WORLDBRIDGE INNOVATIVE SME CLUSTER:
A TOTAL SUPPLY CHAIN SOLUTION FOR SMES IN CAMBODIA

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THE WORLD BRIDGE GROUP

The WB Arena
May 2019

Kerry Worldbridge FIZ
Opened May 2017

Kerry Worldbridge SEZ

The PALM
Complete: 2021

Serey Mongkul Affordable Housing
Phase 1 Handover - April 2019
CURRENT JOINT VENTURES WITH FOREIGN PUBLIC LISTED COMPANIES:

• Oxley Holdings Co., Ltd (Singapore)

• Kerry Logistics Network Co., Ltd (Hong Kong)

• Brinks Co., Ltd (USA)

• Ceva Global Logistics Co., Ltd (USA)
WBG INNOVATIVE SME CLUSTER
Why an i4.0 SME Cluster now?

- Cheap labor, task repetitive manufacturing and low-value outputs ... are no longer attractive attributes for most FDI.
- Consumers are driving markets and manufacturing ... towards more complex products made available in shorter periods of time.
- Global Value Chains demand seamless operations and partnerships.

- The IoT, Industry 4.0, Block Chain technologies, Social Media ... have made Markets and Global Value Chains borderless.
- Socially and environmentally sustainable practices ... are drivers for greater resource and production efficiency.
- Cambodia is proactively and rapidly diversifying its industrial base ... to access new markets and to create new, sustainable growth.

- Cambodia has a young, growing population of “digital natives” ... which must be integrated into new types of manufacturing and tech services.
- Pro-business government and stable economic environment exists.
- Development programs and reforms have reduced FDI concerns.
- The stage is set for Cambodia to “leapfrog” to an Industry 4.0 environment.
WBG i4.0 SME Cluster support

- 2015, RGC Industrial Development Policy (IDP) approved... sets direction for industrial diversification and SME development.
- MOU signed with the Ministry of Industry & Handicrafts (Oct. 2016) ... development of Cambodia’s first SME Eco-Park.
- Kerry Worldbridge SEZ and Free Trade Zone opens (Dec. 2016)
- MOU signed with InSite Bavaria, TUM and Bayern International (Feb. 2017) ... development of German i4.0 based Industrial and Technology Cluster.
- MOUs signed with UNDP & UNIDO (July 2018)
- WBG holds “SME Development Workshop” (Oct. 2018) ... i4.0 SME Cluster concepts are introduced to SMEs, Startups and Entrepreneurs.
- 2018, SME Bank, SME incentives & Entrepreneur Funds announced.
- Q2 2019, Groundbreaking (target soft opening in Q4 2019) ... High-value outputs from Bamboo, Sacha Inchi and or Fruits in consideration
- WBG i4.0 SME Cluster Project has been developed with expertise from 21 local and International groups or individuals.
Key Features of the WBG i4.0 SME Cluster

- “Cluster with a purpose”
  Cluster produces multiple higher-value outputs for ONE SECTOR...
- “Markets and Outputs are defined first”
  Needs of individual workers, SMEs and Cluster facilities are reversed engineered.
- “SMEs work independently yet collectively in the Cluster.”

- “Comprehensive German Industry 4.0 integration”
  Higher-value outputs require technology driven platforms, entrepreneurs and innovation.
- “WBG SME Cluster is not an Industrial Zone nor an SME Cluster”
  WBG organizes full ecosystem incl. supply chain, facilities, ops platforms for SMEs.
- “Flexibility”...
  Programmatic and physical adaptation is integrated and inexpensive..

- “Skills development & Training Platform”
  Is customized to suit the Cluster and the pace and aspirations of the user.
- “Transferrable and Transportable”
  The i4.0 Cluster operational model is consistent while sites and sectors change...
- “Cluster Network”
  Capabilities and services from different Clusters can be used nationwide..
KWB & WBO Logistics & Procurement Office 4.0
- Logistics Platform
- Supply Chain Mgmt.
- Transport & Logistics Svcs.
- Procurement Services

WID SME Cluster Office 4.0
- Infrastructure & Facilities Mgmt.
- Biz & OWS Svcs.
- I4.0, Block Chain, Training Platforms
- Amenities
- SDG Programs

Cluster Logistics Center
- Specialized Storage Facilities
- Inventory Mgmt.
- MHE Services
- I4.0 supply with SME Factories
- IM / EX Services
- VAS Services

Cluster Admin & SME Services Center
- Infra & FM Svcs.
- Biz Services
- RGC OWS Center
- Training Center
- Testing & Cert Labs
- R&D Accelerator

Cluster Site
- Local Suppliers
- IM Raw Material
- Local Markets
- Local C&D Center
- Shops & Offices
- SME Cluster Canteen
- Public & Event Spaces
- Lo-Cost Housing
- Prep. SME
- Pack'g. SME
- Process A SME
- Process B SME
- Process C SME
- R&D Accelerator
- Tech Process Startup SME
- Advanced: Process Startup SME

WBG provides solutions for:
- Production Facilities
- Infrastructure
- Operations Platforms
- Supply Chain Mgmt.
- Logistics Facilities
- Biz Support Services
- RGC OWS Service
- Amenities
- Markets Access

RGC & WBG SME Cluster Promotion & Development
- Nat'l Distributor/Int'l Exporter
- Global Markets or Buyers

WBG “Made in Cambodia” & SME Promotion

RGC & WBO SME Cluster Promotion & Development

I4.0 SME Cluster model
WBG i4.0 SME Cluster implementation

- WBG will construct the Pilot Cluster 20km from the Phnom Penh CBD.
- The 5ha Cluster is to be constructed in 5 phases over 2.5 years.
- Targeted soft opening (start of services, training programs in Q4)
- WBG will provide all amenities, facilities incl. 565m² factory “modules” with attached offices, yards and customer space.
- WBG will provide operations, training and logistics platforms & support services to SMEs and Cluster tenants.
- WBG now seeking sector investors or development partners.
- SME Clusters in different sectors are envisioned to form a unique “Industrial Development Zones Network” nationwide. (2025- >)
- Cluster network will utilize Cambodia’s new infrastructure for provincial industrial development and enable new ASEAN linkages.
The WBG i4.0 SME Cluster advantage

- Clusters are invested in as new FDI, joint WBG partnerships or by institutions.
- Cluster can be its own Value Chain...  
  ... develops and produces its own higher-value products in a specific sector.
- Cluster can be part of an international Supply Chain...  
  ... produces higher-value components for supply to larger assembly sites.
- Cluster can be developed as an "localized" supply chain  
  ... to main assembly plant inside the Cluster.
- Cluster can be used as an R&D site or manufacturing "testbed".

- Cluster uses i4.0 technologies for production, procurement & logistics  
  ... enables seamless, 24/7 links with home country or assemble sites.
- FDI Investment and risk is dramatically reduced.  
  - facilities, logistics, supply chain, training and labor force is provided by WBG.
  - SMEs rent facilities, invest in production equipment and pay for services.
  - Faster ROI are achieved for lead manufacturers or investors.
- FDI only provides sector market access, expertise, QA/QC standards and technical support during set up phases.
- The Cluster platforms are all customized to FDI and or sector needs.
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Thank You