



Cambodia

ISCC Ranking: 138

Reducing the cost of international trade transactions has become a priority for Governments intent on facilitating the effective integration of firms in regional and global production networks. Along with improving availability and access to trade related infrastructure, cutting red tape and enhancing trade processes have become essential both to maintain competitiveness and enable smaller players to also benefit.

The latest data on international trade costs from the ESCAP-World Bank database suggest that Cambodia has made good progress on reducing trade costs with its South-East Asian neighbors, although it seems to have reduced costs even more with East and North-East Asian partners. When tariff costs are excluded, trade costs between Cambodia and the United States are still slightly higher than those prevailing among the major ASEAN economies, suggesting further room for intra-regional trade facilitation. Trade costs in the agricultural sector remain prohibitively high in most cases.

Cambodia ranks 138th of 179 countries according to the ESCAP International Supply Chain Connectivity (ISCC) Index, a new index released on the occasion of the Asia-Pacific Trade & Investment Week (November 2013) which captures the extent of a country's facilitation of import and export processes as well as its access to efficient maritime services. Cambodia's progress in enhancing supply chain connectivity since 2006 has been significant but its performance remains well below the South-East Asian average.

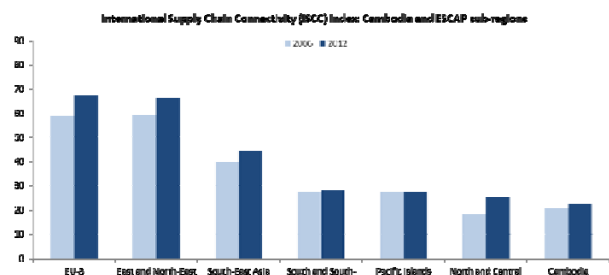
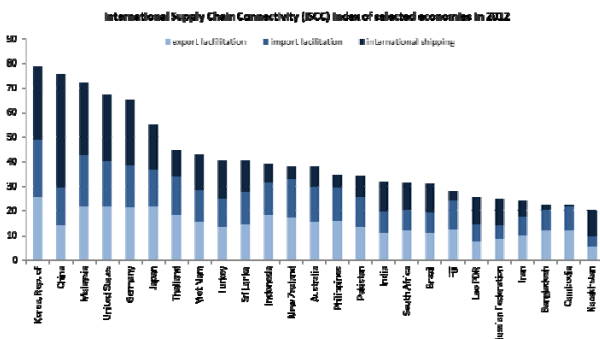
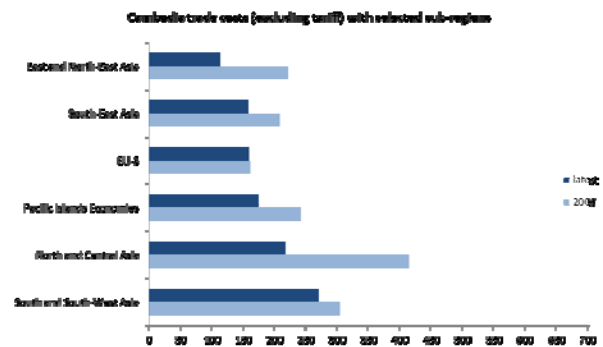
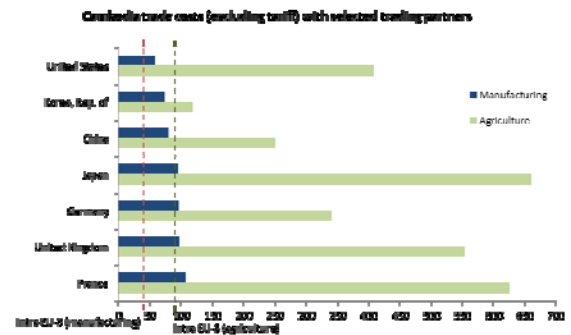
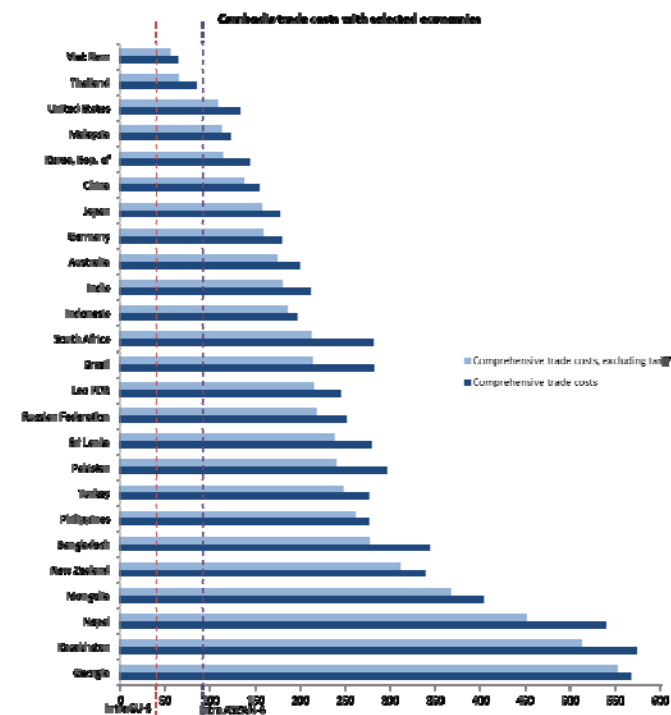


Table 1: Bilateral trade costs (excluding tariff): selected top traders with Cambodia in goods sector

| Trade costs: overall Partner country | Value: tariff-equivalent | | | Percentage change |
|---|--------------------------|--------|---------------------|-------------------|
| | 2006 | latest | Average 2006-latest | 2006-latest |
| China | 146.53 | 136.86 | 152.68 | -6.60 |
| France | 149.87 | 153.49 | 157.30 | 2.41 |
| Germany | 156.38 | 158.69 | 162.14 | 1.48 |
| Japan | 176.32 | 156.93 | 171.42 | -11.00 |
| Korea, Rep. of | 174.75 | 113.70 | 146.17 | -34.93 |
| United Kingdom | 180.47 | 160.44 | 177.05 | -11.10 |
| United States | 114.07 | 108.00 | 109.96 | -5.31 |
| Trade costs ESCAP sub-region | Value: tariff-equivalent | | | Percentage change |
| | 2006 | latest | Average 2006-latest | 2006-latest |
| East and North-East Asia | 222.18 | 113.70 | 168.32 | -48.82 |
| North and Central Asia | 415.18 | 217.76 | 339.56 | -47.55 |
| Pacific Islands Economies | 242.88 | 174.73 | 187.09 | -28.06 |
| South and South-West Asia | 304.90 | 270.93 | 292.85 | -11.14 |
| South-East Asia | 209.69 | 159.18 | 166.11 | -24.09 |
| EU-3 | 162.24 | 159.56 | 165.65 | -1.65 |

Table 2: Bilateral trade costs (excluding tariff): selected economies/sub-regions with Cambodia in agriculture and manufacturing sector

| Trade costs: agriculture Partner country | Value: tariff-equivalent | | | Percentage change | Trade costs: manufacturing Partner country | Value: tariff-equivalent | | | Percentage change |
|--|--------------------------|--------|---------------------|-------------------|--|--------------------------|--------|---------------------|-------------------|
| | 2006 | latest | Average 2006-latest | 2006-latest | | 2006 | latest | Average 2006-latest | 2006-latest |
| China | 325.21 | 250.82 | 305.56 | -22.88 | China | 118.76 | 79.78 | 115.63 | -32.83 |
| France | 698.54 | 626.70 | 662.57 | -10.28 | France | 122.95 | 106.82 | 125.22 | -13.12 |
| Germany | 696.95 | 341.58 | 522.34 | -50.99 | Germany | 130.10 | 96.73 | 124.55 | -25.65 |
| Japan | 664.75 | 661.09 | 665.78 | -0.55 | Japan | 148.02 | 95.46 | 132.91 | -35.50 |
| Korea, Rep. of | 359.08 | 118.94 | 191.98 | -66.88 | Korea, Rep. of | 147.61 | 73.40 | 116.04 | -50.27 |
| United Kingdom | 559.00 | 554.13 | 587.81 | -0.87 | United Kingdom | 152.07 | 97.71 | 138.72 | -35.75 |
| United States | 337.24 | 409.59 | 355.07 | 21.45 | United States | 91.96 | 58.09 | 79.64 | -36.83 |
| Trade costs: agriculture ESCAP sub-region | Value: tariff-equivalent | | | Percentage change | Trade costs: manufacturing ESCAP sub-region | Value: tariff-equivalent | | | Percentage change |
| | 2006 | latest | Average 2006-latest | 2006-latest | | 2006 | latest | Average 2006-latest | 2006-latest |
| East and North-East Asia | 449.68 | 184.88 | 361.05 | -58.89 | East and North-East Asia | 180.15 | 73.40 | 129.09 | -59.25 |
| North and Central Asia | | | | | North and Central Asia | 354.96 | 142.83 | 267.94 | -59.76 |
| Pacific Islands Economies | 395.19 | 388.20 | 416.64 | -1.77 | Pacific Islands Economies | 204.71 | 112.30 | 147.00 | -45.14 |
| South and South-West Asia | 228.37 | 307.52 | 309.07 | 34.66 | South and South-West Asia | 246.91 | 173.64 | 215.80 | -29.67 |
| South-East Asia | 265.35 | 231.13 | 245.25 | -12.90 | South-East Asia | 171.49 | 95.38 | 118.81 | -44.38 |
| EU-3 | 651.50 | 590.42 | 596.58 | -9.38 | EU-3 | 135.04 | 97.22 | 127.63 | -28.00 |

Table 3: International supply chain connectivity (ISCC) index and sub-indicators: top traders

| Country | 2006 | | | | 2012 | | | | ISCC (average 2006-2012) | ISCC (percentage change 2006-2012) |
|--------------------------|---------------------|---------------------|------------------------|-------|---------------------|---------------------|------------------------|-------|--------------------------|------------------------------------|
| | Export facilitation | Import facilitation | International shipping | ISCC | Export facilitation | Import facilitation | International shipping | ISCC | | |
| Cambodia | 10.84 | 8.80 | 0.86 | 20.51 | 11.97 | 9.57 | 1.02 | 22.56 | 22.11 | 10.02 |
| Japan | 21.71 | 14.97 | 19.02 | 55.70 | 21.59 | 14.91 | 18.59 | 55.10 | 55.91 | -1.09 |
| United Kingdom | 19.12 | 17.11 | 24.03 | 60.25 | 20.83 | 19.64 | 24.76 | 65.23 | 62.37 | 8.26 |
| Germany | 22.13 | 18.35 | 23.77 | 64.25 | 21.24 | 17.37 | 26.71 | 65.32 | 65.24 | 1.67 |
| United States of America | 22.11 | 19.07 | 25.29 | 66.46 | 21.57 | 18.66 | 27.03 | 67.25 | 65.55 | 1.18 |
| France | 17.60 | 13.92 | 19.98 | 51.50 | 26.86 | 23.97 | 20.66 | 71.49 | 65.64 | 38.83 |
| China | 17.92 | 16.89 | 33.33 | 68.15 | 14.28 | 15.15 | 46.03 | 75.46 | 72.62 | 10.73 |
| Korea, Rep. of | 16.85 | 11.79 | 21.20 | 49.84 | 25.56 | 23.33 | 29.98 | 78.87 | 66.30 | 58.25 |

Table 4: International supply chain connectivity (ISCC): sub-regional average

| Sub-region | 2006 | 2012 | Average 2006-2012 | Percentage change 2006-2012 |
|---------------------------|-------|-------|-------------------|-----------------------------|
| East and North-East Asia | 58.91 | 66.03 | 62.93 | 12.09 |
| North and Central Asia | 18.13 | 25.37 | 20.95 | 39.94 |
| Pacific Islands Economies | 27.36 | 27.20 | 27.28 | -0.61 |
| South and South-West Asia | 27.38 | 28.03 | 28.16 | 2.37 |
| South-East Asia | 39.65 | 44.66 | 42.24 | 12.64 |
| EU-3 | 58.67 | 67.35 | 64.41 | 14.80 |

This note is based on ESCAP's trade costs and International Supply Chain Connectivity Databases. For full database access, please visit <http://www.unescap.org/tid/artnet/database.asp>

Definitions:

Comprehensive trade costs: all costs involved in trading goods internationally with another partner relative to those involved in trading goods domestically;
Comprehensive trade costs (excluding tariff): all additional costs other than tariff costs involved in trading goods bilaterally rather than domestically;
International Supply Chain Connectivity (ISCC): an index that measures overall trade facilitation performance of a country along the international supply chain, which is based on the trading across border (TAB) indicators from the World Bank Doing Business Report and the Liner Shipping Connectivity Index (LSCI) of UNCTAD. ISCC Ranks from 1 to 179. **Intra EU-3:** average trade costs among 3 largest EU economies, namely, France, Germany and United Kingdom.
Intra ASEAN-4: average trade costs among Indonesia, Malaysia, Philippines and Thailand.