



The Temple of Angkor Wat

Japan building Mekong supply chain

Greater connectivity between Japan and Cambodia is tightening economic links between the two countries while catalysing Japan's ambitions to develop a chain of industrial complexes that cut a tract through the Lower Mekong region.

Continued on page (2)

Terms announced on rice lending package

The government-owned bank charged with issuing \$27 million in emergency loans to rice millers as part of an initiative aimed at propping up the struggling rice industry announced on 19 September 2016 the terms of the credit lines, and said it would ensure that the funds were used appropriately.

Continued on page (2)

Cambodia-Thailand Friendship Railway Bridge Connected

On 20 September 2016 the Cambodia-Thailand Friendship Railway Bridge in Poipet, Banteay Meanchey province was connected, according to the Cambodian Ministry of the Public Works and Transport's news release.

Continued on page (3)

PM Inaugurates First Ever Japan's Hospital in Phnom Penh



Samdech Techo Hun Sen and H.E. Mr. Kiyoshi Odawara, Parliamentary Vice Minister for Foreign Affairs, presided over the official inauguration ceremony of Sunrise Japan Hospital Phnom Penh

On 20 September 2016, Samdech Techo Hun Sen presided over the official inauguration ceremony of the Sunrise Japan Hospital Phnom Penh, the first private Japanese hospital in Cambodia.

Visiting Parliamentary Vice-Minister for Foreign Affairs H.E. Mr. Kiyoshi Odawara, Representative of Japanese Prime Minister Shinzo Abe, was also present at this event.

On this occasion, Samdech Techo Hun Sen highly appreciated the opening of this new hospital, stress-

ing that this is another new achievement of the cooperation between Cambodia and Japan.

The Sunrise Japan Hospital Phnom Penh is located in Sangkat Chroy Changvar, Khan Chroy Changvar, was built in late 2014 with a total cost of US \$ 35 million. It provides key services such as emergency services, neurosurgery, general check-up, and so on. The hospital is planning to spend some US \$ 20 million for its expansion by 2019. ●

Japan building Mekong supply chain



Employees pack manufactured goods into boxes at a Japanese-owned factory in the Phnom Penh Special Economic Zone

Officials at Japan External Trade Organisation (JETRO), Japan's development agency said that Cambodia's economic attractiveness lies in its low-cost labour and geographical location, lying along the east-west economic corridor between Thailand's industrial heartland and the Vietnamese container port of Cai Mep. Japanese firms are building factories and industrial parks along the corridor to feed the increasingly complex supply chains of goods manufactured for consumer markets in Asia and the West – and eventually Cambodia itself.

Mr. Masashi Kono, Chief Representative of JETRO in Cambodia underlined that Cambodia is starting to become the focus of Japanese investors because of its location between Thailand and Vietnam, and it is a good location to manufacture here and then export to other countries.

Earlier this month, All Nippon Airlines (ANA), Japan's largest airline, launched direct flights from Tokyo to Phnom Penh. The new route is both a response to rising bilateral trade and tourism, and a sign that the carrier is

confident this growth will continue.

Direct flights could play a significant role in securing Japanese investment by providing a time-efficient link between Japan and the manufacturing supply chains its private sector is developing in the Lower Mekong region, said Ito Takamoto, senior investment adviser at JETRO Cambodia.

Just days after the first ANA direct flight touched down in Cambodia, Phnom Penh Special Economic Zone (SEZ) – already home to 43 Japanese companies – announced it had secured a deal with Japanese cosmetics manufacturer Shinohara to build a factory in the zone.

Mr. Hiroshi Uematsu, CEO of Phnom Penh SEZ, said he expects more Japanese firms to follow the new flight path, which cuts the travel time on air cargo shipments from Tokyo to less than six hours.

"This direct flight will intensify the dynamism of our relations with Japan," he announced in a press release. "For investors, Cambodia will seem less far away from Tokyo." •

Terms announced on rice lending package

Mr. Kao Thach, CEO of the Rural Development Bank (RDB), said the government had already transferred the funds to the bank, which will be disbursed to qualified rice millers so that they can purchase rice paddy from farmers. He said the lending aims at stabilising the market price of paddy rice, which dropped precipitously from \$240 per tonne to \$192 per tonne over the past month.

According to Mr. Kao Thach, millers would be offered loans at 8 percent annual interest on the condition that they purchase rice paddy from farmers for no less than \$218 per tonne – a price that ensures farmers make a profit on their crop.

He estimated that the \$27 million lending package would be sufficient to cover one-third of the 300,000 tonnes of rice expected to be harvested in the coming weeks.

"This special budget from the government will only be used to supplement the shortage of capital from private lending," he said. "Capital from private for the other two-thirds is still needed."

The government's decision to disburse loans directly through the RDB sidestepped the Cambodian Rice Federation (CRF), the industry body that has lobbied the government since March to provide emergency loans for its members. Thach confirmed that the CRF would play no role in determining who would receive the funding, claiming a faster disbursement mechanism was needed. •

Cambodia-Thailand Friendship Railway Bridge Connected

H.E. Mr. Sun Chanthol, Senior Minister, Minister of Public Works and Transport of Cambodia, who presided over the event, cast concrete to connect the railway bridge.

“This link, between the Cambodian and Thai railways, is as of to-

day, completed,” underlined H.E. Senior Minister.

The ministry continues its efforts to repair and build the track from this link up to Battambang provincial town by the end of 2016 and later connect onwards to the station in Phnom Penh, he added.

This northern line from Phnom Penh to Poipet is 386 kilometres in total length, and was originally built and in operation between 1929 and 1942, during the French colonial era. •

Cambodia To Resume Boat Racing Event This Year

Samdech Techo Hun Sen said at the graduation ceremony of Panha Chiet University on 19 September 2016 that Cambodia will resume the organization of boat racing event this year.

Boat racing is one of the most important events in the Water Festival celebrated annually in November. Last year, it was cancelled due to low level of water and drought. But, the celebration of Water Festival took place as usual with entertainment programs and ritual ceremonies.

In 2014, the festival was held with joyfulness under the royal presidency of His Majesty Norodom Sihamoni, King of Cambodia, with the participation of 248 boats of some 17,420 boat rowers.

In last five years, the Water Festival



Boats sit on the Tonle Sap river in 2014 as balloons are released during the last day of the Water Festival in the Kingdom's Capital

was canceled due to many reasons. In 2011 and 2013, Cambodia called off this annual event because of devastating floods, and in 2012, it was cancelled again as the country was mourning for His Majesty the King-Father Samdech Preah Norodom

Sihanouk who passed away on Oct. 15 in Beijing, China.

This year, Cambodia is going to mark the annual Water Festival from 13 to 15 November. •

