



Issue no. 2 | March 2021

GIZ ARISE Plus Cambodia Newsletter



Latest news and upcoming project activities

A service by ARISE Plus Cambodia

Editorial

Dear Reader,

Welcome to the second edition of the ARISE Plus Cambodia project newsletter, in a new format. We would welcome your feedback on the newsletter to better tailor it to your needs.

Since the last newsletter in July 2019, we have made progress in our capacity-building efforts across trade policy, trade facilitation and SME export diversification. Cambodia's trade policymakers have been busy too – Cambodia's first bilateral free trade agreement was signed with China in October 2020, and negotiations with South Korea concluded in January 2021, with signing expected later this year. Cambodia and 14 other countries signed the world's largest free trade agreement, the Regional Comprehensive Economic Partnership, in November 2020.

Our challenge in the months ahead is to make sure that Cambodia obtains maximum benefits from its trade policy regime, through skilful negotiations based on quality data, through facilitated import and export procedures at Cambodia's borders, and through well-targeted information campaigns to help the private sector take advantage of preferential trading arrangements. All of this will require

strong interministerial solid cooperation and the combined efforts of a growing network of trade-related donor-funded programs.

We are happy to share the following insights of our project journey with you. For more frequent updates, please follow us on [LinkedIn](#) or [Facebook](#).

Christine Bowers,
Head of Project

PROJECT HIGHLIGHTS:

TRADE FACILITATION

- » ASYCUDA Upgrade at Cambodian Customs
- » Digitising Global Maritime Trade (DGMT)
- » WCO Risk Management (RM) Compendium Awareness Raising Workshop
- » National Committee on Trade Facilitation (NCTF)
- » National Trade Repository (NTR)
- » Non-Tariff Measure (NTM) Identification and Classification Training

TRADE POLICY

- » Capacity Building Workshop Series on Trade Negotiations
- » Methodology and Strategy Workshop on Trade Impact Assessments for Cambodia

EXPORT DIVERSIFICATION OF SMES

- » Export Development Strategies (EDS)

REPORTS AND RESOURCES OF INTEREST

Trade Facilitation

ASYCUDA World

Upgrade at Cambodian Customs Launched in Cooperation with UNCTAD

ASYCUDA World is a software developed by UNCTAD for the electronic administration of customs clearance processes. Cambodia's General Department of Customs and Excise has been using ASYCUDA since 2008. Due to the fact that this software had not been updated for 12 years, the use of newer software features and add-ons was not possible for GDCE. To allow Cambodian Customs to benefit from the continuously enhancing functionality of ASYCUDA World, ARISE Plus Cambodia concluded a grant agreement with UNCTAD to fund an upgrade to the latest version of the software.

The grant also covers the comprehensive implementation of the Risk Management Feature offered in this newer version. Risk management is at the core of Cambodian Custom's efforts to ensure the fast and secure flow of imports and exports. On the 12th of November, ARISE Plus Cambodia joined the launch of the ASYCUDA World upgrade project, which was held virtually between UNCTAD and Cambodian Customs. The software upgrade process has since started and should be completed by mid-2021, with the enhanced Risk Management Feature in place by year end.

Upcoming project events

8 April 2021
SME Export Talk
[Social Media for SMEs](#)

April 2021
Kick-off Workshop on National Committee for Trade Facilitation
[Workshop details](#)

April 2021
Trade Negotiation Workshop 5
[Advanced training for Cambodia's current and upcoming trade negotiations](#)

May 2021
Training-of-Trainers (ToT) on WCO Risk Management Compendium
[Training details](#)

June 2021
Trade Negotiation Workshop 6
[Technical training for](#)

Click here for more information:

[ASYCUDA](#)

Digitising Global Maritime Trade Project (DGMT)

MoU Signed to Formalise Cambodia's Participation in Digitising Global Maritime Trade Project



ARISE Plus Cambodia has coordinated the participation of Cambodian Customs in the new **Digitising Global Maritime Trade (DGMT) project**. In October 2020, H.E.

Dr Kun Nhem, Delegate Minister attached to the Prime Minister and Director-General of GDCE, Dr Guenter Riethmacher, GIZ Cambodia Country Director, and Mr Adnan T. Issa, Chief of Resources Management Services from UNCTAD (United Nations Conference on Trade and Developments), signed a Memorandum of Understanding to formalise the cooperation.

According to H.E. Dr Kun Nhem, "GDCE is delighted that Cambodia is one of the first countries to join the Digitising Global Maritime Trade project". Advanced digital access to crucial information on sea cargo will further facilitate pre-arrival processing and improved risk management, reducing waiting time for exporters and importers.

The project is implementing a new data integration solution called **ASYHUB**, which enables a seamless exchange of sea cargo data between GDCE and trade data providers involved in the maritime trading process.

Follow the link for more information on Digitising Global Maritime Trade:

[DGMT](#)

WCO Risk Management (RM) Compendium Awareness Raising Workshop



Risk management, based on effective selection criteria, is one of cornerstones of modern customs administration. There is an increasing need to define a common approach that

enables Customs Authorities across the globe to speak the same language about the methodology they utilise to both identify and treat potential risks. To outline such a methodology, the World Customs Organization (WCO) has

[sustainable capacity building on trade negotiations](#)

News from beyond the project

Cambodia - South Korea FTA talks conclude

3 February 2021 – Cambodia and South Korea concluded talks for a bilateral free trade agreement (FTA), plan to sign in mid-2021, setting zero tariffs for a broad range of goods.

[CSKFTA](#)

Lisbon Agreement's Geneva Act Receives First Geographical Indication: Kampot Pepper from Cambodia

18 January 2021 – Cambodia has recorded Kampot Pepper as the first geographical indication (GI) registered via the Geneva Act of WIPO's Lisbon System, which provides protection for names identifying the geographic origin of products such as coffee, tea, cheese, wine, pottery, and cloth.

[Kampot Pepper GI](#)

ASEAN Customers Transit System (ACTS)

30 November 2020 – After many years of dedicated work, ASEAN and EU-ARISE Plus launched ACTS. This will contribute to reaching the ASEAN Economic Community targets of reducing trade transaction costs by 10%.

[ACTS](#)

E-commerce Law

25 November 2020 — The Cambodian Ministry of Commerce officially launched the national E-Commerce Strategy as a guiding map for the development of Cambodian e-commerce, an important source of future economic growth and diversification.

[E-commerce Strategy](#)

Regional Comprehensive Economic Partnership (RCEP)

15 November 2020 — 15 countries, members of the

published the “WCO Customs Risk Management Compendium” .

In January 2021, ARISE Plus Cambodia organised an **inter-ministerial risk management awareness-raising workshop** hosted by GDCE. In a series of four afternoon-sessions, the international customs experts Mr James Lenaghan and Mr Andreja Zivkovic presented and discussed the content of the WCO Customs Risk Management Compendium with participants from GDCE’s headquarters and regional offices, as well from five other ministries.

Building on the awareness-raising workshop, ARISE Plus Cambodia and GDCE will now deliver a Training of Risk Management Trainers, scheduled for May 2021. This initiative will enable GDCE officials to effectively build further risk management capacities at Cambodian Customs as well as at other relevant government agencies.

Follow the link for more information:

[RM Compendium](#)

Association of Southeast Asian Nations (ASEAN) and five regional partners, signed The Regional Comprehensive Economic Partnership (RCEP). RCEP will broaden and deepen ASEAN’s engagement with Australia, China, Japan, Korea, and New Zealand. Together, RCEP participating countries account for about 30% of the global GDP and 30% of the world population, making RCEP the largest free trade agreement in history.

[The Regional Comprehensive Economic Partnership](#)

Cambodia-China Free Trade Agreement (CCFTA) signed

15 October 2020 — China and Cambodia signed a free trade agreement, with ratification expected soon. The agreement is Cambodia’s first bilateral FTA, marking a turning point in Cambodian trade policy.

[CCFTA](#)

National Committee on Trade Facilitation

A National Trade Facilitation Committee (NTFC), also called a National Committee on Trade Facilitation (NCTF), is an important platform for institutional coordination and stakeholder consultation , and is one of several obligations of WTO Trade Facilitation Agreement signatories. The National Committee on Trade Facilitation (NCTF) for Cambodia was formally established through Sub-Decree 18 in February 2020. The Ministry of Economy and Finance chairs the NCTF, with GDCE and Ministry of Commerce as permanent deputy chair and deputy chair, respectively. The other members come from a variety of ministries and the Cambodia Chamber of Commerce, for a total of 13 members. The International Cooperation department of GDCE is the secretariat of the NCTF.

National Trade Repository

Improvements to the National Trade Repository (NTR)

Cambodia’s National Trade Repository (NTR) launched in 2015 to serve as ‘the official source for all regulatory information relevant to traders who wish to import goods into Cambodia or export to other countries.’ ARISE+ Cambodia has supported the NTR secretariat at the Ministry of Economy and Finance with a study of the NTR user experience journey. Taking a user perspective allows the project to develop specific, needs-based recommendations for the enhancement of Cambodia’s NTR.



Eurocham, commissioned to analyze the user experience, presented the study results and draft recommendations to NTR focal points from concerned ministries and other stakeholders at a dissemination and reflection **workshop** co-organised with the Ministry of Economy and Finance on

the 30th of July, 2020. Around 30 participants from all relevant line ministries provided feedback and suggestions during group discussions, which were incorporated into the [final report](#).

Non-Tariff Measure (NTM) Identification and Classification Training

In collaboration with experts from the ARISE Plus regional project, ARISE Plus Cambodia delivered an intensive 3-day [training](#) in January 2021 to the NTR Secretariat of the Ministry of Economy and Finance. The in-depth training covered the identification and classification of non-tariff measures (NTMs), with a particular focus on **sanitary and phytosanitary (SPS) measures and technical barriers to trade (TBT)**. Participants conducted practical exercises using the 2012 [UNCTAD NTM Classification](#) (the standard for ASEAN) and learned how to upload measures to the [ASEAN Trade Repository](#).



Trade Policy

Capacity Building Workshop Series on Trade Negotiations



In the latter half of 2020, ARISE Plus Cambodia launched an **in-depth capacity building program** on trade negotiation and trade impact analysis which is tailored to the evolving needs of Cambodia's trade negotiating teams. The program was designed in collaboration with the Ministry of Commerce and with the expert trainers from the Centre for Trade Policy and Law.

The first of six workshops in the trade negotiation series took place on September 10th and 11th, with approximately 100 attendees from government and civil society. The conference focused on [Institutional Arrangements for Trade Negotiation](#) and featured senior-level presenters from Cambodia, Singapore, Thailand, and Vietnam.

With the second workshop, the program switched to an online-only small group simulation format for government officials who are engaged in or supporting current trade negotiations. The week-long sessions began in November, with a focus on [how to prepare for trade negotiations](#). The participants are divided into two groups, and these co-host stay together throughout the workshop series.

The third technical training workshop was on **how to conduct trade negotiations**, held in January and February 2021. The workshop was highly-interactive, using a simulation of the first stage of a prospective FTA negotiation between Cambodia and India to provide hands-on experience on how to prepare, conduct, and finalize a modern and forward looking trade agreement for Cambodia. Prospective agreements on non-agricultural market access and technical barriers to trade were used as case studies.

The fourth workshop focused on [private sector engagement in trade negotiations](#), held in March 2021. Using case studies from the bicycle and rubber sectors, workshop participants learned how to identify relevant private sector stakeholders, solicit their detailed input, and identify areas of alignment with the government's trade development strategies.

Methodology and Strategy Workshop on Trade Impact Assessments for Cambodia

To build awareness of how to identify potential impacts of trade policy change, ARISE Plus Cambodia and the Ministry of Commerce co-organized a methodology and strategy workshop on trade impact assessments for Cambodia (TIA) in November 2020. The three-day workshop presented current practices and challenges with TIA of Cambodia and created a forum for relevant stakeholders to discuss and agree on a practical model/strategy of TIA to be adopted in Cambodia. There were around 100 attendees from relevant government institutions, the private sector and think-tanks participating.



Click here for more information:

[Trade Impact Assessment Workshop](#)

Export Diversification of SMEs

Export Development Strategies (EDS)

ARISE+ Cambodia continued implementation of tailor-made Export Development Strategies to qualifying Cambodian SME, using a **fast-track methodology** to help safeguard livelihoods during the coronavirus pandemic. Technical assistance is now underway for the following companies:

Confirel



Confirel produces an extensive range of premium products derived from natural ingredients, such as the sap of palm sugar and Kampot pepper. The company is committed towards rural development and improvement of farmers' living conditions. To secure a consistent supply of quality raw materials, Confirel augments purchases of raw materials from local farmers with production on its own plantations. While the company has found success in existing export

markets, it is eager to expand to new markets. ARISE Plus Cambodia will support Confirel in obtaining the ISO 9001:2015 and Fairtrade certifications, which will help the company meet requirements of international buyers.

Man Wah Cam Star Plastic

Man Wah Cam Star Plastic recycles and up-cycles plastic waste (used bottles, bags, straps, etc.) also designated as Polyethylene Terephthalate (PET). The company produces high quality soft polyester staple fiber (similar to cotton). This material fiber is used worldwide for multiple industrial purposes, e.g. cushions, winter coats, car seats. ARISE Plus Cambodia will help Man Wah Cam Star Plastic to obtain the Global Recycle Standard (GRS) certification which will provide more opportunity for direct export to EU/US from Cambodia and reduce the company's dependency on existing buyers.

Sela Pepper

Sela Pepper is a leading producer of Cambodian black pepper, working along the value chain from

farming, harvesting, drying, cleaning, packaging, distribution and sales. The company has established contract farming with local cooperatives to guarantee a higher purchasing price than the current market price. Building on its experience exporting to Thailand, the company is actively exploring black pepper's export potential to the US, Germany, EU, Japan, India and Taiwan. Realizing the importance of quality standard certifications required by the importing buyer, ARISE Plus Cambodia will support the company in obtaining the International Quality Management standard (ISO 9001:2015 certification), and SEDEX certification, which is one of the world's leading ethical trade membership organisations, working with businesses to improve working conditions in global supply chains.

Smateria



Smateria up-cycles waste material, such as nylon nets, leather and plastic, into high-end fashion products, such as bags, purses, belts and accessories. The production process is not only about 'cut and sew' but involves multiple operations to create the main fabric. For example, old fishing nets (damaged beyond repair) are hand-cut and pinned together in different layers. ARISE Plus Cambodia will support Smateria with developing and deploying IT-based digital product promotion tools.

Thaung



Thaung enterprise produces natural salt in Kampot. The company was founded 1986 as a family business to revive the traditional farming of sea salt. The production site is located in the center of Kampot province, covering a total salt field size of 50 hectares. ARISE+ Cambodia will support Thaung in obtaining the ISO 9001 and Hazard Analysis and Critical Control Point (HACCP) certifications. The project will also help Thaung procure specialized technical equipment

for testing sea salt.

Reports and resources of interest

Readiness Assessment for Cross-Border Paperless Trade: CAMBODIA | UNESCAP

This UNESCAP report provides an assessment of Cambodia's readiness for cross-border paperless trade, i.e. the conduct of international trade transactions on the basis of electronic data and documents as opposed to paper-based data and documents.

[Paperless Trade: Cambodia](#)

Trade Intelligence and Negotiation Advise (TINA) | UNESCAP

The United Nations ESCAP launched the Trade Intelligence and Negotiation Advisor (TINA) 3.0. TINA is a free, specialized to designed to assist trade policymakers, researchers, and consultants in carrying out many analytical tasks in preparation for a negotiation.

[TINA 3.0](#)

Global Transport Costs Dataset | World Bank, UNCTAD, IMO

The United Nations Conference on Trade and Development (UNCTAD) and the World Bank have developed a Global Transport Costs Dataset for International Trade. This [new dataset](#) launched on 10 December 2020 in collaboration with the International Maritime Organization's (IMO) Technical Cooperation Committee.

[Why and How?](#)

Regional Integration and Value Chain Analyzer (RIVA) | UNESCAP

ESCAP's first version of RIVA 1.0 is a new online tool designed to support global value chain analysis. RIVA estimates trade in value-added indicators and maps out GVC linkages between economies around the world. It currently covers 35 sectors in 71 economies for 2007, 2011 and 2017.

[RIVA 1.0](#)

SME Trade Academy | ITC

International Trade Centre offers a wide range of free e-learning courses in a variety of subjects, with courses targeting both trade support institutions and small business entrepreneurs.

intracen.org

Handbook on the Technical Barriers to Trade Agreement | WTO

A new WTO publication, launched on 22 February, provides an overview of the purpose and scope of the WTO Agreement on Technical Barriers to Trade (TBT Agreement), the types of measures it covers and its key principles.

[TBT](#)

Fresh Fruit E-Commerce in China | GIZ

The fresh goods e-commerce transaction volume in China was projected to reach RMB 404 billion (USD 60.3 billion) per year in 2020. The growth rate of fresh goods e-commerce in China has in recent years outpaced the overall growth rate of e-commerce.

[A market research report for local agri-businesses in Cambodia, Lao PDR, and Vietnam](#)

Inclusive Business Landscape in Cambodia | UNESCAP, iBAN

Companies with inclusive business (IB) models can play a strong role in making economic growth in Cambodia more inclusive and beneficial to poor and low-income people.

[Landscape study of Inclusive Business in Cambodia](#)

Trade Impacts of LDC Graduation | WTO

Graduation from the status of least-developed country (LDC) marks an important milestone in the development path of each LDC.

[Trade Impact of LDC graduation](#)



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