

Cambodia's Current Situation of Textile and Clothing Export to Japan

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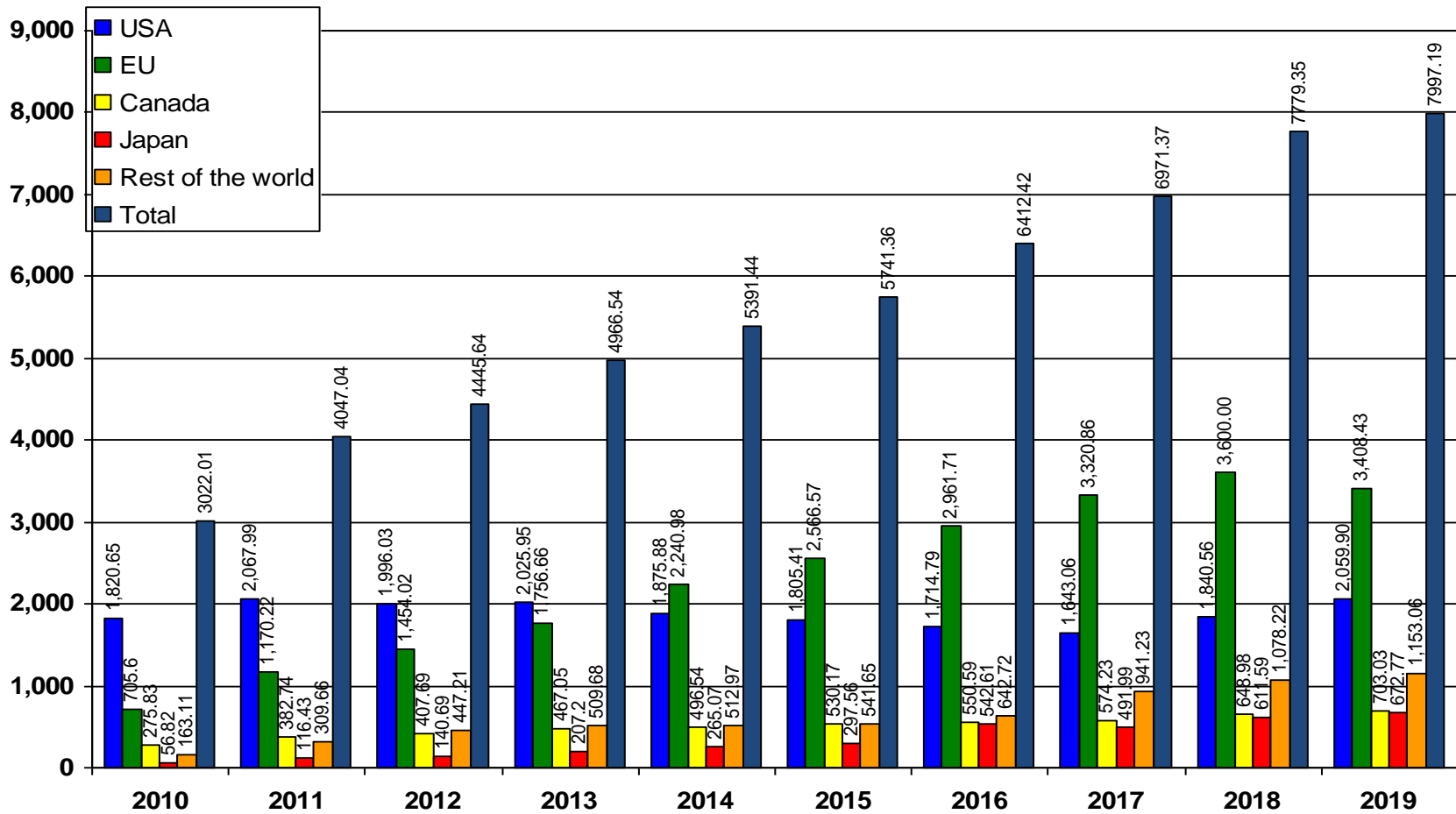
1. Market Access

Status DFQF implementation by developed countries

Preference granting developed country	Duty-Free Coverage and exclusion
Australia	100%
Canada	98.6% (diary, eggs and poultry)
EU (28 countries)	98.3% (alcoholic beverage, arms and ammunitions)
Japan	97.8% (rice, sugar, fishery products, articles of leather)
New Zealand	100%
Norway	99.9% (except roses)
Switzerland	100%
United States	82.5% (meat, dairy products, sugar, cocoa, articles of leather, cotton, articles of apparel and clothing, other textiles and textile articles, footwear, watches, etc.)

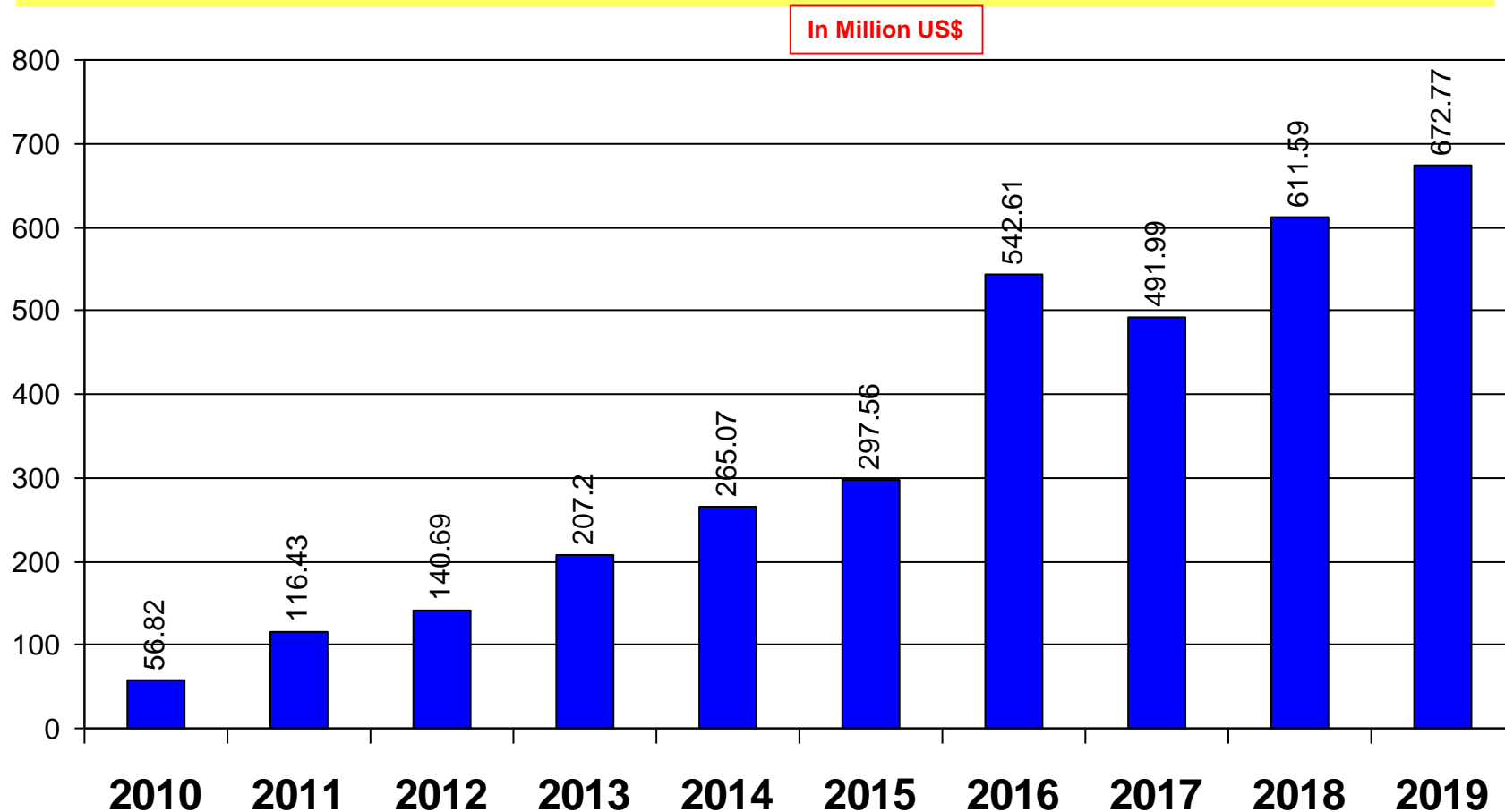
2. Situation of Cambodia's Garment and Textile export

Cambodia's garment and textile export to the various markets (2010-2019)
Value in US\$ million



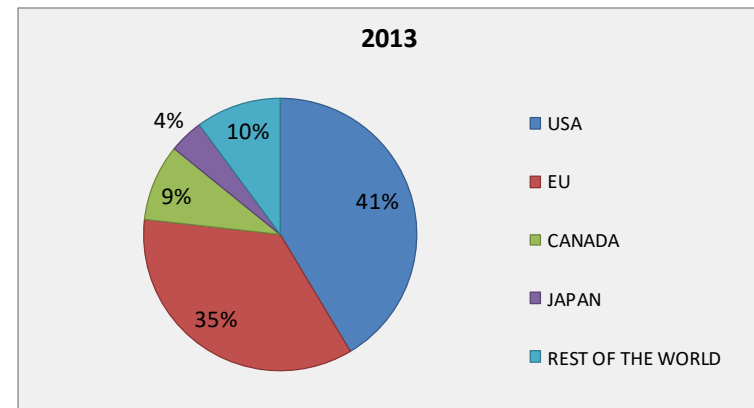
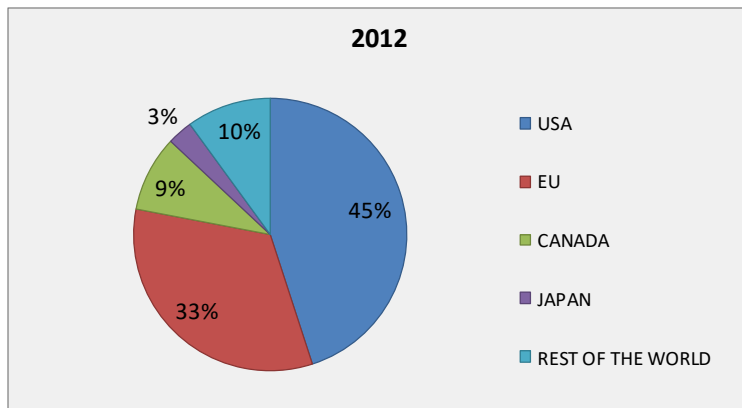
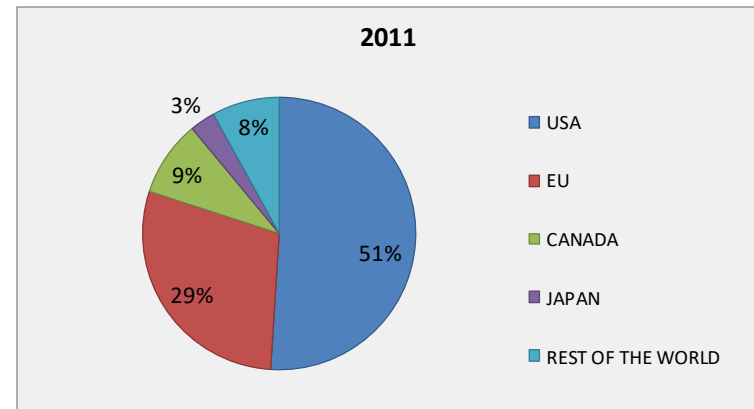
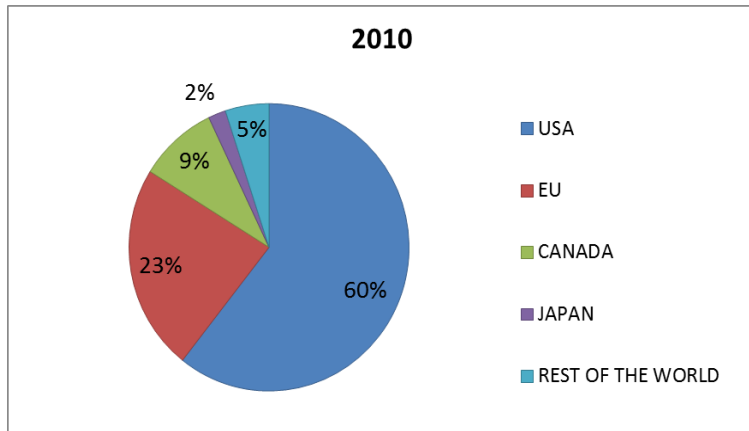
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Cambodia's export of garment & textile to Japan (2010 – 2019)



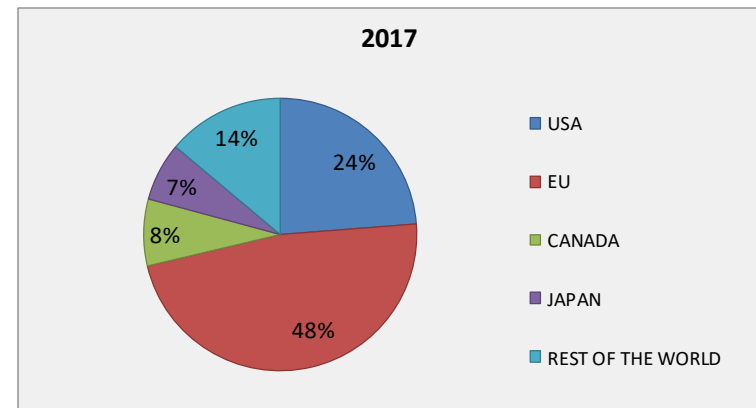
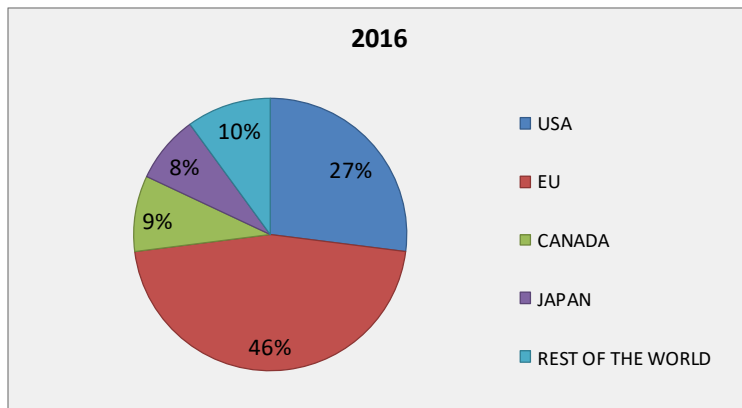
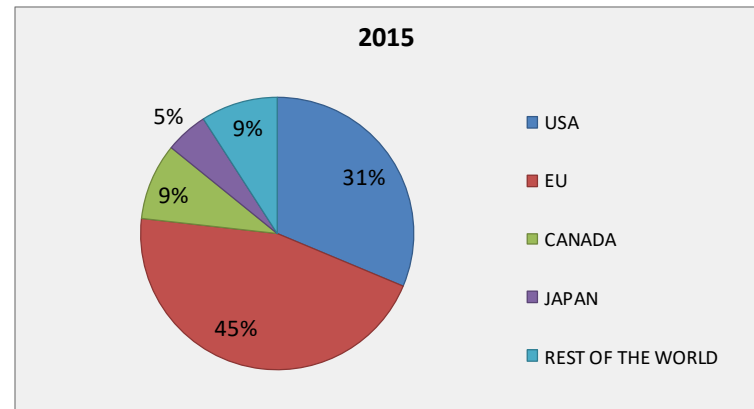
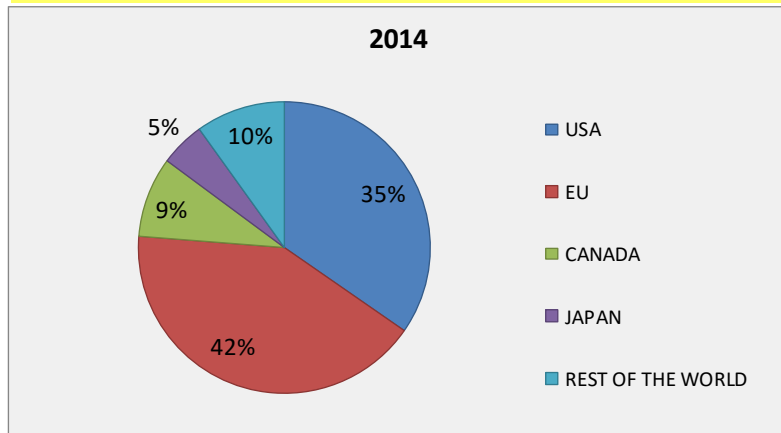
2. Situation of Cambodia's Garment and Textile export

Share of Cambodia's garment and textile export to the various markets



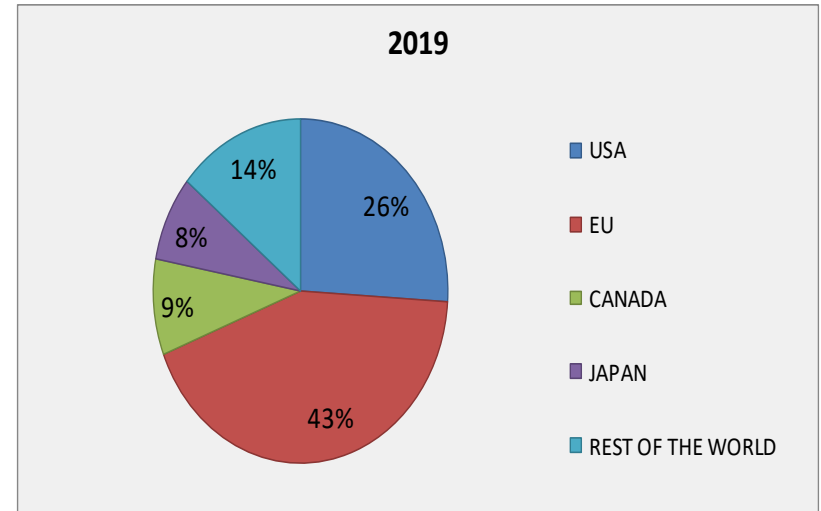
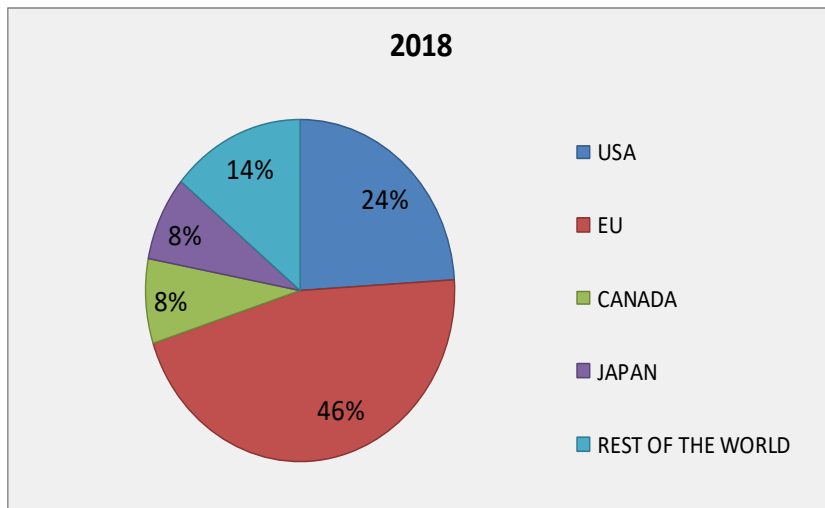
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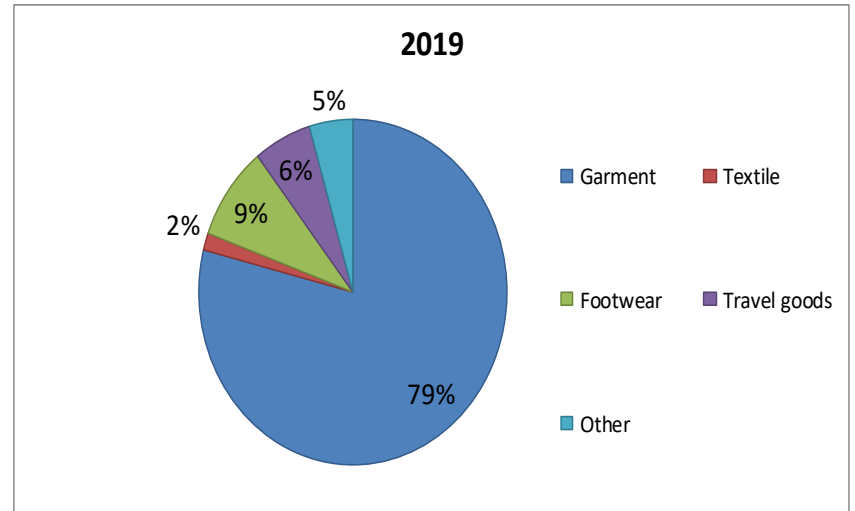
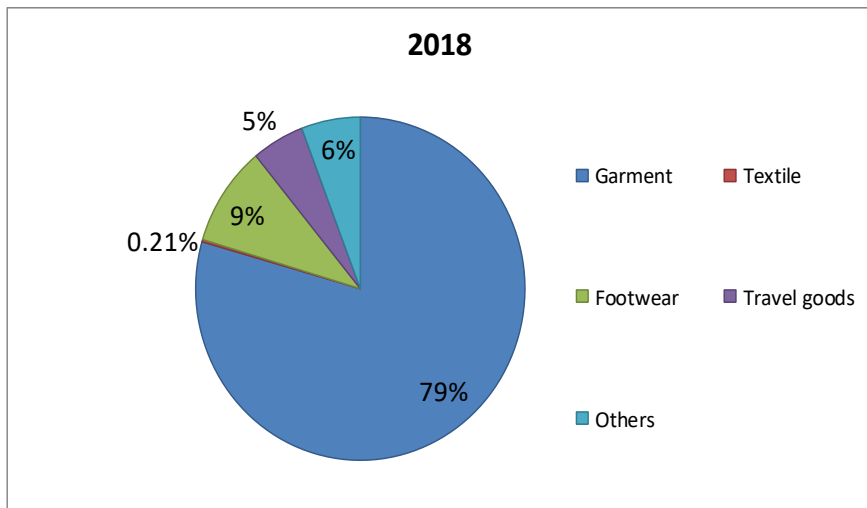
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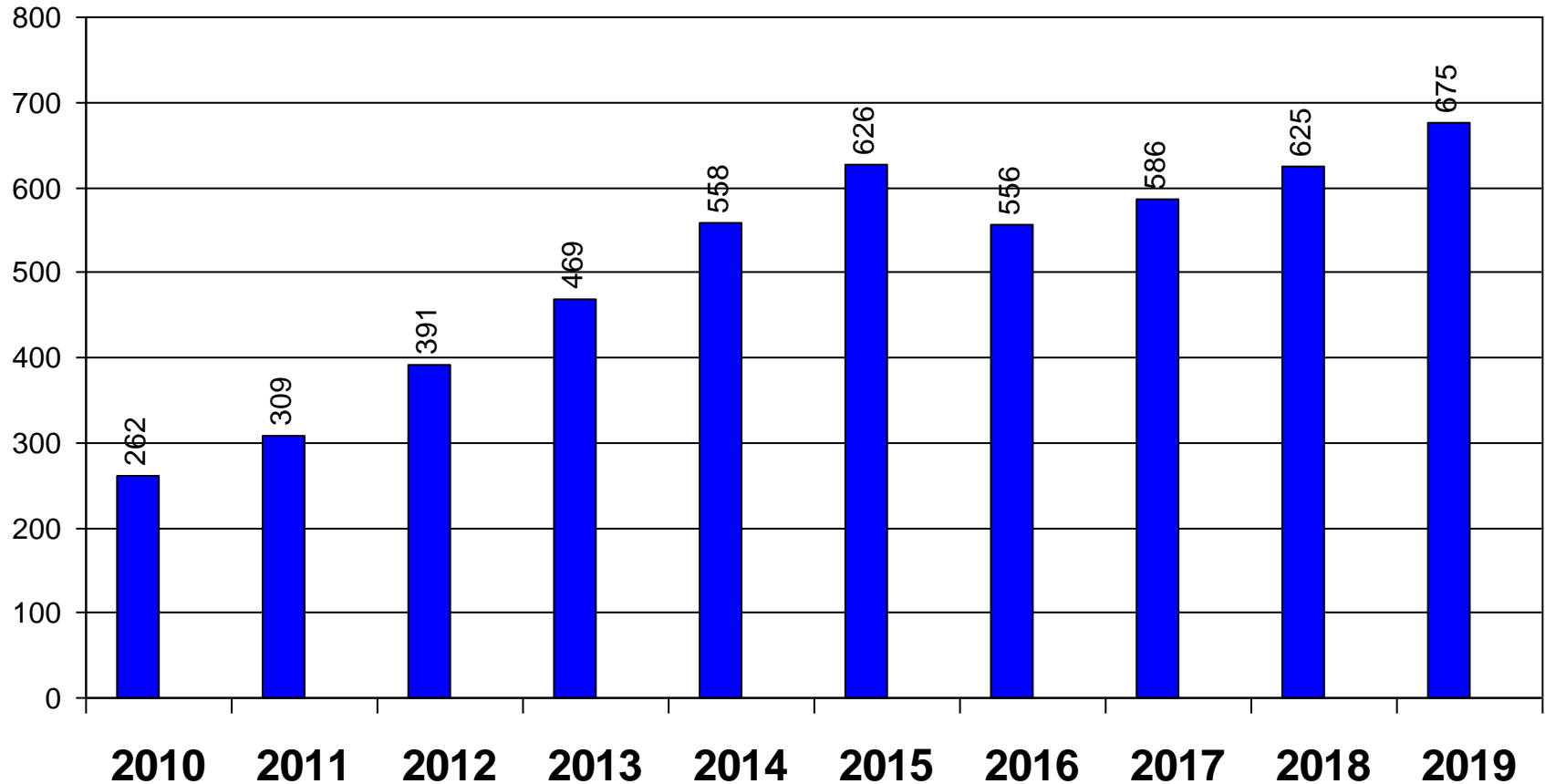
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Share of Cambodia's export to Japan (by products 2018-2019)



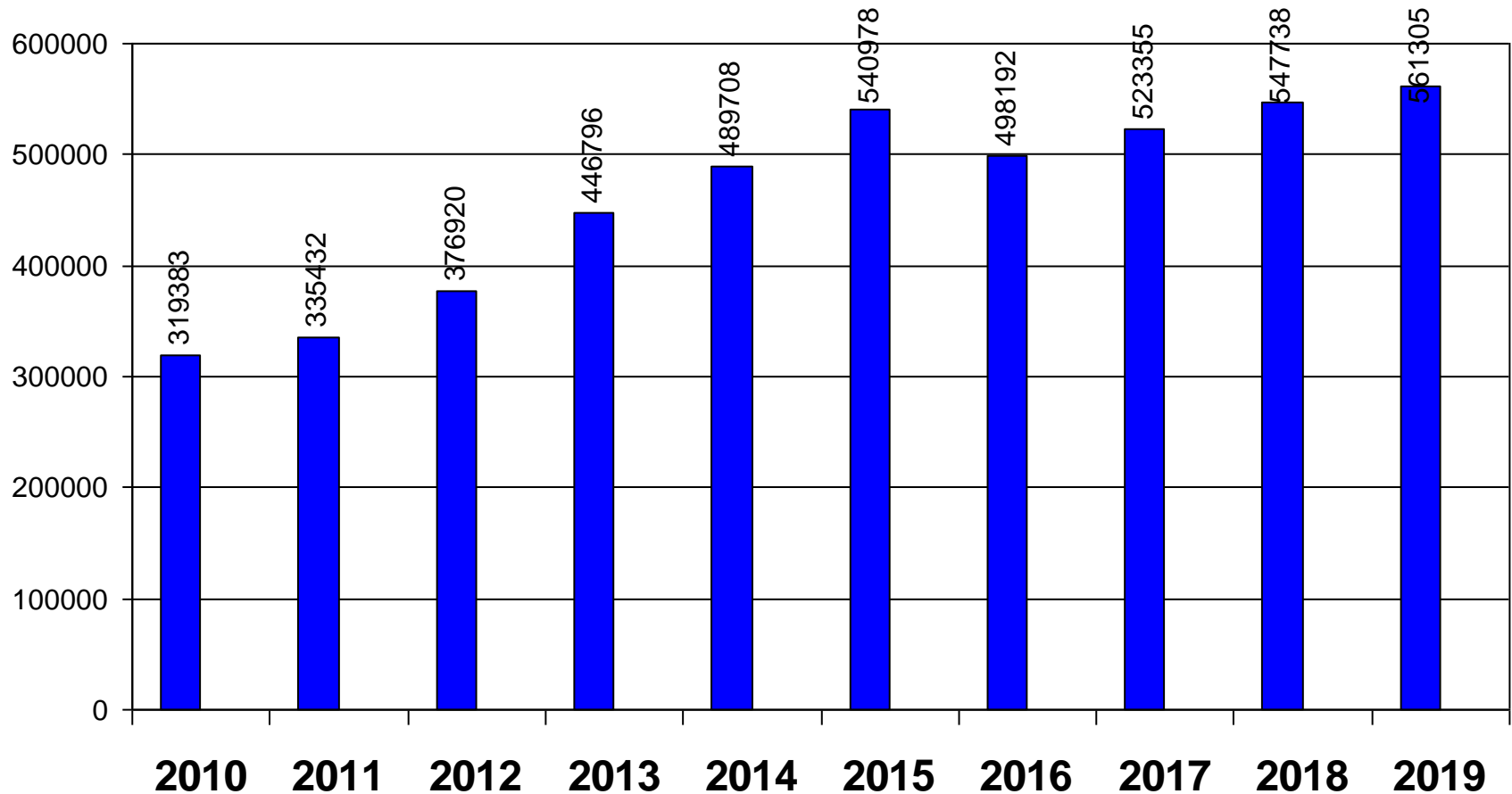
3. Situation of Cambodia's Garment and Textile Industry

Situation of Garment and Textile Factory effectively operating in Cambodia (Number of Factory, Cumulative numbers)



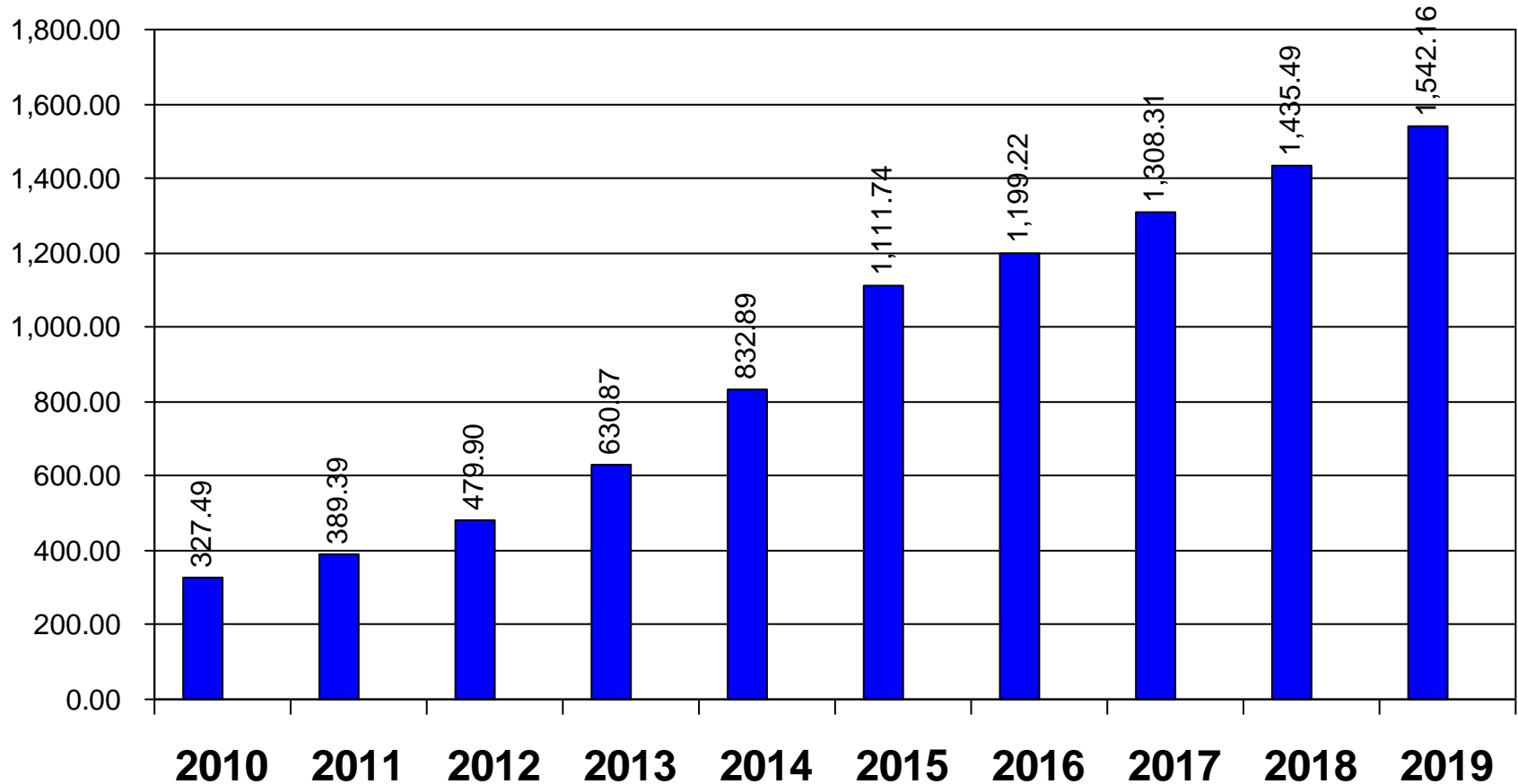
3. Situation of Cambodia's Garment and Textile Industry

Situation of Garment and Textile Factory in Cambodia (Workforce, Cumulative numbers)



3. Situation of Cambodia's Garment and Textile Industry

Situation of Garment and Textile Factory in Cambodia (Payroll evolution on yearly basis)



4. Trade Facilitation

Implementation of MOC reform

- 2014 MOC launched the interim CO Application Online
- Dec., 2015, MOC launched the Automaton System for Business Registration and Certificate of Origin (CO) form A
- Aug., 2016, MOC issued Prakas for launching Automation System for all form of CO Application.

4. Trade Facilitation

- Export Management Fee (EMF) elimination

In order to increase the minimum wage for garment and footwear sector, Government eliminated the Export Management Fee-EMF and extended the validate of prepayment of income tax up to 5 years (2018-2022) in order to offset against the employer's burden.

- CO Issuance Delegation

Allowing the Provincial Department of Commerce where sharing border with neighboring country to issue the CO for agricultural product export.

- CO automation system at SEZs

4. Trade Facilitation

- Self-Certification pilot project 1 in ASEAN framework in 2015 (KH, BR, MY, MM, SG & TH)
- e-ATIGA form D (July 1st, 2019)
- Registered Exporter with EU (REX System) in 2019

5. Challenges

- Electricity cost is high
- High transportation cost
- Mainly raw material imported
- Low productivity
- Rising wages

6. Way Forward

- Human resource development, Cambodian Garment Training Institute has been established.
- Lower cost of electricity (as set out in our IDP).
- Lower Transportation and logistics (under development).



Thank You!