Council for the Development of Cambodia

Investment Environment and Opportunities in Cambodia

presented by

Sok Chenda Sophea
Minister attached to the Prime Minister
Secretary General
Council for the Development of Cambodia
I. Investment Environment in Cambodia

II. Investment Opportunities in Cambodia

III. Reasons to Invest in Cambodia

IV. Industrial Development Policy 2015-2025

V. List of Past Investments
I. Investment Environment in Cambodia
1. Key Indicators

**Population & Labor Force**
- Population: 15 Million
- Literacy: 92.7% (15-24 years old)
- Young and dynamic labor force: Median age 24 years old
- Population growth rate: 1.54%

**Low & Manageable Inflation**
- 2011: 5.5%
- 2012: 2.9%
- 2013: 3.0%
- 2014e: 3.5%
- 2015p: 3.5%

**Stable Exchange Rate (USD-Riel)**

**GDP Growth (2004-2015)**

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>10.0%</td>
</tr>
<tr>
<td>2005</td>
<td>13.3%</td>
</tr>
<tr>
<td>2006</td>
<td>10.8%</td>
</tr>
<tr>
<td>2007</td>
<td>10.2%</td>
</tr>
<tr>
<td>2008</td>
<td>6.7%</td>
</tr>
<tr>
<td>2009</td>
<td>9.1%</td>
</tr>
<tr>
<td>2010</td>
<td>5.9%</td>
</tr>
<tr>
<td>2011</td>
<td>14.5%</td>
</tr>
<tr>
<td>2012</td>
<td>7.1%</td>
</tr>
<tr>
<td>2013</td>
<td>5.0%</td>
</tr>
<tr>
<td>2014e</td>
<td>4.3%</td>
</tr>
<tr>
<td>2015p</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

**GDP Per Capita (2004-2015)**

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP Per Capita (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>4076</td>
</tr>
<tr>
<td>2005</td>
<td>4034</td>
</tr>
<tr>
<td>2006</td>
<td>4025</td>
</tr>
<tr>
<td>2007</td>
<td>4050</td>
</tr>
<tr>
<td>2008</td>
<td>4050</td>
</tr>
<tr>
<td>2009</td>
<td>4000</td>
</tr>
<tr>
<td>2010</td>
<td>4050</td>
</tr>
<tr>
<td>2011</td>
<td>4100</td>
</tr>
<tr>
<td>2012</td>
<td>4050</td>
</tr>
<tr>
<td>2013</td>
<td>4000</td>
</tr>
<tr>
<td>2014e</td>
<td>4043</td>
</tr>
<tr>
<td>2015p</td>
<td>1225</td>
</tr>
</tbody>
</table>

**Land area: 181,035 sq.km.**
2. Council for the Development of Cambodia (CDC)

- **Open Door Policy**
- **One Stop Service**
- **Aftercare Service**
- **Customer Approach**
- **Pro Business Government**

www.cambodiainvestment.gov.kh
3. CDC’s Structure

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

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

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

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

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

H.E. Mr. Chea Vuthy
Deputy Secretary General

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

H.E. Mr. Heng Soknang
Deputy Secretary General

H.E. Mr. Chea Vuthy
Deputy Secretary General

CAMBODIAN REHAB. & DEV. BOARD
H.E. Mr. Chhieng Yanara
Minister attached to the Prime Minister
Secretary General

H.E. Mr. Rith Vuthy
Deputy Secretary General

H.E. Mr. Im Sur
Deputy Secretary General

SEZ

FDI

ODA
### 4. Licensing Authorities

<table>
<thead>
<tr>
<th>Provincial Investment Sub-committee</th>
<th>Cabinet Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment capital of $2 million or less</td>
<td>Investment capital of $50 million or more</td>
</tr>
<tr>
<td>Unless…</td>
<td>BOT, BOOT, BOO or BLT</td>
</tr>
<tr>
<td>Council for the Development of Cambodia (CDC)</td>
<td>Long-term strategy</td>
</tr>
<tr>
<td>Investment capital of less than $50 million</td>
<td>Politically sensitive issues</td>
</tr>
<tr>
<td></td>
<td>Negative impact on the environment</td>
</tr>
<tr>
<td></td>
<td>Exploration and exploitation of mineral and natural resources</td>
</tr>
</tbody>
</table>
5. Investment Incentives

- Corporate Tax: 20%

- Tax holidays: 6 years ~ 9 years  
  OR

  Special Depreciation (Reinvestment of Earning)

- Full Import Duty Exemption
6. Investment Guarantee (1/2)

Investment Law provides full guarantee

- No discrimination
- No nationalization
- No requirements of local equity participation
- No price controls on products or services
- No restriction on foreign exchanges
- No capital control
6. Investment Guarantee (2/2)

Bilateral agreement on the promotion and protection of investments between the Kingdom of Cambodia and other countries (24)

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

Investments by sector (2011-2014)

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture (Million USD)</th>
<th>Industries (Million USD)</th>
<th>Infrastructure (Million USD)</th>
<th>Tourism (Million USD)</th>
<th>Total (Million USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>794.5</td>
<td>3,562.6</td>
<td>2,782.3</td>
<td>845.6</td>
<td>7,984.9</td>
</tr>
<tr>
<td>2012</td>
<td>556.6</td>
<td>1,489.7</td>
<td>227.8</td>
<td>691.5</td>
<td>2,965.5</td>
</tr>
<tr>
<td>2013</td>
<td>1,128.8</td>
<td>1,106.7</td>
<td>2,620.8</td>
<td>106.0</td>
<td>4,962.2</td>
</tr>
<tr>
<td>2014</td>
<td>264.7</td>
<td>2,835.6</td>
<td>353.5</td>
<td>479.6</td>
<td>3,933.4</td>
</tr>
</tbody>
</table>

Total Investment Capital (2011-2014) USD 19.8 billion
## 7. Committed Investments in Cambodia (by country)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>%</th>
<th>Country</th>
<th>%</th>
<th>Country</th>
<th>%</th>
<th>Country</th>
<th>%</th>
<th>Country</th>
<th>%</th>
<th>Country</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2010</td>
<td>2011</td>
<td>2012</td>
<td>2013</td>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Cambodia</td>
<td>60.81</td>
<td>Korea</td>
<td>35.10</td>
<td>U.K</td>
<td>30.93</td>
<td>Cambodia</td>
<td>42.08</td>
<td>Cambodia</td>
<td>66.80</td>
<td>Cambodia</td>
<td>64.00</td>
</tr>
<tr>
<td>2</td>
<td>China</td>
<td>14.93</td>
<td>China</td>
<td>28.73</td>
<td>Cambodia</td>
<td>29.76</td>
<td>China</td>
<td>20.69</td>
<td>China</td>
<td>15.68</td>
<td>China</td>
<td>24.44</td>
</tr>
<tr>
<td>3</td>
<td>Vietnam</td>
<td>5.58</td>
<td>Cambodia</td>
<td>14.91</td>
<td>China</td>
<td>22.05</td>
<td>Korea</td>
<td>9.89</td>
<td>Vietnam</td>
<td>6.10</td>
<td>Malaysia</td>
<td>2.18</td>
</tr>
<tr>
<td>4</td>
<td>Singapore</td>
<td>4.81</td>
<td>Malaysia</td>
<td>8.53</td>
<td>Vietnam</td>
<td>8.65</td>
<td>Japan</td>
<td>9.15</td>
<td>Thailand</td>
<td>4.37</td>
<td>Japan</td>
<td>1.72</td>
</tr>
<tr>
<td>5</td>
<td>Russia</td>
<td>3.84</td>
<td>Vietnam</td>
<td>5.23</td>
<td>Malaysia</td>
<td>3.03</td>
<td>Malaysia</td>
<td>6.04</td>
<td>Korea</td>
<td>1.76</td>
<td>Korea</td>
<td>1.66</td>
</tr>
<tr>
<td>6</td>
<td>Thailand</td>
<td>3.53</td>
<td>Portugal</td>
<td>1.66</td>
<td>Korea</td>
<td>2.10</td>
<td>Thailand</td>
<td>4.53</td>
<td>Japan</td>
<td>1.59</td>
<td>Vietnam</td>
<td>1.26</td>
</tr>
<tr>
<td>7</td>
<td>Korea</td>
<td>2.89</td>
<td>Australia</td>
<td>1.65</td>
<td>U.S.A</td>
<td>1.78</td>
<td>Vietnam</td>
<td>2.89</td>
<td>Malaysia</td>
<td>1.04</td>
<td>UK</td>
<td>1.13</td>
</tr>
<tr>
<td>8</td>
<td>India</td>
<td>1.90</td>
<td>Singapore</td>
<td>1.02</td>
<td>Japan</td>
<td>0.83</td>
<td>Singapore</td>
<td>2.59</td>
<td>Singapore</td>
<td>1.03</td>
<td>Singapore</td>
<td>0.89</td>
</tr>
<tr>
<td>9</td>
<td>Malaysia</td>
<td>1.19</td>
<td>Denmark</td>
<td>0.97</td>
<td>Australia</td>
<td>0.31</td>
<td>U.K</td>
<td>0.51</td>
<td>UK</td>
<td>0.43</td>
<td>Thailand</td>
<td>0.88</td>
</tr>
<tr>
<td>10</td>
<td>Japan</td>
<td>0.20</td>
<td>Japan</td>
<td>0.86</td>
<td>Singapore</td>
<td>0.20</td>
<td>U.S.A</td>
<td>0.42</td>
<td>France</td>
<td>0.27</td>
<td>Australia</td>
<td>0.51</td>
</tr>
<tr>
<td>11</td>
<td>Others</td>
<td>0.32</td>
<td>Others</td>
<td>1.35</td>
<td>Others</td>
<td>0.35</td>
<td>Others</td>
<td>1.21</td>
<td>Others</td>
<td>0.94</td>
<td>Other</td>
<td>1.36</td>
</tr>
</tbody>
</table>
8. Japanese Investment to Cambodia

(Million USD)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>147.6</td>
<td>25.9</td>
<td>66.2</td>
<td>271.3</td>
<td>78.9</td>
<td>67.6</td>
</tr>
</tbody>
</table>

(USD Million)
II. Investment Opportunities in Cambodia
1. Agro-business

1) Production, Processing and Commercialization of:
- Rice, Corn, Cassava, Sugarcane, Rubber, Cashew nut, Pepper and others

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rubber</td>
<td>328,771 ha (P. estate 17%, ECL 41%, smallholder 42%) (Mature: 78,493 ha)</td>
<td>85,244 tons</td>
<td>&gt;420,000 ha</td>
<td>400,000 tons</td>
</tr>
<tr>
<td>Paddy</td>
<td>3,052,420 ha</td>
<td>9,389,961 tons</td>
<td>3,34 million ha</td>
<td>10,85 million tons</td>
</tr>
<tr>
<td>Cassava</td>
<td>377,239 ha</td>
<td>7,933,381 tons</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Corn</td>
<td>180,327 ha</td>
<td>848,450 tons</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
2. Tourism (1/4)

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

Angkor Wat Temple World Heritage Site - 1992

Mekong Dolphins in Kartie Province

Song Saa Private Island
2. Tourism (2/4)

Vision 2020: Visitor arrival from 2013 – 2020

<table>
<thead>
<tr>
<th>YEAR</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitor Arrivals (million)</td>
<td>4.2</td>
<td>4.5</td>
<td>5.1</td>
<td>7.0</td>
</tr>
</tbody>
</table>
2. Tourism (3/4)

Top ten markets arrivals in 2014

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2013</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vietnam</td>
<td>905,801</td>
<td>854,104</td>
<td>6.1%</td>
</tr>
<tr>
<td>China (PRC)</td>
<td>560,335</td>
<td>463,123</td>
<td>21.0%</td>
</tr>
<tr>
<td>Lao PDR</td>
<td>460,191</td>
<td>414,531</td>
<td>11.0%</td>
</tr>
<tr>
<td>Korea (ROK)</td>
<td>424,424</td>
<td>435,009</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Thailand</td>
<td>279,457</td>
<td>221,259</td>
<td>26.3%</td>
</tr>
<tr>
<td>Japan</td>
<td>215,788</td>
<td>206,932</td>
<td>4.3%</td>
</tr>
<tr>
<td>U.S.A</td>
<td>191,366</td>
<td>184,964</td>
<td>3.5%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>144,437</td>
<td>130,704</td>
<td>10.5%</td>
</tr>
<tr>
<td>France</td>
<td>141,052</td>
<td>131,486</td>
<td>3.1%</td>
</tr>
<tr>
<td>Australia</td>
<td>134,167</td>
<td>132,028</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism
## Japanese Arrivals

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Japanese Visitors</th>
<th>Total Visitors</th>
<th>Share (%)</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>161,973</td>
<td>2,015,128</td>
<td>8.04</td>
<td>2\textsuperscript{nd}</td>
</tr>
<tr>
<td>2008</td>
<td>163,806</td>
<td>2,125,465</td>
<td>7.71</td>
<td>3\textsuperscript{rd}</td>
</tr>
<tr>
<td>2009</td>
<td>146,286</td>
<td>2,161,577</td>
<td>6.77</td>
<td>4\textsuperscript{th}</td>
</tr>
<tr>
<td>2010</td>
<td>151,795</td>
<td>2,508,289</td>
<td>6.05</td>
<td>4\textsuperscript{th}</td>
</tr>
<tr>
<td>2011</td>
<td>161,804</td>
<td>2,881,862</td>
<td>5.60</td>
<td>4\textsuperscript{th}</td>
</tr>
<tr>
<td>2012</td>
<td>159,745</td>
<td>3,201,981</td>
<td>5.00</td>
<td>6\textsuperscript{th}</td>
</tr>
<tr>
<td>2013</td>
<td>206,932</td>
<td>4,210,165</td>
<td>4.9</td>
<td>6\textsuperscript{th}</td>
</tr>
<tr>
<td>2014</td>
<td>215,788</td>
<td>4,502,775</td>
<td>4.8</td>
<td>6\textsuperscript{th}</td>
</tr>
</tbody>
</table>
3. Labor Intensive Industries, processing and manufacturing

- Competitive labor cost
- Tax incentives
- Market access
- ASEAN Economic Community 2015
4. MFN/GSP Market Access

<table>
<thead>
<tr>
<th>Country</th>
<th>Country</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>France</td>
<td>Poland</td>
</tr>
<tr>
<td>Austria</td>
<td>Germany</td>
<td>Portugal</td>
</tr>
<tr>
<td>Belarus</td>
<td>Hungary</td>
<td>ROK</td>
</tr>
<tr>
<td>Belgium</td>
<td>Ireland</td>
<td>Russian Federation</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>Italy</td>
<td>Slovakia</td>
</tr>
<tr>
<td>Canada</td>
<td>N-Korea</td>
<td>Spain</td>
</tr>
<tr>
<td>China</td>
<td>Luxemburg</td>
<td>Sweden</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Japan</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Denmark</td>
<td>Netherlands</td>
<td>UK</td>
</tr>
<tr>
<td>Finland</td>
<td>New Zealand</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>Norway</td>
<td>EBA</td>
</tr>
</tbody>
</table>

... and the ASEAN integration System Of Preferences (AISP) from the ASEAN 6

(everything but arms initiative for LDCs)
5. Cambodia Special Economic Zones

Thailand

- Poi Pet O’Neang SEZ
- Sanco Cambo SEZ

Laos

- Neang Kok Koh Kong SEZ

Cameroon

- Sihanoukville SEZ 2
- Sihanoukville SEZ 1
- Sihanoukville Port SEZ
- HKT SEZ

Vietnam

- Manhattan (Svay Rieng) SEZ
- Tai Seng Bavet SEZ
- Dragon King SEZ
- Shandong Sunshell Svay Rieng SEZ
III. Reasons to invest in Cambodia
1. Reasons to invest in Cambodia

Open economy
- Equal treatment of all investors
- No requirement of local equity participation
- No price controls on products or services
- No restriction on foreign currencies convertibility

Sound macroeconomic environment
- 6th fastest growing economy in the world during the last two decades (average growth rate: 7.7%)
- Low & manageable inflation rate (under 5%)
- Stable exchange rate (USD 1 = 4000 ± 5%)

Competitive investment incentives
- Tax holiday: 0% up to 9 years
- Low corporate tax: 20% 
- Full import duty exemption (production equipment, contraction material, production inputs, machineries)

Competitive labor force
- Reasonable wage: (minimum wage in 2015: 128 USD)
- Young and dynamic labor Force (median age 24 years old)

Strategic location
- Center of ASEAN: flight time average only 1:30 hour to other ASEAN countries

Preferential trading status
- Cambodia obtains EBA from EU
- Regional Comprehensive Economic Partnership (RCEP): ASEAN + China, Japan, Korea, India, Australia & New Zealand

Market access
- ASEAN Market (AEC): pop. 616 M, GDP $2.5 Tri.
- ASEAN + China, Japan, Korea, India, Australia & New Zealand (RCEP): pop. 3.3 B, GDP $17.1 Tri.
- MFN/GSP 32 countries & EU (EBA) Market Access
- The world market (WTO)

One stop service
- Information & Application
- Fast-Track Investment Approval Process: all documents will be processed within only 28 working days.
- Customs Duty & Tax Exemption
- Visa & Work Permit
2. Strategic Location

1h:30 in average
3. Aftercare – Gov’t-Private Sector Forum (G-PSF)

Government Private Sector Forum (G-PSF) (Chaired by Prime Minister)

Sectoral Consultative Mechanism

Technical Working Groups:
1. Agriculture and Agro-Industry
2. Tourism
3. Manufacturing and Distribution
4. Legislation, Taxation and Governance
5. Services, including Banking and Financial Services
6. Energy, Infrastructure & Transport
7. Export Processing & Trade Facilitation
8. Industrial Relations
9. Paddy Rice and Milled Rice
10. Mine and Energy

Policy and Strategy Mechanism Steering Committee for PSD

- Sub-Committee on Trade Development and Investment Related to Trade
- Sub-Committee on SME Development
- Sub-Committee on Investment Climate and PPI
- Sub-Committee on Corporate Governance
3. Aftercare – Cambodia-Japan Bilateral Meeting

Japan’s Contribution to Enhance Investment Climate in Cambodia

In accordance with article 23 of the Bilateral Investment Agreement between Cambodia and Japan signed in 2007, a Joint Committee has been established and met 11 times.

- 11 August 2009 : 1st Meeting
- 17 December 2009 : 2nd Meeting
- 27 May 2010 : 3rd Meeting
- 26 January 2011 : 4th Meeting
- 22 August 2011 : 5th Meeting
- 06 March 2012 : 6th Meeting
- 22 October 2012 : 7th Meeting
- 29 April 2013 : 8th Meeting
- 26 November 2013 : 9th Meeting
- 27 April 2014 : 10th Meeting
- 17 December 2014 : 11th Meeting
3. Cambodia-Japan Cooperation

Japan’s Contribution to Enhance Investment Climate in Cambodia

- 2005: JBIC-UNCTAD Blue Book (Ten-Point Action Plan)
- 2007: Strategic Roadmap for the Development of Food industry in Cambodia
- June 2007: In the joint efforts for Investment Promotion in Cambodia, Bilateral Investment Agreement between Cambodia and Japan has been signed.
- 3 Nov 2007: Long-term JICA Expert
- 2009-2010: Development study on the institutional strengthening of investment promotion agency in the Kingdom of Cambodia
- 2011-2013: Technical Cooperation Project
  - Website Development
  - Investment Guidebook, 2011 and continue to update for 2013
  - Library service
  - Upgrading CDC’s capacity to manage investment promotion seminar
  - Reception function
  - Country Desk (pilot with Japan Desk)
4. Age Pyramid of Cambodian Population

Source: Inter-censal Population Survey 2013
5. Nominal and Real Minimum Wages

Nominal and Real Minimum Wages

Base Year: 1997, Price Level (CPI) assumed: 1 or 100%

- Nominal MW
- Real MW

Wage in USD

<table>
<thead>
<tr>
<th>Year</th>
<th>Nominal MW</th>
<th>Real MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>40.00</td>
<td>40.00</td>
</tr>
<tr>
<td>1998</td>
<td>35.30</td>
<td>33.95</td>
</tr>
<tr>
<td>1999</td>
<td>38.50</td>
<td>37.19</td>
</tr>
<tr>
<td>2000</td>
<td>38.42</td>
<td>36.75</td>
</tr>
<tr>
<td>2001</td>
<td>37.19</td>
<td>35.37</td>
</tr>
<tr>
<td>2002</td>
<td>33.43</td>
<td>33.43</td>
</tr>
<tr>
<td>2003</td>
<td>35.48</td>
<td>33.50</td>
</tr>
<tr>
<td>2004</td>
<td>33.50</td>
<td>27.99</td>
</tr>
<tr>
<td>2005</td>
<td>50</td>
<td>28.16</td>
</tr>
<tr>
<td>2006</td>
<td>50</td>
<td>32.49</td>
</tr>
<tr>
<td>2007</td>
<td>50</td>
<td>30.80</td>
</tr>
<tr>
<td>2008</td>
<td>50</td>
<td>29.93</td>
</tr>
<tr>
<td>2009</td>
<td>60</td>
<td>38.74</td>
</tr>
<tr>
<td>2010</td>
<td>60</td>
<td>46.79</td>
</tr>
<tr>
<td>2011</td>
<td>60</td>
<td>57.87</td>
</tr>
<tr>
<td>2012</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>128</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>128</td>
<td></td>
</tr>
</tbody>
</table>
6. Electricity (1/3)

Generation Capacity

<table>
<thead>
<tr>
<th>Year</th>
<th>Fuel Oil</th>
<th>Hydro</th>
<th>Coal</th>
<th>Import HV</th>
<th>Import MV</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>244</td>
<td>11</td>
<td>7</td>
<td>80</td>
<td>26</td>
</tr>
<tr>
<td>2009</td>
<td>246</td>
<td>11</td>
<td>7</td>
<td>180</td>
<td>29</td>
</tr>
<tr>
<td>2010</td>
<td>229</td>
<td>11</td>
<td>7</td>
<td>200</td>
<td>39</td>
</tr>
<tr>
<td>2011</td>
<td>230</td>
<td>11</td>
<td>7</td>
<td>215</td>
<td>49</td>
</tr>
<tr>
<td>2012</td>
<td>220</td>
<td>201</td>
<td>7</td>
<td>250</td>
<td>64</td>
</tr>
<tr>
<td>2013</td>
<td>220</td>
<td>441</td>
<td>107</td>
<td>270</td>
<td>64</td>
</tr>
</tbody>
</table>

MW

0 1000 2000 3000 4000 5000 6000 7000 8000 9000 10000 11000 12000

Year
6. Electricity (2/3)

Energy Generation and Average Price

Plan for Reduction of Prices and Price Gap for Large Commercial and Industrial Usage

<table>
<thead>
<tr>
<th>Type of Purchase</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>From Sub-station</td>
<td>0.129$/kWh</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.126$/kWh</td>
</tr>
<tr>
<td>From Phnom Penh main line</td>
<td>0.177$/kWh</td>
<td>0.172$/kWh</td>
<td>0.167$/kWh</td>
<td>0.165$/kWh</td>
<td>0.163$/kWh</td>
<td>0.162$/kWh</td>
</tr>
<tr>
<td>From provincial main lines</td>
<td>0.1725$/kWh</td>
<td>0.1675$/kWh</td>
<td>0.165$/kWh</td>
<td>0.164$/kWh</td>
<td>0.163$/kWh</td>
<td>0.162$/kWh</td>
</tr>
</tbody>
</table>

Source: Ministry of Mines and Energy
6. Electricity (3/3)

Transmission Plan (~2030, planned by EDC)

- L. Sesan 3: 260 MW
- L. Sesan 1: 96 MW
- Prek Liang 1: 72 MW
- Prek Liang 2: 50 MW
- L. Sekong: 190 MW
- P. Chhlong: 16 MW
- S. Pok 3A: 300 MW
- S. Pok 3B: 68 MW
- S. Pok 4: 48 MW
- Prek Por: 17 MW

Legend:
- 500kV Lines (tentative)
- 230kV Lines
- 115kV Lines
- Thermal

This part depends on the demand of Kampong Thom and Preah Vihear.

www.cambodiainvestment.gov.kh
Physical Connectivity in the Region is Increasing

✓ Countries are increasingly linked via roads, railways, telecoms, and power lines.

✓ Nearly 7,000 kilometers of roads constructed, upgraded, or improved under the GMS Program.

✓ Nearly 20GWh of electricity traded within the GMS in 2013
GMS Connectivity Infrastructure in 1992

- Roads
- Telecommunications
- Power Transmission Line
7. GMS Connectivity Infrastructure (3/4)

GMS Connectivity Infrastructure in 2010

- Roads
- Telecommunications
- Power Transmission Line
GMS Connectivity Infrastructure in 2015-2020

- Roads
- Telecommunications
- Power Transmission Line
IV. Industrial Development Policy 2015-2025
1. IDP - Aims

- To provide policy framework and specific mechanism to develop a competitive industrial sector in Cambodia and to achieve its full integration into regional and global value chain.

- To capture regional trends and changes in regional architecture (AEC, RCEP/TPP, China+1 and Thailand+1).

- To promote a platform for growth focusing on economic diversification, strengthening national competitiveness, and enhancing productivity.
2. IDP – Infrastructure for Industrial Development

The Royal Government of Cambodia has determined 3 key priorities to be achieved by 2018 in order to promote and sustain the momentum of Industrial Development as following:

- Improving electricity supply to key industrial areas/estates: reduce the electricity tariff from 18.8 cents/kwh in 2014 to 12 cents/kwh and ensure the stability of the electricity supply by reducing the black-out to less than 12 times or 24h/year.

- Building multi-modal transport and logistic system to connect to 3 keys industrial corridors namely Phnom Penh- Sihanoukville, Phnom Penh- Bavet, and Phnom Penh- Poi Pet.

- Building modern institutions for vocational and technical training / human resources development needed by industries.
V. List of Past Investments

- Minebea
- DENSO
- YAZAKI
- AJINOMOTO
- AEON
- MIKASA
- SCWS
- YAMAHA
- HONDA
- SUZUKI
- SPORTS Alpen
- OJI PAPER
- SHIMANO
- Combi
- ROHTO
Thank You

H.E. Mr. SOK Chenda Sophea, Secretary General
Email: sokchenda@online.com.kh

H.E. Mr. CHEA Vuthy, Deputy Secretary General
Email: cheavuthysez@gmail.com

H.E. Mr. HENG Soknang, Deputy Secretary General
Email: hsoknang@yahoo.com

Information:
Email: cdc.cib@online.com.kh
Website: www.cambodiainvestment.gov.kh