



**Kingdom of Cambodia
Nation Religion King**

**Opening Remarks
by**

**Samdech Ekka Moha Sena Padei Techo HUN SEN Prime Minister
Of the Kingdom of Cambodia
At the Opening Ceremony of the Fifth China Round Table
At Sokha Resort Hotel and Convention Center
Siem Reap, 20 March 2017**

*Your Excellency Mr. Taur Matan Ruak, Prime Minister of Timor-Leste,
Your Excellency Mr. Ahmed Said Hassani DJAFFAR, Vice President of Comoros,
Your Excellency Mr. Wang Shouwen, Vice Minister of Commerce of the People's Republic of China,
Mr. David Shark, Deputy Director General of the World Trade Organization,
Your Excellency, Ministers, Vice Ministers,
Distinguished delegates!*

1- Today, it is with my great pleasure and honor that I attend the opening ceremony of the Fifth China Round Table (CRT 05), held in Siem Reap Municipality, Siem Reap Province. Taking this opportunity, I would like to extend my heartfelt thanks toward the government of the People's Republic of China, and the Secretariat of the World Trade Organization (WTO) for the very close cooperation with the Ministry of Commerce of Cambodia in organizing this important Round Table.

2- Taking into consideration the fact that the Siem Reap China Round Table will be discussing the best practices regarding LDC negotiations on Accession to the WTO, experience and knowledge sharing concerning post-accession policies, and the conducting of other policies and strategies for the national interests of LDCs which ought to be attained from the Eleventh Ministerial Conference (MC11), to be held from 11 to 14 December 2017, in Buenos Aires, Argentina; I would like to share with all of you, *Excellencies, ladies and gents*, particular experiences of Cambodia with respect to the restoration of one nation from civil wars, and the development of economy from empty hands in 1979, during which the Gross National Income (GNI) was only \$300 USD in the 1990s, to a country whose GNI was \$1070 USD in 2015 and average of annual economic growth was 7.7% in the course of one decade (1994-2014) with political stability, security

and safety for both Cambodian people and investors. In addition, Cambodia saw a substantial increase of international trade from \$13,000 millions USD to \$30,000 millions USD between 2011 to 2014, with the increasing number of tourists of 5,001,712 in 2016, which fueled Cambodia to gain a status of “Lower Middle Income Country” in 2016, as declared by the World Bank. Also, Cambodia managed to reduce poverty rates from 53.2% in 2004 to 11.5% in 2014. Remarkably, Cambodia is projected to be able to maintain its annual economic growth at the average rate of 7% until 2018 as a result of the development of SMEs’ diversification and continued integration into regional and global economy.

3- Subsequent to the accession to the Association of South East Asian Nations (ASEAN) and the World Trade Organization (WTO) in 1999 and 2004 respectively, Cambodia has changed its image and is now in preparation for graduation from LDC and bound to become a “Developing Country” in the near future by launching its Industrial Development Policy, agricultural and tourism development policy, and other policies for other significant services, with national development policy pertaining to regional and global development policy. Please allow me to address the following key policies in place, which have pivotal role in Cambodia socio-economic development:

- i. In 2010 Cambodia launched its Paddy Production and Rice Export Promotion Policy to achieve the vision of agricultural development. In this effort, the government set out three-pronged strategies: (1) productivity enhancement, (2) diversification, and (3) commercialization (from subsistence farming to commercialized farming);
- ii. In 2015, Cambodia put forward Industrial Development Policy 2015-2025, which is a new growth strategy or, in other words, a new direction toward highly increased value of production base and which integrates local value chain to regional and global one. Apparently, the underlying aim of this policy is to attract more FDIs;
- iii. In 2003, Cambodia introduced a so-called Diagnostic Trade Integration Strategies (DTIS), and it was updated in 2014. DTIS is intended to determine strategies, priority sectors and competition of Cambodia’s trade;
- iv. In tourism sector, Cambodia upholds a so-called “Open Sky Policy” which enables the expansion of aviation sector, thereby attracting more tourists regionally and globally;
- v. The government has considered trade as a priority sector contributing to the alleviation of poverty in Cambodia;
- vi. Cambodia has implemented a policy concerning the use of international labour standards within garment industry, and has gained trust from purchasers and importing countries, thereby increasing the exports of garments and textiles and creating more jobs for approximately 800,000 employees;
- vii. Cambodia has also established Government-Private Sector Forum (G-PSF) with the aim of exchanging views between the government and private sector dialogue partners in to identify proper measures to resolve complaints and issues undergone by private sector, hence improving investment climate; and
- viii. Fundamentally, Cambodia put forward the so-called “Rectangular Strategy” - Phase I and Phase II in 2004 and 2008 respectively. Both the phases put an emphasize on

the Promotion of Agriculture Sector, the Development of Physical Infrastructure, Private Sector Development and Employment, and Capacity Building and Human Resource Development, with the principle of growth, employment, equity and efficiency. With the successful implementation of the both phases, Cambodia has now continued implementing the third phase of the Rectangular Strategy, in which the government has laid out four priority areas: (1) the Development of human resources to ensure competitiveness in an increasingly open regional labor market, (2) the Continued investment in transport infrastructure and improving trade facilitation to develop a vibrant logistics system, (3) Further development of and increasing value added in agriculture, and (4) Strengthening governance and capacity of public institutions in order to improve the efficiency of public service delivery and investment climate.

4- Associated with the national development policy, Cambodia, as a member of ASEAN, joined hands in the establishment of the ASEAN Economic Community (AEC) in the end of 2015 and actively engaged itself in the liberalization of trade with the ASEAN six dialogue partners namely, China, Japan, Korea, India, Australia and New Zealand. In the mean time, Cambodia has now been playing an active role in pushing forward the negotiations on the creation of a mega regional trade deal of 16 country members, which is known as "Regional Comprehensive Economic Partnerships (RCEP)" and is expected to be concluded in 2017. The significance of RCEP is to expand the market for goods and services, attract more foreign investments, and also increase competitiveness via more value added in the value chains of the regionally produced goods and services.

5- As far as global trade liberalization is concerned, Cambodia has also been playing a very important role in pushing WTO members to provide Duty Free Quota Free (DFQF), preferential rules of origins, preferences for services, as well as more assistances to LDCs. That being said, the negotiations in global framework has seen a lot of challenges due to the fact that country members, with different national interests, have always maintained its selfish position and that there have been no effective coordination mechanisms, causing each of the previous ministerial conferences not to be successful, as expected.

6- Cambodia is a least-developed country that successfully acceded to WTO on 13 October 2004 following 5 years' period of bilateral and multilateral negotiations with developed countries, whereby Cambodia had spent a lot on the process, liberalized a lot of sectors, particularly trade in goods, trade in services and investment, and done a lot of structural and institutional reforms and other law and regulation reforms. The successful negotiations and reforms in Cambodia would not have been possible if it had not been for the political will of the Royal Government of Cambodia and the active participation of very institution-ministry, of Cambodian people and all the private sectors in Cambodia.

7- I would also like to inform all of you, *Excellencies, ladies and gents*, that as an LDC, Cambodia was phenomenally successfully in the first Trade Policy Review (TPR), which was

held in November 2011, and we are in preparation for the second TPR, which will take place in November 2017 in Geneva, Switzerland.

Excellencies, ladies and gents, distinguished delegates!

8- The current obligation for us all, as LDCs, is to do whatever it takes to achieve successful negotiations in the MC11, to be held from 11 to 14 December 2017, in Buenos Aires, Argentina, whose outcomes must serve the interests of all LDCs, including the acceding countries as well. In order for us all to achieve this goal, in spite of its hectic schedules in implementing national reform and development programs and in regional negotiations, Cambodia was pleased to assume the role of WTO LDC Group Coordinator on 20 February 2017. In this capacity, Cambodia will try with its uttermost efforts in coordinating all WTO least-developed and developing country members so as to push forward the negotiations that serve the interests of LDCs, and especially monitor and urge for the implementation of declarations and decisions of the Bali and Nairobi ministerial conferences such as, *inter alia*, Services Waiver, DFQF, Preferential Rules of Origin, Access to Medicines for Public Health, Trade Facilitation, and Aid-for-Trade.

9- As for the watershed of trade in this new stage, we observed that there is a tendency of protectionism practiced by certain developed countries, which results in deadlocks of negotiations in the WTO framework. Seizing this moment, I would like to call on, *Excellencies, ladies and gents*, who represent all the LDCs, to actively engage in completely resolve issues pertaining to local agricultural supports, stockpiling and food security, fishery subsidies, trade and environment, and special and differential treatment for LDCs before the MC11 in Argentina.

10- To fully implement all the obligations under the WTO framework, all the LDCs must advocate against developed countries more financial and technical assistances in both collective and bilateral frameworks.

11- I strongly hope that unity and collective commitments of LDCs will significantly contribute to the success of the MC11 taking place in Buenos Aires, Argentina.

12- In the end, may I wish all of you, the participants in the CRT 05, a comfortable stay, and fruitful outcomes from the intensive meetings in the course of 3 days in Siem Reap, the Kingdom of Cambodia.

13- To relax from the stressful meetings, and understand Khmer arts and culture, I would like to encourage, *Excellencies, ladies and gents, distinguished delegates, national and international guests*, to spend some time to visit the wonderful temples, which are the legacy of our ancestors and, Angkor Wat, in particular, which has been listed as the world's heritage in 1992.

14- Henceforth, may I now declare open the Fifth China Round Table under the WTO framework here in Siem Reap, the Kingdom of Cambodia.

Thank you!