

# Cambodia Trade Profile

*Regional Workshop on  
“Opportunities and Challenges Evidence Based Trade Policy for the  
Achievement of Sustainable Development Goals*

**Thimpu, Bhutan. 15-17 June 2016**

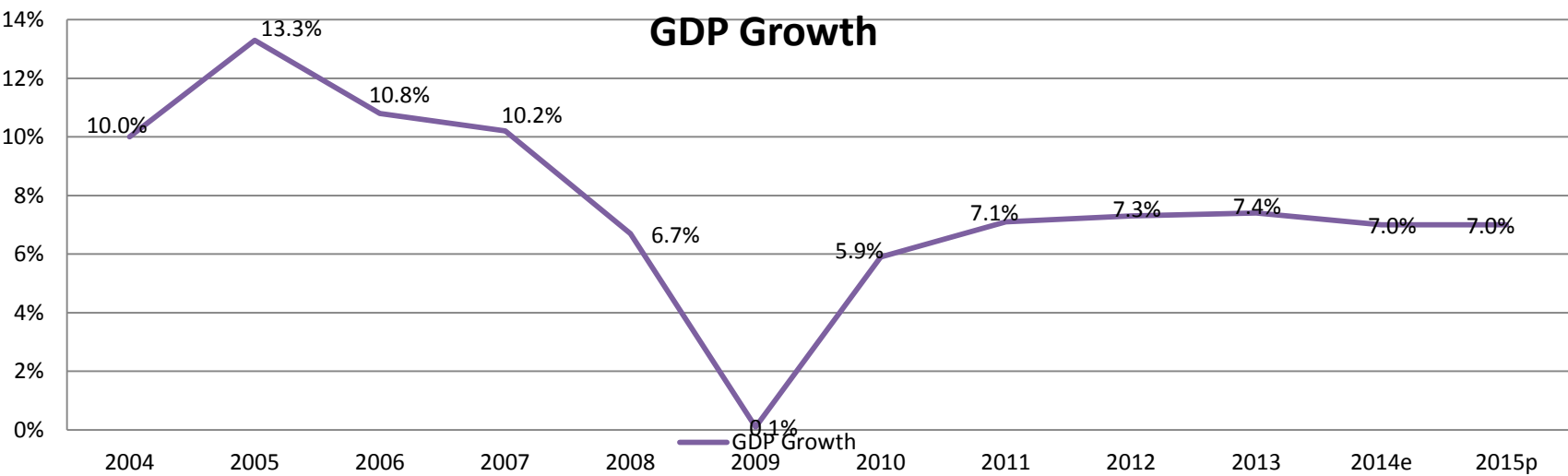
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Directorate of Trade Promotion, MOC*

# Cambodia's Economy in brief

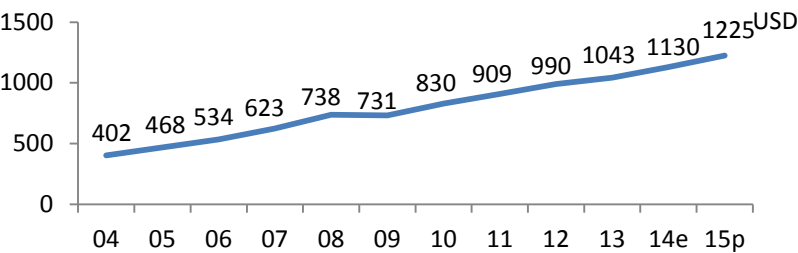
- ❑ Cambodia is comparatively small and open economy
- ❑ Cambodia's economic growth is depend in four main engines:
  - ✓ **Garment & Footwear** : which is dominant about 70% of total economy, the destination market of this products is US, EU, Japan, Canada and the raise,
  - ✓ **Construction** : this sector growth is clearly fuelled by domestic demand,
  - ✓ **Tourism** : Open sky policy and impressive temple city of Angkor, number of tourist arrived Cambodia is increase year by year,
  - ✓ **Agriculture** : where about 80% of Cambodians earned their living on so far. However, the strong dynamics in this sector is rather based on yield improvements and access to new markets. Over the past two decades, Cambodia has made remarkable progress in improving yields (through improved cultivation techniques, irrigation, new seeds, fertilizer, etc.) which boosted production and provided many crops with considerable production surplus available for export.

# Key Indicator

## GDP Growth (2004-2015)



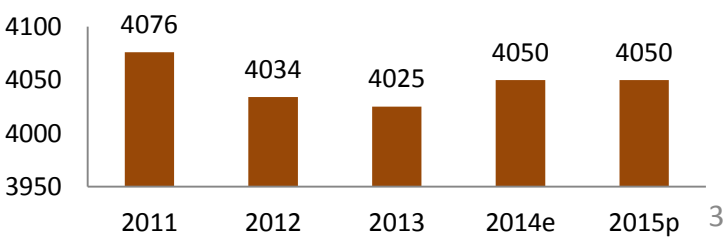
## GDP Per Capita (2004-2015)



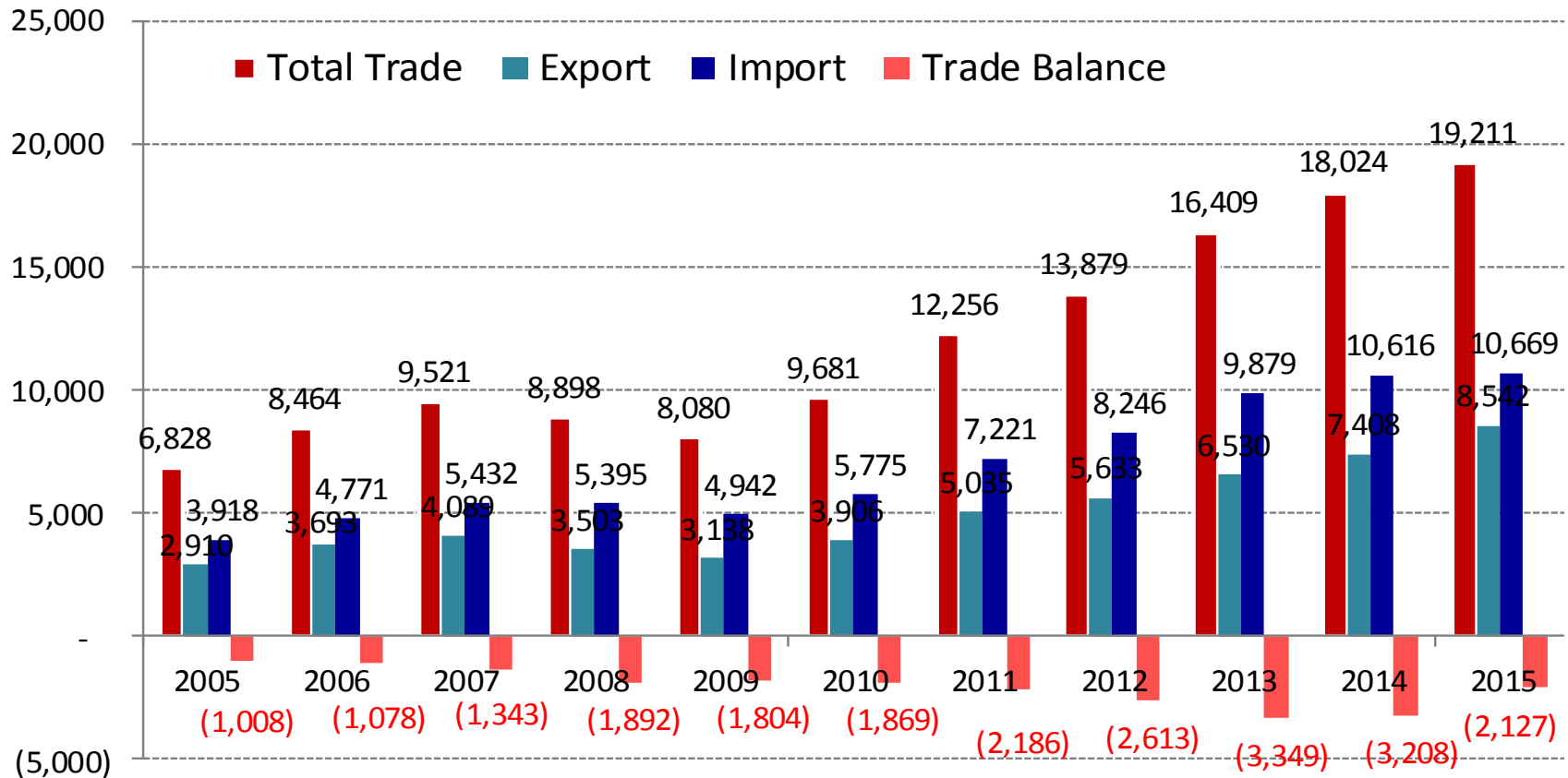
## Population & Labor Force

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

## Stable Exchange Rate (USD-Riel)



# TRADE VOLUME (US\$ MILLION)



Source: CDC

## Cambodia bilateral trade with Vietnam and Thailand (Mil.US\$)

Countries	Export	Import	Year
Vietnam	96.801	1,693.15	2014
Thailand	638.3	4,882.5	2015
ASEAN	961.1	6,087.4	2015
Source: ITC (mirror data)			

# Cambodia Export to Vietnam-2014

HS	Products label	Value (000) US\$
2202	Non-alcoholic beverages (excl. water, fruit or vegetable juices and mi	2167
'6006	Other knitted or crocheted fabrics	1507
3926	Article of plastic nes.	440
1108	Starches; inulin	185
'2402	Cigars, cheroots, cigarillos & cigarettes	8148
...	Raise..	...
	All products	96801

# Cambodia Import from Vietnam-2014

HS	Products label	Value (000) US\$
3926	Article of plastic nes.	12417
	Milk and cream, not concentrated nor sweetened	622
'2202	Non-alcoholic beverages (excl. water, fruit or vegetable juices and mi	8908
1704	Sugar confectionery (incl white choc), not containing cocoa	2020
3105	Mixtures of..nitrogen, phosphorous or potassium fertilizers	12625
3306	Oral & dental hygiene preparations	3569
4104	Leather of bovine/equine animal, other than leather of hd 4108/4109	3801
...	Raise...	...
	All products	1693151

# Cambodia Export to Thailand -2015

HS	Products label	Value (000) US\$
'0714	Manioc, arrowroot salep (yams) etc	180054
'8529	Part suitable for use solely/princ with televisions, recpt app	164666
'8544	Insulated wire/cable	94543
7602	Aluminum waste and scrap	25249
'2309	Animal feed preparations, nes	23933
...	Raise....	...
Total	All products	638253



# Cambodia Import from Thailand -2015

HS	Products label	Value (000) US\$
'7108	Gold unwrought or in semi-manuf forms	877678
'2710	Petroleum oils, not crude	672484
'2202	Non-alcoholic beverages (excl. water, fruit or vegetable juices and mi	193235
'2523	Cements, portland, aluminous, slag, supersulfate & similar hydraulic c	175580
'8701	Tractors (other than tractors of heading no 87.09)	126693
...	Raise....	...
Total	All products	4881574

## Country Specific Issues:

- ✓ *Hundreds economic corridor with Vietnam and Thailand : Cambodian farmers, producers exported their products immediately after harvest to neighboring markets,*
- ✓ *Most of supporting industrial products are imported from foreign countries,*
- ✓ *Cambodia has limited backward linkages industries that urge Cambodian farmers, producers have to sell their products as raw material which could lose a lot of value added*
- ✓ *Cambodia need to diversify products and diversify markets as well.*

## Country Specific Issues (cont)

- ✓ ***Logistic cost still a challenge for private sector***
- ✓ ***Energy infrastructure***: not enough in energy infrastructure, the energy costs in Cambodia are very high
- ✓ ***Skilled labor/labor productivity***: The lack of skilled labor and low level of labor productivity are caused by deficiencies in the education system and from the lack of vocational training;
- ✓ ***Economies of scale***: Due to the small scale of most production processes opportunities to apply technology are limited and, in consequence, production cost can be high;
- ✓ ***High capital costs***: The financial sector has dramatically improved in recent years, however, capital and credit costs are still high.....etc

Thank you