukville, after a meeting with the General Manager of Sofitel Phnom Penh Phokeetra and the future General Manager of Novotel, in Sihanoukville. [Read More](#)

## INAUGURAL HOSKAR NIGHT HAILED A SUCCESS

The inaugural HoSkar Night, organised by Savills Hotel was a resounding success, attracting over 200 attendees and solidifying Phnom Penh as a vibrant hub of the hospitality and real estate industries. The event marked a significant milestone in the business landscape. [Read more](#)



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## SBF DELEGATION TO EXPLORE BUSINESS AND INVESTMENT OPPORTUNITIES



The SBF building in Singapore

The Singapore Business Federation (SBF), the apex business chamber in Singapore, will lead a delegation of diverse businesses to Cambodia from July 31 to 5 August. The purpose of the visit is to gain insights into Cambodia's economic potential and explore investment and business opportunities in the country through a variety of business seminars, key panel discussions, site visits and more.

As the coordinator for the visit program, Aquarii BD Cambodia's CEO Michael Tan said that the visit is a strong testament to the growing interest from Singapore businesses and investors in Cambodia.

“

Over the past 12 months, there had been more enquiries and requests from Singapore SMEs and asset management companies, among others, for information on bankable projects and collaboration opportunities in Cambodia.

”

He said that through interactions, frank dialogue and candid discussions with local and foreign business counterparts in Cambodia, delegates will get to hear their insights and experiences, both good and not so good, and ask questions or seek clarification to satisfy their concerns and reservations.

“Ultimately, this will help them dispel or confirm misperceptions and outdated perspectives they may have of Cambodia, and leave with a clearer appreciation of the risks, challenges and opportunities of doing business or undertaking an investment in Cambodia. And hopefully, they will become the ambassadors and advocates for Cambodia; how others should not continue to overlook or dismiss Cambodia as an attractive destination for investment and business.”

He added that this collaboration with SBF is part of ongoing efforts to foster meaningful dialogue, knowledge exchange, and long-term partnerships. The SBF visit program of activities is supported by Khmer Enterprise. [Read more](#)

## NATIONAL BANK OF CAMBODIA: RCEP, FTAS WILL ATTRACT MORE INVESTMENTS

The Regional Comprehensive Economic Partnership (RCEP) free trade pact and the bilateral free trade agreements (FTAs) will play a crucial role in attracting more foreign direct investments to Cambodia, Cambodia's central bank said in a report released on Thursday.

"The RCEP, together with bilateral FTAs, has not only given a boost to the kingdom's sustainable trade growth, but also become a magnet to attract more foreign direct investments," he added.



Cambodian Ministry of Commerce's undersecretary of state Penn Sovicheat said the RCEP agreement and FTAs will help Cambodia graduate from its least developed country status by 2027 and achieve its goals of becoming an upper-middle income country in 2030 and a high-income nation by 2050.

“The RCEP, together with bilateral FTAs, has not only given a boost to the kingdom's sustainable trade growth, but also become a magnet to attract more foreign direct investments,” he added.

Cambodian government's senior advisor Sok Siphana said RCEP is an agreement of great importance that has the potential to shape the future of trade in the region, unlocking opportunities for growth and development.

"Cambodia's strategic geographic location, coupled with its young and dynamic workforce, positions it as an attractive investment destination within the RCEP framework," he said in a recent RCEP forum in Phnom Penh. With its competitive manufacturing base and the preferential trade terms offered by RCEP, Cambodia is well-positioned to attract investments and expand its export market reach," he said.

Joseph Matthews, a senior professor at the BELTEI International University in Phnom Penh, also noted that the RCEP and other bilateral FTAs will allow Cambodia to export goods to large markets, with such trade deals, along with Cambodia's favourable investment law, key to attracting foreign direct investments

# REDEFINING REAL ESTATE CONSULTANCY: AQUARIII PARTNERS WITH KNIGHT FRANK



CEO of Aquariii BD, Michael Tan (L), signed with Knight Frank Country Head Ross Wheble this month

Knight Frank, a leading premium real estate company, has joined forces with in-market business advisory experts Aquariii BD to meet the growing demands for holistic real estate and consultancy services for businesses and investors, with the collaboration set to deliver unrivalled value to clients and significantly contribute to the growth and development of Cambodia’s economy.

Speaking at the signing, Country Head of Knight Frank Cambodia Ross Wheble said he is excited to be able to expand his company’s offerings through the new partnership.

“Our collaboration with Aquariii BD will allow us to provide our clients with a seamless and comprehensive path to investing and doing business in Cambodia. By merging our real estate expertise with Aquariii BD’s in-depth understanding of the local business environment, we are confident that we can help our clients successfully navigate their ventures in this dynamic and growing market.”

CEO of Aquariii BD, Michael Tan, said the partnership reflects Aquariii’s commitment to developing premium international services in Cambodia.

“This partnership is part of our ethos of combining our own expertise with other leading private sector actors, particularly in key sectors of interest to international business and investment. Working with leading global brands like Knight Frank demonstrates our intention to work with the best, in order to deliver the best services for our clients,” he said. [Read More](#)

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## SPECIAL ECONOMIC ZONE INVESTMENTS SURPASS \$300 MILLION IN H1



A family passes a Special Economic Zone (SEZ) in Phnom Penh

The Council for the Development of Cambodia (CDC) has revealed that it approved 27 new investment projects in the Kingdom's special economic zones (SEZ) in the first half of the year, with registered capital totalling more than \$300 million and the expectation of creating more than 20,000 jobs.

These are out of the 113 new investment projects and expansions nationwide, with combined registered capital of about \$1.1 billion.

Cambodia Chamber of Commerce vice-president Lim Heng noted that while the majority of non-SEZ investment projects are in processing and industrial sectors, most of those in SEZs are specifically in garment manufacturing.

“All legitimate investment projects are socio-economically important for Cambodia, regardless of whether they're located in SEZs; the perks for investors are the same either way,” he said on July 16.

According to the CDC, Cambodia currently has 24 formal SEZs, four in Phnom Penh and 20 in the provinces – eight in Svay Rieng, five in Preah Sihanouk, three in Banteay Meanchey, two in Kandal, and one each in Koh Kong and Kampot.

According to the CDC report, the first half's 113 approved projects worth a combined \$1.1 billion represented an increase of 15 projects but a slump of about \$1.9 billion – or nearly two-thirds – from January-June 2022.

Chinese and local investors respectively made up 65.38 per cent and 19.86 per cent of the total registered capital during the six-month period.

The other nationalities, in order of decreasing investment, were Vietnam (6.64%), Seychelles (3.31%), Thailand (1.77%), South Korea (1.70%), Samoa (0.60%), the US (0.49%), Singapore (0.18%) and Sweden (0.07%).

# PHILLIP BANK: SOLID PERFORMANCE IN 2022 RESULT OF HARNESSING DIGITALISATION



Phillip Bank is a member of PhillipCapital Group

Phillip Bank Plc, a member of the PhillipCapital Group and the only Singapore-owned bank in Cambodia, reflected on a robust year of growth in 2022, showing resilience during the global COVID-19 pandemic. Despite the economic disruptions caused by the health crisis, the bank successfully navigated the year and reported impressive performance indicators, fueled by digitalisation, strategic alliances, and a strong focus on customer experience.

The financial institution announced its operating revenue stood at US\$76.26 million in 2022, an increase from US\$69.63 million in 2021. The bank also registered a pre-tax profit of US\$ 13.78 million in 2022, compared to a pre-tax profit of US\$ 14.84 million in 2021. Despite a marginal decrease in pre-tax profit, this was largely due to an increased cost of funds and higher operating expenses during the year.

In 2022, Phillip Bank embarked on a swift digitalisation journey, enhancing its financial ecosystem. By integrating advanced technology platforms, the bank successfully amplified its reach to new customers and enriched customer experience. One such strategic move was the implementation of the National Bank of Cambodia's Bakong and KHQR payment systems.

## **Resilience and adaptability have proven instrumental**

The bank also celebrated the success of a deposit campaign launched in 2022, which culminated in new deposits from the Cambodian public exceeding the bank's target. This not only amplified the bank's visibility across provinces through its branches but also fortified public trust in the bank's robust security practices.

Despite the slight drop in pre-tax profit, the bank grew its loan portfolio by US\$66.05 million and amassed US\$89.36 million in customer deposits for the year 2022. "The public's trust in our high standard of practice, especially in terms of safeguarding their funds, has been instrumental in our success," said Mr. Lim Hua Min, PhillipCapital Group's Chairman.



## NBC ROLLS OUT CAMBODIAN SHARED SWITCH PAYMENT SYSTEM

The National Bank of Cambodia (NBC) on July 4 formally launched Cambodian Shared Switch (CSS), a chip-and-card inter-bank pay system.

CSS enables money transfers and withdrawals through participating financial institutions (PFI) and is viewed as an initiative to align the Kingdom's payment landscape with regional and global technological development.



Speaking at the launch ceremony, NBC deputy governor Chea Serey noted that CSS would allow clients to make cross-institutional transactions using cards at ATMs and point-of-sale (POS) devices, as well as offer a “local switch” for regional payments. She did not elaborate on this last feature.

Over the past few years, electronic payments have increased significantly as financial institutions introduce more payment services and tools like mobile banking and payments, contactless payment and virtual cards, and QR code solutions, she said, adding that these are rising in popularity and demonstrating favourable trends for the national and global digital-economy shift.

“Development of the payment system is a top priority for the NBC, in order to facilitate commercial transactions both locally and regionally. This will support economic recovery and advancement.”

“In order to help modernise Cambodia's payment system, I encourage all banking and financial institutions to support and pay attention to the implementation of the various CSS policies as well as to further develop contactless features using the system,” she said.

Serey expressed hope that the CSS will promote transparency in electronic payments, efficiency in the use of financial resources, and the government's digital-economy agenda, in addition to reducing the usage of physical currency.

Cambodia Microfinance Association (CMA) chairman Sok Voeun said by expanding the scope of financial institutions' operations, CSS is crucial for enhancing the financial sector as a whole, adding that there are “thousands” of ATMs nationwide operated by CSS PFIs.

## CDC OKAY NEW MULTI-MILLION DOLLAR FACTORIES IN STRATEGIC LOCATIONS



The Council for the Development of Cambodia (CDC) has granted registration certificates to four pioneering companies, marking a significant milestone in the country's thriving investment landscape. With a combined investment capital of approximately US\$26.7 million, these ambitious ventures are poised to establish four state-of-the-art factories, generating an impressive 3,304 employment opportunities for the local population.

The CDC's publication on July 12, 2023, unveils the exciting details of these game-changing investments, further cementing Cambodia's position as a premier destination for business expansion and economic growth.

Leading the pack is "RUNZHIMAO HEALTH CO., LTD," committing a substantial US\$9 million investment to establish a cutting-edge factory specializing in the production of diverse home appliances.

"LITESUN HOMEDECOR CO., LTD," the second company on the list, will inject US\$7.2 million into building a state-of-the-art factory focused on assembling a wide array of decorative lamps. Located in Kampong Speu province.

"BRIGHT PLASTIC (CAMBODIA) CO., LTD," is allocating US\$5.4 million towards the establishment of a factory dedicated to producing a comprehensive range of house cleaning equipment. Also strategically situated in Kampong Speu province, this venture contributes to Cambodia's growing manufacturing prowess and commitment to environmental sustainability.

"HEN YANG (CAMBODIA) APPAREL MANUFACTURING CO., LTD," is investing US\$5.1 million in a state-of-the-art garment factory. Located in Phnom Penh.



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## SBIF HOSTS LAUNCH EVENT FOR INVESTORS AND ENTREPRENEURS IN CAMBODIA



SBIF President Albert Tan Speaking

In a move to bolster Singaporean business ventures in Cambodia, the Singapore Business Investment Forum (SBIF) has been officially launched. The inauguration event took place at the Norea Cove Residences Sales Gallery at Koh Pich, marking a new era for Singaporean businesses and potential investors in Cambodia.

The launch event was attended by over 40 corporate and individual members of SBIF, along with members of the local media including Cambodia Investment Review. The attendees represented a diverse range of industries, reflecting the broad scope of the SBIF's mission.

According to the founding members, SBIF will be more than just a business group; it will be a platform dedicated to supporting and nurturing Singaporean business endeavours in Cambodia. Its primary objective is to foster closer ties with other business chambers, government agencies, and local partners in Cambodia. By doing so, it aims to attract more investors to the country and showcase the potential of Singaporean businesses in the Cambodian market. SBIF president Albert Tan said:

“ The inception of SBIF is rooted in our commitment to bridge the information gap and re-establish Singapore's branding presence in Cambodia. Our mission is clear: to be more attuned to the business pulse in Cambodia and to adapt swiftly ”

Albert also clarified that the SBIF does not aim to replace the Singapore Club Cambodia (SCC). He highlighted the distinct roles of both organizations, stating, “SCC serves as an Official representative and works closely with the Singapore government agencies to support overseas Citizen & PR. SBIF's objective is to provide support and update on current Government policy and investment in Cambodia.”

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Country Head Ross Wheble & his team

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