



## New Round of Measures to Help Businesses Affected by Virus



KT/May 27

The Cambodian government introduced a fourth round of measures to help the private sector and business activities, declare further financing to rehabilitate and push the growth of the economy after the COVID-19 crisis ends.

The government's Round 4 Measures will help the private sector- employees and workers who are currently severely affected by the outbreak of COVID-19.

The new steps are aimed at relieving the burden and improving the living standards of people with social assistance.

They will also focus on helping businesses to recover and contribute to boosting the economy.

The so-called Round 4 Measures will cover many sectors including aviation, manufacturing, the garment industry, banking and finance, agriculture, medical work, among others.

The Ministry of Economy and Finance in collaboration with the National Bank of Cambodia will seek the possibility to reduce and adjust terms and conditions to increase cash flow in the banking sector.

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## ADB Pledges to Promote Kingdom's Economic Growth

CC/May 22

The Asian Development Bank (ADB) has pledged to work to accelerate Cambodia's competitiveness and economic diversification. The bank will help Cambodia to strengthen human capital and long-life earning, foster green, sustainable and inclusive development and improve governance.

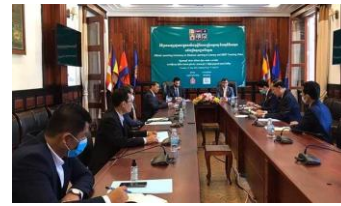
ADB committed \$282.15 million in loans, grants and technical assistance in Cambodia in 2019. The projects funded by the ADB's loans and grants include the National Solar Park Project (\$7.6 million), the Financial Sector Development Programme (\$40 million), \$60 million to develop human resources, \$49 million for the Third Rural Water Supply and Sanitation Service Sector Development Programme and \$119.2 for Irrigated Agriculture Improvements.

ADB has praised Cambodia over its progression in poverty reduction and human development over the past 20 years on the back of strong growth in agriculture, garment manufacturing and tourism.

According to ADB, the proportion of Cambodians living in poverty fell from 47.8% in 2007 to 13.5% in 2014. The Bank has been supporting Cambodia since 1966 and is the country's largest multilateral development partner, who has committed loans, grants, and technical assistance totalling \$3.8 billion for Cambodia, of which \$331.9 million was mobilized from co financing sources.

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## E-Literacy Programme Launched for Out-Of-School Youth



KT/May 24

Cambodia has launched a so-called Distance Learning of Literacy and Beep Teaching Video to promote literacy among out-of-school youth amidst COVID-19 threat.

The teaching utilises video as well as multimedia as key platforms to pre-record lessons for potential students.

The literacy programme is made possible through the collaboration between the Ministry of Education, Youth and Sports and UNESCO in Cambodia.

The programme is expected to especially benefit dropout students and laid-off factory workers in a way that will enable them to use to up-skill and re-skill themselves for future job. •

## Moody's Sees 'Solid Growth Prospects' For Cambodia

KT/May 25

Moody's Investors Service says Cambodia has strong fiscal buffers to counter disruptions to trade and growth arising from the COVID-19 pandemic.

The US credit rating agency said slowdowns in China, the EU and the US would deter Cambodia's growth prospects this year, with GDP forecast to contract 0.3% but GDP is projected to rebound by almost 6.0% next year.

Moody's said Cambodia's latest credit profile reflected the country's "solid growth prospects" as well as its "moderate and highly affordable debt burden."

Despite limited infections, the rating agency said the virus outbreak would affect investment and tourism in Cambodia, especially given its close links with China. But the overall outlook for the country is "stable".

The outlook "balances vulnerability to shocks stemming from a temporary disruption in growth, high dollarisation and rapid credit growth, against mitigating factors such as strong growth potential, robust government revenue generation and the concessional and long-term nature of government debt. •

## World Bank Donates \$15 Million in Aid



PPP/May 31

The World Bank approved \$15 million for a medical training system to help Cambodia equip doctors with more skills before they start work.

The budget, which was granted by the International Development Association, is intended to improve health care services.

The World Bank said that the project will help the Ministry of Health's Human Resources Development Department to strengthen governance and medical education.

The project is also intended to improve regulations and standards for educating and training doctors, testing graduating doctors at the national level and providing technical assistance and knowledge exchange for medical specialists.

The World Bank is committed to helping support Cambodia in efforts to upgrade healthcare services for the Cambodian people, especially the poor and most vulnerable.

A World Bank report released in May noted that most practitioners (76%), assistant dentists (82%), primary nurses (98%) and midwives (100%) worked at the provincial and district levels. Cambodia is said to be short of medical staff in remote areas.

Cambodia had about 50 doctors in 1980. The Ministry of health today has 24,270 medical staff. Despite having more staff, Cambodia faces a shortage of specialised doctors. •

In April, the World Bank approved a

## Cambodia Sees Q1 Surge in Bicycle Exports to Meet Increased Demand



BikeEU/May 26

With coronavirus having a positive knock-on effect for cycling and bicycle purchases, Cambodia has also seen an upsurge in bicycle exports in the beginning of this year.

According to Cambodia's Chamber of Commerce, "the country exported almost half a million bicycles to the EU, worth about 109 million euro in the first quarter of the year, which is over 9 million euro more than the same period last year."

Currently, Cambodia is by far the biggest exporter of bikes to the European Union 28 member states. The country's duty-free export status to the EU has allowed it to take top position.

Despite the uncertainties regarding the future of this export status, industry experts suggest that the coronavirus outbreak will continue to have a positive effect on the country's bicycle production. •

## Cambodia Consumes Average of 570 Tonnes of Greens per Day



KT/May 23

The amount of vegetable consumption in Cambodia is high record as the government has urged the increase of chemical-free vegetable production to supply domestic demand and reduce imports.

Figures from the Ministry of Agriculture, Forestry, and Fisheries show that Cambodia consumes 573 tonnes of vegetables a day, of which 400 tonnes are produced locally and the rest is imported from abroad, including Vietnam, Thailand and China.

The government has been boosting local productions – vegetable, livestock, and fisheries – to supply local demand and serve foreign tourists.

Recently, Prime Minister Hun Sen called for the increase of production of chemical-free vegetable, livestock and fisheries to reduce imports. •

## Cambodia Prepares For the Launch of 5G Services

GNW/May 25

Despite its status as a lesser developed country, Cambodia's efforts to expand and upgrade its telecom infrastructure are bearing fruit. There were between eight and ten mobile operators vigorously competing with each other in a market segment that was growing at a rapid rate. A process of rationalisation followed, reducing the number of operators to only six.

By 2019, compared to other Asian nations, Cambodia has very low fixed line and fixed-broadband penetration and low mobile broadband penetration.

The fixed broadband market remains highly under-developed in Cambodia. Over the past five years fixed broadband penetration has increased moderately from a very small base. Fixed broadband penetration is predicted to grow very strongly over the next five years from this very small base.

The mobile subscriber market peaked in 2015, however since then has seen penetration fall due to maturing market as well as market consolidation amongst the mobile operators and stricter implementation of laws regarding SIM card registration. Over the next five years to 2023 the market will move back to positive growth but at a relatively slow rate.

Cambodia is well on the way on preparing for the rollout of 5G services. Cambodia has entered into a deal with Huawei to roll out 5G mobile infrastructure.

Cambodia's mobile broadband has grown sharply over the past five years from a small base driven by a mature mobile market. Strong growth is predicted over the next five years to 2023 but at a declining rate.

The mobile broadband market will be driven by increasingly faster speeds offered by the mobile operators as they further roll out their 4G networks and eventually launch 5G networks. •

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### New Round of Measures...

The government also announced that it will expand the scope of financing and adjust the terms of credit of the government's \$50 million special fund through the Agriculture Rural Development Bank (ARDB). The ARDB will reduce the interest rate from 6% to 5% for working capital and 6.5% to 5.5% for investment capital, as well as increase the payment period for up to seven years. •

## US Aids \$7.5 Million for Post COVID-19 Economic Recovery



KT/May 21

The United States provided an additional \$7.5 million in grant aid to the Ministry of Economy and Finance for post COVID-19 economic recovery in Cambodia.

US Ambassador Patrick Murphy and Finance Minister Aun Pornmoniroth announced in a meeting that \$5 million will be allocated for economic recovery in Cambodia and another \$2.5 million will be used to respond to public healthcare to fight the COVID-19.

The Ambassador said this additional aid is designed to help with continued testing and raising public awareness as well as another response to ensure the security of Cambodia's public health. The significant portion of this new funding is focused on economic recovery, and the US is delighted to cooperate with the Economy Minister in Cambodia in addressing the challenge to the livelihood of vulnerable communities which got threatened by this global transmission. •

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### ADB Pledges to Promote...

In the Cambodia Country Partnership Strategy, 2019-2023, ADB considers Agriculture as the top among the four priority programs. Under the strategy, 78% of ADB's programmed operations are in four sectors: agriculture and natural resources 25%, water supply and other municipal infrastructure and services 21%, education 18% and energy 14%.

Cambodian government welcomes the commitment made by the ADB, saying that the pledge would help Cambodia to reach its goal of an upper middle-income country by 2030. •