



NATIONAL BANK OF CAMBODIA

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Speech By

Her Excellency CHEA SEREY

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Signing Ceremony on Agreement between the National Bank of Cambodia and

the National Institute of Statistics, Ministry of Planning

on Foreign Direct Investment Survey 2015

Phnom Penh, 2nd June 2015

- His Excellency Tuy Chamroeun, Under Secretary of State, Ministry of Planning
- His Excellency Chan Titramo, Under Secretary of State, Ministry of Commerce
- Her Excellency Hang Lina, Director General, National Institute of Statistics
- Dr. Faisal Ahmed, Resident Representative of the IMF in Cambodia
- Ms. Elizabeth Alarilla, Senior Officer Statistics, ASEAN Secretariat
- Distinguished guests from the Ministry of Economy and Finance, Council for the Development of Cambodia, Cambodian Development and Research Institute, the World Bank, Asian Development Bank, and officials of the NBC and the NIS

On behalf of the National Bank of Cambodia, it is my great honor and privilege to represent the National Bank of Cambodia at this Signing Ceremony with the National Institute of Statistics of Ministry of Planning to launch the Foreign Direct Investment Survey 2015. This day marks the beginning of strong cooperation between the NBC and the NIS in more joint initiatives similar to the FDI Survey 2015 in our efforts to compile statistics in accordance with internationally agreed standards and best practices.

In the last 10 years, the Cambodian economy has experienced a tremendous transformation. From being an economy dependent on primary industries such as agriculture, forestry, fishing, and low-end manufacturing activity as reflected in the popularity of the garments industry. Cambodia is now well on its way to becoming a key player in the developing services sector. Cambodia will still continue to be a magnet for tourism as a priceless

heritage like Angkor, will always remain eternal. In this modern age, the new builders that we could compare to the likes of our forefathers who built the city of Angkor are the foreign direct investors. Not to be outdone, these new builders are spearheading the effort to transform Phnom Penh into a world class city. One sees that in the changing landscape of the Satellite City in Phnom Penh. Who would have thought that Phnom Penh could hold its own against the best in the world when it comes to enjoying the amenities offered by the world class shopping mall in this city or the activities that take place in the imposing buildings that house world class financial institutions turn the wheels of industry and commerce? More than the tourists you see in Cambodia; you are more likely to brush against that special species of humans called the foreign direct investors.

Even though the garments industry may be at the low-end of the value chain, it nevertheless has helped to promote a certain amount of skills development. In 2004, a number of people predicted the death of the garments industry because of the loss of special tariffs in Europe and the United States. However, the Cambodian garments industry has not only survived but prospered. The spin off effects of such skills development is helping to meet the demands generated for skilled workers by the new engines of growth.

Through this FDI and other allied surveys such as the one on services, the NBC is engaged in measuring not only the amount of foreign capital that is flowing into Cambodia, but just as important how much it is benefitting us in the way of skills transfer and other technological benefits conferred by the FDI. It is the new spirit of Angkor Wat and it is in that spirit that we will build the new Cambodia that is taking shape. Cambodia has forged ahead in terms of services-oriented industries, as reflected in the financial and infrastructure related investments.

The launch of the FDI Survey 2015 highlights the NBC's serious effort to advance the compilation of Cambodia's international investment statistics in our hope to address ongoing debates on the extent of foreign direct investments in Cambodia. The lack of reliable data on FDI hampers our ability to analyze the effects of foreign investment in our economy. We need to identify all the spin off and multiplier effects that accrue from FDI and how these in turn give rise to greater welfare of the Cambodian population. While this statistical information will provide relevant inputs to economic policy formulation and decision

making, it is also intended for the preparation of Cambodia's strategic development plan; and will provide the platform for more researches on issues related to globalization. Moreover, this undertaking will offer ceaseless opportunities on capacity building of human resources as it provides an avenue of collaboration and exchange of good practices, sharing knowledge, experiences and survey skills between the NBC and the NIS.

I would like to give credit to the expertise of the NIS and its long-time experience in conducting the various nationwide surveys; one particular example is the recently concluded Economic Census of Cambodia 2011 which becomes an important tool in the successful implementation of the FDI Survey 2015.

Now, allow me to express my deep appreciation to the officials of the NBC and the NIS for the hard work they put in to make this event possible. I would also like to thank the Ministry of Economy and Finance, Ministry of Commerce, Council for the Development of Cambodia, and other line ministries and institutions for their continuous assistance in providing relevant data to the NBC which allows us to produce timely external sector statistics.

I strongly urge all line ministries and institutions as well as other stakeholders to continue and maintain this statistical cooperation in the enhancement of Cambodian statistics and the National Statistical System. I would also like to acknowledge the assistance and encouragement given us during this transformative phase by international organizations such as the IMF, the World Bank, and the Asian Development Bank. Closer to home we have been very fondly embraced by the ASEAN as we aim for regional integration this year onwards. I am pleased therefore to welcome all of you today.

Lastly, I would like to specially thank to the Governor and the managements of the NBC and His Excellency Chhay Than, Senior Minister and Minister of Ministry of Planning for the strong support and taking care of Cambodia's statistics in general, and external sector and monetary and financial statistics in particular. I would also like to thank for all our distinguished guests, Excellencies, ladies and gentlemen for your valued participation to this momentous event. I wish all of you the four kinds of Buddhist benediction: longevity, beauty, health and strength. Cheers to the success of the FDI Survey 2015!

Thank you!