



Issue no. 3 | August 2021

GIZ ARISE Plus Cambodia Newsletter



Latest news and upcoming project activities

A service by ARISE Plus Cambodia

Editorial

Dear Reader,

ARISE Plus Cambodia has now passed the half-way point in its 4.5 year project cycle, and I am happy to report that all project workstreams are in full swing. Our partners at the Ministry of Commerce and Cambodian Customs have been keeping us busy!

In this issue we celebrate the long-anticipated upgrade of Cambodian Customs' software to the latest version of ASYCUDA and the first export to France of a container of certified Fair Life organic palm sugar from Confirel, one of the dozen SMEs we support with technical assistance for export.

As our March newsletter was issued, the Covid-19 pandemic finally established itself in Cambodia, and our thoughts go to all those who have been affected by the ongoing challenges of recent months. We are appreciative of our government and other partners who have adapted fully to the virtual meeting environment, and we are grateful that so many of our planned activities continue to move forward thanks to their support and flexibility.

In particular, I extend my personal appreciation to all 58 of the Cambodian trade negotiators and analysts who invested considerable time and effort in our in-depth training program on trade negotiation, which concluded in July after six multi-day workshops since September 2021.

I also commend the Secretariat of Cambodia's newly established National Committee on Trade Facilitation (NCTF), who has developed an excellent draft National Roadmap and Action Plan for Trade Facilitation 2021-2025. We have been privileged to coordinate technical inputs from the several donor-financed programs which are supporting or planning to support related activities on trade facilitation. We look forward to the official launch of the NCTF once the public health situation allows.

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

- » GDCE's Customs Clearance Software Update
- » Risk Management Training for Customs Officers
- » National Committee on Trade Facilitation (NCTF)

TRADE POLICY

- » Capacity Building Workshop Series on Trade Negotiations
- » Study on Cambodia's Progress with the WTO and ASEAN Commitments
- » Support for the Specialized Training on Rules of Origin (RoO)
- » Support for the Capacity Development of Cambodian Customs in Trade Statistics

EXPORT DIVERSIFICATION OF SMES

- » Launch of SME Export Talk series
- » Training of IRCA-certified Lead Auditors
- » Get to know our newly-supported SMEs
- » Success story: Confirel

REPORTS AND RESOURCES OF INTEREST

Trade Facilitation

GDCE's Customs Clearance Software Update

ASYCUDA World software (V4.3.3.) – underway



Photo© GDCE

On June 21st, the General Department of Customs and Excise of Cambodia (GDCE) has officially launched the **newest version of the customs clearance software ASYCUDA World**. The update

has been implemented in cooperation with the United Nations Conference on Trade and Development (UNCTAD, developer and owner of the ASYCUDA software), with grant funding from ARISE Plus Cambodia. GDCE has been using an earlier version of ASYCUDA at all ports and checkpoints since 2008 to capture and process customs declaration data of export and import consignments. To support Cambodia's ambitious trade facilitation agenda – which includes a

Upcoming Project Events

August 2021
Digital Trade Fair Training
[For more information](#)

September 2021
SME Export Talk 3
[Logistics providers for Export](#)

September 2021
Best Trader Incentive Mechanism
[Private Sector Workshop](#)

comprehensive Customs ICT strategy – ARISE Plus Cambodia has allocated a grant to UNCTAD to implement the update to the most recent version of the [ASYCUDA World software \(V4.3.3.\)](#), and to offer relevant capacity development to GDCE's IT department.

The grant additionally covers the enhancement of **ASYCUDA's risk management feature**, also referred to as the 'selectivity module,' which should go live at the end of 2021. The latter shall further optimize the efficiency and effectiveness of GDCE in ensuring a fast and secure flow of imports and exports, by capturing and checking customs data against risk-oriented selectivity criteria to perform effective targeted controls and inspections.

After the completion of the general update of the ASYCUDA software, UNCTAD and GDCE have now started their work on the risk management feature, which shall also be inspired by the technical cooperation on Cambodia's risk management system under ARISE Plus Cambodia.

Risk Management Training of Trainers with GDCE – completed



In June, ARISE Plus Cambodia organised a four-day **Training of Risk Management Trainers (ToT)** with selected GDCE officials. The ToT followed the project's series of awareness-

raising webinars on the [WCO Risk Management Compendium](#) for officials of Cambodian Customs and other relevant Ministries earlier this year. Both events were co-organized by the GDCE and ARISE Plus Cambodia.

The ToT equipped officers responsible for risk management controls and operations with knowledge on modern, effective, and efficient risk management practices. Four critical aspects of the risk assessment learning circle were covered: risk identification, risk analysis, risk evaluation, prioritization, and profiling. In addition, the course featured group exercises, case studies presented by GDCE officials, and discussions guided by international customs experts and ARISE Plus Cambodia. This training also allowed the participants to examine and reflect on how current work practices could be improved in light of international good practice and guidance provided by the WCO.

ARISE Plus Cambodia aims to continue the **capacity development of Cambodian Customs** to enable the designated trainers to conduct risk management trainings with other government agencies independently and in Khmer language. To this end ARISE Plus Cambodia already translated relevant training material into Khmer.

September 2021

Project Steering Committee of ASYCUDA Upgrade Process

[Event details](#)

October 2021

IRCA Auditor Training

[For more information](#)

TBC

NCTF launch

[Event details](#)

News from beyond the project

ASEAN ACCESS Portal

16 June 2021- A new portal launched for ASEAN businesses, with information and resources on trade and market access in ASEAN and beyond. This portal aims to expose traders to new products and business opportunities.

[Portal](#)

Improvement of Transportation System

19 May 2021 – Cambodia is committed to join hands with other ASEAN member states and improve its transportation system to offset the cumulative impact of Covid-19 containment measures and boost regional trade, according to the Ministry of Public Works and Transport.

[Kingdom paves way out of Covid slump for transport](#)

Mid-Term Review of the AEC Blueprint 2025

29 April 2021 - ASEAN ASEAN launched the [Report of the Mid-Term Review \(MTR\) of the ASEAN Economic Community \(AEC\) Blueprint 2025](#) online on 28 April. The MTR offers assessment of the first phase of implementation of the Blueprint, as mandated by the AEC Council

National Committee on Trade Facilitation (NCTF)

NCTF launch – underway

The British government has provided new funding to UNCTAD for the launch/expansion of its National Trade Facilitation Committee (NTFC) Empowerment Program in several countries, and now ARISE Plus Cambodia and UNCTAD are working together to support the NCTF Secretariat at GDCE. Cambodia's NCTF members are midway through the **online NTFC Empowerment Program** training modules, which began in April and will conclude in September 2021.

In parallel, the NCTF Secretariat has proactively initiated the **National Trade Facilitation Roadmap 2021-2025**. ARISE Plus Cambodia has been pleased to coordinate development partner inputs, by collecting and consolidating comments on the draft roadmap. The National Roadmap and Action Plan for Trade Facilitation 2021-2025 are expected to be validated during the NCTF launch event, scheduled to take place once large-scale in-person events are feasible in Phnom Penh.

Trade Policy

Capacity Building Workshop Series on Trade Negotiations – completed



Since September 2020, ARISE Plus Cambodia and the Ministry of Commerce's Trade Training Research Institute (TTRI) have been co-organizing a series of six capacity building workshops on trade negotiations for the Cambodian negotiating team from various line ministries. The training series was delivered virtually by an expert team from the Center for Trade Policy and Law (CTPL) in Canada.

Beyond those fundamental topics covered in the past four workshops mentioned in the last [newsletter](#) the fifth **workshop** took participants to a higher technical level by focusing on topics specific to current needs of the Cambodian negotiating team in their upcoming trade negotiations: **negotiation of sensitive products**. In addition, Dr. Deborah Elms, Executive Director of the Asian Trade Centre in Singapore, was invited to present key concepts in **scheduling Services commitments** from a positive and negative list scenario. The sixth and final workshop was held for two weeks, from June 29th to July 9th, 2021. This last workshop focused on the final phase of negotiations: scripting and drafting negotiation text and end-game strategies.

By completing the entire series of trade negotiation workshops, participants have gained greater knowledge and understanding of trade negotiation strategies and tactics; developed their skills, confidence and attitudes as a trade negotiator; and improved capacity to work as a team to achieve negotiation mandate.

A Trade Negotiation Manual for Cambodia will be developed based on technical contents of the workshop series, training team's observations of what works for the Cambodian negotiating team, and participants' additional suggestions. The Manual will explain tools, strategies, and tactics that trade negotiators can use to support their trade negotiations of free trade agreements.

Study on Cambodia's Progress with the WTO and ASEAN Commitments – underway

In consultation with the Ministry of Commerce, ARISE Plus Cambodia commissioned a baseline study to document Cambodia's compliance progress with key commitments under the WTO and ASEAN (ATIGA), which is one of the project outcome indicators. The study is being carried out by Bun & Associates, a leading Cambodia business law firm, and is expected to finish at the end of 2021. The study has four specific objectives: (1) to **map selected commitments**

Cambodia entered into through its participation in the WTO and ASEAN; (2) to **review the current status of implementation** (i.e. integration into the Cambodian law) of each commitment identified through the mapping exercise; (3) to **develop a working aid**, to be used by the ARISE Plus Cambodia and the Ministry of Commerce, with detailed practical suggestions on how to organize and implement the monitoring of the country's progress as well as the achievement of the respective project outcome indicator; and (4) to **provide recommendations on how to include other commitments** made by Cambodia under additional trade agreements in an enhanced monitoring framework in the future.

Support for the Specialized Training on Rules of Origin (RoO) – completed



utilization rates.

ARISE Plus Cambodia supported the Ministry of Commerce and UNCTAD in delivering a Specialized Training on Rules of Origin. This specialized training aimed at developing **capacity of the Cambodian trade negotiators and members of the RoO Working Group** to pursue a parallel negotiating track at the WTO to increase LDCs' preference

The training was split into two sessions. The first session focused on analyzing and identifying best practices among preference-giving countries that enable higher utilization rates. Specific analysis was done on the Product Specific Rules of Origin (PSROs) of Japan GSP and its comparison with the ASEAN-Japan FTA PSROs. The second training put the topic of RoO in the context of bilateral and multilateral trade agreements with case studies of Cambodia-China FTA and RCEP PSROs.

Support for the Capacity Development of Cambodian Customs in Trade Statistics – underway



support the capacity development of GDCE in compiling, analyzing, producing, disseminating of IMTS and custom revenue data.

GDCE, who is the designated production unit of the Cambodia's International Merchandise Trade Statistics (IMTS), has expressed strong commitment to enhancing the consistency and accuracy of IMTS and customs revenue data and management of these statistics. In June 2021, ARISE Plus Cambodia engaged Mr. Bülent Tungul, a leading international IMTS expert, to work with GDCE in developing and implementing policy and procedural guidelines to

As the first milestone under this work package, ARISE Plus Cambodia and GDCE organized a Virtual Workshop on Awareness Raising and Technical Exchange on IMTS on July 27-28, 2021 for the primary users of trade data among Cambodian government agencies. The main objective of the workshop was to announce the kick-off of this IMTS improvement initiative and to gather external

support and insights from other government agencies who are involved in the production and utilization of IMTS.

Export Diversification of SMEs

Launch of SME Export Talk series

To better integrate Cambodian SMEs in the international market, particularly regionally in the ASEAN Economic Community (AEC), it is necessary to provide the SMEs with better access to trade-related Information to start or improve their exports. Access to validated information is a critical concern for many SMEs for decision making.

ARISE Plus Cambodia has launched the "SME Export Talk" series to cover **the most requested export-related topics** in one to two hours each. The "SME Export Talk" aims to share such information and good practices essential for Cambodian SMEs to export, using real examples from Cambodian SMEs' experiences. These topics include the use of social media, standards & certifications, customs procedures, export opportunities, particularly in the AEC, and others as identified in a flash survey of Cambodian SMEs conducted in late 2020.

ARISE+ has contracted EuroCham Cambodia to co-organise the SME Export Talk series, and the event recordings are available also on EuroCham's YouTube channel.

SME Export Talk 1: social media for SMEs on April 8 – completed



Photo© Eurocham

The first Export Talk focused on using social media to promote exports of Cambodian SMEs. COVID-19 has driven a dramatic usage of digital technologies across Southeast Asia, accelerating a profound shift that was already underway. Therefore, social media has become a must-do strategy to increase brand awareness and sales among SMEs in the context of travel restrictions. The SME Export Talk on social media for export highlighted the importance of increased exposure, recognition, and an avenue for

interaction with potential clients. These advantages allow SMEs to rely on Twitter, Facebook, Instagram, and YouTube to stay connected and expand business networks.

Click here for more information:

[Recorded session](#)

[Brochure "Social Media for SMEs"](#)

SME Export Talk 2: standards and certification on June 24 – completed



Standards & certifications are essential in **ensuring the consistent quality and safety of products** and services provided to the public. They also play a crucial role in improving a business's credibility in both domestic and international markets. For many companies, obtaining relevant certifications is the first step towards global exports. Complying with standards is often tricky for Cambodian SMEs, who must meet the requirements of regulators and

buyers as well as satisfy what final consumers desire (e.g. Fair Trade and organic). The second session of the SME Export Talk series focused on "Standards & Certification for Export" to raise

awareness and contribute to disseminating good practices. Around 120 participants learned from standards and certifications experts based in Cambodia.

The next SME Export Talk, scheduled at the beginning of September, will focus on logistics providers for Export.

Click here for more information:

[Recorded session](#)

[Standard & Certification Brochure](#)

Training of IRCA-certified Lead Auditors – underway



Many Cambodian SMEs strive to obtain the international quality standard certifications required for export. Out of the **15 SMEs currently supported** by the ARISE+ project, 13 SMEs are in the process of getting different international certifications. In general, SMEs usually need the services of an external consultant to guide them in implementing changed processes and developing the relevant documentation deemed essential to pass the certification audit and obtain the requested certification.

Through our close cooperation with exporting SMEs, we have realized only a small handful of locally available qualified consultants. Therefore, **SMEs are often compelled to hire qualified international consultants from neighbouring countries** with high costs and usually disadvantaged by language barriers.

In response, ARISE+ has taken the initiative to organize a series of certification programs to build a pool of consultants available in Cambodia to meet present and future demand for pre-audit advisory services for SMEs. A competitive selection process of qualified applicants is underway, and the training series will occur in the next few months.

Successful training participants will obtain an **international Register of Certificated Auditors (IRCA)** certification that qualifies them for conducting pre-audit consultancy work on behalf of internationally accredited certifications. Successful participants will receive certification for either ISO 9001:2015 (**Quality Management System**), ISO 22000:2018 (**Food Safety**) or ISO 45000: 2018 (**Occupational Health and Safety**). After obtaining sufficient follow-on experience, they could eventually become IRCA certified Lead Auditors.

Get to know our newly-supported SMEs

Khmer Organic Cooperative (KOC)



KOC is a producer, wholesaler, and retailer of organic food products. The company has been successful in the domestic market since increasingly Cambodian consumers are willing to purchase organic products and are aware of the negative impacts of chemical inputs in agriculture on human health. In this regard, KOC holds official organic certifications from the USDA (United States Department of Agriculture) and EU.

KOC aims to export sweet potatoes, dry mangos, and cashew nuts to Singapore, one of the most sophisticated and complicated markets to enter Asia. ARISE+ has therefore commissioned an international consultant to conduct a **feasibility study**, which will indicate several scenarios to Export

and provide a series of concrete recommendations to KOC on how to enter the market for organic products in Singapore.



Bodia Apothecary is one of the few natural cosmetics producers operating in Cambodia. The company manufactures top-quality products, including facial creams, essential oils and soap. BODIA uses as much as possible raw materials sourced from within in Cambodia and interacts very strongly with local communities. BODIA also manages a Spa in Phnom Penh and Siem Reap, which relies significantly on international tourism.

ARISE+ supports BODIA in obtaining the certification **ISO 22176** (Good manufacturing practices for cosmetics) to comply with the ASEAN directive on cosmetics, upgrading their website to gain more visibility and getting selected products tested by an internationally recognized lab. testing.

Success story: Confirel

A fair trade certification brings export opportunities



Photo© Confirel

Confirel is a producer of organic products (pepper, palm sugar, health supplements, etc.) that already successfully export to Asian countries (Korea and Japan). To diversify its destination markets, especially the EU, ARISE+ supported Confirel obtaining a **fair-trade certification (Fair for Life)**. This certification is required by a French retailer which has established selection criteria based on suitability and social responsibility. The Fair for Life certification ensures there are ethical working conditions along Confirel's entire trade chain.

As a result, the company recently shipped a container with 8 tons of Kampong Speu palm sugar to France. It is only the beginning! The company is optimistic that Fair for Life certification will successfully pave the way to more export opportunities in Europe and North America. The company has the objective to certify more products, in particular Kampot Pepper.

Reports and resources of interest

Increasing access and interoperability of cross-border e-payments in Asia: Hinrich Foundation | By Deborah Elms

The cross-border dimension of digital payments can enable the digitization and internationalization of MSMEs in Asia-Pacific, a key pillar of the region's socio-economic health and post-Covid-19 recovery. This paper details the practical challenges to retail e-payments in Asia.

[Report](#)

Digital Policy | Global Trade Alert

Global Trade Alert (GTA) has launched a public, independent, comprehensive, and searchable record of policy changes that affect cross-border digital commerce.

[Digital Trade Policy Alert](#)

Trade and Gender Framework Analysis | OECD

Advancing the aim of women's economic empowerment will require policy action across a wide range of areas, including increasing their participation in international trade. Although trade policies are not de jure discriminatory, they impact women and men differently due to dissimilar initial conditions.

[Trade and Gender](#)

Non-Tariff Measures in Agriculture | OECD

This report seeks to identify specific elements of Sanitary and Phytosanitary (SPS) provisions and Technical Barriers to Trade (TBT) measures that are mainly trade enhancing.

[Non-tariff measures in agriculture](#)

Services Trade in the Global Economy | OECD

This book synthesizes recent work by the OECD analyzing services trade policies and quantifying their impacts on imports and exports based on the OECD Services Trade Restrictiveness Index (STRI).

[Service trade](#)

National Trade Facilitation Committees Database | UNCTAD

A new database by UNCTAD, information about NTFCs is available to explore and compare the profiles among each other and across regions and levels of development.

[NTFC Database](#)

Southern Economic Corridor (SEC) Business Database & B2B Platform | Mekong Institute

The platform allows SMEs to showcase their products to potential investors and partners and respond to buying requests from across the globe. It provides easy access to key business information on the 19 provinces of the SEC, as well as company profiles, organization profiles and technology requests of the SMEs.

[SEC Database](#)

Policy Brief on Making Trade Agreements Work for Gender Equality | UNCTAD

This brief builds on UNCTAD's existing conceptual framework for assessing the gender impacts of trade agreements, by providing examples of how to explore available data and statistics at country level.

[Data and Statistics](#)

Teaching Manual on Trade and Gender Linkages: An Analysis of LDCs | UNCTAD

The latest in a series of teaching manuals on trade and gender prepared by the United Nations Conference on Trade and Development (UNCTAD).

[Manual](#)

The Effect of Non-Tariff Measures on Global Value Chain Participation | ERIA

This study examines the impact of non-tariff measures (NTMs) on global value chain (GVC) participation and the underlying mechanisms.

[Study](#)

The Full Guide to Bills of Lading: Types and Workflows | Wabel

The page lists and explains the different types of Bills of Lading that the trade industry uses today. It



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