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CAMBODIA MSME2/BEE DRAFT SUMMARY REPORT SINGAPORE INVESTMENT MISSION INVESTMENT OPPORTUNITIES IN CAMBODIA.

CONTRACT NO.EEM-I-00-07-00009-00

TASK ORDER NO. 04

APRIL 2011.

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DRAFT SUMMARY REPORT

SINGAPORE INVESTMENT MISSION

INVESTMENT OPPORTUNITIES IN

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Background and objectives of the mission

The Provincial Investment Promotion Initiative started in 2009 to encourage business investments by domestic and foreign businesses and encourage provincial authorities to improve the business enabling environment. The initiative was well-supported by the Council for the Development of Cambodia and Governor’s cabinets of the provincial governments.

To leverage the success of the investment promotion initiatives, to provide additional support to develop provincial investment outreach strategies, and to increase provincial official’s understanding on how to promote Foreign Direct Investment (FDI) in their provinces, the USAID Cambodia MSME Project facilitated a mission to Singapore in December 2010.

On the 1st of December 2010, the “Investment Opportunities in Cambodia” mission took place in Singapore. It was intended as an investment promotion activity to private businesses and investors based in Singapore, allowing Cambodian private sector and government representatives to present Cambodia as an active business environment and partner for investment. Cambodian representatives met with more than 90 Singaporean counterparts to promote investment opportunities in the provinces of Kampong Cham and Svay Rieng. The event was considered a success with a considerably high number of Singapore and Cambodian participants expressing their satisfaction and appreciation.

Following this success, a reverse mission to Cambodia was planned from the 9th to the 11th of March 2011 to promote business and investment prospects in the provinces of Kampong Cham and Svay Rieng. The Singapore Delegation met with Cambodian provincial officers and with Cambodian private sector business owners to discuss opportunities in several sectors.

Summary of the key events and involvement

Outward mission to Singapore

The mission facilitated by the USAID Cambodia MSME Project in Singapore in December 2010, was supported by major business and government associations in Singapore, including: the Singapore Business Federation, International Enterprise Singapore, The American Chamber of Commerce in Singapore, and the Association for Small and Medium Enterprises.

The following delegates from Cambodia participated in the outward mission to Singapore:

TABLE 1: Outward mission to Singapore - Cambodian Delegates

Royal Government of Cambodia

Name	Title	Organization	Roles in the Mission
HE Sun Chanthol	Senior Minister, Permanent Vice Chairman	Council for the Development of Cambodia (CDC)	Speaker
Mr. Hem Socheth	Assistant to the Cabinet of the Deputy Prime Minister	Office of the Council of Ministers (OCOM)	Member of the delegation
Ms. Sim Rotha	Assistant to the Cabinet of the Deputy Prime Minister	Office of the Council of Ministers (OCOM)	Member of the delegation
Ms. Chham Mari	Assistant to the Cabinet of the Deputy Prime Minister	Office of the Council of Ministers (OCOM)	Member of the delegation

Provincial Government of Kampong Cham and Svay Rieng

Name	Title	Organization	Roles in the Mission
HE Kong Sun Eng	Deputy Governor	Kampong Cham Provincial Government	Speaker
Mr. Seang Peng Sreang	Director	Kampong Cham Office of Commerce	Member of the delegation
Mr. Heng Bin Yik	Director	Kampong Cham Office of Agriculture	Member of the delegation
HE Sum Socheath	Deputy Governor	Svay Rieng Provincial Government	Speaker
Mr. Chin Sathean	Director of Administration	Svay Rieng Provincial Cabinet	Member of the delegation
Mr. Long Sokhom	Deputy Director	Svay Rieng Office of Industry	Member of the delegation
Mr. Chim Chanthla	Deputy Director	Svay Rieng Office of Labor	Member of the delegation

Cambodian Private Sector Representatives

Name	Title	Organization	Roles in the Mission
Mr. David Sim	CEO	Phnom Penh Special Economic Zone	Speaker
Ms. Carie Phou	Marketing Director	Phnom Penh Special Economic Zone	Member of the delegation
Mr. Pol Kirisambath	CFO	Green Feed Cambodia	Speaker
Mr. Tauch Tepich	President	Svay Rieng Rice Miller Association	Speaker

USAID

Name	Title	Organization	Roles in the Mission
Ms. Angela Hogg	COTR Economic Development	USAID	Member of the delegation
Ms. Kimberley Lucas	Director of the Office of General Development	USAID	Member of the delegation

Cambodia MSME

Name	Title	Organization	Roles in the Mission
Mr. Curtis Hundley	Chief of Party	USAID – Cambodia MSME	Member of the delegation
Mr. Chet Phirum	Team Leader – PPD	USAID – Cambodia MSME	Member of the delegation
Mr. Kong Sambon	Coordinator – PPD	USAID – Cambodia MSME	Member of the delegation

The topics presented and discussed in the half-day seminar held at the AMARA Hotel in Singapore, covered Cambodia as an investment partner of choice in the Mekong region, and specifically Svay Rieng and Kampong Cham provinces. Different opportunities were highlighted in a number of sectors in the two provinces, including agriculture and agribusiness, light industry, tourism, logistics and transportation. The table below illustrates the agenda covered in the seminar:

TABLE 2: Outward mission to Singapore - Seminar Programme

<i>From</i>	<i>Details</i>	<i>Programme</i>	<i>Guest Speaker</i>
8.30	<i>Registration and Tea & Coffee</i>		
9.00	<i>Opening address</i>		<i>Iris Wang, Global Business Division, Singapore Business Federation</i>
9.10	<i>Cambodia, the business partner of choice in the Mekong Region</i>		<i>H.E. SUN Chanthol, Senior Minister and Vice Chairman of the Council for the Development of Cambodia</i>
9.40	<i>Svay Rieng- Gateway to Regional Business</i>		<i>H.E. SOUM Socheat, Vice Governor Svay Rieng province</i>
10.10	<i>Business Networking Tea & Refreshments</i>		
10.30	<i>Kampong Cham- Best in Business in Cambodia</i>		<i>H.E. KHONG Sun Eng, Vice Governor Kampong Cham province</i>
11.00	<i>Partnering Cambodian Companies: Green Feed and Rice Miller Association</i>		<i>Mr. POL KIRI Sambath, Financial Controller, Green Feed Company and Mr. TAUCH Tepich, President of Svay Rieng Rice Millers Association</i>
11.30	<i>Expansion into Cambodia: internationalization support from IE Singapore</i>		<i>KHOO Ee Ling Edlyn, Manager, Southeast Asia Division, International Operations Group</i>
11.45	<i>Expansion into Cambodia: An overview on Special Economic Zones, incentives and advantages</i>		<i>Mr David SIM, Director and Shareholder of Attwood Group, Cambodia</i>
12.00	<i>Q & A session</i>		
12.30	<i>Business Networking Buffet Lunch</i>		
14.00	<i>End of Programme</i>		<i>*Programme is correct at time of print</i>

Inward mission to Cambodia

As a follow up mission to the seminar presentations made by the Cambodian provincial officials and the private sector representatives in Singapore on the 1st of December 2010, a delegation of Singapore investors arrived to Cambodia in March 2011 for a three day investment mission to the provinces of Kampong Cham and Svay Rieng.

The following delegates from Singapore participated in the inward mission to Cambodia:

TABLE 3: Inward mission to Cambodia - Singapore Delegation

Name	Designation	Company Name	Fields of interest
Filip Ruszkowski	Director	MACRO ADVISORS PTE LTD	Agriculture and tourism industries
Jeffrey Lim	Partner	ARCHITECTS' REGIONAL TEAM	Urban and rural development, low-cost housing and infrastructure development
Lai Poon Piau	Director	ACORN INVESTMENTS PTE LTD	Development of agricultural land for either rice, sugar, cassava or rubber. Rice milling.
Lee Kian Heng	Director	SUEHIRO ENGINEERING PTE LTD	Cashewnuts processing, vocational training, building/construction material and machinery, mechanical engineering services
Lai Chui Wah		SUEHIRO ENGINEERING PTE LTD	Cashewnuts processing, vocational training, building/construction material and machinery, mechanical engineering services
Madgalene Chia	Director	CAM BOX HOLDING PRIVATE LIMITED	
Siew Mei Yik (Melissa Yik)	Business Development Director	SPRING 21 PTY LTD	Construction, import/export, trading
Sian Hoay Tan (Sherrere Tan)	Business Development	HOME LUX MARKETING PTE LTD	importer/exporter, wholesaler, stockist, fabrication of building materials (quartz, marbles, granites)
Stanley Tan	Director, Head of Executive Search	ELTICI HR CONSULTANCY PTE LTD	
Tay Kah Chye	Chairman & CEO	MONSOON INVESTMENTS HOLDING PTE LTD	Agribusiness (rice, rubber, etc) and infrastructure (power supply, economic zones, etc)
Thomas Tia	Partner	T&W ASSOCIATES LLP	Agribusiness (rice, rubber, etc) and infrastructure (power supply, economic zones, etc)
Hock Keong Ong (Victor Ong)	Manager (Development)	INFRACO ASIA MANAGEMENT PTE LTD	Agriculture, waste management, power, oil and gas and transportation
Xavier Hu	Chief Negotiator (Business Financing)	SME FUNDING ADVISORY PTE LTD	SMEs
Chow Fong Tan (Ken Tan)	Business Financing Facilitator	SME FUNDING ADVISORY PTE LTD	SMEs

The Singapore delegation was officially received in both provinces at the Provincial Hall by Governors, provincial Department Directors and representatives of the provincial Chambers of Commerce.

The 3-day mission was arranged to maximize the chances for the delegation to see first-hand, the business environment in the target provinces and potential investment opportunities, through a number of selected visits that covered different sectors and industries. Meetings were also arranged with provincial authorities and private sector representatives, to give them the opportunity to learn about the governmental support available in Cambodia for foreign investors, and ultimately to build solid networks and relationships.

The visits and activities scheduled during the 3-day trip are shown in the table below:

TABLE 4: Inward mission to Cambodia - Itinerary

Day I: March 9, 2011	Trip to Kampong Cham Province	Venue
6.45-7.00	1st pick-up by bus	Almond Hotel
7.15-7.30	2nd pick-up by bus	Sunway Hotel
7.30-10.30	Travel to Kampong Cham	
10.30-11.00	Courtesy visit with H.E the Governor of Kampong Cham	Kampong Cham Provincial Hall
11.00-12.00	Meeting with Chamber of Commerce representatives of Kampong Cham - Meet Oknha Chhorn Thary director of Thary Special Economic Zone (SEZ)	Office of Chamber of Commerce
12.00-13.30	Lunch	Hao Ann Restaurant
14.00-14.40	Green Feed facility Visit (Animal Input Supply Company)	
15.00-16.30	Visit Chub rubber plantation and rubber processing facility	Chub commune, Thbong Khmum district, Kampong Cham
17.00-17.30	Guided tourist site visit	
17.30-18.00	Check in hotel	Monorom VIP
19.00-21.00	Dinner	Boeng Tonle Meas Restaurant
21.00	Back to hotel and open time	
Day II: March 10, 2011	Trip to Svay Rieng Province	Venue
6.30	Check-out and Breakfast	Monorom VIP and Hao Ann
7.30 - 10.00	Travel to Svay Rieng	
10.00-10.30	Courtesy visit with HE the governor of Svay Rieng	Provincial Hall
10.45-11.15	Chea Sokha's Rice Mill Visit	
11.30-12.00	Pen Sorin's Rice Mill visit	
12.15 - 13.30	Lunch	Lotus Restaurant
14.00-15.00	Visit Vietnamese Duty Free Shop	
15.30-16.00	Garment factory tour visit inside Manhattan Special Economic Zone	King Maker Factory
16.00-16.30	Light industry factory tour visit inside Manhattan Special Economic Zone	Best Way Factory
16.30-17.00	Meeting Management team of Manhattan Special Economic Zone	Manhattan SEZ
17.00-17.30	Check-in at hotel in Svay Rieng town	Red Cross
19.00	Dinner	555 Restaurant
21.00	Back to hotel and open time	
***Note: Dry-Port visit, TBC.		
Day III: March 11, 2011	Return to Phnom Penh and to Singapore	Venue
7.00	Breakfast and check-out	
8.00 -12.00	Travel to Phnom Penh	
12.00 - 14.00	Lunch with Cambodia Private Sector representatives, hosted by the American Chamber of Commerce	Intercontinental Hotel
14.45-15.00	Meeting with Management team of Phnom Penh Special Economic Zone	Phnom Penh Special Economic Zone
15.00-15.15	Food Production factory visit at Phnom Penh Special Economic Zone	Ajinomoto Production Factory
15.15-15.45	Tour visit the whole sites inside Phnom Penh Special Economic Zone	
16.00 - 17.00	Bus takes participants to PP Int' Airport/others	

On the last day of the mission, the investors were hosted for a lunch in the Intercontinental Hotel in Phnom Penh by the Cambodian-American Chamber of Commerce, the U.S. Ambassador to Cambodia Carol Rodley, and the Senior Minister and Vice Chairman of the Council for the Development of Cambodia H.E. Sun Chanthol.

The event was intended to give the Singapore delegation useful detailed knowledge and further insights on the procedures and technicalities of investing in Cambodia, as well as giving them more opportunities to have Business-to-Business meetings with Cambodian firms and investors.

The programme is illustrated in the table below:

TABLE 5: Inward mission to Cambodia – AmCham Lunch Programme

<i>From</i>	<i>Details</i>	<i>Programme</i>	<i>Guest Speaker</i>
11.45	<i>Registration</i>		
12.00	<i>Opening and Introduction of Ambassador Rodley</i>		<i>Mr. Michael Stephen, Chairman, Cambodian Mekong Bank</i>
12.05	<i>Opening Address</i>		<i>U.S. Ambassador Rodley</i>
12.20	<i>Investment in Cambodia, USAID MSME Partnership</i>		<i>Mr. Curtis Hundley, USAID Cambodia MSME Chief of Party</i>
12.30	<i>Business Networking Lunch</i>		
13.00	<i>Cambodia, the business partner of choice in the Mekong Region</i>		<i>H.E. SUN Chanthol, Senior Minister and Vice Chairman of the Council for the Development of Cambodia (CDC)</i>
13.15	<i>Q & A session</i>		<i>Panelists: H.E. Sun Chanthol, Vice Chairman of the CDC Mr. Bretton G. Sciaroni, Sciaroni Associates Mr. Michael Gordon, Partner, KPMG Cambodia</i>
14.00	<i>End of Programme</i>		

Impression of the delegates and investors

Outward Mission to Singapore

Approximately 90 people from a wide range of private industries attended the seminar. Some of the participants said they had never been to Cambodia. The seminar was an eye-opener about Cambodia and its potentials for investors. The feedback received from them was very positive, with more than 89% of the attendees satisfied with the session.

As for the delegates from Cambodia, the seminar gave them a great opportunity to market Cambodia, and in particular Kampong Cham and Svay Rieng, as the destination of choice for potential foreign investors. Specifically for the provincial officials, the seminar was said to help to build up their capability and confidence in investment-oriented public speaking and presentations. The success of the seminar also gave them rich and useful experience that they can replicate in similar investment missions in the future. The Svay Rieng presentation from the seminar, for example, was presented during the official visit of the provincial government to the partner province in China. The officers, including those who travelled to Singapore and the governors, have continued to express their appreciation to USAID Cambodia MSME Project for initiating and supporting this mission both financially and technically.

Inward Mission to Cambodia

Please see the detailed results of the brief survey in the table below:

TABLE 6: Inward mission to Cambodia – Mission Evaluation from the Singapore Delegation

	Questions	Feedback
1	What is your general impression of the Inward Mission to Cambodia? Poor / Average / Good / Very good	All the respondents considered the inward mission a good experience. A number of elements were highlighted by the respondents as particularly good, including: the mission schedule, the choice and organisation of the meetings and visits, and the relevance of the visits for the participants' personal investment interests. As a follow up, some delegates would consider the visits to other provinces very interesting.
2	Did the investment trip to Cambodia change, in any way, your investment interests or intentions in the country?	The respondents felt that the trip allowed the Singapore delegates to gain a good perspective on the country, the people and the existing investment opportunities; both from a sectoral perspective, with particular mention of agribusiness, manufacturing and trading and tourism opportunities, and from a geographical perspective, beyond Phnom Penh and Siem Reap. The main point risen by respondents was the pro-business environment of the country, which has reinforced their initial investment intentions and strengthening their desire to invest in Cambodia. One respondent has also highlighted the mission, as an eye opener experience in terms of good in-country security.
3	What were the things you like the most during the mission?	The main points covered by respondents included: 1) Good balance between the representation of local government and the private sector, and the time they dedicated to meet with the delegation and share information. Most respondents found very helpful the discussions with the government officials about potential projects in Cambodia, as well as the meetings held with business leaders 2) The opportunity to see first hand the operating environment in the country 3) The actual visits to the provinces, something that they feel is difficult to do on their own 4) Most respondents highlighted helpful and professional organising team
4	What were the things you like the least during the mission?	A few elements were highlighted as least liked, including: 1) Communication issues: respondents felt the difficulties to communicate directly with people. One respondent also thought that the information was not always readily available in English 2) The trip could have been longer to accommodate the busy schedule of the mission 3) One respondent felt that the visit to the Vietnam border to see trade and commerce opportunities, was not very helpful for him/her
5	What else do you think Cambodia should do to attract further investors/investment into the country?	The biggest problems highlighted by respondents where they think the government should be focusing are infrastructure and communications. 1) Infrastructure: road transport came up as a particular worry 2) Communication: the general feeling is that Cambodia is not an English-speaking country and the participants thought that the Government should have more business data and general information readily available in English 3) Corruption and security improvement was only mentioned by one respondent The general feeling of the respondents is that Cambodia is doing well and it is very foreign-investment friendly, and the Government should also do more promotion abroad to endorse these messages.
6	Would you recommend a similar mission to be carried out again?	All the respondents answered that similar missions in other provinces would be very helpful and a great introduction for new investors. Most respondents would feel happy to support another mission in the country.
7	Please give overall comments/suggestion for us to improve the next Inward Mission to Cambodia.	The following suggestions were made by participants as potential ideas for improvement: 1) A few slides from the governors while they are presenting their own provinces would make the session more informative and insightful for the attendees 2) More informal time with Government officials and local businessmen to talk about opportunities, and potentially, one to one sessions between business men and investors that could be arranged after the main visits based on particular interests 3) Access to clear information in English (ie brochures and slides) to maximize the time of investors in the mission 4) Another mission to visit another two provinces to have more judgement to make an investment decision 5) General briefing in all provinces in the country might also help 6) Longer mission, more time

Key results

The main results achieved by the Singapore Investment Mission could be summarized in four areas. First, Cambodia's positive image as a potential investment destination has been built among a high number of investors already doing business in Singapore and the Southeast Asia region. In particular, this image was strengthened among the participating investors that visited Cambodia, who were able to get familiar with the investment incentives, abundant resources and the pro-business environment of the country.

Secondly, there have been immediate interests from the Singapore investors to explore further opportunities in Cambodia in the areas of rice, agri-business, food processing, tourism, education, aquaculture etc. as well as in other provinces of the country. It has been communicated that some of them have been contacting some of the people they met in Cambodia directly, while some other queries have been filtered and addressed through the mission organizing team.

Thirdly, a stronger bond between the central government, the provincial government and the local private sector has been fostered. The communication channels have opened up, enabling frequent interactions and exchange of opinions and experience to make the provinces more attractive to investors, local or foreign. The well-prepared and warm welcome sessions for the Singapore delegation, hosted by provincial governments and the private sector in the two provinces, is an indication of this point.

Finally, the MSME provincial investment promotion initiatives continue to support private-public dialogue and to create new linkages to attract foreign investment, while also promoting and improving the Business Enabling Environment throughout Cambodia.