

Press Release



ERIA Organizes Capacity Building Seminar and Workshop in Cambodia towards *Materializing the Phnom Penh Agenda*

Phnom Penh, May 30, 2012 - Economic Research Institute for ASEAN and East Asia (ERIA) organized the capacity building seminar and workshop entitled "Major Issues and Challenges in Cambodia: *Materializing the Phnom Penh Agenda*" on 29 May and 30 May 2012 in Phnom Penh, Cambodia in cooperation with the Ministry of Commerce of Cambodia and Cambodian Institute for Cooperation and Peace (CICP), supported by Bangkok Research Center (BRC), IDE-JETRO.

The capacity building program aims to improve the competency of wide range of policy makers, administrators, researchers, and business managers and provide key ideas for the better preparation for the ASEAN and East Asia summit as ASEAN chair country. It also gives a prime opportunity for the participants to access to both internal and external experts to get background and updated information of economic condition in Cambodia and other east Asian countries by utilizing the ERIA's research human networks.



The two day program composes of a half day morning seminar and two half day workshops. The workshops focused on the six topics of high interest to the Country namely: (1) Tariff Liberalization and Non-Tariff Barrier (2) SME Development in Cambodia - Challenges and Prospects for Regional Cooperation (3) Competition Policy and Consumer Protection (4) Development of Agribusiness (5) Connectivity and Logistic Development (6) Energy Supply Management and Sub-regional Cooperation. In each session, moderators both from Cambodia and international countries provided the challenging issues for the Country and introduced the current situation in the region and best practices from other countries. Participants discussed and presented the suggestions to be considered for the topics during the Workshop.

Over 220 participants attended the seminar, and around 130 participants in total completed the workshop program, from the Ministry of Commerce and more than 20 other ministries and research institutions, academic institutions, and private sector.

The morning seminar opened by remarks from H.E. Dr. Cham Prasidh, Senior Minister and Minister of Commerce of Cambodia. “the key area of focus from challenging in meeting AEC targets by 2015, Tariff and Non-Tariff Measures, Development of SMEs, Agriculture, Competition Policy and Consumer Protection, Logistics, and Energy “ said H.E. Dr. Cham Prasidh. He also highlighted that the ASEAN Economic Ministers requested ERIA to undertake a Mid-Term Review (MTR) of the implementation of the AEC Blueprint which covers four pillars to assess the levels, outputs and impacts of the agreed measures on the economy and to provide recommendations on the way forward to ensure timely realization of the AEC.

Prof. Hidetoshi Nishimura, the Executive Director of ERIA emphasized that ERIA had been supporting the AEC process through various studies and research requisitioned by the leaders of ASEAN member states in his opening speech. ERIA was also committed to support ASEAN's goal to establish the AEC by 2015 and working closely with Cambodia continually.

Key priorities for Cambodia proposed by H.E. Dr. Hang Chuon Naron, Permanent Vice-Chairman, Supreme National Economic Council (SNEC) included speeding up ASEAN connectivity Master Plan through establishing an official mechanism for mobilizing and coordinating the more developed members of ASEAN (AIFM) and quick operation of a financing mechanism (participated by private sector, plus 3 countries (Japan, China and Korea) and multilateral organizations. “Cambodia has stressed the importance of ASEAN Declaration on Human Rights which will help protect migrant workers”, said H.E. Dr. Hang Chuon Naron.

While ASEAN has a market of more than 600 million people, Dr. Hank Lim, chairperson, ERIA Academic Advisory Council reminded about the important of global markets, given an example of his country that less than 10% of trade contributed among Singapore- Malaysia and Indonesia while some ASEAN members are not yet prepared for integration. Service must be prioritized, otherwise we cannot compete at global market,” said Dr. Hank Lim, “you need to improve continue beyond 2020 that you must consistently, persistently pursue human resource development in order to reduce development gap.”

Dr. Hank Lim recommends Cambodia diversify products beyond garments to such as SME, rural agriculture, tourism, and services in order to absorb employment and improve social safety net during transition period in order to maintain social stability in a democratic country.

Upgrading production to higher technology also another recommendation by Fukunari Kimura, Chief Economist, Economic Research Institute for ASEAN and East Asia “Cambodia should start upgrade 2nd embankment to attract many economic activities, utilize technology, logistic to attract many activities. However, it takes time; we have to be patient, try to solve the technology gap, to raise up HR capital, SMEs and to utilize technological information from multinationals and utilize market access as Cambodia has a lot of potentials to do it “

In response to comments of international experts, H.E. Ung Huot, Vice Chairman of CICP, also shares seven perspectives on how to move forward together in ASEAN economic integration process, which are listed below:

- Emphasize on three pro-poor sectors: agriculture, SMEs and tourism industry.
- Define clearly the action plans to provide food and energy security in the region with the focus on the poor and the most vulnerable.
- Further assist's state's capacity in speeding domestic economic reform to meet with regional dynamics for the CLMV countries.
- Integrate "Good governance" to be the core of regional integration process
- Promote more participation and engagement of the private sector and the civil societies.
- Consider pro-poor regionalism as the key philosophy of ASEAN regional integration.
- Further strengthen efforts in promoting green growth strategy and knowledge based economy in the region.

The summary and outcomes of the seminar and workshops will be presented to the Senior Minister of Cambodia, the ASEAN chair country.

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