General Debate

Statement by the Minister of Commerce of the Kingdom of Cambodia

Wednesday, 20 July 2016

Speaker: H.E Mr. PAN Sorasak

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Statement by H.E Mr. PAN Sorasak, Minister of Commerce of the Kingdom of Cambodia
at the General Debate of the 14th Ministerial Conference of the UNCTAD
at 11:30, 20 July 2016, KICC, Nairobi
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H.E Mrs. Amina Mohamed, Cabinet Secretary and Minister of Foreign Affairs and International Trade of the Republic of Kenya,
H.E. Dr. Mukhisa Kituyi, Secretary-General of UNCTAD,
Excellencies,
Honorable Heads of Delegation,
Ladies and Gentlemen,

At the outset, on behalf of the Royal Government of the Kingdom of Cambodia, I would like to take this opportunity to express my sincere thanks and gratitude to the Government of Kenya and its people for the excellent arrangement made for our delegation's participation to UNCTAD XIV. I would also like to express my sincere appreciation to H.E. Dr. Mukhisa Kituyi, Secretary-General of UNCTAD, and the UNCTAD Secretariat’s staff for their hard work and tireless efforts in making this 14th Conference possible.

H.E. President, Excellencies, Ladies and Gentlemen,

UNCTAD has played an important role in assisting developing countries especially LDCs during their accession to WTO and post accession in seeking solutions to the impacts of the trade, and advocating for the reform of global economic and finance policies and governance. UNCTAD is well known as the focal point within the United Nations for the integrated treatment of trade and development.

Therefore, the strengthening of the UNCTAD’s role is of paramount importance. We all know that UNCTAD has three pillars of work, namely research and analysis, technical cooperation and consensus building. There is no doubt that UNCTAD’s delivery of services has been effective for years and that UNCTAD is rich of expertise in several areas, such as trade and e trade, investment, competition policy, among others, which could be used to advise member states. Cambodia has extensively enjoyed these services since our negotiations for the accession to the WTO and its post accession.

Cambodia has also greatly benefited from UNCTAD Technical Assistance. From the support to Cambodia’s successful WTO accession bid, to reinforcing our negotiators capacity, help in our legal drafting, support to better seize the opportunities presented by preferential trading arrangements and reforms of rules of origin, such as those provided by the European Union. UNCTAD has assisted Cambodia in advising and supporting exports and strategy for "branding" Cambodian products, trough Geographical indications. UNCTAD's programmes have promoted automated customs procedures (ASYCUDA), Training of Trainers in Trade (TRAINFORTRADE) and effective debt management (DMFAS). More recently UNCTAD helped designing a new trade policy roadmap and has prepared a trade and research policy project to prepare Cambodia Government official and private sector to face the challenges arising from Mega-regional FTAs such the TPP and the ASEAN EU FTAs.
H.E. President, Excellencies, Ladies and Gentlemen,

I appreciate the assistance of UNCTAD for, with background papers, a monitoring group of Geneva-based delegates among ASEAN LDC delegates on the possible impact of mega-regional’s and Rule of Origin. In this regard, I would like to call the Secretary-General of UNCTAD to allocate the necessary UNCTAD internal resources to strengthen and expand UNCTAD support to the LDC WTO group.

It is necessary that UNCTAD be able to continue to play its crucial role in helping member states to achieve the 2030 Agenda for Sustainable Development and to achieve other trade and aid commitments. I am confident that after UNCTAD XIV, UNCTAD will have a clearer mandate, better funding and more concrete actions and predictable resources to assist the member states, especially LDCs.

H.E. President, Excellencies, Ladies and Gentlemen,

Allow me to highlight some of Cambodia’s achievements, resulting from the strong leadership of the Royal Government of Cambodia and development partners’ assistance. Cambodia has gone a long way from a war-torn country devastated by genocide and world isolation to a modern state, with a multi-party democratic system, and one of the most liberal economy in the region. Cambodia has achieved a record of political stability for the last decades, which is one of the key-factors in providing a favorable environment for business and investment. From 2000 to 2015, Cambodia’s economy grew at the average rate of 7.6% and has been referred to an “Olympian of Growth”. GDP per capita has increased fourfold from US$300 in 2000 to US$1158 in 2015, with the country successfully achieving Lower Middle Income Status earlier this month. The economic growth was mainly sustained by garments exports, agriculture, tourism and construction sectors. The poverty line reduced from 45% in 1993 to 35% in 2004 to 17% in 2015. 1% of the population per year fall out of the poverty cycle and this rate can lead Cambodia to meet her Millennium Development Goals that it just ended its term at the end of 2015.

H.E. President, Excellencies, Ladies and Gentlemen,

Trade plays a key role in the implementation of the 2030 Agenda for Sustainable Development. Therefore, market access conditions for LDCs need to be further improved, made more predictable and sustainable through the elimination of remaining tariff and non-tariff barriers, relaxation of rules of origin, expansion of product coverage and simplification of administrative procedures in relation to the GSP and other market access arrangements. Cambodia takes this opportunity to call for developed and developing countries that have not already done so to provide immediate, predictable, duty-free and quota-free (DFQF) on a lasting basis to all products originating from all LDCs as committed in Hong Kong Decision 2005, Bali Decision 2013 and Nairobi Decision 2015.

Even though most of developed countries have provided a 100% of DFQF and some developing countries have done so, to provide market access opportunities for Cambodia’s products, Cambodia could not fully reap benefits from them, due to severe supply side constraints, lack of infrastructure, difficulties to meet technical barriers to trade such SPS, standards and Rules of Origin requirements imposed by member countries. Therefore, I call upon UNCTAD, UNCTAD Secretary-General H.E. Dr. Mukhisa Kituyi, and all development partners to assist Cambodia in these areas.

The meaningful implementation of Trade Facilitation will cut trade costs and increase avenue for our countries to expand and diversify exports. Cambodia therefore
deposited its TFA instrument of acceptance with the WTO Secretariat on 12 February 2016. Cambodia is now working to categorize the category A, B and C. We would encourage WTO and donors to increase their TA to help LDCs in implementing this Agreement.

Concerning the Enhanced Integrated Framework (EIF), we would like to welcome and appreciate the pledges and commitment made by donors. I also appreciate all the work done by EIF team, LDCs, donors and all core agencies for the EIF phase II.

Finally, H.E. President, the negotiations of the UNCTAD XIV Ministerial Declaration have made reasonable progress across several areas of the text but intensive efforts will need to be made through this UNCTAD XIV conference in order to secure a positive outcome. Some paragraphs are in intensive negotiations. I would therefore like to take this opportunity to call all members to show their flexibilities to adopt the UNCTAD XIV Ministerial Declaration by taking into account the interests of LDCs.

I wish the theme of today Conference, from Decision to Action: moving toward an inclusive and equitable global economic environment for trade and development and I look forward to fruitful deliberations and the successful conclusion of the conference.

Thank you