



# NEWSLETTER

KAS CAMBODIA OFFICE



66<sup>th</sup> EDITION

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## Newsletter: 1<sup>st</sup> – 31<sup>st</sup> August 2015

A selection of the latest local news in Cambodia

### **Government to Release its Industrial Development Policy**



*The vast majority of Cambodian farmers depend almost solely on rice production*

At the end of the month the government released its Industrial Development Policy (IDP) aiming to keep Cambodia's economy on its high-growth trajectory. Besides promoting foreign investment into industries such as auto parts and electronics manufacturing, high emphasis will be put on agro-businesses and food processing to strengthen Cambodia's economic base. The announcement comes at a time when in its latest report the World Bank states that, in order for the Kingdom to avoid poverty rates from rising again in the future, it needs to reverse a significant slowdown in agricultural industry. Despite steady growth over the past decade, for 2013-2014 the agricultural sector grew only between 1 and 2 per cent. The report recommends an increase in the quality of seeds and fertilizers as well as greater vegetable production. Especially in light of the many hectares of rice fields that have been affected by this year's early-season drought, the weakening of the agricultural sector becomes even more urgent. According to senior officials, the development policy, which had already been adopted by the Council of Ministers earlier this month, constitutes an attempt to address the shortages in infrastructure and human resources Cambodia is currently experiencing.

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### **Further Reading**

Drought Hitting Rice Farmers, Risking Target, Ministry Says  
By Kang Sothea | August 10, 2015

The Cambodia Daily

<https://www.cambodiadaily.com/news/drought-hitting-rice-farmers-risking-target-ministry-says-91244/>

Bank Says Agriculture Growth Crucial to Poverty Reduction

By Zsombor Peter | August 21, 2015

The Cambodia Daily



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<https://www.cambodiadaily.com/news/bank-says-agriculture-growth-crucial-to-poverty-reduction-92213/>

Productivity Focus Needed for Farming: WB

By Ananth Baliga | August 21, 2015

The Phnom Penh Post

<http://www.phnompenhpost.com/business/productivity-focus-needed-farming-world-bank>

Industrial Policy to be Released Next Week

By Sor Chandara | August 21, 2015

The Phnom Penh Post

<http://www.phnompenhpost.com/business/industrial-policy-be-released-next-week>

### Image Source

<http://asiafoundation.org/in-asia/2010/09/15/diversifying-cambodias-economy-easier-said-than-done/>

## Cambodia-Vietnam On-going Border Dispute



As the Cambodia-Vietnam border dispute continues, Prime Minister Hun Sen requested the United Nations to release the so called "Bonne" map, which had been drawn by the French between 1933 and 1953 and is constitutionally accepted as marking the correct border between Cambodia and Vietnam. However, as the map has yet to be found, the United Nations has delivered

*Government attempting to resolve border*  
an alternative map - which had been submitted by Cambodia during the Second Indochina War - to Cambodia. With additional maps from the Cambodian government, the British Library and other sources, the government now attempts to assess border violations by the Vietnamese and assure the correct locations of all border posts.

### Further Reading

With Maps, Border Tension Defused – for Now

By Alex Willemyns | August 27, 2015

The Cambodia Daily

<https://www.cambodiadaily.com/news/with-maps-border-tension-defused-for-now-92648/>

CNRP biding time as UN Maps Head Home

By Meas Sokchea and Shaun Turton | August 26, 2015

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The Phnom Penh Post

<http://www.phnompenhpost.com/national/cnrp-biding-time-un-maps-head-home>

Government Says UN Maps Validate its Own

By Kuch Naren | August 2, 2015

The Cambodia Daily

<https://www.cambodiadaily.com/news/government-says-un-maps-validate-its-own-92195/>**Image Source**<http://www.rfa.org/english/news/cambodia/government-minister-cautions-opposition-not-to-exploit-map-issue-08262015151914.html/cambodia-un-map-aug20-2015.jpg/image>**GMAC Votes against Raise of Minimum Wage**

Following a 28 per cent hike to the government sector's minimum wage to \$128 per month last year, the Garment Manufacturers Association in Cambodia (GMAC), representing more than 500 exporting garment factories, this month has voted to freeze the minimum wage. In the survey, members were presented with three options: no raise, a raise of between \$1 and \$5, and a raise of between \$6 and \$10. While about one quarter indicated to be in favor of an increase of \$1 to \$5, a majority of the participants voted for no raise. In light of lower wages and more productive workers at other shores, several members expressed their concern regarding yet another hefty hike likely to drive many of the foreign investors and buyers out of the garment sector crucial to the Cambodian economy. Expectedly, in order for a minimum wage to be set for the 2016 period, negotiations and a final decision between factories, unions and government officials are to be concluded by October of this year.



Many garment workers are skeptical towards a raise of the minimum wage

**Further Reading**

Competition is Tough

By Charles Rollet | August 12, 2015

The Phnom Penh Post

<http://www.phnompenhpost.com/business/competition-tough-gmac>

Garment Factories Vote to Freeze Minimum Wage

By Zsinbir Peter | August 12, 2015

The Cambodia Daily

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<https://www.cambodiadaily.com/news/garment-factories-vote-to-freeze-minimum-wage-91436/>

**Image Source**

[http://www.phnompenhpost.com/sites/default/files/styles/two-col/public/field/image/garment\\_factory\\_biz\\_vireak\\_mai.jpg?itok=4myzCuGN](http://www.phnompenhpost.com/sites/default/files/styles/two-col/public/field/image/garment_factory_biz_vireak_mai.jpg?itok=4myzCuGN)

**New Plans to Curb Traffic Congestion in Capital**

After having been working on plans to curb traffic congestion in Cambodia's capital, Phnom Penh City Hall in cooperation with the Japan International Cooperation Agency presented blueprints of an urban transport master plan to address the worsening traffic in



*Rush hour traffic in Cambodia's capital*

the city earlier this month. In essence, the master plan introduces two key measures. First, attempting to reduce the number of motorbikes and cars in the city centre, a sophisticated rail transit system is currently being developed. A date to start construction has not been determined yet. In addition, the plan includes a wide range of more immediate measures such as a ban on long-distance buses leaving from Phnom Penh by 2016. New parking regulations will relocate depots and collection points to the city's outskirts. As Phnom Penh's population is expected to expand in the next decades - with estimations of 2.6 million people by 2035 and about 5 million people by 2050 - these measures are not only welcomed by residents but also aim to attract tourists that else would keep running the risk of missing their flights from Phnom Penh International Airport due to the massive traffic jams.

**Further Reading**

In Congested Capital, Gov't Looks to Rail Transit  
By Sek Odom and Simon Henderson | August 7, 2015

The Cambodia Daily

<https://www.cambodiadaily.com/news/in-congested-capital-govt-looks-to-rail-transit-91089/>

Bus Depots Will Make Move to City Outskirts in Bid to Ease Traffic



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By Mech Dara | August 21, 2015

The Cambodia Daily

<https://www.cambodiadaily.com/news/bus-depots-will-move-to-city-outskirts-in-bid-to-ease-traffic-92200/>

Capital Moots Ban on Buses

By Sen David | August 21, 2015

The Phnom Penh Post

<http://www.phnompenhpost.com/national/capital-moots-ban-buses>

### Image Source

<http://blogs.usembassy.gov/todd/phnom-penh-traffic/>

## Much Disputed LANGO Becomes Law

After the Constitutional Council deemed the new legislation regulating Cambodia's non-governmental organizations to be in full compliance with the Constitution in mid-August, King Norodom Sihamoni signed off the "Law on Associations and Non-Governmental Organizations" (LANGO) later that month. This almost entirely ceremonial step is bringing into effect a piece of legislation which has been rebuked both nationally and internationally, including the European Union and United Nations. Requiring almost all NGOs to register with the state and to file annual reports on their activities as well as finances the law by some is considered a serious threat to free speech and association. The government claims the law to be necessary in order for it to effectively combat money laundering and keep terrorist groups from funnelling money into the Kingdom through NGOs.



*Protestors shout during a protest against the LANGO in Phnom Penh earlier this summer*

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### Further Reading

Government Defiant as NGO Law Move to Constitutional Council

By Colin Meyn | July 31, 2015

The Cambodia Daily

<https://www.cambodiadaily.com/news/govt-defiant-as-ngo-law-moves-to-constitutional-council-90202/>

Council Rules NGO Law Constitutional

By Kuch Naren | August 13, 2015

The Cambodia Daily

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<https://www.cambodiadaily.com/news/council-rules-ngo-law-constitutional-91532/>

NGO Law Nears Finish Line  
By Meas Sokchea | August 13, 2015  
The Phnom Penh Post

<http://www.phnompenhpost.com/national/ngo-law-nears-finish-line>

King's Signature Brings Much Criticized NGO Law Into Force  
By Kuch Naren | August 14, 2015  
The Cambodia Daily  
<https://www.cambodiadaily.com/news/kings-signature-brings-much-criticized-ngo-law-into-force-91643/>

**Image Source**

<http://www.ibtimes.com/cambodia-passes-controversial-ngo-draft-law-despite-protests-boycott-2006909>

**Controversial Dredging Activities in Koh Kong**

In light of concerns raised by members of the conservation NGO Mother Nature, over the past month locals, lawmakers and a wide range of activists have called on the government to take action against controversial dredging activities in Koh Kong's Botum Sakor district. The NGO and local fishing community accuse two companies of dredging too deep, causing pollution, riverbank collapses and a drop in fish and crab stocks. According to Mother Nature the companies have been polluting the Andong Teuk estuary as early as 2009. In response, Koh Kong's Mines and Energy Department created a working group to investigate the claims. Even though a final decision regarding a renewal of the two companies' licenses has yet to be made, the ministry's spokesman declared that a team of experts sent to the estuary earlier last month had already determined the companies to do "nothing illegal".



*In early August Mother Nature activists deliver a presentation on dredging activities*

**Further Reading**

Lawmaker, NGO Want Gov't to Investigate Sand Dredging  
By Aun Pheap and Chris Mueller | August 4, 2015  
The Cambodia Daily

<https://www.cambodiadaily.com/news/lawmaker-ngo-want-govt-to-investigate-sand-dredging-90588/>

Activists Talk Dredging Woes  
By Sen David | August 4, 2015



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The Phnom Penh Post

<http://www.phnompenhpost.com/national/activists-talk-dredging-woes>

Koh Kong Fishermen Resume Anti-Sand-Dredging Campaign

By Aun Pheap | August 13, 2015

The Cambodia Daily

<https://www.cambodiadaily.com/news/koh-kong-fishermen-resume-anti-sand-dredging-campaign-91551/>

**Image Source**

<http://www.phnompenhpost.com/national/activists-talk-dredging-woes>



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