

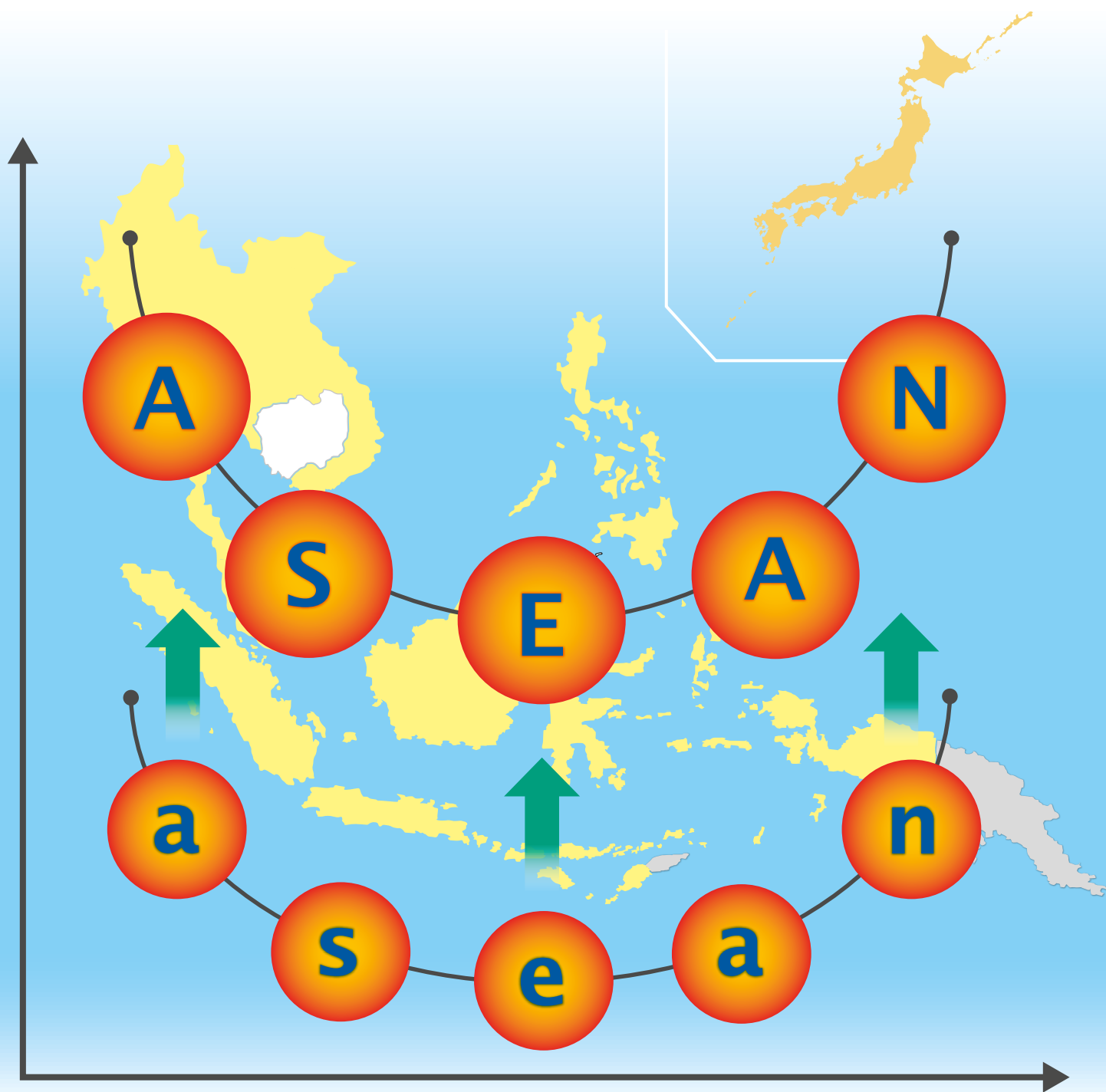
# Global Value Chains in ASEAN

Cambodia

PAPER 3

MARCH

2019



ASEAN-JAPAN  
CENTRE

国際機関 日本アセアンセンター

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## NOTES

The terms “country” and “economy” as used in this study also refer, as appropriate, to territories or areas. The designations employed and the presentation of the material do not imply the expression of any opinion whatsoever on the part of the ASEAN-Japan Centre concerning the legal status of any country, territory, city, or area or of the authorities, or delimitations of frontiers or boundaries.

The following symbols have been used in the tables:

- Two dots (..) indicate that data are not available or are not separately reported.
- A dash (-) indicates that the item is equal to zero or its value is negligible.
- Use of a dash (-) between dates representing years, e.g., 2017–2018, signifies the full period involved, including the beginning and end years.
- Reference to “dollars” (\$) means United States dollars, unless otherwise indicated.

### **List of papers under the project on global value chains in ASEAN by the ASEAN-Japan Centre**

The current paper is the 3rd of a series of 16 papers on ASEAN GVCs. The other 15 papers have been published or are forthcoming.

Paper 1. A Regional Perspective (first published in September 2017; revised in January 2019)

Paper 2. Brunei Darussalam (published in February 2018)

#### **Paper 3. Cambodia**

Paper 4. Indonesia

Paper 5. Lao People’s Democratic Republic

Paper 6. Malaysia

Paper 7. Myanmar

Paper 8. Philippines (published in July 2017)

Paper 9. Singapore (published in August 2018)

Paper 10. Thailand (published in March 2019)

Paper 11. Viet Nam

Paper 12. Automobiles

Paper 13. Electronics

Paper 14. Textiles and clothing

Paper 15. Agribusiness

Paper 16. Tourism (published in March 2018)

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## KEY MESSAGES

Trade and investment liberalization has provided an impetus for exporting industries and economic growth for decades.

In 2018, Cambodia exhibited a relatively small share of domestic value added (DVA) of exports in gross domestic product (GDP) of 13%, lower than that of the Association of Southeast Asian Nations (ASEAN) regional average.

Linkage effects or diffusion effects among industries in Cambodia are generally small, reflecting their low levels of interdependency.

The two largest industries – the garment and textile industry, and the agriculture sector – still have small multiplier effects on the economy.

Cambodia's value added exports in 2018 were estimated at \$3.7 billion, one-fifth of which was foreign content – much lower than the ASEAN average.

The global value chain (GVC) participation of the country is generally still weak, reflecting the limited involvement of foreign direct investment (FDI) in building the value-added chains that will lead to high productivity and wider industrial diversification.

The manufacturing sector is most involved in GVCs with an average share of foreign value added (FVA) of 22%. The service sector has a relatively small foreign value-added share, but the sector has gained a much higher share in value added exports. FVA indicates the extent to which the country uses foreign inputs in its exports.

Cambodia has the potential to strengthen its GVC-led export industries regionally and globally. Like most ASEAN countries, Cambodia utilizes GVCs to further its economic development. While participating in GVCs in low-skilled and labour-intensive industries, Cambodia needs to increase participation in higher value-added GVCs through skill development if it is to catch up with other ASEAN countries.

An improved industrial structure and the greater involvement of small and medium-sized enterprises (SMEs) in GVCs are other important elements for a higher impact on the economy.

Investing in R&D can catalyze innovation and lead to national technological progress. Synergy among technologies, high-quality human resources, and GVC participation in high value-added chains would help realize the country's vision of becoming a high-income country by 2050.



Cambodia is a small country in Southeast Asia with a population of only 15 million (as of 2017) and a territory of 181,035 square kilometres. Its economy is among the smallest in the Association of Southeast Asian Nations (ASEAN) in terms of gross domestic product (GDP) at around \$22 billion in 2017, just less than 1% of the ASEAN total. However, its economic performance has been impressive, achieving macroeconomic stability and consecutive high growth averaging 7.8% per year during the last two decades (1998–2017), placing the country among the highest growth countries in the world. Cambodia attained lower middle-income status as of 2015, with gross national income (GNI) per capita reaching \$1,070.<sup>1</sup> GNI per capita increased more than fourfold in two decades, from \$290 in 1998 to \$1,230 in 2017.

The country is also increasingly integrating with the world in general and within the ASEAN region specifically, making efforts to reap economic benefits from regional trade and investment. To some extent, great success has been made in building export-oriented and labour-intensive industries, such as garment manufacturing. During the last decade, 17 economic zones have been established in strategic locations, including the capital metropolitan area, coastal areas, and along border zones, and these have attracted more foreign direct investment (FDI) and allowed the country to participate in regional production chains. Some progress has also been made in new industries, such as electronic parts and components, although their production and export competitiveness is still to be improved.

It appears Cambodia has reached a new turning point where the country can exert its potential by formulating a strategy to attain sustainably high growth for long-term development. However, it is challenging for Cambodia to realize its ambitious vision of achieving a status higher middle-income status by 2030 and graduating from the middle-income group by 2050. As Cambodia is a country where the economy is booming and governance needs to further improve, a paper attempting to make policy analysis and provide suggestions for the economy through global value chains (GVCs) can provide a good tool for policymaking as global and regional production is being increasingly shaped by GVCs.

This paper, the third of a series of 16 papers on GVCs in ASEAN by the ASEAN-Japan Centre (AJC), aims to present some facts and evidence related to GVCs, based on which it gives some hints for policymakers to formulate GVC-enabled development policies through maximizing the benefits and minimizing the negative effects associated with GVCs.

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<sup>1</sup> <http://www.worldbank.org/en/country/cambodia/overview>

**Box 1. GVC work undertaken by the ASEAN-Japan Centre: First phase**

This is a multiyear and first-phase research effort that every year produces value chain data for individual ASEAN member countries and analytical papers based on the results of these data. The first year (FY2016) generated basic datasets for ASEAN as a group and for its individual member states (which are used in the present paper). In the second and third years (FY 2017–2018), a total of five papers were produced: Brunei Darussalam (Paper 2), the Philippines (Paper 8), Singapore (Paper 9), an industry paper on tourism (Paper 16), and a regional paper (Paper 1). In the remaining years, the AJC continues to produce evidence-based, policy-oriented technical papers while maintaining and updating the database created in the first year.

This work also reinforces the Centre's technical cooperation programme in trade and investment by identifying which sectors to target for their promotional activities from the point of view of value chains. It assesses the size and significance of the economic partnerships between ASEAN and Japan through GVCs in different sectors, in part to identify in which sectors the Centre should make greater promotional efforts and try to derive synergies between its technical cooperation and its analytical contribution.

**Output 1: Creation of the database on ASEAN GVCs**

Based on the UNCTAD-Eora GVC database and with further data construction for ASEAN countries, a unique database on GVCs was established for 10 ASEAN member countries, with special emphasis on Japan as a partner. Other important partners of ASEAN, such as China and the Republic of Korea, are included in the database. This database uses value added trade data derived from the Eora global, multi-region input-output (MRIO) table ([www.worldmrio.com](http://www.worldmrio.com)). The Centre's database is called the AJC-UNCTAD-Eora database on ASEAN GVCs. It has been made public gradually after the estimated data on GVCs has been validated.

Value added trade statistics can lead to important policy insights for trade, investment, and development. The Centre, as part of new efforts to conduct research and policy analysis, aims to provide analysis of the relevance, impact, and patterns of value-added trade and GVCs across ASEAN and in member countries. The database is helpful for this purpose.

Variables in the database include foreign value added trade, domestic value added trade, value added integrated in other countries' exports, and gross exports for 26 industries in Brunei Darussalam and the CLM countries (Cambodia, the Lao People's Democratic Republic, and Myanmar); 77 industries in Indonesia and the Philippines; 98 industries in Malaysia; 113 industries in Viet Nam; 154 industries in Singapore; 180 industries in Thailand, and 402 industries in Japan; covering the period 1990–2015 (1990–2018 for bilateral country data) as of the end of 2018. Data are collected and estimated for these variables in a systematic manner. They are also presented in a standardized industry classification in the database for comparability among ASEAN countries on the following five variables:

- Foreign value added: FVA
- Domestic value added: DVA
- Value added incorporated in other countries' exports: DVX
- GVC participation: FVA + DVX
- Gross exports (total value-added exports): FVA + DVA

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**Box 1. GVC work undertaken by the ASEAN-Japan Centre: First phase (concluded)****Output 2: Sixteen evidence-based, policy-oriented technical reports**

In a collaborative effort with the Eora project and UNCTAD, the Centre's new database will be used to assess the patterns, development impacts, and policy implications of value-added trade and investment. Under this multiyear programme, 16 evidence-based and policy-oriented technical reports will be prepared: in addition to a general paper on ASEAN as a whole (Paper 1), individual reports on 10 ASEAN member countries (Papers 2–11), and five selected industries (Papers 12–16) – electronics, automobiles, textiles and clothing, agribusiness, and tourism. These industries are not only the central economic – and strategically important – activities of many ASEAN member countries but they also develop significant GVCs as well as regional value chains (RVCs).

**Trade and investment liberalization has provided an impetus for exporting industries and economic growth for decades.**

It is generally acknowledged that Cambodia is an open and market-oriented economy (IMF 2017). The openness from the first investment law enacted in 1989 and followed by a gradual trade policy liberalization allowed enterprises and other businesspeople to engage in international trade and investment operations. This means that openness, which is associated with economic activity liberalization, has led to reducing or dismantling the national barriers to international trade and foreign investment. International practices have demonstrated that the more liberalized a country is, the greater the opportunities for it to benefit from engagement with international partnerships through attracting foreign resources for national development. Like other countries, Cambodia has gone through the liberalization process, resulting in significant FDI into the economy and opportunities to participate in GVCs in a globalizing world and finally contributing to economic growth. Further liberalization combined with deeper integration of the Cambodian economy into the global economy, especially into the regional economic bloc, would provide a further impetus for economic development. The impact of liberalization can be seen through some main indicators, such as increases in trade, foreign investment, and GDP. Cambodia's trade volume increased fourfold over the last decades, while its FDI stock increased by 8.4 times (2005–2017). The country has enjoyed a high growth rate for years, averaging around 7% per year during the last decade, driven by booming key sectors – mainly export-led industries, tourism, and infrastructure.

Cambodia has formed export-oriented industries that are labour intensive, such as the garment and footwear industry. This industry has demonstrated great success with FDI, attracting 86% of the total FDI stock in manufacturing in 2017. Garment exports grew fast, reaching \$8 billion in 2017 and contributing greatly to total exports. The country's exports equal around 73% of GDP, one of the largest shares among ASEAN countries. Total trade as a measure of imports and exports reached 147% of GDP in 2017, compared with 108% for ASEAN as a whole (2016) (UNCTAD database).

FDI has played an important role in many ASEAN economies, including Cambodia. Cambodia's amount of FDI stock reached \$20 billion in 2017, accounting for 94% of GDP – the highest share among CLMV countries and one that is just lower than Singapore (UNCTAD database). Among key sources of external financing, FDI is leading, accounting for 57% of overall financing in 2017, followed by ODA, which was 25% (based on data from Ministry of Economy and Finance (MEF), and Balance of Payment (BOP) data). The government regards FDI as an essential element for future economic growth and improved productivity.

**In 2018, Cambodia exhibited a relatively small share of domestic value added (DVA) of exports in GDP of 13%, lower than that of the ASEAN regional average.**

Trade liberalization and economic openness are preconditions for a country to participate in GVCs. The degree of GVC participation indicates the extent to which a country is involved in the international production networks in the global economy. The relationship between trade and FDI is intertwined. This means that the greater the participation in international trade, and more FDI inflows, the greater the opportunity for a country to participate in GVCs, with the possibility of creating more jobs and value added, especially DVA, or the value that belongs to Cambodia (see Box 2 for the GVC terminology) that constitutes the country's own GDP. The important point is how the country can realize this opportunity and maximize the benefits from FDI and GVC participation. Among CLMV countries, Cambodia exhibited a relatively high share of DVA of exports in GDP of 13% in 2018 (Lao People's Democratic Republic, 10%; Myanmar, 9%; and Viet Nam, 12%), but the share was lower than half that of the regional average of 33%. The more advanced ASEAN countries have performed far better. For instance, countries like Malaysia, Singapore, and Thailand have seen large impacts from export industries on their economies: their DVA of exports as a share of GDP are 63%, 43%, and 37%, respectively.<sup>2</sup> This means that liberalization and integration have not yet brought much for Cambodia, and there is still room to leverage more FDI for economic development.

The impact of FDI depends not only on the industrial structure and its ability to create value added but also the inter-industrial linkages. The input-output table produced by Organisation for Economic Co-operation and Development (OECD) shows that the industrial structure of Cambodia is relatively service-oriented, where the service sector accounted for 40% of industrial output in 2015, followed by the manufacturing sector (34%) and the primary sector (26%) (Table 1). In terms of value-added structure, the service sector has created almost half of the total value added, leaving nearly one-quarter for the manufacturing sector, which is highly concentrated in the textile and footwear industry, with more than 70% of total manufacturing output and around 80% of total goods exports.

The ability to create value added is another important aspect as it relates to industrial productivity. The ratios of value added to output for many industries in the service sector are higher than 0.50, with the sector average equal to 0.63, whereas the ratios for manufacturing are lower, averaging at 0.43 (Table 1). Taking into account that the service sector uses fewer intermediate materials than the manufacturing sector, service industries tend to show a higher value added to output ratio than manufacturing. For instance, wholesale and retail traders produced one and a half times less output than the textile and footwear industry but generated almost the same amount of value added (\$1,600 million). The latter industry is the largest manufacturing industry and still has relatively low ratio of value added to output (0.46) among the industries (Table 1).

Manufacturing industries seem to be concentrated in low-skilled, labour-intensive industries with low-end activities, specifically the garment and textile export industry. This means that as the manufacturing export industry itself has a small capacity to generate value added, and policies for productivity improvement are critical in this industry along with industrial diversification of the economy. In terms of output, the agriculture, forestry, and fishery industry is the largest industry, followed by the textile and footwear industry, and it has the highest ratio of value added to output.

<sup>2</sup> AJC, 2019, Global Value Chains in ASEAN: A Regional Perspective, Paper 1 (revised). DVA from AJC-UNCTAD-Eora database on ASEAN GVCs. GDP data from the International Monetary Fund (IMF).

Table 1. Cambodia: Value added and output by industry, 2015 (Millions of dollars and per cent)

Industry	Value added	Output	Value added structure (as per total)	Output structure (as per total)	Ratio of value added to output
<b>Primary</b>	<b>5 067</b>	<b>7 799</b>	<b>29.8</b>	<b>25.9</b>	<b>0.65</b>
Agriculture, hunting, forestry and fishing	4 984	7 665	29.3	25.5	0.65
Mining and extraction of energy producing products	39	61	0.2	0.2	0.63
Mining and quarrying of non-energy producing products	31	51	0.2	0.2	0.61
Mining support service activities	13	22	0.1	0.1	0.62
<b>Secondary</b>	<b>4 431</b>	<b>10 339</b>	<b>26.1</b>	<b>34.4</b>	<b>0.43</b>
Food products, beverages and tobacco	903	2 377	5.3	7.9	0.38
Textiles, wearing apparel, leather and related products	1 576	3 405	9.3	11.3	0.46
Wood and products of wood and cork	418	943	2.5	3.1	0.44
Paper products and printing	40	136	0.2	0.5	0.29
Coke and refined petroleum products	90	296	0.5	1.0	0.30
Chemicals and pharmaceutical products	153	356	0.9	1.2	0.43
Rubber and plastic products	129	327	0.8	1.1	0.39
Other non-metallic mineral products	17	36	0.1	0.1	0.47
Basic metals	65	177	0.4	0.6	0.37
Fabricated metal products	94	197	0.6	0.7	0.48
Computer, electronic and optical products	287	647	1.7	2.2	0.44
Electrical equipment	85	217	0.5	0.7	0.39
Machinery and equipment, nec	121	256	0.7	0.9	0.47
Motor vehicles, trailers and semi-trailers	193	458	1.1	1.5	0.42
Other transport equipment	44	87	0.3	0.3	0.50
Other manufacturing; repair and installation of machinery and equipment	216	426	1.3	1.4	0.51
<b>Tertiary</b>	<b>7 486</b>	<b>11 937</b>	<b>44.1</b>	<b>39.7</b>	<b>0.63</b>
Electricity, gas, water supply, sewerage, waste and remediation services	168	303	1.0	1.0	0.56
Construction	955	2 017	5.6	6.7	0.47
Wholesale and retail trade; repairs	1 648	2 420	9.7	8.0	0.68
Transport and storage	855	1 612	5.0	5.4	0.53
Accommodation and food services	769	1 337	4.5	4.4	0.57
Publishing, audiovisual and broadcasting activities	116	212	0.7	0.7	0.55
Telecommunications	114	191	0.7	0.6	0.60
IT and other information services	38	56	0.2	0.2	0.68
Financial and insurance activities	227	332	1.3	1.1	0.68
Real estate activities	1 050	1 218	6.2	4.1	0.86
Other business sector services	263	374	1.6	1.2	0.70
Public admin. and defence; compulsory social security	276	388	1.6	1.3	0.71
Education	334	410	2.0	1.4	0.81
Human health and social work	241	348	1.4	1.2	0.69
Arts, entertainment, recreation and other service activities	431	717	2.5	2.4	0.60
<b>All industries</b>	<b>16 984</b>	<b>30 075</b>	<b>100</b>	<b>100</b>	<b>0.56</b>

Source: OECD, Input-Output table (<http://www.oecd.org/trade/input-outputtables.htm>).

Note: The industry breakdown is somewhat different from that used in the GVC table because of differences in the data sources.

It is important for the government to factor in this characteristic of the agriculture industry and turn it into one of the exporting industries by forming agribusiness value chains.<sup>3</sup>

### **Linkage effects or diffusion effects among industries in Cambodia are generally small, reflecting their low levels of interdependency.**

Diffusion/linkage effects are other important aspects for gauging the impact of investment on the economy. The effect known as the multiplier effect indicates how much one added unit of output in a particular industry would lead to a total increase in the whole economy. This means that the greater the multiplier effect, the larger the impact on the economy. In this sense, it is strategically important for a country to attract FDI in those industries that have a larger multiplier effect. For Cambodia, the multiplier effects across all industries are generally small, averaging 1.3 (around 90% of classified industries (36 industries), judging from the OECD Input-Output table showing multipliers effects of less than 1.5), indicating they are not closely interrelated with each other, leading to a diffused, low impact throughout the economy.

### **The two largest industries – the garment and textile industry, and the agriculture sector – still have small multiplier effects on the economy.**

Among the 36 industries available in the OECD Input-Output table database, there are only four in which one unit of increased final demand leads to relatively large increases (multiplier of at least 1.5 times) in output in the economy (Figure 1). The top industry that has a relatively high impact on the economy is wood and products of wood (1.8 times), followed by food products, beverages, and tobacco (1.7 times), paper products and printing (1.5 times), construction (1.5 times), and publishing, audio-visual, and broadcasting activities (1.47 times).

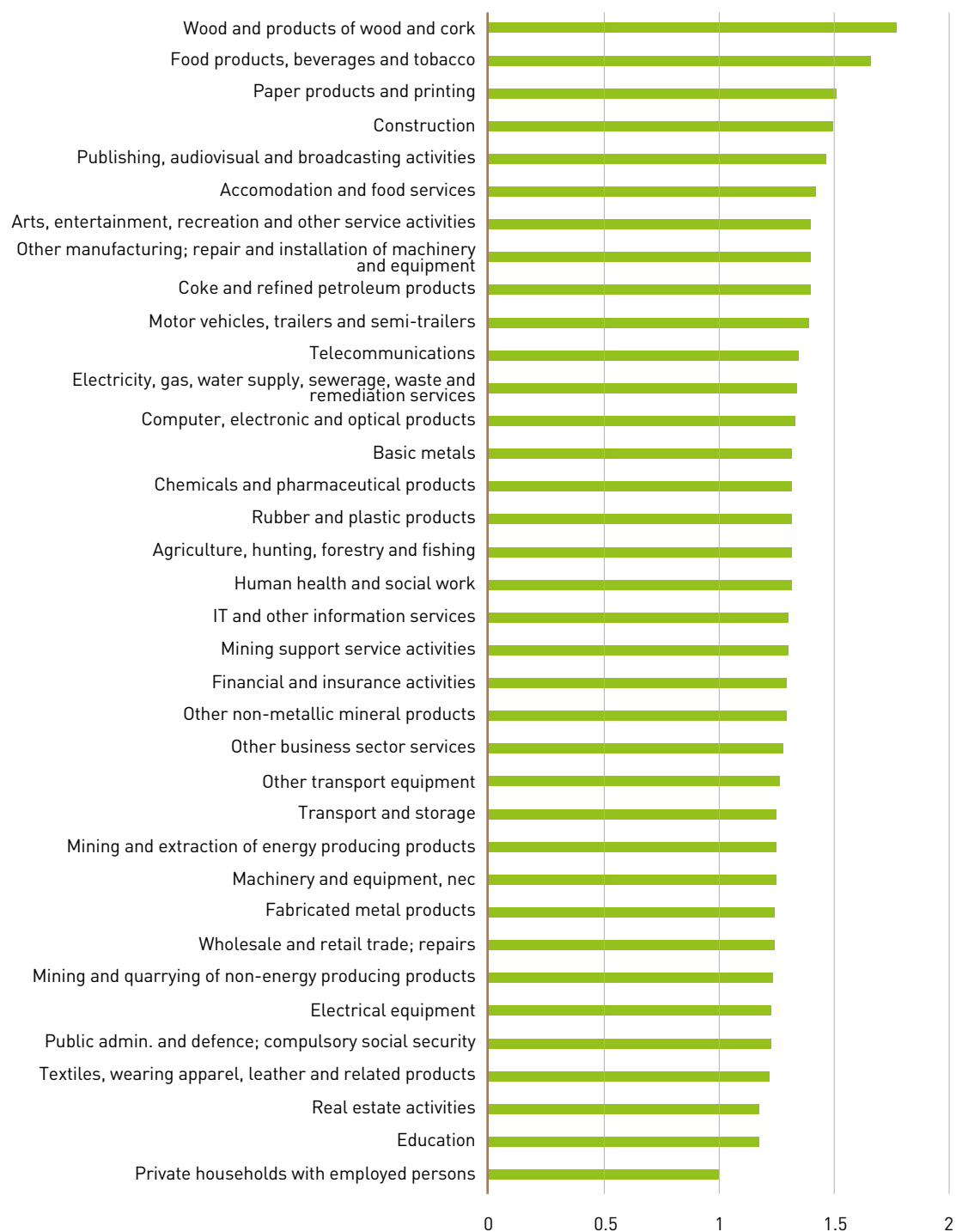
The garment and textile industry, which is one of the leading industries in the economy and contributed around 18% to GDP in 2017, has almost the smallest diffusion effect, at 1.2 (Figure 1). It is acknowledged that the industry is a low-skill, labour-intensive industry that specializes in activities like “cut-make-trim”. Currently, the industry uses mostly foreign fabric and other imported materials for production. The garment and textile industry will generate a higher impact on the economy than it does now if it can absorb more domestic resources for production. In this sense, the promotion of supporting industries and the forging of inter-industry linkages, especially to connect local SMEs with foreign companies, is important to raise the multiplier effect on the economy.

Agriculture has long been the base of Cambodia’s economy, comprising around 80% of the population and 65% of the total labour force. The agriculture linkage effect is relatively small among industries, at 1.3, and smaller than most of the countries in the region, such as the Philippines at 1.6. Agriculture appears to have fewer inter-linkages with other industries for affecting the production in those industries. The government has made rigorous efforts to leverage the industry by investing in agro-infrastructure, such as rural roads and irrigation systems. It is also important to note that agriculture is characterized by complete production chains, in which the forward linkage has to play a leading role rather than the backward linkage. In this sense, forging further linkages and scaling up along the chain to develop agro-processing industries would contribute to greater value added in the

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<sup>3</sup> See AJC, Global Value Chains in ASEAN: Agribusiness, Paper 15, forthcoming.

Figure 1. **Backward linkage of Cambodia industries: Which industry had the largest impact on the economy in 2015?** (Increase in the whole economy in response to one unit increase in output)



Source: OECD, Input-Output table (<http://www.oecd.org/trade/input-outputtables.htm>).

Note: The backward linkage in Cambodia can be measured by an inverse matrix of the input-output table of Cambodia. The industry breakdown is somewhat different from that used in the GVC table because of differences in the data sources.

economy, given that agro-processing industries continue to be underdeveloped.<sup>4</sup> Without developing industrial linkages, or attracting investment into food processing industries, capital investment in the agriculture sector will not lead to greater impacts.

**Cambodia's value-added exports in 2018 were estimated at \$3.7 billion, one-fifth of which was foreign content – much lower than the ASEAN average (36%).**

Analysis of exports based on value added trade would provide a clearer picture for policy consideration than any judgment based on regular trade statistics. Gross exports or value-added exports estimated from the input-output table were approximately \$3.7 billion in 2018. This figure was roughly five times smaller than that for the exports of goods and service available from regular trade data in national account statistics (Table 2). The former trade statistics are supposed to exclude the trade of intermediate goods where the transactions did not change the ownership status. According to the IMF's Balance of Payment and International Investment Position Manual of the sixth edition's (BPM6) Chapter 10 on Goods and Service Account, the value of intermediate goods imported for assembly or further processing without change in ownership has to be excluded from the merchandise import value, and the amount must also be deducted from the export value when it comes to exports.<sup>5</sup> The value of processing is recorded as an export of the services of the processing economy and an import of the services of the economy of the owner (see details in Chapter 5 and Chapter 12 of the BPM6 compilation guide).<sup>6</sup> For this reason, the gross export value calculated using value-added trade data as estimated from the international input-output tables would be smaller than the export value based on regular export statistics. The different amount can be perceived by the value of intermediate goods with foreign origin without a change of ownership.<sup>7</sup> For Cambodia, roughly 60% of garment factories are foreign affiliates of mostly Chinese origin, and their functions are generally related to manufacturing services in which roughly 65% of fabric imports are ownership-unchanged and would have been excluded from the import-export record.<sup>8</sup> The regular statistics miss out the fact that based on old statistical standards, the gross export value becomes approximately two-thirds larger than the estimated value of gross exports, which is derived from the value-added export structure.

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<sup>4</sup> See AJC, Global Value Chains in ASEAN: Agribusiness, Paper 15, forthcoming.

<sup>5</sup> See IMF, 2009, Balance of Payment and International Investment Position Manual (BPM6), pp. 149, 153.

<sup>6</sup> For details, see IMF, 2014, BPM6 Compilation Guide, Chapter 5 on International Merchandise Trade Statistics and Chapter 12 on manufacturing services on physical inputs owned by others.

<sup>7</sup> The other differences are due to price changes (FOB versus basic price) and re-exports.

<sup>8</sup> Estimated data in consultation with Garment Manufacturing Association of Cambodia (GMAC) and BOP statistics office of Cambodia.

**Table 2. Comparison of estimated value added exports with export of goods and services, 1992–2018 (Millions of dollars)**

Period	Estimated value added exports	Exports of goods and services
1992	96	314
1993	149	348
1994	198	544
1995	298	969
1996	317	806
1997	495	896
1998	484	979
1999	593	1 424
2000	715	1 826
2001	768	2 096
2002	832	2 374
2003	886	2 635
2004	1 091	3 394
2005	1 288	4 025
2006	1 578	5 017
2007	1 804	4 681
2008	2 111	5 020
2009	1 715	4 958
2010	2 311	5 934
2011	2 388	7 765
2012	2 378	8 825
2013	2 607	10 024
2014	2 773	11 218
2015	2 668	12 409
2016	3 055	13 267
2017	3 383	16 100
2018	3 743	18 754

Source: AJC-UNCTAD-Eora database on ASEAN GVCs for value added exports and UNCTAD for exports of goods and services.  
 Note: For value-added exports, foreign inputs without a change of ownership are excluded.

The fact that Cambodia's exports are highly dependent on garment manufacturing, which is mostly service oriented,<sup>9</sup> makes the small export sector in traditional trade data even smaller. This statistical adjustment is already incorporated in value-added trade data. Foreign intermediate goods without a change of ownership are not supposed to be included. The structure of value added is important for GVCs as it shows the country's involvement in value chains. Out of \$3.7 billion of gross value added of exports in 2018, only around one-fifth is regarded as foreign value added (FVA), which is foregone to foreign countries (Figure 2), compared to ASEAN as a whole with an average 36% of exports. In other words, foreign intermediate goods integrated in Cambodia's exports are not significant as there are limited production networks involved with GVCs.

<sup>9</sup> The manufacturing whose operation is to perform such processing service is categorized into manufacturing services (BPM6, Chapter 5, and Chapter 12). In this case, the value of processing should be recorded as an export of services of the processing economy and an import of the services of the economy of the goods owner.

### Box 2. GVC terminology used in the AJC paper series

A country's exports can be divided into domestically produced value added and imported (foreign) value added that is incorporated into exported goods and services. Furthermore, exports can go to a foreign market either for final consumption or as intermediate inputs to be exported again to third countries (or back to the original country). The analysis of GVCs takes into account both foreign value added in exports (the upstream perspective) and exported value added incorporated in third-country exports (the downstream perspective). The indicators used in this paper series are as follows:

**1. Foreign value added:** Foreign value added (FVA) indicates the part of a country's gross exports that consists of inputs that have been produced in other countries. The FVA share is the share of the country's exports that do not add to its GDP.

**2. Domestic value added:** Domestic value added (DVA) is the part of exports created in the country, i.e., the part of exports that contributes to GDP. Domestic value added can be considered in relation to other variables:

- As a share of GDP, it measures the extent to which trade contributes to the GDP of a country.
- As a share of global value-added trade (the "slice of the value added trade pie"), it can be compared with a country's share in global gross exports (relative value capture from trade).

The sum of foreign and domestic value added equates to gross exports.

**3. Value added incorporated in other countries' exports (DVX):** DVX indicates the extent to which a country's exports are used as inputs to exports from other countries. At the global level, the sum of this value and the sum of FVA is the same.

**4. GVC participation** indicates a country's exports that are part of a multistage trade process by adding to the foreign value added used in a country's own exports (FVA) and the value added supplied to other countries' exports (DVX). Although the degree to which exports are used by other countries for further export generation may appear to have little relevance for policymakers, as it does not change the domestic value-added contribution of trade, the participation rate is a useful indicator for the extent to which a country's exports are integrated in international production networks.

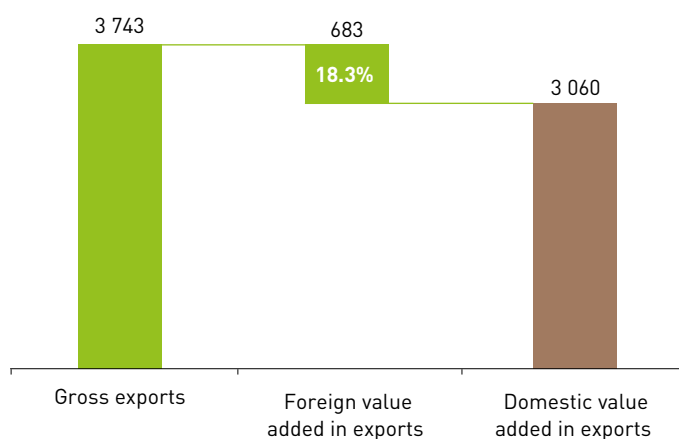
GVC participation corrects the limitation of the foreign and domestic value added indicators, in which countries at the beginning of the value chain (e.g., exporters of raw materials) by definition have a low foreign value-added content of exports. It gives a more complete picture of the involvement of countries in GVCs, both upstream and downstream.

GVC indicators can also be used to assess the extent to which industries rely on internationally integrated production networks. A number of complex methods have been devised in the literature to measure GVC length; however, the degree of double counting in industries, conceptually, can serve as a rough proxy for the length of GVCs. Data on value added trade by industry can provide useful indications of the comparative advantages and competitiveness of countries and, hence, form a basis for development strategies and policies.

Source: Adapted from UNCTAD (2013).



Figure 2. Value added exports from Cambodia, 2018 (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

**The GVC participation of the country is generally still weak, reflecting the limited involvement of FDI in building the value-added chains that will lead to high productivity and wider industrial diversification.**

FDI is highly concentrated, especially in the garment and footwear industry, where it accounted for up to 86% of the manufacturing total in 2017, but it still has relatively short chains today. Participation in the backward path of GVCs, or exploiting FVA for bolstering exports, is important for the country to generate higher value added. However, FVA is low, meaning fewer backward production chains and less opportunity to contribute to the productivity of the export products. It is important to note that after national reconciliation in the early 1990s, socioeconomic rehabilitation combined with an outward outlook led to a sharp increase in trade and FDI as part of the country's efforts to integrate into global business and production networks. Therefore, first FVA jumped dramatically from 9% in 1990 to 20.6% in 1995. Thereafter, FVA grew at a slow pace and fluctuated over the following decades, reaching just 18.2% in 2018 (compared to a regional average of 36%) (Table 3 and Figure 9).

The short backward path of the GVCs (backward linkage) can be explained by the following. First, the nature of the export industry. For example, in the primary industry, such as rice, rubber, and other agricultural export products, including forestry and fishery, less foreign content is used. This sector engages in production more in the forward part. However, it is noted that the recent trend of increasing the foreign machinery used in the agriculture sector suggests that foreign inputs will, to some extent, slightly increase in the agriculture sector. Second, the country's efforts to diversify its small export base and widely engage with regional production networks have not achieved the desired success and are still underdeveloped. While Cambodian exports heavily depend on clothing and footwear industries, the country has been trying to diversify its export base by creating special economic zones (SEZs) and industrial zones and attracting parts and components industries and other potential industries into the zones with the aim to incorporate itself into the regional production chains. Even though some progress has been made recently, participation in the GVCs of the industries is still based on low skilled and intensive labour, which tend to produce little value added.

### **The manufacturing sector is most involved in GVCs with an average share of foreign value added (FVA) of 22%.**

Some manufacturing industries, e.g., wood and wood products, and the food processing industries, show a higher multiplier effect in the economy (Figure 1). These industries have not established strong value chains. The FVA share by industry in the manufacturing sector is the highest in motor vehicles and other transport equipment (40%), followed by electrical and machinery (34%) (Figure 3). These two have emerged in the economy during the last decade, since 2010, following efforts from the government to promote industrial diversification. The advantage lies in abundant labour with relatively low costs and favourable locations, especially in SEZs, established strategically near to the borders to facilitate the regional production chains with neighbouring counties. Some progress was made in exporting electronic equipment and electrical parts and vehicle products, but both industries are still small and have limited export size. Their share in total exports was around 4% combined in 2017. The nature of these industries means that they use more foreign inputs, which exhibits a large share of FVA, meaning greater participation in GVCs in the backward path (the upstream part) than other industries. However, due to their small size together with the lack of domestic suppliers, the impact of these industries on the economy is still minimal with a multiplier effect of around 1.2 (Figure 1). At their early stage of development, these industries are promising, as industrial policy has emphasized the intention to intensify their development and support these sectors in order to diversify the growth bases. Providing a better environment for the industries to be thriving, sustainable, and competitive and allowing them to make a greater impact and reap more benefits will require high-skilled workers, engineers, and professionals, as well as strong industrial linkages. The disconnection between today's large exporting industries and value-chain creating industries is a hindrance to further economic development through FDI, exports, and GVCs.

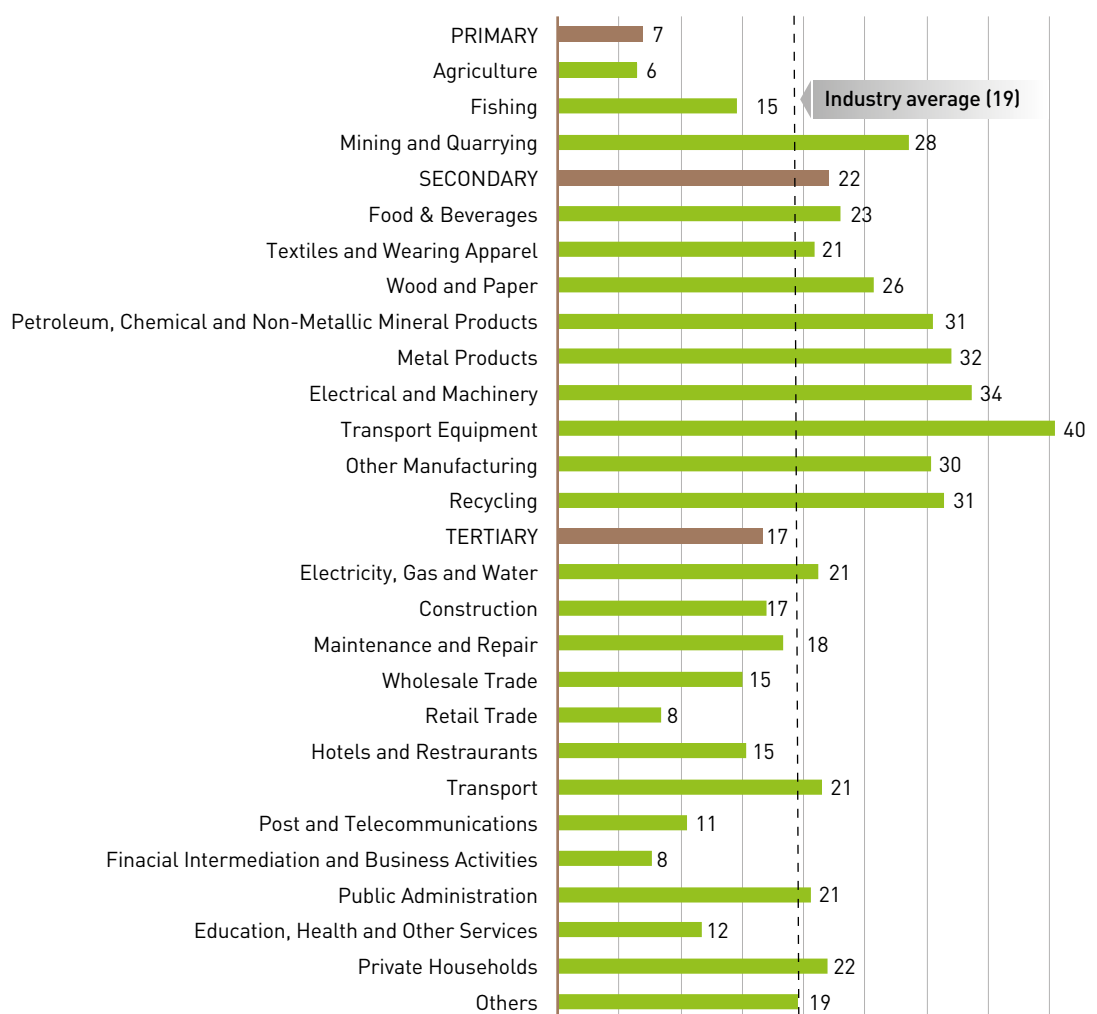
The textiles, clothing, and leather sector, one of the main contributors to economic growth, representing 77% of the country's export (54% of gross exports), includes foreign value added of just 21% (Figure 3). This FVA figure opposes the general perception that the sector would use higher foreign content than domestic content. This can be explained by the characteristic of the garment industry itself, where two-thirds of foreign inputs are excluded from the trade value as they are brought into the country without changes in ownership. If this figure were included, the FVA for garment manufacturing would be higher, estimated at around 60%.<sup>10</sup> Even though most FDI flows into garment manufacturing, the structure of value added exports shows that the value added contributed by the garment sector is low at 10% (Figure 4).

Service manufacturing prevails in the garment industry. As much as around 80% of garment and textile exports are based on non-equity mode (NEM) production,<sup>11</sup> which means that most of the export-oriented companies (570 out of 600 companies registered as members of a garment association) are operating as partners or under subcontracts with major contracting companies that provide fabric input or design. For instance, subcontracting companies, such as Golden Apparel, Cambo Handsome, M&V Cambodia, and New Wide Cambodia, etc., are suppliers for some of the world's most renowned brands, such as UNIQLO, GAP, H&M, Marks & Spencer, Mango, Muji, Belk, Trimark, and Tchibo. The apparel industry has strong links with foreign firms. Some of them are foreign branches or part of group companies' vertical integration in which the transaction of raw materials is often brought in for processing and then sent back with unchanged ownership, making weak GVCs for the sector.

<sup>10</sup> Around 65% of imports were excluded from the trade value. For this case, the calculation uses the assumption that FVA of 21% is derived from 35% of imports.

<sup>11</sup> See AJC Paper 2, Non-equity Mode of Trade in ASEAN: Cambodia.

Figure 3. Cambodia: Share of foreign value added in exports, by industry, 2015 (Per cent)

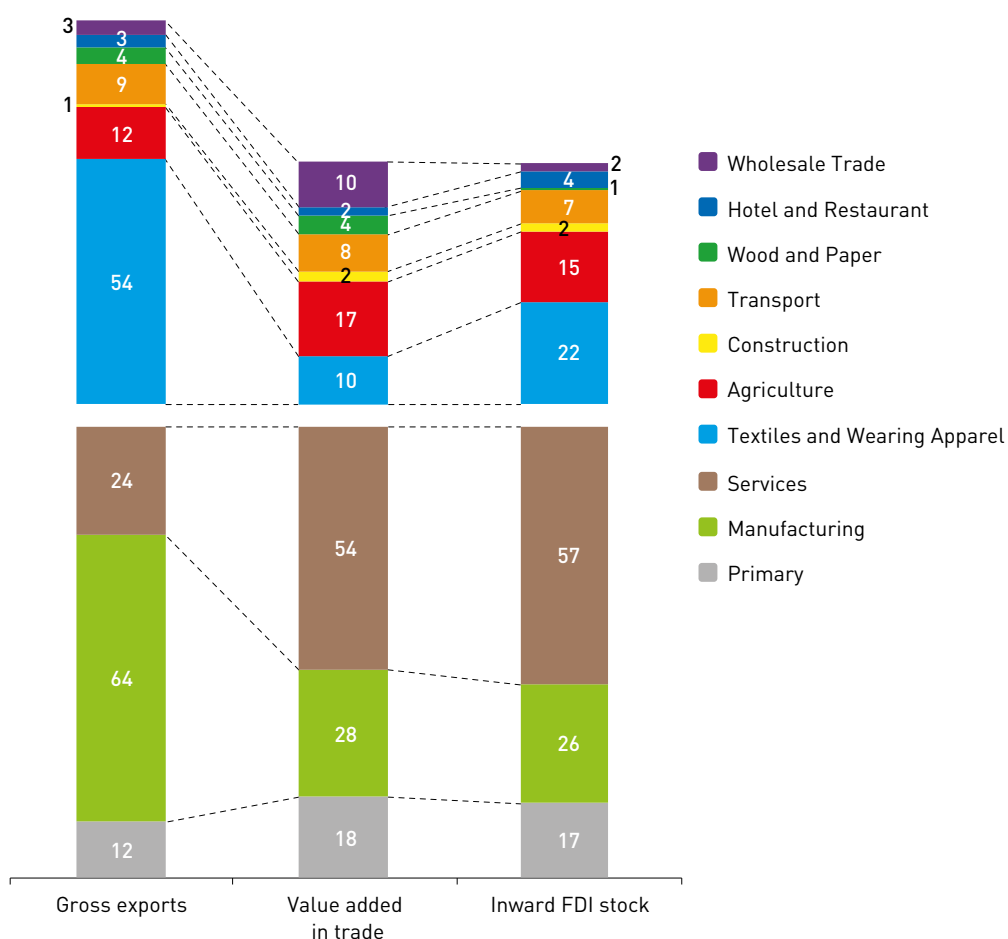


Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

**The service sector has a relatively small foreign value-added share, but the sector has gained a much higher share in value-added exports** of 54% in 2015 (Figure 4 and Figure 5). FVA indicates the extent to which a country uses foreign inputs in its exports. The value added structure reflects that Cambodia's service sector is playing a large role in the economy, which means the sector is providing more value added to the country's exports than manufacturing (Figure 4) in addition to the economy, where in terms of value added it accounts for nearly half of the total (Table 1). This reflects the sectoral distribution of value added of the industry (Table 1). Service products are generally used in most industries, in particular in manufacturing, and are in turn incorporated in value added export products.

Export statistics show that the service sector took a share of 24% of gross exports in 2015, whereas the manufacturing sector had a share of 64% (Figure 4). Although most exports come from the manufacturing sector, the bigger stake of the service sector's value added in total value-added

Figure 4. **Relationship between GVC and FDI in Cambodia, by industry, 2015**  
(Percentage share in total industry)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs for gross exports and value added in trade. CDC/NBC for inward FDI stock.

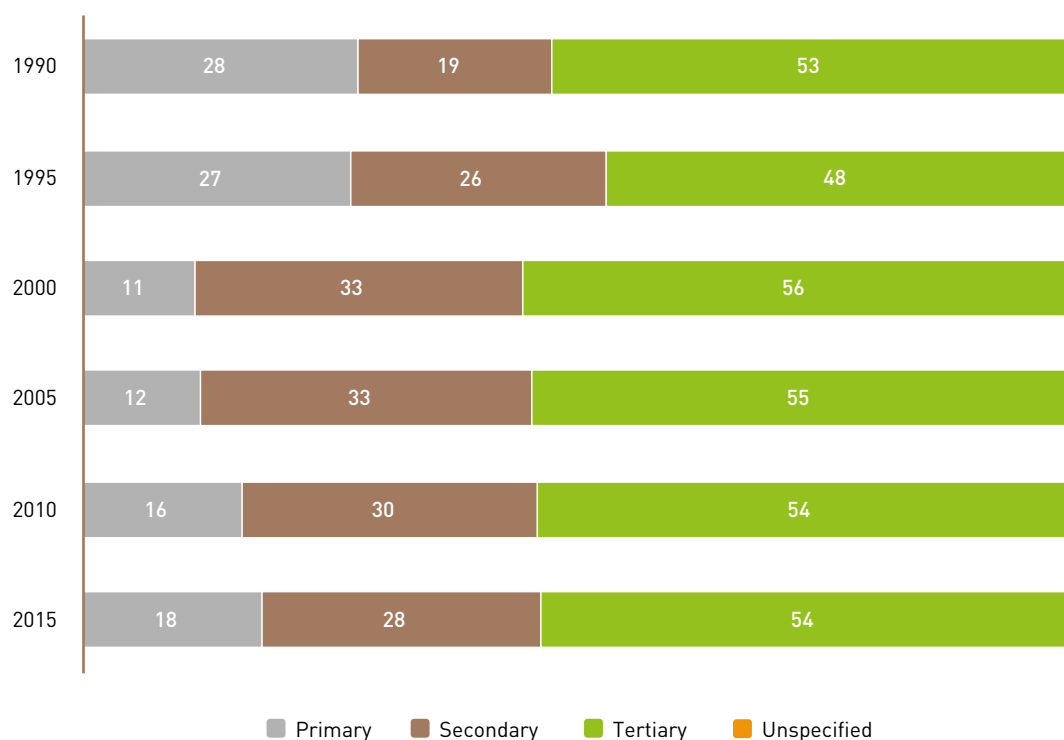
Note: Services include amounts not allocated by industry.

exports implies that more than half (54%) of exports contain services (including services incorporated in manufacturing exports). The economy is most likely driven by services rather than manufacturing, and the structure of inward FDI has shown its significance, as the service sector accounted for 57% of the FDI stock in 2015.

As the country develops, the economic structure is gradually shifting from agriculture towards manufacturing and services. The value-added structure of exports also confirms this trend. However, after soaring in the early 2000s, the relative shares of manufacturing and service value added exports have not changed much during the last decade (Figure 5).

The share of the primary sector in value-added exports is small, but its trend shows gradual growth (Figure 5), reflecting the results of the implementation of rice production and export policies and the agricultural mechanization process starting from the mid-2000s along with the productivity increase. The government has emphasized the importance of the sector as a prioritized industry

Figure 5. **Structure of value added exports from Cambodia, by value added creator industry, 1990–2015** (Per cent)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

for promoting growth and contributing to an increase in income for the majority of people whose livelihoods depend on agribusiness.

Looking at the foreign value-added share by industry, the primary sector is less involved in GVCs, and FVA in the sector's exports is just 7% (Figure 3). The sector is one of the major drivers of socio-economic development. Among ASEAN countries, Cambodia had the highest share of agribusiness output in total output in 2015. However, the share of output of food products was 8%, relatively smaller than other countries in the region<sup>12</sup> and hinting at the small food processing industry or limited domestic capacities for food production and less foreign company activities in the sector. The food processing industry in Cambodia is still in the developing stage, and, among other challenges, the lack of supporting industries is a major issue, making production costly and less competitive and, for example, resulting in a lack of good quality plastic packets and bottles.<sup>13</sup>

For the agriculture sector, upstream participation in GVCs is more relevant as it provides inputs for further processing. Among other industries, processing industries, such as the wood and products of wood, and food processing industries have the highest impact on investment for the economy (see Figure 1). Cambodia could add more value added to the economy if the government were

<sup>12</sup> See AJC, Global Value Chains in ASEAN: Agribusiness, Paper 15, forthcoming.

<sup>13</sup> Chheang and Hamanaka (2011).

to realize its intention to establish agro-processing zones for furniture manufacturing, rubber processing, and food processing, for domestic use and export.<sup>14</sup>

Over the past few years, the small food processing industry has grown gradually with less-sophisticated technology. For instance, a survey carried out by IC Net limited for the Ministry of Foreign Affairs (MoFA) of Japan identified poor thermal efficiency of drying machines and an inability to measure the appropriate sugar content on vegetable and fruit (mango) processing. With regard to technologies, the survey also identified the need for knowledge on various aspects of vegetable and fruit processing, including freezing and freeze-dry processing.<sup>15</sup>

For this case, attracting more FDI into the processing industries and becoming part of the GVC are regarded as important tools to sustain further economic growth and long-term sustainable development. Investment in the agriculture sector is not significant (\$234 million, equal to 7.8% of total FDI in 2017), but some sign of growth exists in the processing industry. For example, the rubber manufacturer Socfin (Luxembourg) started construction of a \$5.7 million processing factory in 2018 and Green Leader Holdings Group (Hong Kong, China) began construction of its first cassava processing plant.<sup>16</sup>

Currently, agribusiness in Cambodia tends to export without processing. This means that the sector is somehow participating in downstream GVCs. Agriculture, together with the food processing industry, contributed \$98 million as DVX (see Box 2) in 2015, of which the share of food processing industry was just 4% (data retrieved from AJC-UNCTAD-Eora database on ASEAN GVCs). The top 10 countries that used Cambodia agriculture products as inputs for their exports in 2015 were Malaysia, China, Viet Nam, Thailand, Germany, the Republic of Korea, Singapore, the Netherlands, Italy, and Belgium.

During the 1990s, after opening up, especially after the adoption of the investment law in 1994, as more foreign investment was involved in the export industry, international trade and production gained in significance, increasing the share of foreign value added in exports for all sectors and most industries (Figure 8). Figure 8 shows the initial involvement of the country in GVCs. The trend continued until the mid-1990s (Figure 9). However, since 1995, this trend has been flat, and FVA fluctuated slightly around 20% before moving on a downward trend during the last few years (Figure 6 and Figure 9). Meanwhile, there were changes in the share of Chinese value added in Cambodia exports. This means that Chinese intermediate goods are increasingly being used in the export industry, reflecting the dominance of Chinese investment in the Cambodian economy. ASEAN and China accounted for more than half of Cambodia's foreign inputs in 2018 (Figure 6), as in the pattern of the garment and clothing industry (AJC, Paper 1, 2017 and 2019). At the same time, this has crowded out imports from Japan and the rest of the world in Cambodia's exports. For the former, however, imports from Japan were replaced to a certain degree by domestic production in ASEAN by Japanese companies.

Cambodia's economy has been less associated with GVCs. Low GVC participation has been brought out by not only low FVA, which requires less foreign inputs for exports, but also limited industrial capacity to create greater domestic value added for exports to incorporate into the exports of foreign countries.

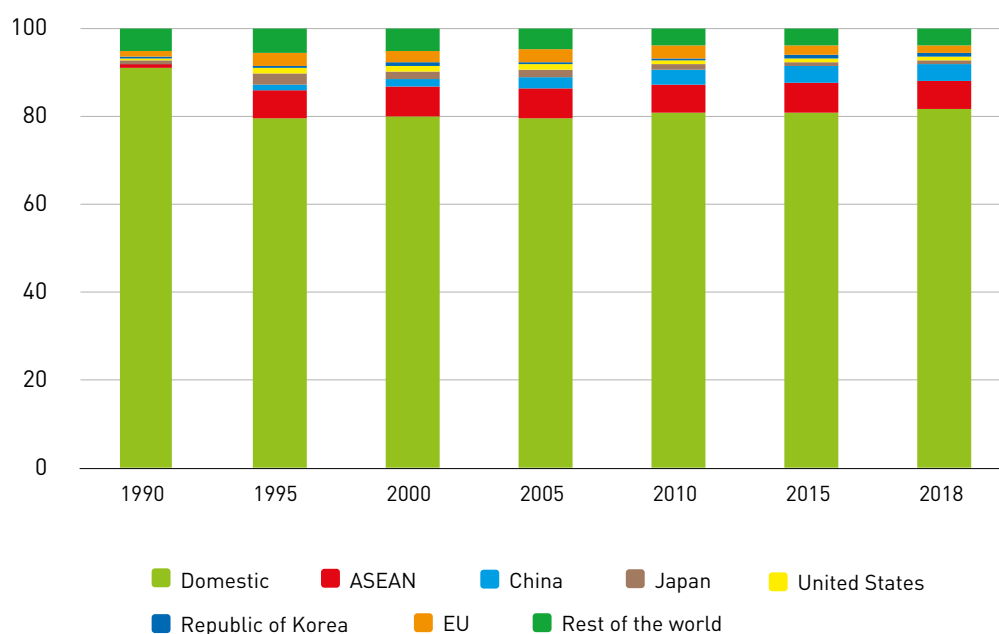
The forward path (downstream part) is also important to pay attention to as it indicates the ability of the economy to produce intermediate goods to supply within global production chains.

<sup>14</sup> Royal Government of Cambodia (2015).

<sup>15</sup> IC Net Report (IC Net limited Survey): Survey on Needs for Assistance in Energy Waste Disposal, Vocational Training and Agriculture, in Cambodia by Using Techniques Developed by Japanese Small-and Medium-Sized Enterprises. March 2016.

<sup>16</sup> ASEAN Investment Report 2018.

Figure 6. Value added exports from Cambodia, by domestic, ASEAN and other top five foreign country value-added creators, 1990–2018 (Per cent)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

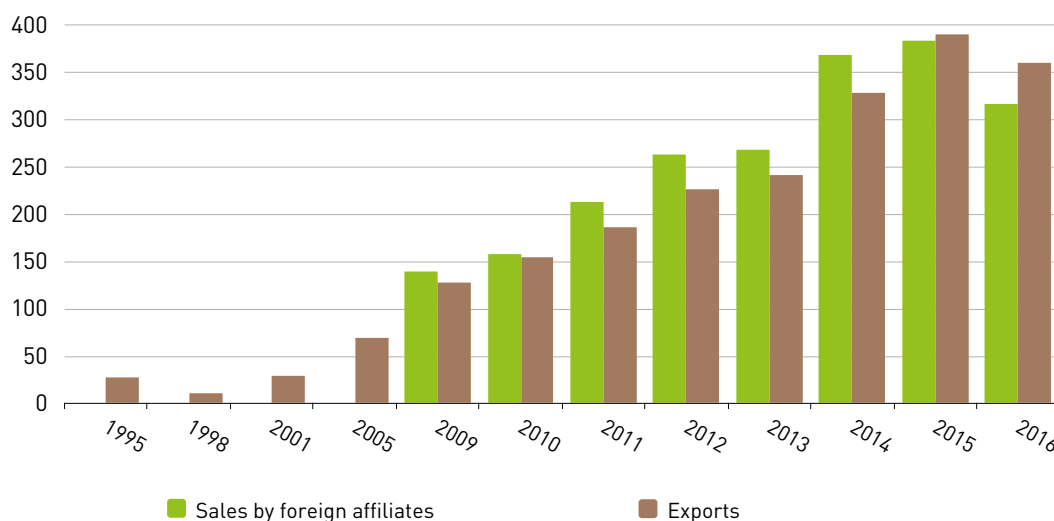
This characteristic of supply, called DVX (Box 2), is connected with forward GVC participation. The more material being used by foreign country exports, the more opportunity for the country to export. For Cambodia, the level of DVX is not high (13%) and the trend has only slightly decreased over the last two decades. In other words, the downstream part of GVCs has not gained in importance, leaving the total GVC participation rate at only 31% in 2018 (Figure 9 and Table 3), which is much lower than that of other countries in the region, where the regional average was 61% in 2018.

At the same time, the DVA share likely increased (Figure 6), which implies that the export industry was slightly but competitively improving. However, the structure of value-added exports showed that the value added created within Cambodia is one of the highest of countries in ASEAN (Figure 6 and AJC-UNCTAD-Eora database). Its contribution to the country's GDP has been small as its value-added export value itself is small, and export-based industries are not diversified enough for it to gain importance.

The structure of value-added exports shows that value added created domestically in Cambodia is at 82% (Figure 6). However, the high proportion of domestic value added in exports does not necessarily mean that domestic producers have gained in significance. It is important to note that along with channelling in foreign value added, FDI firms also participate in creating domestic value added. In other words, in Cambodia, a significant proportion of domestic value added has been contributed by an increase in the production of foreign companies operating in Cambodia rather than domestic companies.<sup>17</sup> This can be observed, for example, for the case of United States (US) companies (Figure 7).

<sup>17</sup> Foreign-owned companies comprise around 60% of the total number of large companies in Cambodia. IDP 2015-2025.

Figure 7. **Exports to Cambodia from the United States and sales by United States affiliates in Cambodia, 1995–2016<sup>a</sup>** (Millions of dollars)



Source: BEA/US direct investment abroad (for sales by foreign affiliates) and UNCTAD statistics (for exports).

<sup>a</sup> For sales data, majority-owned foreign affiliates.

Direct exports from the US have increased over time, which means that, to some extent, parts of those were added to the country's exports (Figure 6). At the same time, sales of US companies in Cambodia have been increasing, and part of these sales is exported.

The GVC trend has slightly increased, with a small fluctuation. This shows that FVA and DVX have been at almost the same levels over the last decade, and implies that Cambodia has not increased its participation in GVCs. The low participation is because the main industries (textiles and clothing, and agriculture) do not fully form GVCs. There are two factors explaining this. First, along with the existing weak capacity of local firms to form GVCs, there is a lack of any specific policy actions targeted and directed towards supporting GVC formulation and GVC participation. Second, it seems foreign companies still hesitate to fully engage in GVC production because they are satisfied with the current production style, which is processing trade rather than investing in production associated with high costs. The current revision of the FDI policy should consider shifting to the next generation of FDI policy to support the country's GVCs and sustainable development.

What is important is that Cambodia becomes more involved in GVCs outside the ASEAN region (Table 3) as its major trading partners are from outside the region, such as the European Union, the United States, Japan, and China, including Hong Kong and Taiwan. Cambodia's trade volume with all countries outside ASEAN was 70% in 2015. Cambodia's GVCs with countries outside the region appeared to dominate in both the backward and forward part of GVCs (upstream and downstream) (Table 3).



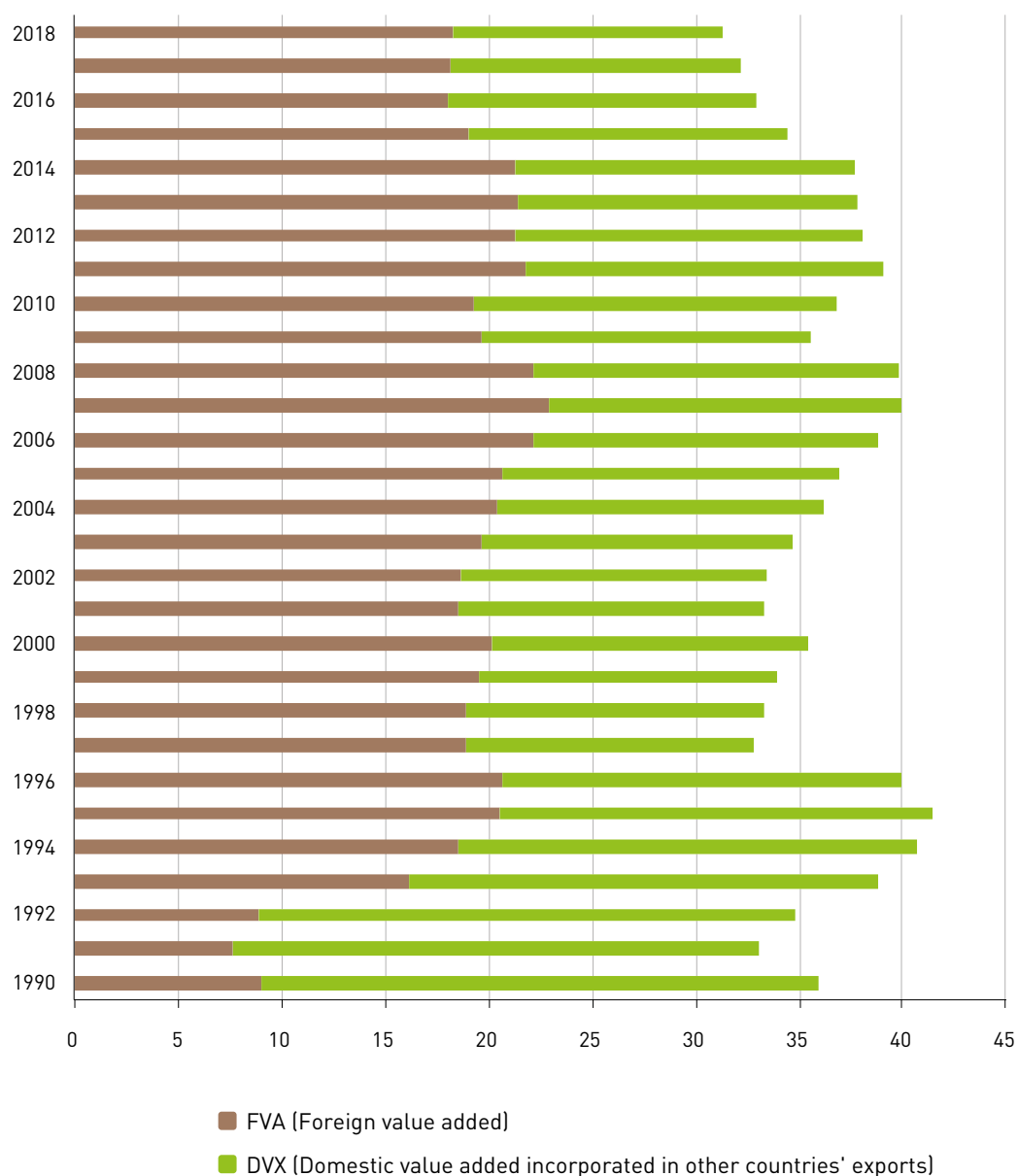
Figure 8. Which industries in Cambodia have been more involved in GVCs between 1990 and 2015 (Share of foreign value added in Cambodian exports)

	Sector and industry	1990	↑ → ↓	2015
Primary	<b>Primary total</b>	<b>3.1</b>	<b>↑</b>	<b>6.9</b>
	Agriculture	1.5	↑	6.5
	Fishing	16.5	↓	14.6
	Mining and Quarrying	10.3	↑	28.5
Manufacturing	<b>Manufacturing total</b>	<b>12.1</b>	<b>↑</b>	<b>22.1</b>
	Food & Beverages	4.5	↑	23.0
	Textiles and Wearing Apparel	18.1	↑	20.9
	Wood and Paper	6.6	↑	25.7
	Petroleum, Chemical and Non-Metallic Mineral Products	7.9	↑	30.5
	Metal Products	8.9	↑	32.0
	Electrical and Machinery	9.3	↑	33.7
Transport Equipment	11.0	↑	40.5	
Services	<b>Services total</b>	<b>6.3</b>	<b>↑</b>	<b>16.7</b>
	Electricity, Gas and Water	6.6	↑	21.2
	Construction	4.5	↑	16.9
	Maintenance and Repair	14.9	↑	18.3
	Wholesale Trade	4.2	↑	15.1
	Retail Trade	2.2	↑	8.4
	Hotels and Restaurants	3.4	↑	15.3
	Transport	7.3	↑	21.5
	Post and Telecommunications	2.9	↑	10.5
	Financial Intermediation and Business Activities	2.1	↑	7.7
	Public Administration	5.7	↑	20.6
Education, Health and Other Services	3.0	↑	11.7	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: Based on two-three digit level of ISIC.

Figure 9. GVC participation in Cambodia, 1990-2018 (Per cent)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

In terms of GVC participation, all industries seem to have more connections with outside regions and less involvement in the regional production system. There are different patterns when looking to regional value chain (RVC) participation by industry. Typically, services and manufacturing are leading in RVCs (Figure 10). Generally, Cambodia's RVCs are still small, but the trade of intermediate goods and services with partners in the region should have been increasing along with an expansion of its final goods market globally. Service industries that are typically showing higher regional connections include industries such as electricity and gas, wholesale trade, and transportation.

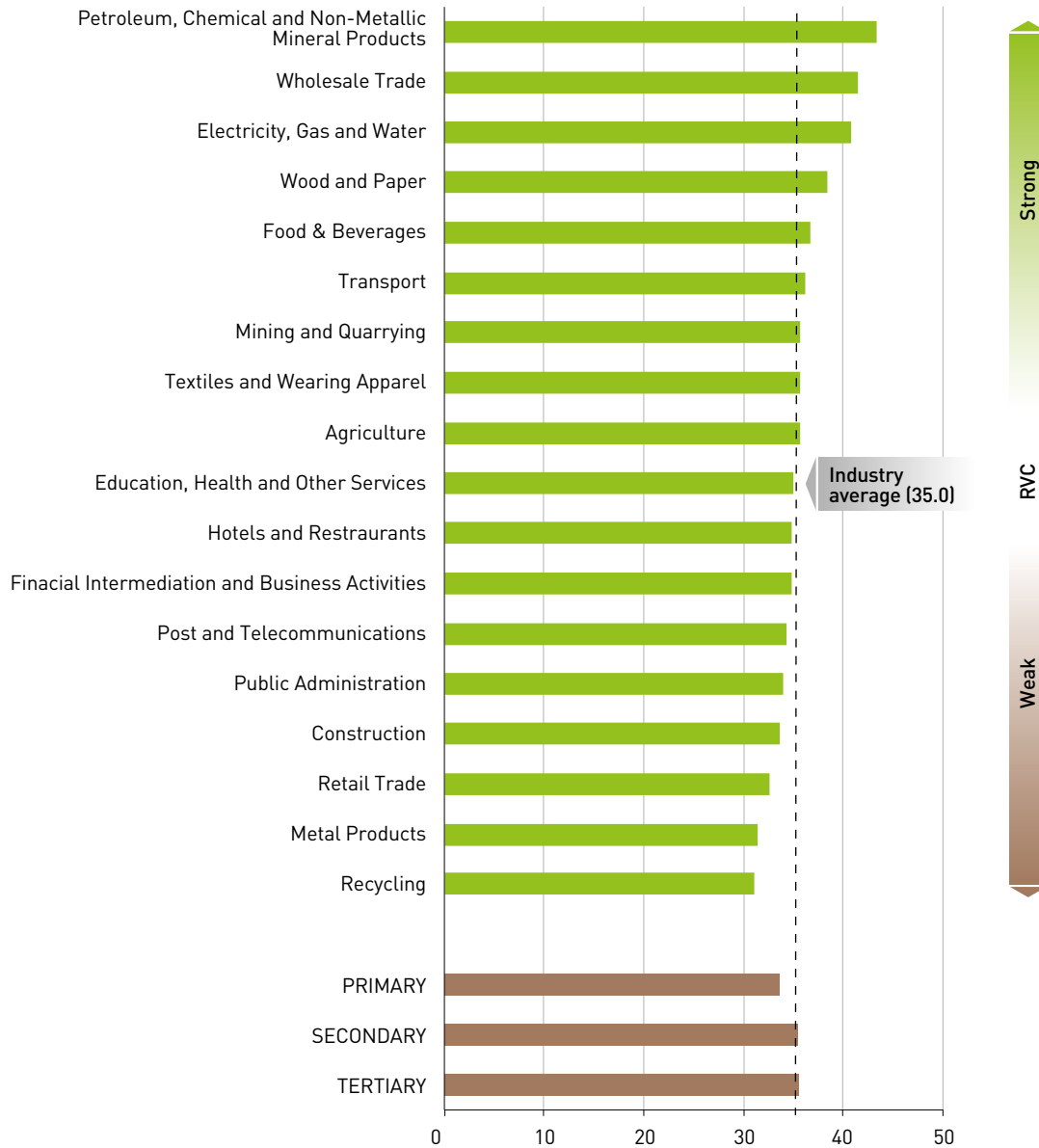
Table 3. GVC and RVC participation in Cambodia, 1990–2018 (Per cent of total exports)

Year	FVA: Foreign value added			DVX: Domestic value added incorporated in other countries' exports			Value chain participation	
	Total (A) = (B+C)	Created outside ASEAN (B)	Created within ASEAN (C)	Total (D) = (E+F)	Incorporated outside ASEAN (E)	Incorporated within ASEAN (F)	GVC participation (A + D)	RVC participation (C + F)
1990	9.0	8.2	0.9	26.9	21.6	5.4	36.0	6.2
1995	20.6	14.2	6.4	20.9	13.0	7.9	41.5	14.4
2000	20.1	13.3	6.8	15.3	9.4	5.9	35.4	12.7
2005	20.7	13.9	6.8	16.3	11.2	5.1	37.0	11.8
2010	19.3	13.0	6.4	17.5	12.3	5.2	36.8	11.5
2015	19.1	12.4	6.7	15.4	10.9	4.5	34.5	11.2
2018	18.2	11.8	6.4	13.1	9.2	3.9	31.3	10.3

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

In the manufacturing sector, petroleum, chemical, and non-metallic mineral products, wood and paper, foods and beverage, and textile and clothing are more regional oriented, whereas transport equipment and electrical and machinery are relatively weak in terms of established connections with regional production networks. The latter has had a recent tendency towards greater involvement in regional production chains, especially under the “Thailand plus one” business strategy for foreign investors. Although the industries are still small and in their early stages, their production is expanding, and exports increased more than threefold in the last five years, reaching \$429 million in 2017. To some extent, the country seems to be gradually moving towards diversification of its growth base, creating new value chains with electronic and automotive parts and components.

Figure 10. **How important are RVCs in Cambodia, compared to GVCs, by industry in 2018**  
(Percentage share of RVC participation in GVC participation)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: The higher the share of RVC participation in GVC participation is, the more production networks are established in the region. However, for any industry, the degree of participation of countries other than ASEAN in GVCs is larger than that of ASEAN. Industry classification is at two-three digit level of ISIC.

## **Cambodia has the potential to strengthen GVC-led export industries regionally and globally.**

Cambodia specializes in the garment industry, with more connections with production and markets outside the ASEAN region. Industries such as electronics and automobile parts, which have emerged and are seemingly connected with regional value chains, have to be further developed to gain significance in GVC-led development. As a member of ASEAN, Cambodia can further strengthen the GVCs with the relatively advanced countries in the region. For instance, in tandem with the strengthened development of the more technologically sophisticated industries that Cambodia has started engagement with through the “Thailand plus one” strategy for Japanese firms, the country can do more with its neighbour Viet Nam and other regional advanced economies by utilizing its advantages – both geographical location and labour cost. Some Thai companies and some Japanese firms based in Thailand have begun to shift their labour-intensive operations to Cambodia because of the rising labour costs in Thailand.<sup>18</sup> For example, some companies have extended their operations to Cambodia, such as Minebea Co. Ltd, NHK Spring Co. Ltd., Sanco Electronics Co. Ltd., Mabuchi Co. Ltd., and Sc Wado Co. Ltd. According to a 2017 JETRO business survey, wages (base monthly salary) in manufacturing in Cambodia are around \$170 per month, still lower than Thailand (\$378) and Viet Nam (\$216).<sup>19</sup> The important factors attracting investors to Cambodia still lie in the comparatively lower labour costs.<sup>20</sup> Supporting this mode of business movement, the ASEAN Economic Community (AEC) process in connection with free trade negotiation should play a greater role not only in dismantling tariffs but also in abolishing non-tariff barriers.

Economic relations with non-ASEAN countries are very important for expanding market access and building production networks through GVCs. In addition to the benefits of the preferential regimes provided by developed countries, such as Everything But Arms (EBA) under the Generalized Scheme of Preferences (GSP) of the European Union (EU), Cambodia is increasingly forging economic relationships with other partners. For instance, bilateral agreements with China, Japan, the Republic of Korea, India, Australia, and New Zealand have provided an opportunity for Cambodia to establish and further strengthen its GVCs with those countries.

## **Like most ASEAN countries, Cambodia utilizes GVCs to further its economic development.**

There is a positive correlation between economic growth and GVCs (Figure 11), which means that GVCs contribute to GDP through creating value added and exports. Through participating in GVCs, Cambodia has achieved continuous high growth over the past two decades.

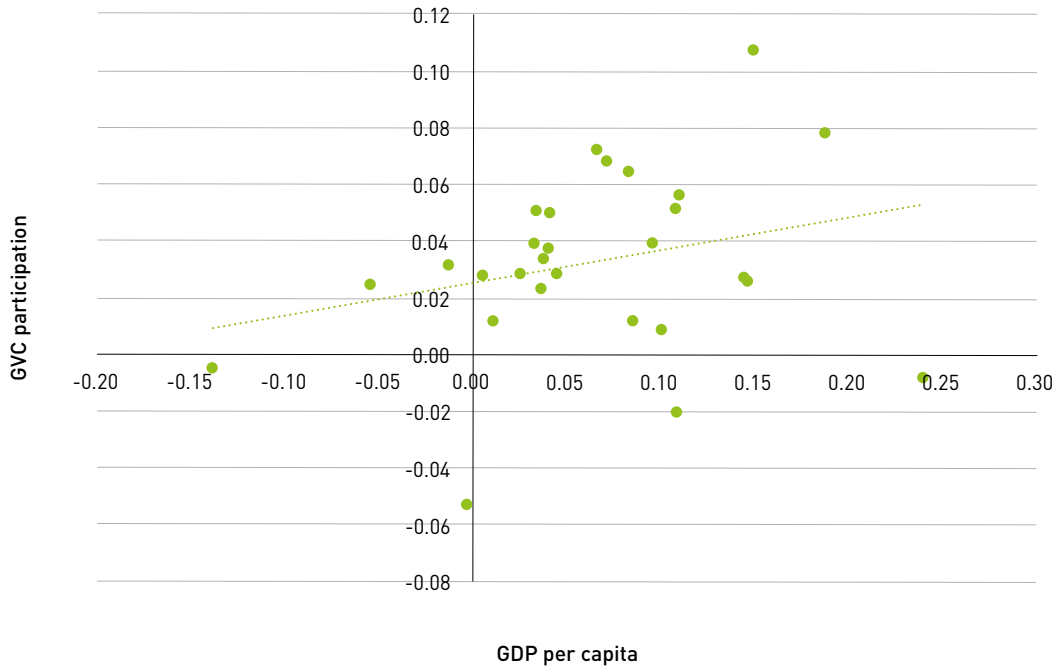
FDI has played a strong role in creating GVCs in the Cambodian economy. The relationship between FDI and GVCs is positive, which means that Cambodia’s GVC participation (FVA + DVX) has increased along with the increase in levels of FDI (Figure 12). The existence of low level of GVC participation is because most FDI, around 60% of its stock in 2017, is involved in services that consume less foreign intermediate goods. It is the manufacturing sector that tends to create GVCs. Although GVCs are still small today, there are high expectations that further FDI in combination with industrial diversification will bring a bigger impact.

<sup>18</sup> Kuroiwa (2016).

<sup>19</sup> 2017 JETRO Survey on Business Conditions of Japanese Companies in Asia and Oceania.

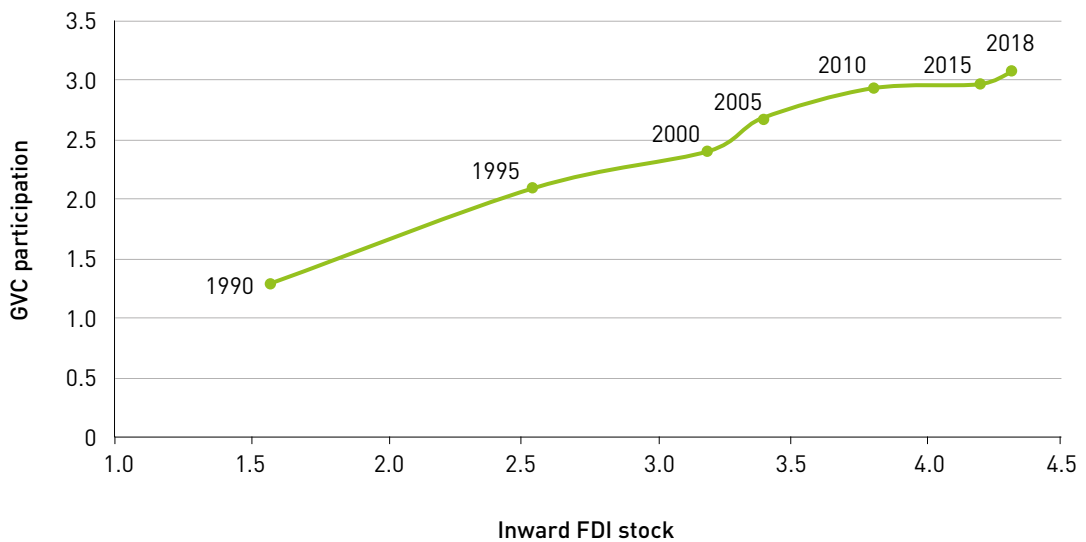
<sup>20</sup> Cited from Kuroiwa (2016) based on results of a firm survey conducted by the Economic Research Institute for ASEAN and East Asia (ERIA) in 2014.

Figure 11. Relationship between GVC participation and economic growth rates in Cambodia, 1990–2018 (Log scale)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs and UNCTAD database for GDP per capita.  
 Note: For GVC participation, yearly differences in the log value of the sum of FVA and DVX, both of which are in millions of dollars, are used, while, for GDP per capita, yearly differences in its log in dollars are used.

Figure 12. Relationship between GVC participation and FDI presence in Cambodia (Log scale)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs and UNCTAD database for FDI stock.  
 Note: For GVC participation, the log of the sum of FVA and DVX, both of which are in millions of dollars, is used, while for inward FDI stock, its log in millions of dollars is used.

The government has acknowledged the importance of GVCs in its policy document – for example, “the strategic approach of the Industrial Development Policy (IDP) 2015-2025 is to promote the development of the manufacturing sector and agro-processing industry through integration into regional and global production chain”. In this sense, it is important for the country to attract more FDI and channel it to manufacturing beyond the textile and footwear industries. The degree of success depends on the extent to which industrial competitiveness improves and the investment environment becomes more conducive.

Over the last few years, tremendous efforts for promoting FDI have been made against the challenges of the high cost of doing business and administration procedures for the improvement of the investment environment. Although some success has been achieved recently in developing SEZs and industrial zones and reducing transaction costs related to electricity prices and transportation costs, there remain more challenges to consider and further actions are needed, especially regarding the issues of skill development and the adoption of new technologies. These elements are important for improving productivity and industrial competitiveness to attract new FDI into manufacturing beyond garments.

**While further participating in GVCs in low-skilled and labour-intensive industries, Cambodia needs to increase participation in higher value-added GVCs through skill development if it is to catch up with other ASEAN countries.**

Initially, Cambodia experienced successful participation in GVCs in the garment industry, which is a labour-intensive with and low-skill industry. Industrial diversification has started recently with GVC participation in other labour-intensive industries, like assembly industries. The electronics parts and components industry is a technology-intensive industry that tends to employ medium-skilled and high-skilled workers. However, due to a lack of skilled labour and weak domestic supporting industries, the impact of GVC participation in these industries has been minimal.

Strategically, Cambodia can strengthen its participation in GVCs in two directions: by enhancing GVC participation through expansion to other industries (horizontal diversification) by using the country’s advantage of low-cost labour; and by participating in GVCs in higher value chains (vertical diversification) through moving up to higher value added through increased FDI and its impact on the economy and human resources.

At this stage, the country seems to have merely utilized its abundant low-skill and low-wage workers in its strategy to participate in GVCs. There is low-medium-skilled and high-skilled content in exports. In 2017, among manufactured products, the shares of exports that were both medium-skill and technology-intensive, and high-skill and technology-intensive manufactures were only 3.8% and 3.7%, respectively (Table 4).

IDP 2015-2025, adopted in 2015, sets its vision “to transform and modernize Cambodia’s industrial structure from a labor-intensive industry to a skill-driven industry by 2025, through connecting to regional and global value chain; integrating into regional production networks”.<sup>21</sup> The vision is appropriate for Cambodia, given the current industrial structure concentrated on labour-intensive industries. However, shifting to high-skill and professional labour-based industries will require a concrete strategy and rigorous efforts. Looking at the structure of exports by technology intensity, the intention to shift to high-skill-led industries in the medium term without a concrete strategy seems too ambitious while roughly 90% of the country’s export manufactured goods is still based on labour-intensive and resource-intensive products (Table 4).

<sup>21</sup> Royal Government of Cambodia (2015).

Table 4. Cambodia's export manufactured goods by technology intensity, 2000-2017 (Per cent)

Manufactured goods	2000	2005	2010	2015	2016	2017
<b>Labour-intensive and resource-intensive manufactures</b>	92.1	91.6	82.7	89.1	88.9	88.9
<b>Low-skill and technology-intensive manufactures</b>	0.2	0.4	3.2	3.8	3.9	3.6
<b>Medium-skill and technology-intensive manufactures</b>	0.4	0.3	1.6	3.7	4.1	3.8
Medium-skill: Electrotics (exluding parts and components)	0.0	0.0	0.0	0.0	0.0	0.0
Medium-skill: Parts and components for electrical and electronic goods	0.0	0.0	0.0	0.1	0.2	0.1
Medium-skill: Other, exluding electronics	0.4	0.3	1.5	3.5	3.9	3.7
<b>High-skill and technology-intensive manufactures</b>	7.3	7.7	12.5	3.4	3.1	3.7
High-skill: Electrotics (exluding parts and components)	0.0	0.0	0.0	0.1	0.1	0.1
High-skill: Parts and components for electrical and electronic goods	0.0	0.0	0.1	2.2	1.2	1.6
High-skill: Other, exluding electronics	7.2	7.7	12.4	1.2	1.8	1.9
<b>Total export manufactured goods</b>	100	100	100	100	100	100
<b>Total export manufactured goods (\$ million)</b>	1 297	2 793	5 010	7 542	8 274	10 453

Source: UNCTAD, GlobStat database.

Note: Does not include primary commodities, which account for 13% of the total merchandise from Cambodia.

It is important to strengthen policy efforts. For example, one of the policy priorities is to expedite the implementation of the existing education policy in order to modernize the country's education system to support industrial development in the future. At the same time, it is important to strengthen the vocational training system to make it efficient enough to produce skilled labour and to upgrade the skills of employed labour in response to market requirements while supporting industrial diversification as well as GVC participation in higher value chains.

It is generally acknowledged that industrial diversification is a must for employment and sustainable economic growth, given the severe dependence of exports on the garment industry along with the abundance of unskilled and low-skilled workers. In this sense, horizontal diversification in labour-intensive industries through further participation in GVCs utilizing low-skilled and relatively low-wage labour is still relevant while the country must create jobs for people. However, competitiveness based on low-wage and low-skilled workers cannot be sustained in the long term. As a long-term strategy, the priority should be shifted to efficiency and high-productivity competitive elements based on high-skilled labour, professionals, and technology intensity. Technology and labour productivity can harness industrial upgrading for development and elevate this development to a higher stage. Therefore, it is important to focus policy orientation on promoting GVC participation in higher value-added chains that can provide high income for people while maintaining industrial competitive advantage.



### **An improved industrial structure and the greater involvement of small and medium-sized enterprises (SMEs) in GVCs are other important elements for a higher impact on the economy.**

Cambodia's industrial structure is tenuous, lacking capital accumulation and entrepreneurs at the middle and at top. In Cambodia (with a total of 510,000 enterprises), 97.3% of enterprises are in the form of microenterprises, followed by 2.2% for SMEs, leaving only 0.6% for large enterprises.<sup>22</sup> The structure is fragile due to the high dependence of the economy on a small number of large enterprises. The industrial structure could be transformed by promoting both national capital accumulation and attracting more foreign capital. Sustainability should be based on having strong and high productive middle- and top-layer industries as a locomotive to lead growth and development. In addition, most SMEs are small enterprises. Their informality and inadequately educated workforces are among the major constraints.<sup>23</sup>

In general, SMEs are still weak, especially in terms of entrepreneurial capacity and technology application. They are operating inefficiently and face difficulties in establishing supply networks with large companies as well as the GVC-led companies created by FDI. Industrial fragmentation has caused weak inter-industrial linkages that tend to produce small multiplier effects in the economy. The average multiplier effect is only 1.3 (Figure 1). Improving SMEs' capability to efficiently engage in supply chains with GVC-led companies is crucial to attract not only FDI inflows and GVC-led manufacturing but also to compound the impacts of those investments for creating larger value added for the country. In this context, specific SME-supporting policies to promote involvement in GVCs can be significant to ensure SMEs' competency to access to global supply chains. Such policies include, for example, linkage programmes between local SMEs and GVC-leading foreign companies that should be encouraged and bridged by the government, through which some local SMEs can become eventually integrated into the GVC networks of foreign companies.

### **Investing in R&D can catalyze innovation and lead to national technological progress. Synergy among technologies, high-quality human resources, and GVC participation in high value-added chains would help realize the country's vision of becoming a high-income country by 2050.**

Cambodian entrepreneurs engage mostly in small-scale business that is less capital intensive with low-skilled workers. Foreign companies in Cambodia are generally large leading enterprises, accounting for 63%, while the vast majority of small and micro enterprises are Cambodian owned, comprising 94% and 99%, respectively.<sup>24</sup> Building local entrepreneurial capacity is important for long-term sustainable development. Currently, very few Cambodian SMEs are involved in exporting. Due to the lack of processing technology, SMEs export raw products, especially primary goods to neighbouring countries and then, in some cases, import them back into Cambodia as finished products for final consumption.<sup>25</sup> There are fewer opportunities to create value chains. In this case, attracting resource-seeking and efficiency-seeking FDI into processing industries and other resource-intensive industries is necessary. It is acknowledged that the spillover of knowledge, expertise, and simple technology would spread with FDI.

<sup>22</sup> Royal Government of Cambodia (2015).

<sup>23</sup> World Bank (2016).

<sup>24</sup> Royal Government of Cambodia (2015).

<sup>25</sup> Baily, P. (2008).

Although Cambodia should initiate investment in R&D and promote national innovation to lift nationwide productivity and competitiveness in the long term, foreign companies could begin in technology, even though standard ones, and through undertaking R&D, could give birth to innovative products.

R&D can catalyze innovation to help transform the country from a technology adopter to an innovator. The country should have competent national entrepreneurs to go hand in hand with GVC-led companies to augment the impact on income and sustain high economic growth. Technological progress, high-quality human resources, and GVC participation in high productivity value chains will help Cambodia realize its vision of becoming a high-middle income country by 2030 and achieve high-income status by 2050. Cambodia requires rigorous efforts in different dimensions in order to enlarge the economic pie and avoid falling into the middle-income trap for a longer period of time.

To this end, as Cambodia is a new country in terms of formulating development policies, the country can utilize technical assistance offered by international organizations, including ASEAN-Japan Centre and various development partners, to for example, harness FDI for GVCs and sustainable development.

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## ANNEX TABLES

Annex table 1. Value added exports of goods and services from Cambodia, by value added creator, 1990–2018 (Millions of dollars)

	Value added creator	Exports from Cambodia						
		1990	1995	2000	2005	2010	2015	2018
Foreign value added (FVA)	<b>World</b>	4.9	61.4	143.9	266.3	446.7	509.6	682.7
	<b>Developed countries</b>	1.9	22.3	45.5	85.8	132.1	129.5	167.2
	<b>Europe</b>	0.9	9.7	20.2	41.8	65.1	65.7	85.0
	European Union	0.8	8.9	18.6	38.6	59.0	59.1	76.5
	Belgium	0.0	0.4	0.7	1.6	2.3	2.5	3.2
	Estonia	0.0	0.2	0.4	1.0	1.5	1.9	2.5
	France	0.1	2.3	4.8	9.6	14.0	13.9	17.9
	Germany	0.1	1.8	3.8	7.6	12.1	9.9	12.8
	Italy	0.1	0.7	1.4	3.0	4.6	4.6	5.8
	Netherlands	0.0	0.5	1.1	1.9	3.0	3.1	4.0
	Spain	0.0	0.3	0.5	1.4	2.1	2.4	3.1
	Sweden	0.0	0.3	0.5	1.0	1.5	1.6	2.1
	United Kingdom	0.2	1.1	2.7	5.1	7.5	8.1	10.4
	Other developed Europe	0.1	0.8	1.6	3.2	6.1	6.7	8.5
	Switzerland	0.0	0.6	1.0	2.2	4.3	5.0	6.4
	<b>North America</b>	0.4	4.5	9.9	16.5	24.1	23.9	31.0
	Canada	0.0	0.3	0.9	1.6	2.5	2.6	3.5
	United States	0.3	4.2	8.9	14.9	21.6	21.3	27.6
	<b>Other developed countries</b>	0.6	8.1	15.4	27.5	42.9	39.8	51.1
	Australia	0.2	1.3	2.6	5.1	9.0	10.2	13.4
	Japan	0.3	6.4	12.2	21.1	31.5	27.0	34.2
	New Zealand	0.1	0.2	0.4	0.9	1.6	1.7	2.3
	<b>Developing countries</b>	2.8	38.5	97.2	177.3	307.3	372.6	505.7
	<b>Africa</b>	0.3	0.9	1.9	4.2	8.7	8.5	11.3
	North Africa	0.0	0.1	0.3	0.7	1.6	1.4	2.0
	Other Africa	0.3	0.8	1.6	3.5	7.1	7.1	9.4
	South Africa	0.0	0.2	0.4	1.0	1.6	2.0	2.5
	<b>Latin America and the Caribbean</b>	0.4	1.2	2.5	4.7	8.9	8.6	10.9
	Brazil	0.0	0.2	0.3	0.8	1.8	1.7	2.2
	<b>Asia</b>	2.1	36.3	92.7	168.1	289.0	355.0	482.8
	West Asia	0.2	0.8	1.8	4.1	6.5	7.7	9.9
	South, East and South-east Asia	1.9	35.5	90.9	164.0	282.5	347.3	472.9
East Asia	1.3	15.6	40.5	72.4	126.2	158.1	217.8	
China	0.1	4.5	13.3	35.5	76.4	97.3	137.4	
Hong Kong, China	0.1	3.4	8.2	13.2	16.1	23.4	30.8	
Korea, Republic of	0.1	1.8	4.4	9.1	15.3	18.8	24.8	
Taiwan Province of China	1.1	5.9	14.2	14.1	17.5	17.6	23.4	
South Asia	0.1	0.8	1.9	4.3	9.3	10.9	15.2	
India	0.0	0.5	1.3	2.9	6.8	7.9	11.2	
Iran	0.1	0.2	0.3	0.9	1.5	1.8	2.4	
ASEAN	0.5	19.1	48.5	87.3	147.0	178.4	239.9	
Brunei Darussalam	0.0	0.0	0.1	0.2	0.3	0.3	0.4	
Indonesia	0.1	3.5	8.3	12.6	23.7	29.4	40.4	
Lao People's Democratic Republic	0.0	0.0	0.0	0.1	0.2	0.2	0.3	
Malaysia	0.1	1.7	5.5	11.1	18.4	21.7	29.7	
Myanmar	0.0	0.0	0.2	0.3	0.5	0.7	1.0	
Philippines	0.0	0.2	0.4	1.0	2.1	2.4	3.4	
Singapore	0.1	3.5	7.8	14.5	30.0	33.3	43.5	
Thailand	0.1	8.2	19.1	40.9	63.9	79.7	106.2	
Viet Nam	0.0	2.0	7.1	6.8	7.8	10.7	15.0	
<b>Oceania</b>	0.0	0.1	0.2	0.3	0.7	0.6	0.7	
<b>Transition economies</b>	0.2	0.6	1.1	3.2	7.3	7.5	9.8	
Russian Federation	0.0	0.2	0.4	1.3	3.0	3.3	4.2	
<b>Domestic value added (DVA)</b>	49.2	237.0	571.2	1 021.6	1 864.1	2 158.4	3 059.8	
<b>Gross exports</b>	54.1	298.4	715.0	1 287.9	2 310.8	2 668.0	3 742.5	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs. Data for 2016–2018 are projected by UNCTAD and Eora.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 2.

Annex table 2.1. Value added exports of goods and services from Cambodia, by value added creator, and by sector and industry,

Value added creator	Exports from Cambodia by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Petroleum, Chemical and Non-Metallic Mineral Products
<b>World</b>	0.402	0.339	0.063	1.905	0.046	0.975	0.230	0.078
<b>Developed countries</b>	0.178	0.152	0.026	0.599	0.019	0.245	0.082	0.024
<b>Europe</b>	0.096	0.082	0.014	0.270	0.010	0.102	0.040	0.011
European Union	0.087	0.075	0.012	0.248	0.009	0.094	0.037	0.010
Belgium	0.003	0.003	0.000	0.009	0.000	0.003	0.001	0.000
Estonia	0.001	0.001	0.000	0.003	0.000	0.001	0.001	0.000
France	0.007	0.006	0.001	0.031	0.002	0.010	0.005	0.002
Germany	0.009	0.008	0.001	0.038	0.001	0.015	0.006	0.002
Italy	0.005	0.004	0.001	0.018	0.001	0.008	0.002	0.001
Netherlands	0.004	0.004	0.001	0.013	0.000	0.005	0.002	0.001
Spain	0.005	0.004	0.001	0.011	0.000	0.004	0.002	0.000
Sweden	0.003	0.003	0.000	0.010	0.000	0.003	0.002	0.000
United Kingdom	0.017	0.015	0.002	0.043	0.001	0.016	0.006	0.002
Other developed Europe	0.009	0.007	0.001	0.022	0.001	0.009	0.003	0.001
Switzerland	0.002	0.002	0.000	0.008	0.000	0.003	0.001	0.000
<b>North America</b>	0.030	0.025	0.005	0.127	0.003	0.062	0.017	0.005
Canada	0.002	0.002	0.000	0.013	0.000	0.008	0.001	0.000
United States	0.027	0.023	0.004	0.114	0.003	0.054	0.015	0.005
<b>Other developed countries</b>	0.053	0.045	0.008	0.202	0.006	0.081	0.025	0.008
Australia	0.018	0.015	0.002	0.057	0.002	0.027	0.007	0.002
Japan	0.024	0.020	0.004	0.120	0.003	0.045	0.014	0.005
New Zealand	0.006	0.006	0.001	0.014	0.001	0.005	0.002	0.000
<b>Developing countries</b>	0.198	0.165	0.033	1.252	0.025	0.710	0.140	0.052
<b>Africa</b>	0.037	0.032	0.005	0.080	0.003	0.030	0.012	0.002
North Africa	0.004	0.003	0.001	0.009	0.000	0.004	0.001	0.000
Other Africa	0.033	0.029	0.005	0.071	0.003	0.027	0.010	0.002
South Africa	0.004	0.004	0.001	0.011	0.000	0.004	0.001	0.000
<b>Latin America and the Caribbean</b>	0.044	0.038	0.006	0.093	0.003	0.034	0.014	0.003
Brazil	0.004	0.003	0.001	0.009	0.000	0.003	0.001	0.000
<b>Asia</b>	0.113	0.091	0.022	1.072	0.019	0.643	0.114	0.046
West Asia	0.016	0.013	0.002	0.053	0.001	0.027	0.006	0.002
South, East and South-east Asia	0.098	0.078	0.020	1.019	0.017	0.616	0.108	0.044
East Asia	0.043	0.033	0.010	0.800	0.009	0.534	0.068	0.028
China	0.008	0.007	0.002	0.042	0.001	0.016	0.006	0.003
Hong Kong, China	0.003	0.002	0.001	0.025	0.001	0.010	0.005	0.002
Korea, Republic of	0.004	0.003	0.001	0.032	0.001	0.018	0.003	0.002
Taiwan Province of China	0.025	0.019	0.006	0.696	0.006	0.487	0.053	0.021
South Asia	0.015	0.013	0.002	0.038	0.001	0.017	0.005	0.001
India	0.004	0.004	0.001	0.012	0.000	0.005	0.002	0.000
Iran	0.005	0.005	0.001	0.016	0.000	0.008	0.002	0.001
ASEAN	0.040	0.032	0.008	0.181	0.007	0.065	0.035	0.015
Brunei Darussalam	0.001	0.001	0.000	0.002	0.000	0.001	0.000	0.000
Indonesia	0.005	0.004	0.001	0.032	0.001	0.012	0.009	0.002
Lao People's Democratic Republic	0.001	0.001	0.000	0.002	0.000	0.001	0.000	0.000
Malaysia	0.009	0.008	0.001	0.031	0.001	0.011	0.005	0.001
Myanmar	0.001	0.001	0.000	0.002	0.000	0.001	0.000	0.000
Philippines	0.002	0.002	0.000	0.007	0.000	0.003	0.001	0.000
Singapore	0.006	0.005	0.001	0.028	0.001	0.009	0.005	0.002
Thailand	0.011	0.008	0.003	0.060	0.003	0.021	0.010	0.007
Viet Nam	0.004	0.003	0.001	0.018	0.001	0.006	0.004	0.002
<b>Oceania</b>	0.003	0.003	0.000	0.007	0.000	0.002	0.001	0.000
<b>Transition economies</b>	0.025	0.022	0.003	0.054	0.002	0.020	0.008	0.002
Russian Federation	0.003	0.003	0.000	0.009	0.000	0.004	0.001	0.000
<b>Domestic value added (DVA)</b>	12.517	11.964	0.553	13.811	0.998	4.418	3.244	0.911
<b>Gross exports</b>	12.919	12.302	0.617	15.716	1.044	5.392	3.474	0.989

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 2.

1990 (Millions of dollars)

## Exports from Cambodia by sector/industry

			Services						
Metal and metal products	Electrical and Machinery	Motor vehicles and other transport equipment	Total	Electricity, gas and water	Construction	Trade	Hotels and restaurants	Transport, storage and communications	Financial Intermediation and Business Activities
0.082	0.090	0.099	1.545	0.057	0.064	0.121	0.090	0.403	0.020
0.029	0.033	0.040	0.602	0.022	0.023	0.034	0.037	0.142	0.007
0.013	0.013	0.016	0.272	0.011	0.011	0.014	0.019	0.046	0.003
0.012	0.012	0.015	0.248	0.010	0.010	0.012	0.017	0.042	0.003
0.000	0.000	0.001	0.009	0.000	0.000	0.000	0.001	0.001	0.000
0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000	0.000	0.000
0.002	0.002	0.003	0.026	0.001	0.002	0.002	0.003	0.006	0.000
0.002	0.003	0.003	0.032	0.001	0.002	0.002	0.002	0.007	0.000
0.001	0.001	0.001	0.016	0.001	0.001	0.001	0.001	0.003	0.000
0.001	0.001	0.001	0.012	0.001	0.000	0.001	0.001	0.002	0.000
0.001	0.000	0.001	0.012	0.000	0.000	0.001	0.001	0.002	0.000
0.001	0.001	0.001	0.009	0.000	0.000	0.000	0.001	0.002	0.000
0.002	0.002	0.002	0.046	0.002	0.002	0.002	0.003	0.007	0.000
0.001	0.001	0.001	0.024	0.001	0.001	0.001	0.001	0.004	0.000
0.000	0.001	0.001	0.008	0.000	0.000	0.001	0.000	0.002	0.000
0.005	0.006	0.007	0.133	0.004	0.004	0.009	0.007	0.045	0.001
0.000	0.000	0.000	0.008	0.000	0.000	0.000	0.000	0.002	0.000
0.005	0.005	0.006	0.125	0.004	0.004	0.008	0.006	0.044	0.001
0.011	0.014	0.017	0.197	0.007	0.008	0.012	0.011	0.051	0.002
0.002	0.002	0.003	0.050	0.002	0.002	0.002	0.004	0.008	0.000
0.007	0.011	0.013	0.119	0.004	0.006	0.008	0.006	0.039	0.002
0.001	0.000	0.001	0.016	0.001	0.000	0.001	0.001	0.002	0.000
0.051	0.055	0.056	0.880	0.033	0.039	0.084	0.050	0.253	0.013
0.004	0.002	0.003	0.093	0.004	0.003	0.004	0.006	0.011	0.001
0.000	0.000	0.000	0.010	0.000	0.000	0.000	0.001	0.001	0.000
0.003	0.002	0.003	0.083	0.003	0.002	0.004	0.005	0.010	0.001
0.001	0.000	0.001	0.011	0.000	0.000	0.001	0.001	0.002	0.000
0.004	0.002	0.004	0.108	0.004	0.003	0.005	0.006	0.013	0.001
0.000	0.000	0.000	0.010	0.000	0.000	0.000	0.001	0.001	0.000
0.043	0.051	0.049	0.671	0.024	0.033	0.075	0.037	0.228	0.012
0.002	0.001	0.002	0.049	0.002	0.002	0.002	0.003	0.011	0.000
0.041	0.050	0.047	0.622	0.022	0.032	0.072	0.034	0.217	0.011
0.030	0.040	0.035	0.421	0.012	0.022	0.057	0.019	0.170	0.009
0.003	0.003	0.003	0.035	0.002	0.002	0.003	0.003	0.009	0.001
0.001	0.001	0.002	0.020	0.001	0.001	0.002	0.001	0.007	0.000
0.001	0.001	0.002	0.023	0.001	0.001	0.002	0.001	0.008	0.000
0.025	0.035	0.029	0.337	0.008	0.017	0.050	0.014	0.145	0.007
0.002	0.001	0.002	0.039	0.002	0.001	0.002	0.002	0.006	0.000
0.001	0.000	0.001	0.011	0.000	0.000	0.001	0.001	0.002	0.000
0.001	0.000	0.001	0.015	0.001	0.000	0.001	0.001	0.003	0.000
0.009	0.008	0.010	0.163	0.009	0.008	0.014	0.013	0.041	0.002
0.000	0.000	0.000	0.002	0.000	0.000	0.000	0.000	0.000	0.000
0.001	0.001	0.001	0.023	0.001	0.001	0.002	0.001	0.007	0.000
0.000	0.000	0.000	0.002	0.000	0.000	0.000	0.000	0.000	0.000
0.001	0.002	0.002	0.029	0.001	0.001	0.002	0.002	0.005	0.000
0.000	0.000	0.000	0.002	0.000	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.008	0.000	0.000	0.001	0.000	0.002	0.000
0.001	0.002	0.002	0.024	0.001	0.001	0.002	0.002	0.006	0.000
0.003	0.003	0.004	0.056	0.003	0.003	0.006	0.005	0.017	0.001
0.001	0.001	0.001	0.017	0.001	0.001	0.002	0.001	0.004	0.000
0.000	0.000	0.000	0.008	0.000	0.000	0.000	0.000	0.001	0.000
0.003	0.002	0.002	0.063	0.003	0.002	0.003	0.004	0.007	0.000
0.001	0.000	0.001	0.009	0.000	0.000	0.000	0.001	0.001	0.000
0.842	0.876	0.796	22.831	0.814	1.368	3.384	2.566	5.095	0.977
0.925	0.966	0.895	24.376	0.871	1.432	3.505	2.656	5.498	0.998

Annex table 2.2. Value added exports of goods and services from Cambodia, by value added creator, and by sector and industry,

Value added creator	Exports from Cambodia by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Petroleum, Chemical and Non-Metallic Mineral Products
<b>World</b>	8.415	8.231	0.184	35.258	2.535	21.150	6.724	0.699
<b>Developed countries</b>	3.286	3.218	0.068	12.138	0.994	6.678	2.343	0.220
<b>Europe</b>	1.540	1.510	0.031	5.416	0.480	2.959	1.097	0.108
European Union	1.416	1.388	0.028	4.985	0.450	2.715	1.017	0.100
Belgium	0.059	0.057	0.001	0.220	0.016	0.128	0.041	0.005
Estonia	0.034	0.034	0.000	0.089	0.023	0.040	0.023	0.001
France	0.378	0.372	0.007	1.314	0.158	0.669	0.266	0.028
Germany	0.263	0.257	0.006	1.058	0.071	0.580	0.221	0.024
Italy	0.094	0.092	0.002	0.396	0.025	0.234	0.073	0.007
Netherlands	0.085	0.083	0.002	0.301	0.027	0.169	0.058	0.007
Spain	0.047	0.046	0.001	0.154	0.011	0.089	0.029	0.003
Sweden	0.041	0.040	0.001	0.162	0.011	0.080	0.044	0.003
United Kingdom	0.177	0.174	0.004	0.604	0.040	0.350	0.116	0.011
Other developed Europe	0.124	0.121	0.003	0.431	0.030	0.244	0.080	0.008
Switzerland	0.081	0.080	0.002	0.308	0.021	0.168	0.058	0.006
<b>North America</b>	0.629	0.617	0.012	2.418	0.191	1.403	0.483	0.039
Canada	0.042	0.041	0.001	0.206	0.013	0.128	0.042	0.003
United States	0.588	0.576	0.011	2.212	0.178	1.276	0.441	0.036
<b>Other developed countries</b>	1.116	1.091	0.025	4.303	0.323	2.316	0.763	0.073
Australia	0.217	0.214	0.004	0.741	0.093	0.401	0.138	0.011
Japan	0.836	0.816	0.020	3.402	0.215	1.820	0.595	0.059
New Zealand	0.039	0.039	0.001	0.103	0.012	0.059	0.020	0.001
<b>Developing countries</b>	5.016	4.902	0.114	22.854	1.522	14.304	4.340	0.475
<b>Africa</b>	0.181	0.178	0.004	0.438	0.029	0.283	0.068	0.006
North Africa	0.023	0.022	0.000	0.058	0.004	0.037	0.010	0.001
Other Africa	0.158	0.155	0.003	0.380	0.025	0.246	0.058	0.005
South Africa	0.036	0.035	0.001	0.117	0.008	0.067	0.021	0.003
<b>Latin America and the Caribbean</b>	0.235	0.230	0.004	0.521	0.035	0.330	0.087	0.006
Brazil	0.028	0.027	0.001	0.079	0.006	0.045	0.017	0.001
<b>Asia</b>	4.584	4.478	0.106	21.854	1.456	13.662	4.180	0.462
West Asia	0.114	0.112	0.002	0.399	0.024	0.268	0.060	0.007
South, East and South-east Asia	4.470	4.366	0.104	21.455	1.432	13.394	4.120	0.455
East Asia	1.678	1.640	0.038	9.879	0.476	6.857	1.481	0.154
China	0.605	0.592	0.013	2.719	0.209	1.681	0.473	0.058
Hong Kong, China	0.346	0.337	0.009	2.111	0.094	1.370	0.425	0.039
Korea, Republic of	0.184	0.179	0.005	1.073	0.047	0.741	0.143	0.016
Taiwan Province of China	0.530	0.519	0.011	3.920	0.124	3.025	0.433	0.040
South Asia	0.139	0.137	0.003	0.435	0.034	0.279	0.062	0.008
India	0.083	0.081	0.001	0.283	0.025	0.174	0.040	0.006
Iran	0.034	0.033	0.001	0.085	0.005	0.056	0.014	0.001
ASEAN	2.652	2.589	0.064	11.141	0.922	6.258	2.576	0.294
Brunei Darussalam	0.005	0.005	0.000	0.014	0.001	0.009	0.002	0.000
Indonesia	0.409	0.394	0.014	2.162	0.117	1.031	0.783	0.071
Lao People's Democratic Republic	0.003	0.003	0.000	0.009	0.001	0.006	0.001	0.000
Malaysia	0.240	0.235	0.005	0.995	0.082	0.533	0.213	0.019
Myanmar	0.010	0.010	0.000	0.026	0.004	0.014	0.006	0.000
Philippines	0.037	0.036	0.001	0.110	0.008	0.066	0.020	0.002
Singapore	0.570	0.561	0.009	2.009	0.227	1.051	0.458	0.038
Thailand	1.088	1.064	0.024	4.648	0.400	2.825	0.868	0.112
Viet Nam	0.290	0.281	0.010	1.168	0.083	0.722	0.225	0.051
<b>Oceania</b>	0.016	0.016	0.000	0.041	0.002	0.028	0.005	0.000
<b>Transition economies</b>	0.113	0.111	0.002	0.266	0.018	0.168	0.041	0.004
Russian Federation	0.030	0.030	0.001	0.100	0.008	0.057	0.018	0.002
<b>Domestic value added (DVA)</b>	72.787	72.363	0.423	93.904	7.627	61.118	16.788	1.314
<b>Gross exports</b>	81.202	80.594	0.608	129.162	10.161	82.268	23.512	2.013

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 2.



1995 (Millions of dollars)

## Exports from Cambodia by sector/industry

			Services						
Metal and metal products	Electrical and Machinery	Motor vehicles and other transport equipment	Total	Electricity, gas and water	Construction	Trade	Hotels and restaurants	Transport, storage and communications	Financial Intermediation and Business Activities
0.445	1.814	0.812	16.381	0.227	0.725	1.790	1.919	7.695	0.087
0.175	0.901	0.408	6.269	0.075	0.292	0.603	0.770	2.899	0.036
0.075	0.355	0.153	2.458	0.034	0.126	0.191	0.363	1.062	0.014
0.066	0.324	0.141	2.219	0.032	0.115	0.170	0.338	0.945	0.013
0.003	0.014	0.006	0.087	0.001	0.005	0.006	0.012	0.037	0.001
0.000	0.000	0.000	0.025	0.000	0.001	0.001	0.013	0.005	0.000
0.018	0.094	0.042	0.629	0.008	0.032	0.047	0.117	0.266	0.004
0.015	0.079	0.033	0.443	0.007	0.026	0.035	0.056	0.196	0.003
0.005	0.027	0.011	0.174	0.002	0.009	0.014	0.020	0.081	0.001
0.004	0.017	0.008	0.128	0.002	0.007	0.009	0.019	0.056	0.001
0.002	0.009	0.004	0.065	0.001	0.003	0.005	0.009	0.027	0.000
0.003	0.011	0.005	0.065	0.001	0.004	0.005	0.009	0.027	0.000
0.008	0.038	0.016	0.293	0.004	0.014	0.024	0.034	0.131	0.002
0.009	0.031	0.012	0.240	0.003	0.011	0.021	0.024	0.117	0.001
0.007	0.027	0.010	0.190	0.002	0.009	0.017	0.017	0.097	0.001
0.027	0.135	0.063	1.341	0.014	0.051	0.139	0.150	0.663	0.007
0.002	0.009	0.004	0.083	0.001	0.004	0.007	0.010	0.040	0.000
0.025	0.126	0.059	1.259	0.013	0.048	0.132	0.140	0.623	0.007
0.073	0.410	0.193	2.470	0.027	0.115	0.273	0.257	1.174	0.014
0.011	0.046	0.018	0.300	0.004	0.015	0.021	0.064	0.112	0.002
0.060	0.359	0.172	2.099	0.022	0.097	0.247	0.181	1.038	0.012
0.001	0.003	0.001	0.044	0.001	0.002	0.003	0.009	0.015	0.000
0.265	0.903	0.398	9.998	0.150	0.427	1.179	1.135	4.757	0.051
0.006	0.015	0.007	0.183	0.003	0.007	0.013	0.023	0.062	0.001
0.001	0.002	0.001	0.025	0.000	0.001	0.002	0.003	0.010	0.000
0.005	0.013	0.006	0.158	0.003	0.006	0.011	0.020	0.053	0.001
0.003	0.007	0.003	0.048	0.001	0.003	0.003	0.006	0.020	0.000
0.006	0.016	0.008	0.235	0.004	0.008	0.018	0.028	0.080	0.001
0.001	0.003	0.002	0.035	0.001	0.002	0.003	0.004	0.014	0.000
0.253	0.872	0.383	9.565	0.142	0.411	1.147	1.082	4.610	0.049
0.004	0.014	0.007	0.202	0.003	0.007	0.013	0.019	0.110	0.001
0.248	0.858	0.376	9.362	0.140	0.404	1.134	1.064	4.500	0.049
0.111	0.396	0.172	3.969	0.048	0.167	0.439	0.384	2.034	0.021
0.040	0.129	0.052	1.137	0.017	0.056	0.132	0.156	0.503	0.006
0.021	0.078	0.032	0.900	0.012	0.037	0.081	0.073	0.510	0.004
0.011	0.054	0.034	0.543	0.006	0.020	0.057	0.042	0.304	0.003
0.038	0.133	0.054	1.367	0.013	0.054	0.168	0.112	0.707	0.007
0.005	0.019	0.011	0.183	0.003	0.008	0.014	0.024	0.081	0.001
0.003	0.016	0.009	0.114	0.002	0.006	0.009	0.017	0.051	0.001
0.001	0.003	0.001	0.044	0.001	0.001	0.003	0.004	0.021	0.000
0.132	0.442	0.193	5.210	0.089	0.230	0.681	0.656	2.385	0.027
0.000	0.000	0.000	0.008	0.000	0.000	0.000	0.001	0.004	0.000
0.023	0.050	0.020	0.867	0.022	0.047	0.117	0.093	0.389	0.005
0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000	0.001	0.000
0.014	0.076	0.029	0.435	0.006	0.025	0.041	0.064	0.184	0.003
0.000	0.001	0.000	0.010	0.000	0.000	0.001	0.002	0.004	0.000
0.001	0.005	0.002	0.062	0.001	0.002	0.007	0.007	0.028	0.000
0.023	0.113	0.045	0.867	0.011	0.044	0.076	0.147	0.372	0.006
0.056	0.174	0.086	2.436	0.034	0.090	0.352	0.291	1.163	0.011
0.015	0.023	0.010	0.523	0.015	0.021	0.087	0.051	0.241	0.002
0.000	0.001	0.001	0.016	0.000	0.001	0.001	0.002	0.005	0.000
0.004	0.010	0.005	0.113	0.002	0.005	0.008	0.014	0.039	0.000
0.002	0.006	0.003	0.041	0.001	0.002	0.003	0.006	0.017	0.000
0.919	3.111	0.976	70.332	0.651	2.879	9.853	9.242	24.638	0.938
1.364	4.926	1.787	86.712	0.877	3.604	11.643	11.162	32.333	1.025

Annex table 2.3. Value added exports of goods and services from Cambodia, by value added creator, and by sector and industry,

Value added creator	Exports from Cambodia by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Petroleum, Chemical and Non-Metallic Mineral Products
<b>World</b>	13.352	13.131	0.221	107.692	4.930	80.800	8.944	1.118
<b>Developed countries</b>	4.598	4.529	0.068	33.083	1.809	23.493	2.895	0.289
<b>Europe</b>	2.159	2.128	0.031	14.721	0.886	10.459	1.352	0.139
European Union	1.996	1.968	0.028	13.620	0.837	9.652	1.262	0.129
Belgium	0.071	0.070	0.001	0.518	0.025	0.377	0.044	0.005
Estonia	0.062	0.062	0.000	0.265	0.059	0.156	0.039	0.001
France	0.522	0.515	0.006	3.542	0.287	2.451	0.319	0.034
Germany	0.364	0.358	0.006	2.859	0.125	2.059	0.262	0.031
Italy	0.129	0.127	0.002	1.021	0.045	0.746	0.089	0.009
Netherlands	0.112	0.110	0.002	0.790	0.047	0.571	0.067	0.008
Spain	0.060	0.059	0.001	0.389	0.019	0.281	0.033	0.004
Sweden	0.045	0.044	0.001	0.341	0.016	0.229	0.044	0.003
United Kingdom	0.288	0.284	0.004	1.944	0.086	1.418	0.168	0.018
Other developed Europe	0.163	0.160	0.002	1.101	0.049	0.806	0.090	0.010
Switzerland	0.097	0.096	0.002	0.734	0.030	0.535	0.059	0.007
<b>North America</b>	0.955	0.941	0.014	7.152	0.374	5.211	0.654	0.061
Canada	0.084	0.083	0.001	0.712	0.033	0.526	0.070	0.006
United States	0.870	0.858	0.012	6.440	0.341	4.685	0.583	0.055
<b>Other developed countries</b>	1.484	1.460	0.024	11.210	0.548	7.823	0.890	0.090
Australia	0.297	0.293	0.004	1.864	0.173	1.267	0.169	0.014
Japan	1.096	1.076	0.019	8.896	0.345	6.236	0.680	0.072
New Zealand	0.054	0.053	0.001	0.264	0.022	0.185	0.026	0.002
<b>Developing countries</b>	8.596	8.446	0.150	73.836	3.088	56.738	5.994	0.823
<b>Africa</b>	0.260	0.256	0.004	1.278	0.056	0.944	0.092	0.009
North Africa	0.041	0.041	0.001	0.231	0.011	0.169	0.017	0.002
Other Africa	0.219	0.216	0.003	1.046	0.046	0.774	0.075	0.007
South Africa	0.045	0.044	0.001	0.305	0.013	0.219	0.025	0.003
<b>Latin America and the Caribbean</b>	0.362	0.356	0.005	1.600	0.073	1.170	0.125	0.010
Brazil	0.039	0.039	0.001	0.225	0.012	0.159	0.022	0.002
<b>Asia</b>	7.952	7.812	0.141	70.851	2.955	54.544	5.771	0.803
West Asia	0.190	0.187	0.003	1.295	0.052	1.002	0.089	0.013
South, East and South-east Asia	7.762	7.625	0.138	69.557	2.903	53.542	5.682	0.791
East Asia	3.148	3.096	0.052	31.239	1.021	24.372	2.396	0.279
China	1.155	1.135	0.020	10.439	0.423	7.989	0.730	0.118
Hong Kong, China	0.582	0.572	0.009	6.232	0.192	4.857	0.607	0.052
Korea, Republic of	0.337	0.331	0.006	3.174	0.100	2.473	0.210	0.025
Taiwan Province of China	1.050	1.034	0.016	11.182	0.300	8.885	0.838	0.082
South Asia	0.224	0.221	0.003	1.371	0.081	1.024	0.093	0.012
India	0.147	0.145	0.002	0.960	0.064	0.706	0.065	0.009
Iran	0.042	0.042	0.001	0.228	0.009	0.174	0.016	0.002
ASEAN	4.390	4.307	0.083	36.946	1.801	28.146	3.193	0.499
Brunei Darussalam	0.007	0.007	0.000	0.044	0.002	0.035	0.003	0.000
Indonesia	0.653	0.635	0.018	6.603	0.188	5.209	0.642	0.119
Lao People's Democratic Republic	0.005	0.005	0.000	0.025	0.001	0.018	0.002	0.000
Malaysia	0.520	0.512	0.008	4.066	0.213	2.870	0.419	0.038
Myanmar	0.026	0.026	0.000	0.166	0.011	0.124	0.015	0.002
Philippines	0.041	0.041	0.001	0.275	0.015	0.202	0.021	0.002
Singapore	0.848	0.837	0.010	5.810	0.440	4.077	0.602	0.053
Thailand	1.674	1.643	0.031	14.385	0.716	11.100	1.135	0.189
Viet Nam	0.616	0.602	0.015	5.571	0.215	4.510	0.354	0.095
<b>Oceania</b>	0.022	0.022	0.000	0.107	0.004	0.080	0.006	0.000
<b>Transition economies</b>	0.158	0.156	0.002	0.773	0.034	0.569	0.055	0.006
Russian Federation	0.044	0.043	0.001	0.297	0.016	0.212	0.024	0.003
<b>Domestic value added (DVA)</b>	74.368	73.639	0.729	381.475	15.998	313.177	26.022	2.164
<b>Gross exports</b>	87.720	86.770	0.950	489.167	20.929	393.977	34.966	3.282

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 2.

2000 (Millions of dollars)

## Exports from Cambodia by sector/industry

			Services						
Metal and metal products	Electrical and Machinery	Motor vehicles and other transport equipment	Total	Electricity, gas and water	Construction	Trade	Hotels and restaurants	Transport, storage and communications	Financial Intermediation and Business Activities
2.077	3.797	1.247	21.658	0.203	0.714	2.024	2.173	11.680	0.737
0.707	1.685	0.568	7.284	0.054	0.259	0.602	0.812	3.788	0.270
0.294	0.648	0.209	3.038	0.025	0.110	0.221	0.389	1.537	0.110
0.269	0.601	0.195	2.764	0.023	0.102	0.199	0.366	1.383	0.102
0.011	0.022	0.007	0.093	0.001	0.004	0.006	0.011	0.047	0.003
0.001	0.001	0.000	0.039	0.000	0.001	0.002	0.019	0.010	0.001
0.071	0.170	0.056	0.771	0.005	0.028	0.054	0.124	0.380	0.029
0.058	0.146	0.045	0.535	0.005	0.023	0.038	0.057	0.276	0.021
0.021	0.049	0.015	0.215	0.002	0.008	0.017	0.021	0.115	0.008
0.018	0.030	0.011	0.149	0.001	0.006	0.010	0.019	0.077	0.005
0.008	0.016	0.005	0.074	0.001	0.003	0.005	0.009	0.036	0.003
0.009	0.016	0.005	0.062	0.001	0.003	0.004	0.007	0.031	0.002
0.038	0.083	0.027	0.426	0.003	0.014	0.033	0.042	0.225	0.015
0.025	0.047	0.014	0.274	0.002	0.008	0.023	0.024	0.154	0.009
0.019	0.038	0.011	0.207	0.001	0.006	0.018	0.015	0.122	0.007
0.129	0.293	0.101	1.687	0.011	0.052	0.150	0.170	0.924	0.058
0.013	0.026	0.008	0.145	0.001	0.005	0.011	0.015	0.081	0.005
0.116	0.268	0.093	1.542	0.010	0.047	0.139	0.155	0.843	0.053
0.284	0.743	0.258	2.559	0.018	0.097	0.230	0.253	1.327	0.102
0.040	0.085	0.024	0.355	0.003	0.013	0.024	0.069	0.158	0.013
0.237	0.647	0.230	2.115	0.014	0.082	0.201	0.170	1.130	0.086
0.004	0.005	0.002	0.052	0.000	0.001	0.004	0.010	0.022	0.001
1.351	2.091	0.673	14.237	0.148	0.450	1.412	1.346	7.832	0.463
0.026	0.035	0.011	0.230	0.003	0.007	0.016	0.026	0.101	0.006
0.004	0.010	0.003	0.044	0.000	0.002	0.003	0.005	0.021	0.001
0.022	0.025	0.009	0.185	0.002	0.006	0.013	0.021	0.079	0.005
0.010	0.011	0.004	0.052	0.001	0.002	0.004	0.006	0.026	0.002
0.029	0.034	0.013	0.306	0.003	0.009	0.025	0.034	0.131	0.008
0.006	0.007	0.002	0.043	0.000	0.002	0.003	0.005	0.021	0.001
1.294	2.021	0.647	13.683	0.142	0.433	1.370	1.283	7.593	0.449
0.024	0.033	0.012	0.295	0.002	0.007	0.017	0.023	0.181	0.007
1.269	1.988	0.635	13.389	0.139	0.426	1.353	1.260	7.413	0.441
0.604	1.027	0.331	6.009	0.048	0.198	0.542	0.487	3.437	0.210
0.242	0.379	0.115	1.719	0.020	0.069	0.161	0.179	0.892	0.064
0.095	0.154	0.047	1.422	0.009	0.036	0.123	0.092	0.903	0.038
0.058	0.122	0.057	0.857	0.005	0.021	0.083	0.053	0.529	0.028
0.204	0.365	0.110	1.971	0.014	0.070	0.173	0.160	1.090	0.079
0.024	0.044	0.020	0.268	0.002	0.008	0.019	0.032	0.139	0.009
0.018	0.037	0.017	0.184	0.001	0.006	0.013	0.024	0.096	0.007
0.004	0.005	0.002	0.050	0.000	0.001	0.003	0.004	0.027	0.001
0.641	0.917	0.284	7.112	0.089	0.220	0.791	0.741	3.836	0.223
0.001	0.001	0.000	0.010	0.000	0.000	0.001	0.001	0.007	0.000
0.082	0.082	0.024	1.001	0.021	0.034	0.113	0.084	0.554	0.029
0.000	0.000	0.000	0.004	0.000	0.000	0.000	0.001	0.001	0.000
0.083	0.206	0.057	0.881	0.007	0.033	0.072	0.099	0.458	0.035
0.003	0.003	0.001	0.041	0.000	0.001	0.002	0.003	0.027	0.001
0.006	0.012	0.004	0.070	0.000	0.002	0.008	0.007	0.037	0.002
0.104	0.231	0.068	1.172	0.009	0.042	0.096	0.166	0.588	0.047
0.266	0.316	0.108	3.049	0.035	0.082	0.363	0.305	1.696	0.086
0.096	0.066	0.022	0.884	0.017	0.026	0.138	0.076	0.468	0.024
0.002	0.002	0.001	0.018	0.000	0.001	0.001	0.002	0.007	0.000
0.019	0.021	0.007	0.137	0.002	0.005	0.010	0.016	0.060	0.004
0.009	0.012	0.004	0.054	0.001	0.002	0.004	0.007	0.027	0.002
4.784	6.908	1.601	115.339	0.838	3.136	13.889	11.890	45.893	9.742
6.861	10.705	2.848	136.997	1.041	3.849	15.913	14.063	57.573	10.479

Annex table 2.4. Value added exports of goods and services from Cambodia, by value added creator, and by sector and industry,

Value added creator	Exports from Cambodia by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Petroleum, Chemical and Non-Metallic Mineral Products
<b>World</b>	15.222	15.039	0.184	198.071	4.070	148.218	25.194	1.546
<b>Developed countries</b>	5.400	5.339	0.061	62.254	1.518	45.179	8.210	0.447
<b>Europe</b>	2.843	2.813	0.031	30.764	0.831	22.102	4.253	0.241
European Union	2.623	2.595	0.028	28.475	0.788	20.408	3.973	0.224
Belgium	0.098	0.097	0.001	1.182	0.025	0.869	0.152	0.010
Estonia	0.112	0.111	0.000	0.706	0.074	0.440	0.162	0.003
France	0.641	0.635	0.006	7.099	0.259	5.114	0.943	0.063
Germany	0.446	0.440	0.006	5.758	0.114	4.110	0.818	0.047
Italy	0.174	0.172	0.002	2.255	0.043	1.661	0.286	0.017
Netherlands	0.123	0.122	0.001	1.429	0.037	1.044	0.189	0.012
Spain	0.104	0.103	0.001	1.070	0.023	0.779	0.135	0.009
Sweden	0.060	0.059	0.001	0.745	0.015	0.499	0.139	0.005
United Kingdom	0.343	0.339	0.004	3.694	0.069	2.700	0.485	0.027
Other developed Europe	0.220	0.218	0.003	2.289	0.043	1.694	0.280	0.017
Switzerland	0.134	0.133	0.002	1.553	0.027	1.154	0.189	0.012
<b>North America</b>	0.980	0.969	0.011	11.706	0.257	8.675	1.592	0.079
Canada	0.092	0.091	0.001	1.217	0.025	0.875	0.194	0.008
United States	0.888	0.879	0.010	10.489	0.231	7.801	1.398	0.071
<b>Other developed countries</b>	1.576	1.557	0.019	19.784	0.430	14.401	2.365	0.127
Australia	0.383	0.380	0.004	3.706	0.149	2.561	0.556	0.024
Japan	1.068	1.054	0.014	15.164	0.253	11.193	1.683	0.099
New Zealand	0.082	0.081	0.001	0.591	0.022	0.412	0.088	0.003
<b>Developing countries</b>	9.523	9.403	0.120	133.546	2.507	101.376	16.742	1.085
<b>Africa</b>	0.409	0.404	0.004	2.946	0.056	2.166	0.313	0.016
North Africa	0.063	0.063	0.001	0.533	0.011	0.390	0.061	0.004
Other Africa	0.345	0.342	0.004	2.412	0.046	1.775	0.252	0.012
South Africa	0.069	0.068	0.001	0.704	0.013	0.507	0.086	0.005
<b>Latin America and the Caribbean</b>	0.470	0.465	0.005	3.159	0.062	2.278	0.370	0.016
Brazil	0.066	0.065	0.001	0.577	0.013	0.405	0.084	0.004
<b>Asia</b>	8.614	8.504	0.111	127.225	2.386	96.770	16.040	1.052
West Asia	0.277	0.274	0.003	2.914	0.051	2.241	0.311	0.024
South, East and South-east Asia	8.337	8.230	0.107	124.311	2.334	94.529	15.728	1.028
East Asia	3.384	3.342	0.043	55.365	0.852	42.627	6.431	0.368
China	1.776	1.754	0.022	27.696	0.505	21.024	3.192	0.200
Hong Kong, China	0.496	0.489	0.007	9.987	0.122	7.627	1.447	0.063
Korea, Republic of	0.398	0.393	0.005	6.469	0.087	4.970	0.704	0.037
Taiwan Province of China	0.683	0.674	0.009	10.761	0.134	8.630	1.053	0.066
South Asia	0.315	0.312	0.003	3.132	0.064	2.384	0.327	0.024
India	0.190	0.188	0.002	2.171	0.047	1.657	0.225	0.019
Iran	0.080	0.079	0.001	0.588	0.011	0.435	0.067	0.004
ASEAN	4.637	4.576	0.061	65.814	1.418	49.518	8.970	0.636
Brunei Darussalam	0.012	0.012	0.000	0.118	0.002	0.093	0.011	0.001
Indonesia	0.525	0.514	0.010	9.975	0.132	7.289	1.836	0.116
Lao People's Democratic Republic	0.006	0.006	0.000	0.053	0.001	0.038	0.008	0.000
Malaysia	0.601	0.593	0.007	8.355	0.184	5.853	1.337	0.062
Myanmar	0.017	0.017	0.000	0.186	0.004	0.141	0.024	0.002
Philippines	0.062	0.061	0.001	0.670	0.016	0.498	0.079	0.004
Singapore	1.015	1.006	0.009	10.867	0.354	7.725	1.790	0.082
Thailand	2.034	2.003	0.030	30.647	0.613	23.935	3.398	0.335
Viet Nam	0.367	0.364	0.003	4.944	0.113	3.947	0.486	0.033
<b>Oceania</b>	0.030	0.029	0.000	0.216	0.003	0.162	0.019	0.001
<b>Transition economies</b>	0.300	0.297	0.003	2.271	0.045	1.663	0.243	0.014
Russian Federation	0.090	0.089	0.001	0.956	0.023	0.692	0.117	0.007
<b>Domestic value added (DVA)</b>	103.171	102.648	0.524	693.950	12.368	566.715	74.279	3.463
<b>Gross exports</b>	118.394	117.686	0.708	892.021	16.438	714.933	99.473	5.009

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 2.

2005 (Millions of dollars)

## Exports from Cambodia by sector/industry

			Services						
Metal and metal products	Electrical and Machinery	Motor vehicles and other transport equipment	Total	Electricity, gas and water	Construction	Trade	Hotels and restaurants	Transport, storage and communications	Financial Intermediation and Business Activities
1.914	5.466	2.114	50.653	0.207	1.777	6.066	5.186	26.913	0.097
0.610	2.159	0.860	17.045	0.063	0.615	1.932	1.961	8.756	0.034
0.278	1.007	0.385	7.577	0.032	0.298	0.640	1.054	3.778	0.016
0.256	0.940	0.360	6.913	0.030	0.277	0.573	0.994	3.414	0.015
0.012	0.038	0.015	0.251	0.001	0.011	0.020	0.031	0.127	0.001
0.001	0.003	0.001	0.130	0.000	0.003	0.006	0.069	0.028	0.000
0.059	0.252	0.094	1.832	0.007	0.072	0.148	0.325	0.885	0.004
0.058	0.234	0.087	1.356	0.006	0.061	0.115	0.151	0.706	0.003
0.022	0.083	0.030	0.563	0.002	0.022	0.050	0.059	0.302	0.001
0.014	0.043	0.017	0.327	0.002	0.014	0.026	0.045	0.167	0.001
0.011	0.033	0.013	0.239	0.001	0.010	0.020	0.030	0.116	0.000
0.009	0.025	0.010	0.165	0.001	0.008	0.013	0.019	0.084	0.000
0.034	0.114	0.043	0.966	0.004	0.035	0.088	0.098	0.507	0.002
0.022	0.068	0.024	0.664	0.003	0.021	0.066	0.059	0.364	0.001
0.016	0.053	0.018	0.505	0.002	0.015	0.054	0.039	0.289	0.001
0.098	0.315	0.123	3.649	0.011	0.108	0.450	0.347	1.996	0.007
0.011	0.032	0.012	0.324	0.001	0.011	0.029	0.033	0.183	0.001
0.086	0.283	0.111	3.325	0.010	0.097	0.421	0.314	1.814	0.006
0.234	0.837	0.352	5.819	0.019	0.209	0.842	0.561	2.981	0.012
0.041	0.120	0.042	0.878	0.004	0.035	0.069	0.173	0.394	0.002
0.187	0.700	0.304	4.723	0.014	0.167	0.755	0.353	2.495	0.009
0.004	0.009	0.004	0.141	0.001	0.004	0.011	0.027	0.057	0.000
1.276	3.257	1.233	33.132	0.142	1.143	4.096	3.166	17.952	0.062
0.029	0.058	0.023	0.625	0.004	0.021	0.049	0.076	0.266	0.001
0.005	0.016	0.006	0.121	0.001	0.005	0.009	0.014	0.057	0.000
0.024	0.042	0.018	0.504	0.003	0.017	0.040	0.062	0.209	0.001
0.012	0.021	0.008	0.149	0.001	0.007	0.012	0.017	0.072	0.000
0.029	0.054	0.024	0.713	0.004	0.023	0.063	0.082	0.303	0.001
0.007	0.014	0.006	0.133	0.001	0.005	0.011	0.016	0.063	0.000
1.217	3.142	1.184	31.753	0.134	1.097	3.980	3.002	17.368	0.060
0.026	0.056	0.025	0.847	0.003	0.023	0.058	0.068	0.523	0.001
1.191	3.086	1.159	30.906	0.130	1.075	3.922	2.934	16.845	0.059
0.577	1.568	0.608	13.484	0.047	0.490	1.535	1.148	7.606	0.026
0.332	0.891	0.325	5.923	0.024	0.262	0.680	0.636	3.039	0.013
0.074	0.205	0.073	2.677	0.008	0.077	0.269	0.169	1.711	0.004
0.059	0.214	0.115	2.165	0.006	0.061	0.223	0.136	1.350	0.004
0.108	0.250	0.092	2.627	0.009	0.088	0.355	0.200	1.453	0.005
0.028	0.080	0.033	0.732	0.003	0.026	0.063	0.079	0.382	0.001
0.021	0.066	0.027	0.494	0.002	0.019	0.044	0.056	0.260	0.001
0.005	0.010	0.004	0.157	0.001	0.004	0.012	0.014	0.082	0.000
0.586	1.438	0.518	16.690	0.079	0.559	2.324	1.708	8.857	0.031
0.001	0.002	0.001	0.035	0.000	0.001	0.002	0.002	0.022	0.000
0.057	0.110	0.039	2.070	0.015	0.075	0.313	0.180	1.102	0.004
0.000	0.001	0.000	0.009	0.000	0.000	0.001	0.001	0.003	0.000
0.082	0.351	0.112	2.115	0.008	0.093	0.204	0.253	1.076	0.005
0.002	0.003	0.001	0.056	0.000	0.001	0.003	0.004	0.037	0.000
0.006	0.021	0.008	0.212	0.001	0.006	0.028	0.022	0.111	0.000
0.090	0.299	0.102	2.615	0.010	0.101	0.258	0.354	1.335	0.006
0.292	0.572	0.224	8.137	0.041	0.245	1.170	0.779	4.468	0.013
0.056	0.079	0.031	1.441	0.004	0.037	0.345	0.113	0.702	0.002
0.001	0.002	0.002	0.041	0.000	0.001	0.004	0.005	0.015	0.000
0.028	0.050	0.020	0.477	0.003	0.019	0.038	0.059	0.206	0.001
0.014	0.031	0.012	0.209	0.001	0.010	0.017	0.028	0.102	0.000
4.048	10.143	2.823	224.431	0.779	7.729	32.618	26.148	89.661	1.159
5.963	15.609	4.937	275.085	0.986	9.506	38.683	31.334	116.574	1.256

Annex table 2.5. Value added exports of goods and services from Cambodia, by value added creator, and by sector and industry,

Value added creator	Exports from Cambodia by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Petroleum, Chemical and Non-Metallic Mineral Products
<b>World</b>	24.110	23.812	0.298	317.809	6.480	255.629	20.532	3.011
<b>Developed countries</b>	7.777	7.689	0.088	91.246	2.261	71.753	6.074	0.790
<b>Europe</b>	4.149	4.103	0.046	45.708	1.247	35.670	3.182	0.432
European Union	3.773	3.732	0.041	41.638	1.171	32.438	2.933	0.396
Belgium	0.135	0.133	0.002	1.676	0.034	1.331	0.108	0.018
Estonia	0.182	0.182	0.000	1.070	0.116	0.777	0.128	0.005
France	0.895	0.887	0.009	9.919	0.367	7.737	0.663	0.108
Germany	0.672	0.663	0.009	8.731	0.173	6.792	0.632	0.087
Italy	0.246	0.242	0.003	3.273	0.063	2.604	0.210	0.029
Netherlands	0.183	0.181	0.002	2.181	0.055	1.722	0.148	0.023
Spain	0.140	0.138	0.002	1.504	0.031	1.181	0.095	0.015
Sweden	0.088	0.087	0.001	1.106	0.023	0.829	0.109	0.009
United Kingdom	0.461	0.455	0.006	5.138	0.097	4.059	0.336	0.046
Other developed Europe	0.376	0.371	0.005	4.071	0.075	3.233	0.249	0.036
Switzerland	0.243	0.240	0.003	2.847	0.049	2.271	0.173	0.026
<b>North America</b>	1.366	1.351	0.015	16.336	0.369	13.068	1.148	0.135
Canada	0.133	0.131	0.002	1.777	0.038	1.400	0.149	0.015
United States	1.233	1.219	0.014	14.559	0.331	11.668	1.000	0.120
<b>Other developed countries</b>	2.262	2.235	0.027	29.202	0.646	23.015	1.744	0.223
Australia	0.633	0.627	0.006	6.272	0.249	4.747	0.484	0.049
Japan	1.433	1.414	0.019	21.335	0.349	17.042	1.149	0.163
New Zealand	0.128	0.127	0.001	1.024	0.037	0.780	0.078	0.006
<b>Developing countries</b>	15.735	15.531	0.204	221.622	4.122	180.023	14.195	2.186
<b>Africa</b>	0.723	0.714	0.008	5.761	0.108	4.507	0.297	0.036
North Africa	0.126	0.125	0.001	1.091	0.021	0.856	0.060	0.009
Other Africa	0.596	0.590	0.007	4.670	0.087	3.651	0.237	0.027
South Africa	0.106	0.105	0.001	1.153	0.022	0.891	0.071	0.011
<b>Latin America and the Caribbean</b>	0.754	0.746	0.009	5.851	0.114	4.514	0.343	0.037
Brazil	0.125	0.124	0.001	1.223	0.026	0.933	0.087	0.010
<b>Asia</b>	14.203	14.017	0.186	209.567	3.894	170.653	13.536	2.112
West Asia	0.401	0.397	0.005	4.365	0.078	3.524	0.242	0.042
South, East and South-east Asia	13.801	13.620	0.181	205.203	3.817	167.129	13.294	2.070
East Asia	5.709	5.634	0.074	92.873	1.419	76.000	5.477	0.764
China	3.557	3.511	0.046	57.086	0.950	46.427	3.207	0.501
Hong Kong, China	0.579	0.571	0.008	11.551	0.144	9.585	0.869	0.088
Korea, Republic of	0.674	0.665	0.009	10.818	0.156	8.628	0.742	0.079
Taiwan Province of China	0.849	0.838	0.011	12.729	0.162	10.772	0.632	0.093
South Asia	0.605	0.598	0.007	6.606	0.128	5.337	0.336	0.062
India	0.408	0.403	0.005	4.895	0.099	3.961	0.247	0.051
Iran	0.119	0.117	0.001	0.956	0.017	0.751	0.055	0.008
ASEAN	7.488	7.388	0.100	105.723	2.270	85.792	7.480	1.244
Brunei Darussalam	0.016	0.016	0.000	0.182	0.003	0.151	0.008	0.002
Indonesia	0.946	0.927	0.019	17.896	0.247	14.388	1.805	0.251
Lao People's Democratic Republic	0.014	0.014	0.000	0.122	0.003	0.094	0.009	0.001
Malaysia	0.962	0.950	0.012	13.190	0.292	10.198	1.081	0.121
Myanmar	0.033	0.032	0.000	0.371	0.008	0.305	0.023	0.005
Philippines	0.121	0.119	0.001	1.387	0.033	1.098	0.082	0.010
Singapore	2.081	2.063	0.017	21.356	0.704	16.764	1.794	0.199
Thailand	2.948	2.903	0.045	45.689	0.881	38.126	2.449	0.605
Viet Nam	0.367	0.362	0.004	5.531	0.100	4.666	0.229	0.050
<b>Oceania</b>	0.055	0.055	0.001	0.443	0.007	0.349	0.019	0.002
<b>Transition economies</b>	0.598	0.592	0.007	4.941	0.096	3.852	0.262	0.035
Russian Federation	0.197	0.195	0.002	2.115	0.050	1.646	0.131	0.020
<b>Domestic value added (DVA)</b>	229.974	228.567	1.408	1142.822	20.982	988.315	56.565	6.622
<b>Gross exports</b>	254.084	252.378	1.706	1460.631	27.461	1243.943	77.096	9.633

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 2.

2010 (Millions of dollars)

## Exports from Cambodia by sector/industry

			Services						
Metal and metal products	Electrical and Machinery	Motor vehicles and other transport equipment	Total	Electricity, gas and water	Construction	Trade	Hotels and restaurants	Transport, storage and communications	Financial Intermediation and Business Activities
3.484	7.102	4.986	99.670	0.277	4.666	13.058	10.243	47.410	0.115
1.000	2.446	1.785	30.995	0.075	1.438	4.092	3.570	14.129	0.036
0.461	1.200	0.840	13.974	0.040	0.713	1.311	1.930	6.227	0.017
0.418	1.104	0.776	12.535	0.036	0.653	1.153	1.801	5.523	0.015
0.018	0.043	0.030	0.441	0.002	0.026	0.040	0.054	0.198	0.001
0.002	0.003	0.003	0.260	0.000	0.009	0.014	0.133	0.050	0.000
0.093	0.286	0.197	3.128	0.008	0.161	0.274	0.555	1.372	0.004
0.100	0.284	0.195	2.551	0.008	0.152	0.245	0.283	1.179	0.003
0.035	0.095	0.064	1.002	0.003	0.051	0.101	0.105	0.482	0.001
0.023	0.053	0.039	0.612	0.002	0.033	0.055	0.083	0.280	0.001
0.017	0.038	0.027	0.420	0.001	0.023	0.039	0.050	0.182	0.001
0.014	0.031	0.022	0.308	0.001	0.020	0.028	0.037	0.136	0.000
0.052	0.127	0.088	1.702	0.005	0.079	0.173	0.170	0.806	0.002
0.043	0.096	0.064	1.440	0.004	0.060	0.158	0.129	0.704	0.002
0.031	0.076	0.049	1.109	0.003	0.045	0.129	0.087	0.569	0.001
0.158	0.351	0.251	6.143	0.013	0.248	0.840	0.609	2.987	0.007
0.019	0.038	0.026	0.588	0.001	0.027	0.060	0.061	0.300	0.001
0.139	0.313	0.224	5.556	0.012	0.221	0.780	0.548	2.687	0.007
0.381	0.895	0.695	10.877	0.023	0.477	1.941	1.030	4.915	0.012
0.076	0.169	0.108	1.897	0.005	0.098	0.167	0.360	0.759	0.002
0.293	0.702	0.569	8.502	0.016	0.360	1.731	0.596	3.977	0.009
0.007	0.013	0.010	0.310	0.001	0.012	0.027	0.056	0.112	0.000
2.421	4.573	3.139	67.375	0.197	3.165	8.853	6.519	32.797	0.078
0.057	0.083	0.062	1.525	0.006	0.064	0.130	0.178	0.555	0.001
0.010	0.021	0.015	0.303	0.001	0.014	0.026	0.034	0.121	0.000
0.048	0.062	0.048	1.222	0.005	0.050	0.104	0.144	0.434	0.001
0.020	0.028	0.019	0.305	0.001	0.018	0.027	0.035	0.129	0.000
0.062	0.087	0.068	1.665	0.006	0.070	0.155	0.184	0.627	0.002
0.019	0.028	0.020	0.352	0.001	0.019	0.033	0.040	0.149	0.000
2.299	4.399	3.003	64.078	0.185	3.028	8.558	6.145	31.581	0.075
0.047	0.072	0.058	1.515	0.004	0.057	0.122	0.126	0.831	0.001
2.253	4.327	2.945	62.563	0.180	2.971	8.436	6.018	30.751	0.074
1.170	2.269	1.576	27.276	0.068	1.399	3.391	2.412	13.621	0.033
0.783	1.564	1.026	15.558	0.043	0.892	1.895	1.545	7.387	0.020
0.094	0.190	0.125	3.967	0.008	0.145	0.451	0.247	2.359	0.003
0.149	0.282	0.256	3.780	0.008	0.184	0.507	0.301	1.905	0.005
0.138	0.225	0.163	3.803	0.009	0.172	0.522	0.306	1.886	0.004
0.068	0.149	0.109	1.873	0.006	0.090	0.178	0.196	0.875	0.002
0.054	0.128	0.092	1.364	0.004	0.073	0.132	0.149	0.648	0.002
0.010	0.014	0.011	0.312	0.001	0.012	0.026	0.029	0.143	0.000
1.015	1.909	1.261	33.414	0.106	1.482	4.867	3.410	16.254	0.038
0.001	0.002	0.002	0.063	0.000	0.002	0.004	0.004	0.037	0.000
0.117	0.176	0.112	4.799	0.022	0.234	0.782	0.420	2.309	0.005
0.001	0.001	0.001	0.029	0.000	0.001	0.003	0.004	0.009	0.000
0.146	0.458	0.269	4.234	0.011	0.242	0.452	0.496	1.945	0.006
0.003	0.004	0.003	0.139	0.000	0.004	0.009	0.011	0.088	0.000
0.014	0.040	0.027	0.535	0.001	0.021	0.076	0.054	0.252	0.001
0.200	0.482	0.304	6.534	0.017	0.328	0.719	0.873	3.018	0.009
0.446	0.667	0.485	15.195	0.051	0.578	2.365	1.406	7.745	0.015
0.087	0.078	0.059	1.886	0.004	0.072	0.457	0.142	0.852	0.002
0.003	0.004	0.005	0.107	0.000	0.004	0.010	0.012	0.034	0.000
0.062	0.083	0.063	1.300	0.005	0.063	0.113	0.154	0.483	0.001
0.033	0.053	0.038	0.577	0.002	0.034	0.052	0.075	0.249	0.001
7.136	12.405	6.510	484.141	1.101	19.525	69.927	54.546	195.853	1.252
10.620	19.507	11.496	583.811	1.378	24.190	82.985	64.789	243.263	1.367

Annex table 2.6. Value added exports of goods and services from Cambodia, by value added creator, and by sector and industry,

Value added creator	Exports from Cambodia by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Petroleum, Chemical and Non-Metallic Mineral Products
<b>World</b>	22.813	22.479	0.334	374.518	7.445	299.266	27.525	3.494
<b>Developed countries</b>	6.556	6.471	0.085	91.965	2.351	71.547	7.045	0.775
<b>Europe</b>	3.635	3.590	0.045	47.383	1.321	36.595	3.767	0.431
European Union	3.276	3.235	0.041	42.820	1.239	32.994	3.453	0.393
Belgium	0.127	0.125	0.002	1.872	0.038	1.477	0.135	0.019
Estonia	0.204	0.203	0.000	1.357	0.145	0.962	0.190	0.006
France	0.739	0.731	0.009	10.200	0.374	7.868	0.783	0.108
Germany	0.448	0.441	0.007	7.369	0.146	5.673	0.603	0.071
Italy	0.211	0.208	0.003	3.345	0.065	2.642	0.243	0.029
Netherlands	0.163	0.161	0.002	2.287	0.060	1.788	0.176	0.023
Spain	0.140	0.138	0.002	1.709	0.035	1.330	0.122	0.016
Sweden	0.081	0.080	0.001	1.207	0.025	0.891	0.137	0.010
United Kingdom	0.421	0.415	0.006	5.781	0.108	4.522	0.433	0.050
Other developed Europe	0.359	0.355	0.005	4.563	0.083	3.602	0.314	0.039
Switzerland	0.248	0.245	0.004	3.398	0.058	2.692	0.232	0.030
<b>North America</b>	1.112	1.098	0.015	16.619	0.375	13.146	1.335	0.135
Canada	0.117	0.116	0.002	1.918	0.040	1.492	0.184	0.016
United States	0.995	0.982	0.013	14.701	0.335	11.653	1.151	0.119
<b>Other developed countries</b>	1.808	1.783	0.025	27.963	0.654	21.806	1.943	0.209
Australia	0.630	0.623	0.007	7.322	0.293	5.472	0.655	0.056
Japan	0.983	0.968	0.016	18.850	0.307	14.972	1.144	0.141
New Zealand	0.129	0.128	0.001	1.164	0.043	0.877	0.102	0.007
<b>Developing countries</b>	15.709	15.467	0.242	277.355	4.988	223.695	20.161	2.682
<b>Africa</b>	0.659	0.651	0.008	5.703	0.107	4.420	0.337	0.035
North Africa	0.100	0.098	0.001	0.986	0.019	0.768	0.062	0.008
Other Africa	0.560	0.553	0.007	4.717	0.088	3.652	0.276	0.027
South Africa	0.135	0.133	0.002	1.356	0.026	1.031	0.094	0.012
<b>Latin America and the Caribbean</b>	0.655	0.647	0.008	5.748	0.113	4.405	0.389	0.036
Brazil	0.109	0.108	0.001	1.223	0.027	0.925	0.101	0.010
<b>Asia</b>	14.353	14.128	0.225	265.519	4.762	214.569	19.416	2.610
West Asia	0.410	0.405	0.006	5.323	0.094	4.277	0.335	0.050
South, East and South-east Asia	13.943	13.723	0.219	260.196	4.668	210.291	19.080	2.559
East Asia	5.652	5.560	0.092	119.795	1.784	97.212	8.063	0.969
China	3.436	3.378	0.058	75.014	1.203	60.585	4.738	0.649
Hong Kong, China	0.713	0.702	0.011	17.308	0.211	14.196	1.483	0.128
Korea, Republic of	0.693	0.682	0.011	13.657	0.195	10.820	1.061	0.096
Taiwan Province of China	0.761	0.749	0.011	13.074	0.169	10.979	0.749	0.092
South Asia	0.626	0.618	0.008	7.863	0.152	6.322	0.453	0.073
India	0.416	0.411	0.005	5.862	0.117	4.729	0.333	0.061
Iran	0.136	0.135	0.002	1.201	0.022	0.934	0.079	0.009
ASEAN	7.665	7.546	0.119	132.539	2.733	106.757	10.564	1.517
Brunei Darussalam	0.016	0.016	0.000	0.218	0.003	0.181	0.011	0.002
Indonesia	0.954	0.932	0.023	22.903	0.306	18.197	2.607	0.307
Lao People's Democratic Republic	0.014	0.014	0.000	0.136	0.003	0.104	0.012	0.001
Malaysia	0.973	0.959	0.014	16.001	0.350	12.243	1.486	0.142
Myanmar	0.036	0.036	0.000	0.490	0.011	0.401	0.034	0.006
Philippines	0.122	0.120	0.002	1.652	0.038	1.298	0.110	0.012
Singapore	2.038	2.019	0.019	24.407	0.782	18.934	2.367	0.224
Thailand	3.088	3.033	0.056	58.858	1.104	48.822	3.572	0.753
Viet Nam	0.423	0.418	0.006	7.875	0.137	6.578	0.365	0.069
<b>Oceania</b>	0.042	0.041	0.001	0.385	0.006	0.301	0.019	0.002
<b>Transition economies</b>	0.548	0.541	0.007	5.197	0.106	4.024	0.319	0.037
Russian Federation	0.187	0.185	0.002	2.421	0.059	1.872	0.171	0.022
<b>Domestic value added (DVA)</b>	305.502	304.663	0.839	1323.351	24.978	1135.638	79.543	7.945
<b>Gross exports</b>	328.314	327.142	1.173	1697.869	32.423	1434.904	107.068	11.439

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 2.



2015 (Millions of dollars)

## Exports from Cambodia by sector/industry

			Services						
Metal and metal products	Electrical and Machinery	Motor vehicles and other transport equipment	Total	Electricity, gas and water	Construction	Trade	Hotels and restaurants	Transport, storage and communications	Financial Intermediation and Business Activities
4.087	8.258	5.332	106.291	0.291	5.298	14.058	10.695	49.727	0.115
0.986	2.438	1.637	28.449	0.068	1.398	3.716	3.366	12.555	0.031
0.469	1.233	0.797	13.251	0.036	0.711	1.245	1.864	5.695	0.015
0.421	1.124	0.731	11.725	0.032	0.646	1.072	1.735	4.954	0.013
0.020	0.047	0.031	0.443	0.001	0.028	0.040	0.055	0.193	0.001
0.003	0.004	0.003	0.302	0.000	0.011	0.016	0.156	0.056	0.000
0.095	0.302	0.193	2.917	0.008	0.163	0.254	0.521	1.231	0.003
0.083	0.243	0.155	1.964	0.006	0.124	0.187	0.217	0.881	0.002
0.035	0.097	0.059	0.939	0.002	0.050	0.095	0.098	0.443	0.001
0.025	0.055	0.038	0.581	0.002	0.034	0.052	0.080	0.257	0.001
0.019	0.042	0.027	0.435	0.001	0.025	0.040	0.052	0.180	0.000
0.016	0.033	0.022	0.301	0.001	0.021	0.027	0.036	0.128	0.000
0.058	0.146	0.093	1.710	0.005	0.087	0.174	0.172	0.778	0.002
0.048	0.109	0.065	1.526	0.004	0.065	0.172	0.129	0.741	0.001
0.036	0.090	0.052	1.237	0.003	0.051	0.148	0.093	0.628	0.001
0.160	0.357	0.235	5.733	0.012	0.246	0.775	0.565	2.735	0.006
0.020	0.040	0.026	0.575	0.001	0.029	0.060	0.059	0.287	0.001
0.139	0.316	0.209	5.158	0.011	0.218	0.715	0.505	2.449	0.006
0.357	0.848	0.605	9.465	0.019	0.440	1.696	0.937	4.125	0.010
0.087	0.199	0.116	2.025	0.005	0.111	0.179	0.391	0.783	0.002
0.256	0.622	0.471	6.941	0.013	0.308	1.473	0.468	3.160	0.007
0.008	0.014	0.010	0.328	0.001	0.013	0.029	0.061	0.114	0.000
3.033	5.729	3.633	76.580	0.219	3.835	10.233	7.178	36.716	0.083
0.057	0.082	0.057	1.416	0.005	0.062	0.120	0.163	0.489	0.001
0.009	0.020	0.013	0.253	0.001	0.012	0.021	0.028	0.097	0.000
0.048	0.062	0.044	1.163	0.004	0.049	0.099	0.134	0.391	0.001
0.022	0.028	0.019	0.340	0.001	0.019	0.029	0.038	0.130	0.000
0.061	0.085	0.061	1.511	0.005	0.067	0.139	0.165	0.553	0.001
0.019	0.027	0.017	0.320	0.001	0.018	0.031	0.036	0.131	0.000
2.912	5.558	3.510	73.567	0.208	3.703	9.966	6.840	35.648	0.080
0.057	0.087	0.065	1.714	0.005	0.067	0.140	0.138	0.938	0.001
2.855	5.471	3.445	71.853	0.203	3.636	9.826	6.702	34.711	0.079
1.492	2.930	1.901	32.070	0.079	1.748	3.947	2.762	15.771	0.037
1.021	2.056	1.270	18.523	0.050	1.131	2.203	1.796	8.618	0.023
0.142	0.289	0.173	5.331	0.010	0.214	0.616	0.327	3.112	0.004
0.183	0.350	0.297	4.405	0.009	0.222	0.602	0.338	2.201	0.006
0.140	0.227	0.154	3.640	0.009	0.175	0.508	0.290	1.756	0.004
0.079	0.175	0.117	2.039	0.006	0.103	0.196	0.210	0.929	0.002
0.063	0.151	0.100	1.481	0.005	0.083	0.146	0.159	0.688	0.002
0.012	0.017	0.012	0.363	0.001	0.014	0.030	0.033	0.159	0.000
1.284	2.366	1.427	37.744	0.119	1.784	5.683	3.730	18.010	0.040
0.002	0.002	0.002	0.070	0.000	0.002	0.005	0.005	0.040	0.000
0.143	0.215	0.126	5.476	0.025	0.284	0.920	0.464	2.579	0.006
0.001	0.001	0.001	0.030	0.000	0.001	0.003	0.004	0.009	0.000
0.177	0.556	0.297	4.633	0.011	0.284	0.496	0.539	2.078	0.006
0.004	0.005	0.004	0.167	0.001	0.005	0.011	0.012	0.104	0.000
0.017	0.050	0.030	0.589	0.001	0.025	0.086	0.057	0.271	0.001
0.230	0.565	0.313	6.756	0.017	0.366	0.740	0.883	3.069	0.009
0.571	0.852	0.572	17.663	0.058	0.714	2.853	1.591	8.813	0.016
0.139	0.119	0.082	2.362	0.005	0.104	0.570	0.174	1.047	0.002
0.003	0.003	0.004	0.086	0.000	0.004	0.008	0.010	0.026	0.000
0.068	0.091	0.062	1.262	0.004	0.066	0.109	0.152	0.456	0.001
0.039	0.061	0.039	0.592	0.002	0.038	0.052	0.080	0.247	0.001
8.668	16.215	7.835	529.460	1.085	26.005	87.410	59.112	181.642	1.384
12.754	24.473	13.167	635.751	1.376	31.304	101.468	69.807	231.369	1.499

Annex table 3. Value added exports of goods and services from Cambodia, by value added creating sector and industry, 1990–2015 (Millions of dollars)

Sector/industry	Exports from Cambodia					
	1990	1995	2000	2005	2010	2015
<b>Total</b>	63.8	299.5	680.8	1 231.6	2 268.5	2 568.9
<b>Primary</b>	17.6	80.3	75.9	144.5	361.0	459.7
Agriculture, hunting, forestry and fishing	17.0	79.3	69.0	136.1	324.6	449.1
Mining, quarrying and petroleum	0.6	1.0	6.9	8.4	36.5	10.6
<b>Secondary</b>	12.4	76.9	224.7	411.0	676.0	720.4
Food, beverages and tobacco	0.5	5.3	13.9	15.4	25.7	23.0
Textiles, clothing and leather	2.9	29.6	86.2	152.2	288.6	259.3
Wood and wood products	2.4	14.3	30.3	71.5	79.2	99.0
Petroleum, Chemical and Non-Metallic Mineral Products	2.3	13.7	49.4	91.9	146.4	187.4
Metal and metal products	1.4	4.1	15.1	25.1	40.2	48.3
Electrical and Machinery	1.7	6.7	18.6	33.6	48.5	60.5
Motor vehicles and other transport equipment	0.6	1.4	3.4	6.7	11.7	13.5
Other manufacturing	0.6	1.6	7.1	12.9	21.7	25.6
Recycling	0.1	0.1	0.7	1.7	14.0	3.8
<b>Tertiary</b>	33.7	142.4	380.3	676.0	1 221.2	1 388.8
Electricity, gas and water	0.8	2.1	14.6	17.5	27.4	31.4
Construction	1.6	5.8	13.5	26.8	47.4	61.6
Trade	6.1	25.4	67.6	131.4	222.4	289.9
Hotels and restaurants	1.9	6.7	10.2	22.3	48.7	50.3
Transport, storage and communications	5.3	24.2	51.9	101.5	258.5	218.1
Community, social and personal service activities	4.0	14.2	28.8	59.8	109.9	139.8
Public administration and defence	1.2	2.4	4.9	8.9	15.8	18.9
Education, Health and Other Services	1.9	8.4	17.3	34.6	63.3	79.7
Financial Intermediation and Business Activities	9.4	50.9	166.2	263.3	404.3	476.9

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The industry refers to the industry to which the value is attributed, not the industry from which exports originate.

Annex table 4. Cambodia's value added exports incorporated in other countries' exports, by region or country, 1990–2018 (Millions of dollars)

Region/country	DVX from Cambodia						
	1990	1995	2000	2005	2010	2015	2018
<b>World</b>	14.6	62.5	109.6	210.0	404.4	410.5	490.4
<b>Developed countries</b>	6.9	28.0	45.3	94.3	195.1	194.1	235.3
<b>Europe</b>	5.5	23.6	37.5	79.2	167.1	165.2	201.1
European Union	5.2	22.6	36.2	76.4	160.8	159.3	194.0
Belgium	0.4	1.9	2.8	5.9	12.0	11.7	14.8
Estonia	0.1	0.1	0.1	0.3	0.5	0.6	0.7
France	0.3	1.8	3.1	5.8	10.5	10.8	12.9
Germany	1.2	6.8	10.7	24.8	56.0	54.0	65.2
Italy	0.2	1.3	1.9	4.1	8.3	8.3	10.3
Netherlands	0.5	2.8	4.0	8.1	17.7	18.1	22.3
Spain	0.1	0.5	1.0	2.1	4.0	4.0	5.0
Sweden	0.2	0.7	1.3	2.1	4.6	4.3	5.1
United Kingdom	0.7	2.3	3.6	6.7	14.8	14.3	16.7
Other developed Europe	0.3	0.9	1.3	2.8	6.4	5.9	7.1
Switzerland	0.1	0.3	0.5	1.5	3.5	3.3	4.2
<b>North America</b>	0.5	2.4	4.9	8.6	15.8	16.5	19.3
Canada	0.1	1.0	2.0	3.5	6.0	6.1	7.1
United States	0.4	1.4	2.9	5.1	9.8	10.5	12.2
<b>Other developed countries</b>	0.9	2.0	2.9	6.5	12.1	12.3	14.9
Australia	0.2	0.3	0.5	0.9	1.7	1.8	2.2
Japan	0.5	1.4	1.9	4.7	8.7	9.0	10.9
New Zealand	0.1	0.1	0.2	0.3	0.6	0.6	0.6
<b>Developing countries</b>	6.8	32.4	61.8	107.7	190.3	199.7	235.5
<b>Africa</b>	0.7	1.1	1.3	2.6	5.5	5.3	6.6
North Africa	0.2	0.3	0.3	0.5	0.8	0.8	0.9
Other Africa	0.6	0.8	1.0	2.0	4.7	4.5	5.7
South Africa	0.1	0.1	0.2	0.3	0.7	0.7	0.8
<b>Latin America and the Caribbean</b>	0.6	1.0	2.0	3.8	7.8	7.9	9.5
Brazil	0.0	0.0	0.1	0.2	0.5	0.6	0.7
<b>Asia</b>	5.3	30.2	58.4	101.0	176.5	185.9	218.9
West Asia	0.2	0.5	0.7	1.4	3.3	3.5	4.1
South, East and South-east Asia	5.1	29.7	57.7	99.6	173.2	182.4	214.8
East Asia	2.0	5.7	13.9	32.8	50.4	58.1	64.6
China	0.2	2.9	6.4	23.2	32.9	39.9	44.0
Hong Kong, China	0.2	0.9	1.2	2.7	4.9	5.3	6.0
Korea, Republic of	0.3	0.1	4.2	4.5	7.8	8.5	9.8
Taiwan Province of China	1.4	1.7	2.0	2.2	4.4	4.1	4.3
South Asia	0.2	0.4	1.4	1.6	3.2	3.6	4.5
India	0.0	0.1	1.0	0.9	1.7	1.9	2.4
Iran	0.0	0.1	0.1	0.3	0.5	0.7	0.9
ASEAN	2.9	23.7	42.5	65.2	119.5	120.7	145.7
Brunei Darussalam	0.0	0.0	0.0	0.1	0.2	0.2	0.2
Indonesia	0.1	0.3	2.0	0.9	1.6	1.6	1.9
Lao People's Democratic Republic	0.0	0.0	0.0	0.1	0.2	0.2	0.2
Malaysia	1.3	12.6	19.3	21.6	37.6	36.8	43.6
Myanmar	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Philippines	0.1	0.3	0.6	1.1	1.9	1.8	2.3
Singapore	0.6	5.4	7.5	16.3	34.3	37.7	44.1
Thailand	0.3	2.7	8.7	14.6	27.0	25.9	30.3
Viet Nam	0.5	2.3	4.3	10.6	16.7	16.4	23.0
<b>Oceania</b>	0.1	0.1	0.1	0.3	0.6	0.5	0.6
<b>Transition economies</b>	0.8	2.0	2.6	8.0	19.0	16.7	19.6
Russian Federation	0.2	0.5	0.9	2.1	4.9	4.9	5.8

Source: AJC-UNCTAD-Eora database on ASEAN GVCs. Data for 2016–2018 are projected by UNCTAD and Eora.

Note: All values are estimated. The value refers to that incorporated in exports from the countries listed. For GVC terminology, see box 2.









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