

Cambodia and AEC

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Cambodia is located in South Eastern Asia, bordering the Gulf of Thailand, between Thailand, Vietnam and Laos. It is classified as a least developed country (LDC). The total population in Cambodia was last recorded at 15.1 million people in 2013 from 5.7 million in 1960, changing 165 percent during the last 50 years. Population in Cambodia averaged 9.43 Million from 1960 until 2013; reaching an all-time high of 15.14 Million in 2013 and a record low of 5.72 Million in 196 (Population in Cambodia is reported by the World Bank).

Cambodia is a member of the Association of Southeast Asian Nations (ASEAN) and the World Trade organization (WTO), and one of the poorer members of the 10 country grouping, is optimistic that the kingdom will be ready to join the economic community that the first LDC to join through the full accession process in 2004. The reduction of tariffs on Asian trade has been accompanied by a paid expansion of Cambodia trade with the Asian partners. It sees AEC as an opportunity to boost economic growth even though there are challenges ahead for its small and medium-sized enterprises (SMEs) and is the youngest ASEAN nation to become a full member of this regional geo-politic and economic organization in April 1999, after having been an observer for nearly four years. Although it's already a full member, Cambodia still can't rival older members in terms of economic strength, trade volume, human resources, technology, and infrastructure, among others. The country is faced with the formidable challenge of accomplishing the objectives of AEC including setting up a single market and production base to pave the way for a highly competitive economic region. The AEC scorecard prepare a list of the member country in terms of readiness when it came to legal and policy framework and ranked Cambodia the third after Singapore and Malaysia, adding the Cambodia is entry into the WTO in 2004 was a big boost in terms of economics policy and trade liberalization policy. But there is a lot more than just having all the legal and policy related paper work in order to get ready for become part of the planned trading bloc. Cambodia is already prepare for regional economic integration, but not yet confident enough to complete "said Chheang Vannarith, executive rector of Cambodia institute for cooperation and peace (CICP), but Cambodia is not ready for AEC 2015 given its development status compare to the six older ASEAN member (said by Poch Kongchheng, a researcher at the Cambodia institute for cooperation and Peace).

- Cambodia Export

Cambodia won the world best rice award 3 times continuously in 2012, 2013 and 2014. UN's food and agriculture organization (FAO) has estimate Cambodia 2014 rice exports and increase slightly to 1.2million tones over that in 2013 due to increase production. The FAO report that export estimated includes unofficial export of miles as well as baddy rice sold through cross

border trade to Vietnam and Thailand. Cambodia export around 120,291 tons of rice during the first four months of 2014, up about 1.5% from around 118,504 tons exported during the time period in 2013, according to data from secretariat one window service for rice export. Cambodia exported a total of 378,856 tons of rice in 2013, up about 84% from about 205,717 tons exported in 2012 (FAO estimated of Cambodia 2014 rice export to increase slightly to 1.2 million tons, July 02, 2014). Table 1.

Table1. Quality of Cambodia rice have been exported by month from 2009-2013 (in tons)

M/ Year	2009	2010	2011	2012	2013
1. January	360	10,012	6,798	9,703	25,726
2. February	792	13,644	5,089	14,417	24,089
3. March	1,248	5,062	12,534	12,310	45,413
4. April	664	17,287	17,946	15,036	23,276
5. May	399	5,499	20,520	13,115	28,350
6. June	316	4,274	17,990	13,426	29,105
7. July	226	15,030	12,703	20,527	31,411
8. August	673	5,997	20,404	15,530	29,358
9. September	956	4,744	14,384	15,169	29,395
10. October	2,964	6,078	19,067	16,967	28,031
11. November	1,690	7,988	9,559	25,189	37,855
12. December	2,325	9,645	44,905	34,328	46,847
Total for 12months/year	12,613	105,259	201,899	205,717	378,856

(Source: The Federation of Cambodia Rice Exporter)

From 2006-2008, Cambodia exported to Asian Countries increase by an average annual rate of 37 percent compare with an average rise of 14 percent in its export to the rest of the world. Moreover imports from Asian also rest rapidly, the increase average 25 percent for import from rest to the world. However the growth intra-Asian trade is occurring from the small best: despite its expansion in 2008, export to Asian countries for only 7 percent of value of Cambodia total export (Hang Choun Naron, Secretary General of the Supreme National Economic Council of Cambodia). The estimate of the ACE in 2014 is expects to pave the ways for opportunities for entrepreneurs (Then AEC is integrating reform that amount to mutual benefit from Asian countries. It'll be help to increase competition in region and Cambodia's education sector is faced with the test of insuring as Asian gears toward integrating into an economics community starting in 2015. Cambodia's export rice to the main import partners are the Europeans and Asians country such as Thailand, Lao, Vietnam and Malaysia. In 3 months 2014 Cambodia exported 9 kinds in total amount 84330.5 tons of rice products by 59 companies (Table 2-4).

Table 2. Export destination of Cambodia rice in 3 months, 2014 (in ton)

No	ប្រទេសទំនាក់ទំនង (Destinations)	បរិមាណអង្ករ (Quantity)	No	ប្រទេសទំនាក់ទំនង (Destinations)	បរិមាណអង្ករ (Quantity)
1	FRANCE	18,179	22	SINGAPORE	456
2	POLAND	12,602	23	CROATIA	321
3	NETHERLAND	8,480	24	THAILAND	300
4	MALAYSIA	8,188	25	CANADA	176
5	CHINA	5,620	26	ANGOLA	152
6	BELGIUM	4,517	27	DENMARK	142
7	CZECH REPUBLIC	4,282	28	AUSTRALIA	123
8	SPAIN	3,887	29	NEW ZEALAND	112
9	ITALY	2,838	30	AUSTRIA	96
10	GERMANY	2,576	31	NORWAY	79
11	UNITED KINGDOM	2,320	32	CYPRUS	72
12	PORTUGAL	1,714	33	HONGARY	72
13	GABON	1,247	34	SWITZERLAND	70
14	SWEDEN	1,070	35	SOU D AFRICA	68
15	RUSSIAN FEDERATION	754	36	NORWAY	61
16	ISRAEL	752	37	FINLAND	48
17	LITHUANIA	696	38	BELARUS	48
18	USA	646	39	UKRAINE	25
19	GHANA	534	40	IRELEAND	24
20	SENEGAL	480	41	U- ARAB EMIRATES	24
21	LATVIA	456	42	GREECE	23
សរុប TOTAL				84,330	

Source: The Federation of Cambodia Rice Exporter

Table 3. Type of Cambodia rice have been exported in 3 months of 2014 (in tons)

No	ប្រភេទអង្ករ (TYPE OF RICE)	បរិមាណសរុប/តាមប្រភេទ (QUANTITY TOTAL/ MAIN TYPE)	កំណើនខែ (MTH.VARIETION)
1	អង្ករក្រអូបចម្រុះ (FRAGRANT: Senkraob/Neangsauy/Others)	7,985.5	4,365.0
2	អង្ករក្រអូបខាងម្លិស (FRAGRANT NEANG MALIS)	4,462.3	1,237.0
3	អង្ករក្រអូបសូមាលី (FRAGRANT SOMALY)	1,437.0	288.0
4	អង្ករក្រអូបផ្កាម្លិស/ផ្ការំដួល (JASMINE:PML/ PRD)	35,986.3	11,628.0
5	អង្ករក្រអូបសរីរាង្គ (JASMINE ORGANIC RICE)	40.0	-
6	អង្ករក្រអូបភ្លឺ (PEARL FRAGRANT RICE)	240.0	-
7	អង្ករសចម្រុះគ្រាប់វែង (LONG GRAIN WHITE)	21,772.4	8,508.0
8	អង្ករសប្រណិត (PREMIUM WHITE: GINGER/NEANG KHON)	8,376.0	8,278.0
9	អង្ករចម្រុះគ្រាប់វែង (LONG GRAIN PABOILED)	4,031.0	1,453.0
សរុប (TOTAL)		84,330.5	35,757.0

Source: The Federation of Cambodia Rice Exporter

Table 4. Type of Cambodia rice have been exported in 12 months of 2013 (in tone)

ខែ/ខ្សែឆ្នាំ (M/year)	បរិមាណតាមប្រភេទអង្ករ (Quantity by Type of Rice)						បរិមាណ ទាំងមូល សរុប (Total Exported Quantity)
	អង្ករផ្កាផ្លិះ/ផ្កាជ្រូល Phka mallis / Phka Rudoul/ Jasmine Rice	អង្ករចម្រុះ long grain white Rice	អង្ករពោធិ៍ Neang Mallis Rice	អង្ករសូម៉ាលី Somaly Rice	សែនក្រូឡូប/ ភាស៊ីន Sen kro oub / Neang khun Rice	អង្ករឆ្កែ Ginger white Rice	
1. January	13,914	9,302	1,414	992	80	24	25,726
2. February	10,042	11,877	1,254	336	460	120	24,089
3. March	18,350	24,518	1,568	977	-	-	45,413
4. April	12,708	9,165	936	347	-	120	23,276
5. May	8,247	18,381	1,298	261	163	-	28,350
6. June	9,116	18,067	1,301	405	216	-	29,105
7. July	11,664	17,783	1,225	279	460	-	31,411
8. August	10,237	16,565	1,452	116	988	-	29,358
9. September	10,697	17,179	500	89	930	-	29,395
10. October	6,096	17,482	2,273	24	2,156	-	28,031
11. November	21,282	13,486	2140	96	851	-	37,855
12. December	24,417	20,198	2,089	48	96	-	46,847
សរុប TOTAL	156,770	194,003	17,450	3,970	6,400	264	378,856

Source: The Federation of Cambodia Rice Exporter

- Trade export between Cambodia and Thailand and also Vietnam

Trade between Thailand and Cambodia went off with divergence in the first quarter of the year. Export from Cambodia rose 19% to US\$102 million (2.9 billion baht) year-on-year, while Thailand's import recorded a 4% decline to \$1billion. Rising export from Cambodia to Thailand are flowing a similar trend overall. Cambodia export to other countries jumped more than 20% in the first quarter in 2013 compared with the same period in 2012, according to the ministry. The MAFF (Ministry of Agriculture Forestry and Fishery) reported that 700 tons of rice was being export each day from Bathombang province to Thailand and 580tons being sold Meanchey province. Export were small across the eastern border, with 240tone being sold daily to Vietnam and 110 tons a day from Svay Rieng. Rice exports for May 2014 continues to decline compared to the previous year, with only 148,262 tons exported compared to 146,854 tons in March 2013, a difference of 1%. France remains the top destination for exports and we can see a switch at the top for the exporting companies as Khmer Foods Group exports 21,207 tons over the 120,188 tons of Amru Rice (Cambodia).

A lot of Cambodia products are being export including, fish and shellfish product reached 1,618 tons in 2011, worth \$ 3.5 million, a 16 percent increase from 1,391 tons, accounting to figures from the ministry of commerce. In 2012 freshwater fish yield was unlikely to eclipse 2011, because of the environmental change, an increase in illegal fishing, and water level about 2.7 meter lower than 2011 (when the level of water is low, the water gets dirty and

doesn't flow to areas where fish can reproduce). Less than two weeks after Tonle Sap Authority reportedly installed a ban of large-scale fish export, Prime Minister Hun Sen declined to order and re-opened export. The fisheries sector in Cambodia plays a crucial role in the country's economy. According to most recent estimates, Cambodian capture and aquaculture fisheries produce around 527,000 tons of fish, worth between USD 1.2 - 1.6 billion annually. Fishery production (not including processing and other related activities) thus makes up around 10 percent of Cambodia's overall GDP. The Cambodian Fisheries Administration (FiA) estimated the total volume and value of fish exports to be around 30,000 tons and USD 60 million, respectively, in 2011 far above the Ministry of Commerce (MOC) figures of fish exports and value of around 1,600 tons and USD 3.5 million respectively.

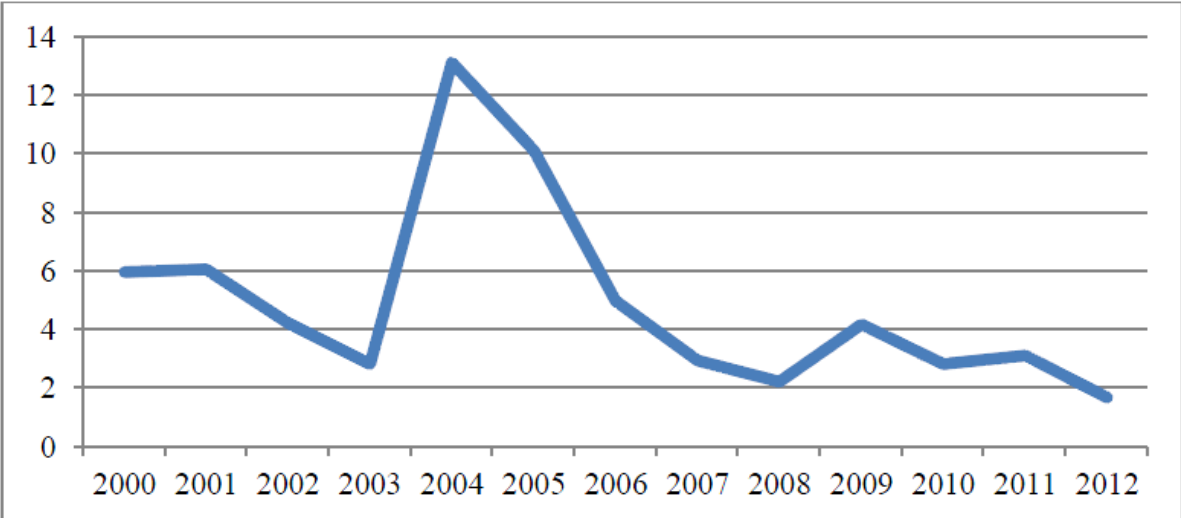


Figure1. Cambodia-Total official fish export by value 2000-2012 (USD Millions)

Table 5. Cambodia - Official Fish Export Flows by Destination 2000-2012 (USD)

	Australia	China	Japan	Vietnam	Thailand	USA
2000	89,891	1,161,183	81,089	211,743	807,329	166,153
2001	322,817	1,839,060	13,335	26,643	440,469	36,777
2002	242,392	1,299,124	18,291	54,505	246,397	71,124
2003	188,235	658,674	493	116,678	201,864	222,228
2004	155,527	393,779	528	53,704	460,043	11,214,506
2005	82,032	265,023	20	3,357	717,412	8,343,792
2006	40,323	428,815	0	41,596	733,424	3,360,282
2007	0	351,587	10,900	0	462,627	1,425,315
2008	0	314,874	30,080	0	136,967	1,242,374
2009	8,350	280,669	0	43,064	102,488	
2010	17,884	510,353	541,117	81,324	0	745,364
2011	10,480	692,510	1,375,768	64,917	20,620	624,512
2012	0	619,867	593,321	177,933	51,281	552

Source: UN COMTRADE Database

- Cambodia's top ten Imported Products in 2011(By value, from the world)

Cambodia records a trade deficit with imports of petroleum products, fabrics, vehicles, wholesale yarn, cigarettes, electrical communication equipment and medicine. Cambodia's half of the total import value went for only 10 products in 2011. US\$794.9 million, the highest (13% of total import cost) in importing Petroleum oil obtained from bituminous mineral, other than crude. Also a total of US\$ 1,728.83 million (28% of total import value) was spend on four top rated categories of garment sector raw products such as knitted or crocheted fabrics, woven fabrics of synthetic staple fibers, Yarn of synthetic staple fibers (Table6).

Table 6. Cambodia's top ten Imported Products in 2011

Import products name in English	Value (in million riel)	Value (in million USD)	Share in Total import (%)
1. Petroleum oils and oils obtained from bituminous minerals, other than crude	3,259,07	\$ 794,90	13.1%
2. Other knitted or crocheted fabrics.	2,593,102	\$ 632,46	10.4%
3. Knitted or crocheted fabrics of a width not exceeding 30 cm.	2,026,93	\$ 494.38	8.1%
4. Other woven fabrics of synthetic staple fibers.	1,880,997	\$ 458.78	7.5%
5. Motor cars and other motor vehicles principally designed for the transport of persons	728,075	\$ 177.58	2.9%
6. Yarn (other than sewing thread) of synthetic staple fibers not put up for retail sale.	587,164	\$ 143.21	2.4%
7. Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes.	527,432	\$ 128.64	2.1%
8. Electrical apparatus for line telephony, including line telephone sets with cordless handsets and Telecommunication apparatus; videophones.	392,874	\$ 95.82	1.6%
9. Medicine	386,342	\$ 94.23	1.5%
10. Dumpers designed for off-highway use	386,161	\$ 94.19	1.5%
Cambodia's Total Import Cost for Top-10 Products:	12,768,162	\$ 3,114.19	51.2%
Cambodia's Total Import in 2011:	24,931,347	\$ 6,080.82	

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