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## ARISE Plus Cambodia Newsletter



### Latest news and upcoming project activities

A service by ARISE Plus Cambodia

### Editorial

Dear Reader,

Welcome to the first edition of our ARISE Plus Cambodia Project Newsletter in 2022.

Cambodia has fully reopened to vaccinated tourists, and we are starting to see signs of post-pandemic life. Recent weeks have been full of ASEAN chairmanship meetings in Phnom Penh (albeit virtually), especially the Economic Ministers meeting which initiated a renegotiation of the ASEAN Trade in Goods Agreement (ATIGA). Our congratulations again to our Cambodian government partners for their achievements as ASEAN chair.

The project concluded its flagship training series for Cambodian trade negotiators with the launch of a Practitioners Manual on March 15th, and also this month the ASYCUDA upgrade activities under our grant to UNCTAD were successfully completed. Other workstreams are still mid-stream, such as the risk management work with Customs, our capacity building activities on trade analysis, SME-supporting activities, preparations for Cambodia's first national trade statistics report, and many other technical areas.

On a personal note, after three years as Head of Project, it is time for me to move on to other endeavours. With the next edition you will be hearing from my successor, and in the meantime the rest of the team remains focused on delivering our exciting workplan through 2023. My sincere thanks and appreciation go to all of our wonderful partners who have been on this journey with us so far.

**Christine Bowers, Head of Project**

#### **PROJECT HIGHLIGHTS:**

» ARISE Plus Cambodia Project Steering Committee

#### **TRADE FACILITATION**

- » Risk Register Workshops
- » Assessment of Cambodia National Single Window (CNSW)
- » ASYCUDAWorld Risk Management/Selectivity Modules

#### **TRADE POLICY**

- » Kickoff of the website development of the National Committee on Trade Facilitation (NCTF)
- » Trade Negotiation Practitioner Manual for Cambodia
- » Training Workshop on Trade Analysis

#### **EXPORT DIVERSIFICATION OF SMES**

- » SME Talk Series (5th edition)
- » PPD Framework: Connectivity training for Cambodia Chamber of Commerce (CCC)
- » Cambodia Rice Federation Workshop on identification of issues related to rice export
- » Get to know our newly-supported SMEs

#### **REPORTS AND RESOURCES OF INTEREST**

## **Project Highlights**

### **ARISE Plus Cambodia Project Steering Committee - conducted**



On 18 March 2022, the Ministry of Commerce organized the **third Project Steering Committee (PSC)** to review ARISE Plus Cambodia's progress to date and the upcoming workplan that will be carried out until the end of the project across the three workstreams: improving customs, trade facilitation and standards; strengthening institutional

capacities and improving regulatory practices; and enhancing private sector engagement. The PSC members provided their feedback on the progress and upcoming activities, identified opportunities for synergies between their organizations' work programmes and the ARISE Plus Cambodia project objectives, and provided strategic guidance.

The project team appreciates the guidance and constructive feedback from our donors, the European Union Delegation to Cambodia and the German Federal Ministry for Economic Cooperation and Development (BMZ), as well as our many partners in the Government of the Kingdom of Cambodia.

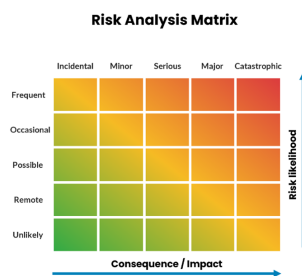
## **Trade Facilitation**

### **Risk Register Workshops – underway**

The increasing volume of cross-border trade from the rapid

#### **Upcoming project events**

**April 2022**  
Battambang Chamber of



economic growth over the last two decades have placed increasing pressure on the General Department of Customs and Excise (GDCE) to collect public revenue, ensure customs compliance, while also facilitating trade through a

transparent, effective, and efficient customs clearance process. In this context, systematic risk management–screening for priority risks via pre-defined criteria – is essential to support fast decision-making and the efficient allocation of Customs’ resources, while ideally ensuring healthy hit ratios of inspections.

To support GDCE in the maintenance of comprehensive, well-defined, and regularly updated Risk Registers as a basis for risk profiling and targeting, ARISE Plus Cambodia organized two workshops on the concept and development of Risk Registers in December 2021 and January 2022 respectively. The Risk Register development support complements the other on-going cooperation activities around the enhancement of GDCE’s risk management, where the effectiveness of dedicated Customs software tools is dependent on solid risk profiling and targeting of priority risks. The risk register is an essential documentation tool, which facilitates the analysis, evaluation and prioritization of risks in one integrated process.

This follow-up support in developing a well-defined risk register is a series of four workshops, with the first two adopting a Training of Trainers approach with GDCE, and the remaining workshops to be held with GDCE and selected Other Government Agencies (OGAs) to underline the importance of an inter-ministerial Risk Management Committee for an effective risk management in Cambodia.

## Assessment of Cambodia National Single Window (CNSW)

The implementation of CNSW is one of Cambodia’s trade facilitation commitments per international agreements, notably the ASEAN ‘Protocol to Establish and Implement the ASEAN Single Window’ which was signed by all ASEAN member states on 20 December 2006 and the WTO’s Trade Facilitation Agreement (TFA) signed in 2013.

Following our discussion and agreement with the CNSW Secretariat, at the General Department of Customs and Excise of Cambodia (GDCE), ARISE Plus Cambodia has started the Assessment of CNSW Implementation, by engaging a team of one international paperless trade expert and one NSW IT expert to jointly carry out an independent assessment of the CNSW implementation process and progress, with a view to providing recommendations for further CNSW implementation as well as for future

Commerce – Public Private Dialogue Workshop

### May 2022

Strategy Workshop for Donor Coordination on Implementation Support to GDCE’s Action Plan

### May 2022

SME Export Talk: Certificates of origin for export

## News from beyond the project

### The Cambodian government launched the “Cambodia Garment, Footwear and Travel Goods (GFT) Sector Development Strategy 2022-2027”

21st of March 2022 – The Strategy aims to “develop the GTF sector in Cambodia to become environmentally sustainable, resilient, focused on high-value products, unique and highly competitive, as well as a basis to support economic diversification in Cambodia by 2027”.

[Full article](#)

### Cambodia ranked third in RCEP revenue increase, export growth

27th February 2022 – Cambodia is ranked third after Vietnam and Malaysia in terms of potential revenue increase within Regional Comprehensive Economic Partnership (RCEP), according to World Bank research titled “Eliminating the Economic and Distributional Impacts of the RCEP”.

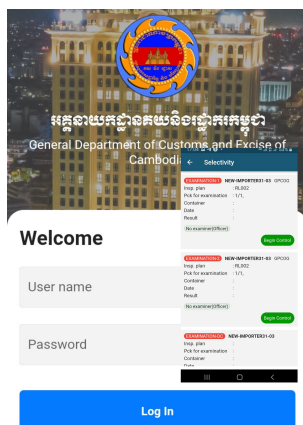
[Full article](#)

### Digitalising customs clearances on small packages to benefit MSMEs

8th February 2022 – Expanding into new global markets will soon be easier for Cambodian businesses thanks to a project launched by the Cambodian government and the Global Alliance for Trade Facilitation, which will digitalize paper-based customs clearing processes for

improvements, for example through associated business process reengineering and ICT functional and technical specifications of the CNSW. The assessment runs until March 2022, and the accompanying report will be released in the second quarter of 2022.

## ASYCUDAWorld Risk Management/Selectivity Modules - launched



© GDCE

Enhanced Risk Management module. Several new ASYCUDAWorld features are set to facilitate trade, reduce costs and enhance risk management:

- **Selectivity Module:** deployed in Phnom Penh International Airport and Phnom Penh Autonomous Port on 21 and 23 February 2022 respectively, allowing for the automatic assignment of examiners for goods and improved selectivity control, among other features.
- **New Inspection Act:** deployed on 28 February 2022 to all customs checkpoints, allowing customs officers to record inspections using a dedicated mobile application while in the field, which digitizes the previously manual inspection records.
- **Dynamic Selectivity** : a machine learning function launched on 23 March 2022 that automatically targets non-compliant traders and manage risk profiles based on historical information, instead of the current selectivity relying on manual criteria entry.

small packages sent through the post.

[Full article](#)

### The first ASEAN Customs Transit System (ACTS) live movement

15th - 18th January 2022 - The first ACTS live movement of goods in 2022 occurred in January. The truck started on 15 January in Malaysia, passed through Thailand and arrived safely in Cambodia on 18 January.

[Full article](#)

### Cambodia trade preferences under the RCEP Trade in Services

14th January 2022 - This article covers the legal aspects of the Trade in Services. Chapter 8 of the RCEP Agreement covers many aspects of modern economic life for many service providers.

[Full article](#)

### Kampot fish sauce to be registered as a geographical indication (GI) product

2nd of January 2022 - Kampot fish sauce producers are preparing to produce fish sauce in accordance with sanitary standards for export to the international market, while the Ministry of Commerce is currently studying the possibility of registering Kampot fish sauce as a Geographical Indications (GI) product.

[Full article](#)

## Trade Policy

### Kickoff of the website development of the National Committee on Trade Facilitation (NCTF) – underway

**NCTF** have been identified as key instruments and drivers for the successful implementation of trade facilitation reforms long before the negotiations of the WTO TFA even started. Also, trade facilitation reforms should not end once the provisions of the WTO TFA are in place. It is recommended that NCTF addresses the issues and aims at reaching results beyond the implementation of the WTO TFA.

The main instruments used for communicating with key stakeholders were e-mails, posts, official



communication channels, meetings, websites as well as telephone. The official communication channels for Cambodia are meetings, telephone, and telegram. To make all related trade facilitation implementation progress available online, the NCTF initiated the development of a dedicated website to share that relevant information with stakeholders as well as the public.

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## Trade Negotiation Practitioner Manual for Cambodia – launched



As a continued effort to support capacity building on trade negotiations after a series of six interactive and intensive training workshops, ARISE Plus Cambodia further engaged the Centre for Trade Policy and Law (CTPL) of the Carleton University to develop a **Trade Negotiation Practitioner Manual for Cambodia**. The Manual provides practical insights on strategies and tactics to implement a government's trade negotiation strategy at each stage in the

negotiation process. Each chapter introduces concepts and frameworks of analysis and uses practical examples and summary lists of negotiating tips to illustrate the application of these concepts and frameworks. The Manual serves as an internal and confidential reference to which the Cambodian trade negotiators can refer for reminders and analytical tools when preparing for, and executing, future trade negotiations.

On March 15, ARISE Plus Cambodia and the Ministry of Commerce (MoC) co-organized a launching ceremony of the Manual in the presence of H.E. Pan Sorasak, Minister of Commerce, with senior level representatives of the European Union Delegation and the German Embassy to Cambodia. The event was attended in person by 50 government officials from line ministries in trade negotiations. In addition to the Manual launching, ARISE Plus Cambodia and the international trainer team from CTPL shared some reflections on the delivery of the trade negotiation training workshop series, which was supported by testimonies of workshop participants from line ministries on how important, useful, and effective the training series is in building their trade negotiation capacity and skills.

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## Training Workshop on Trade Analysis – conducted



There is a bewildering array of publicly available data sources relevant to international trade, and each resource answers a different set of questions. The project commissioned International Economics Consulting (IEC) to draft a Handbook on Trade Analysis, meant as a quick guide for Cambodian trade negotiators and policymakers to carry out analyses using the most relevant trade data sources and analytical tools. The Handbook on Trade Analysis will be

published in mid-2022.

On March 22-24, ARISE Plus Cambodia and the MoC jointly organized a hybrid training workshop on Trade Analysis for approximately 50 participants from the public sector, private sector, and think-tanks. The overall objective of the training is to support the Government of the Kingdom of Cambodia to improve its capacity in trade analysis to form the basis for evidence-based trade policy planning. The secondary objective is to build knowledge and skills on trade analysis among local economists and researchers to ensure that the project outputs can be replicated and updated in the future by the local team or with moderate guidance from the international expert team. The training was presided over by H.E. Sok Sopheap, Secretary of State of the MoC, and delivered by the expert team from the IEC.

## SME Export Talk on E-Commerce - conducted



© Eurocham Cambodia

ARISE Plus Cambodia and EuroCham Cambodia organised the 5th SME Exports Talk focusing on “E-Commerce for Exporting SMEs” on 10 March 2022 at Raintree Cambodia. The event aimed to familiarise companies throughout Cambodia with the E-commerce platforms available to them to access the domestic and international export markets and export performance, and to break down the opportunities & challenges SMEs may face when beginning to export.

On this workshop we heard from **experts** about the latest updates on the implementation of **Cambodia's E-Commerce Law** (promulgated on November 2, 2019), and what it means for companies seeking to sell goods online. One of Cambodia's leading e-commerce experts shared sector-specific guides to help SMEs get started on the E-Commerce journey and provided broad advice on how to access resources in Cambodia, an international E-Commerce UI designer shared his ten top tips for success, and private sector companies shared details of their successes and challenges.

## PPD Framework: Connectivity training for Cambodia Chamber of Commerce (CCC) - conducted



As part of promoting Public-Private Dialogue (PPD), including provincial business chambers and associations, ARISE+ Cambodia supports the Cambodian Chamber of Commerce (CCC) in enhancing online communication and networking capabilities. After installing the latest IT-communication equipment and connectivity at CCC, a training on using online conference tools for CCC staff and selected members was organized on March 17th.

Since early 2020, Covid 19 severely narrowed travelling and mobility within Cambodia, including cumbersome social distancing protocols at in-person meetings and conferences. This affected the regular operations of business associations and led to the increasing use of online conferencing tools and formats. Even though these restrictions are gradually lifted, digital tools will continue in the future, especially in hybrid structures. More than technical aspects, the CCC needs to train its staff in conferencing techniques and the handling of IT equipment. Besides, the CCC has developed international partnerships to organize trade missions to identify export opportunities.

This training is part of ongoing cooperation between ARISE+ and the CCC that also implies the organization of an online B2B matching event to enhance market linkages for Cambodian exporting SMEs.

## Cambodia Rice Federation Workshop on identification of issues related to rice export - conducted

Rice constitutes the main staple food of Cambodia and plays a significant role in the livelihoods of the rural people. The sector employs nearly 3 million population in various activities in rice

production, processing and marketing. Most the stakeholders are SMEs, among the rice millers.

Despite promising export opportunities, Cambodia is still a small player in the world rice market. CRF considers the market potentiality to integrate further into the ASEAN region with preferential market access to China, India, Australia, New Zealand, Japan, EU and the Republic of Korea.

ARISE+ Cambodia in cooperation with the Cambodian Rice Federation (CRF) organized a workshop to identify rice related export issues grouped into three categories: rice growth, processing and logistics. The workshop successfully identified 16 specific issues that negatively impact CRF members in terms of export. The prioritized cases will be initiated through the public private dialogue process to address at an appropriate level.

A second workshop to be organized by CRF and ARISE+ Cambodia will channel the prioritized cases through the existing mechanisms of the Private Sector Working Group, Government-Private Sector Working Group and Government-Private Sector Forum. Each case will be documented, and solutions will be suggested to the relevant ministries in order to enhance the competitiveness of the rice sector.

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## Get to know our newly-supported SMEs

### Kambio

Kambio Nature is a Cambodian SME founded in 2014 and located in Siem Reap that produces aromatherapy and wellness care products, high-quality cosmetics, essential oils, balms, soaps and hand sanitizers made of local organic ingredients. The production process involves sourcing, sorting, grading, drying, distilling, bottling and consists of ecologically sustainable practices. Most of their products meet the requirements of European **ECOCERT** standards. Specifically, sustainable packaging and promoting of re-filling containers for liquids, soap, creams, etc. For exporting products such as cosmetics or essential oils, it is necessary to comply with several specific regulation requirements. Those requirements can be satisfied by obtaining necessary international quality standard certifications. ARISE Plus Cambodia is supporting Kambio nature in obtaining **ISO 22716** (Good manufacturing practices for cosmetics) and undergo a re-audit of the ECOCERT certification for tracing the origins of several organic ingredients.

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### CSL Enterprise

CSL Enterprise is a Cambodian SME producing quality snacks made from local fruits and nuts. The company runs a small-scale processing plant in an outskirt area of Phnom Penh. The low technology-based processing process mainly involves, cleaning, peeling, slicing, frying, storing, final quality control, packaging, sealing and finally delivery to wholesale customers with various modes of local transport. CSL sources raw material i.e., fresh fruits, vegetables and nuts on the domestic wholesale market: banana from Kampong Cham and Mondulhiri, mango from Kampong Speu, cashew nut from Kampong Thom. ARISE Plus Cambodia is supporting CSL by procuring Laboratory testing of raw materials/final products to comply with **US food-safety import regulations (HACCP)** and creating a new company website.

## Reports and resources of interest

### Global Trade update (February 2022) | UNCTAD

UNCTAD's Global Trade Update published on 17 February shows that in 2021, world trade in goods

remained strong and trade in services finally returned to its pre-COVID-19 levels.  
[Publication](#)

### **Market Information Newsletter | CBI**

The Center for the Promotion of Imports (CBI) provides excellent information, by sector and subsector, to support exporters hoping to enter the European market

[CBI Market Information Newsletter](#)

### **Easing Trade Bottlenecks in Landlocked Developing Countries | WTO**

The report demonstrates the vital role the WTO's Trade Facilitation Agreement and other WTO agreements can play in facilitating trade and in broadening the opportunities for developing countries – and LLDCs.

[Publication](#)

### **Four Year Review of the Trade Facilitation Agreement | WTO**

The Trade Facilitation Agreement requires the Trade Facilitation Committee to review the operation and implementation of the Agreement four years from its entry into force, and periodically afterwards.

[TFA review report](#)

### **RCEP, FDI and the 2030 Agenda: How the RCEP Investment Chapter Could Help Achieve the SDGs? ARTNet | ESCAP**

This report first reviews the relevance of international investment agreements (IIAs) to sustainable development and discusses the RCEP preamble and the relevant substantive.

[Report](#)

### **Estimating the Economic and Distributional Impacts of the Regional Comprehensive Economic Partnership | WB**

This paper applies a top-down, macro-micro modeling framework that links a computable general equilibrium model with the survey-based global income distribution dynamics model to assess the economic and distributional effects of the implementation of the RCEP.

[Working paper](#)

### **Khmer version of International Classification of Non-Tariff Measures | UNCTAD 2019 NTM**

ARISE Plus Cambodia supported the translation to Khmer of these key guidelines and distributed printed copies to relevant stakeholders, allowing NTR and NTM focal points to better classify Cambodia's non-tariff measures.

[Publication in Khmer](#)



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