



Kingdom of Cambodia
Nation Religion King



Cambodia
Constructors Association

Cambodia

Country Report

ACF **ASEAN Constructors Federation**



ASEAN Countries

46th ACF Council Meeting
on 7 September 2018 in Bangkok, Thailand.



Content

1. Key indicator of Cambodia.
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 - Why invest in Cambodia?
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A map of Cambodia with its provinces labeled: BANATAY MENCHHEY, SIEM REAP, PREAH VHEAR, STUNG TRENG, RATANAKIRI, MONDOL KIRI, KRATIE, KAMPONG THOM, KAMPONG CHAM, PHNOM PENH, KAMPONG CHHANG, KAMPONG SPEU, KAMPONG SOM, PREY VENG, SREK, TAKLEO, KAMPOT, KEP, PREAH SIHANOUK, and PAKSE. Neighboring countries are labeled: Thailand, Laos PDR, and Vietnam. The Gulf of Thailand is also indicated.

Population (hundred thousand people)

Age Group	Male (hundred thousand people)	Female (hundred thousand people)	Male %	Female %
0-4	9.51	7.71	51.01%	48.99%
5-9	8.26	7.60	51.26%	48.74%
10-14	7.49	7.40	50.4%	49.6%
15-19	8.07	7.33	50.97%	49.03%
20-24	8.29	7.36	51.29%	48.71%
25-29	6.03	6.85	48.97%	51.03%
30-34	8.77	7.25	48.7%	51.3%
35-39	2.32	4.24	47.32%	52.68%
40-44	3.83	4.47	47.83%	52.17%
45-49	3.47	4.16	47%	53%
50-54	2.04	4.80	46.04%	53.96%
55-59	1.73	3.16	39.73%	60.27%
60-64	1.75	2.38	40.75%	59.25%
65-69	1.08	1.62	40.8%	59.2%
70+	1.77	1.98	39.77%	60.23%

1- Key Indicators of Cambodia

GDP % Growth	7.0% (2017), 7.0% (2018) Prediction
GDP	USD 24.36 Billions (2018) Prediction
GDP Per Capita	USD 1,422 (2017) – USD 1,559 (2018) Prediction



2- Economy of Cambodia

4 Main Industries
That Support
Cambodia
Economy



Construction



Tourism



Agriculture



Textile

Trading

Import Cost

- USD 63.70 Billions (2016) & USD 62.50 Billions (2017)

Import Goods

- Petroleum, Cigarettes, Gold, Machinery, Construction Materials, Motor Vehicles, Pharmaceutical Products, and Raw Materials for Textile, etc.

Main Import Partners

- China, United States, Thailand, Vietnam, Hong Kong, Taiwan, Republic of Korea, Singapore, Indonesia, Japan, & Malaysia, and many countries of Europe. etc.



Export Cost

- 46.5 Billions USD (2016) & 47.20 Billions (2017)

Export Goods

- Cloths, Timber, Rubber, Rice, Fish, Tobacco, Footwear, Corn, Vegetables, Cashews, Tapioca and Silk, etc.

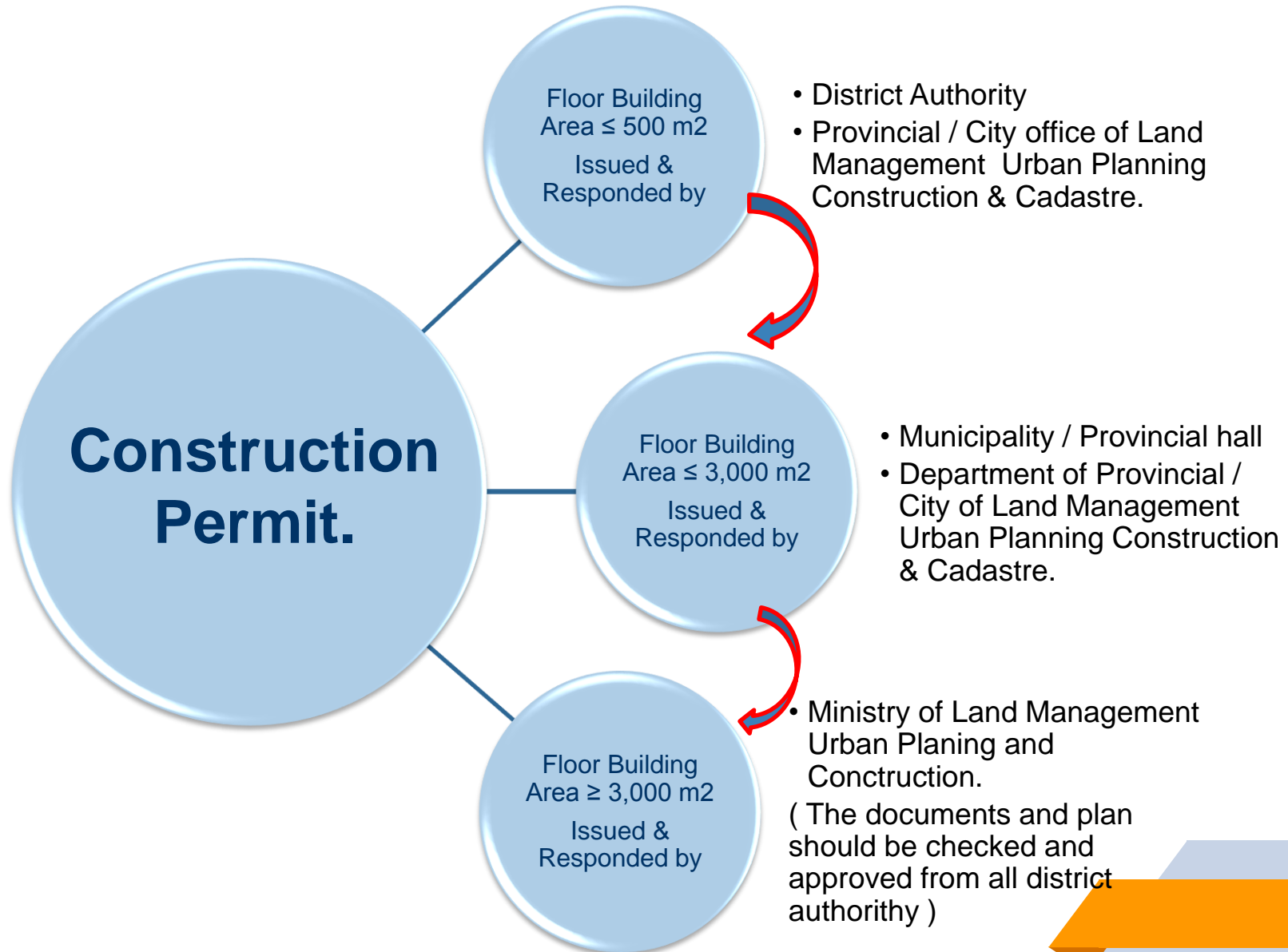
Main Export Partners

- United States, Hong Kong, Singapore, Canada, UK, Germany, Thailand, China, Spain , Japan, and Vietnam, etc.

3- Construction Industry of Cambodia

- The Royal Government has vested the mission to the Ministry of Land Management, Urban Planning and Construction to lead and manage the Affairs of Land Management, Urban, Planning, Construction, Cadastre and Geography in the Kingdom of Cambodia.
- In provincial and Capital, the ministry has departments and offices representative of responsibility of Land Management, Urban Planning, Construction, Cadastre and Geography .

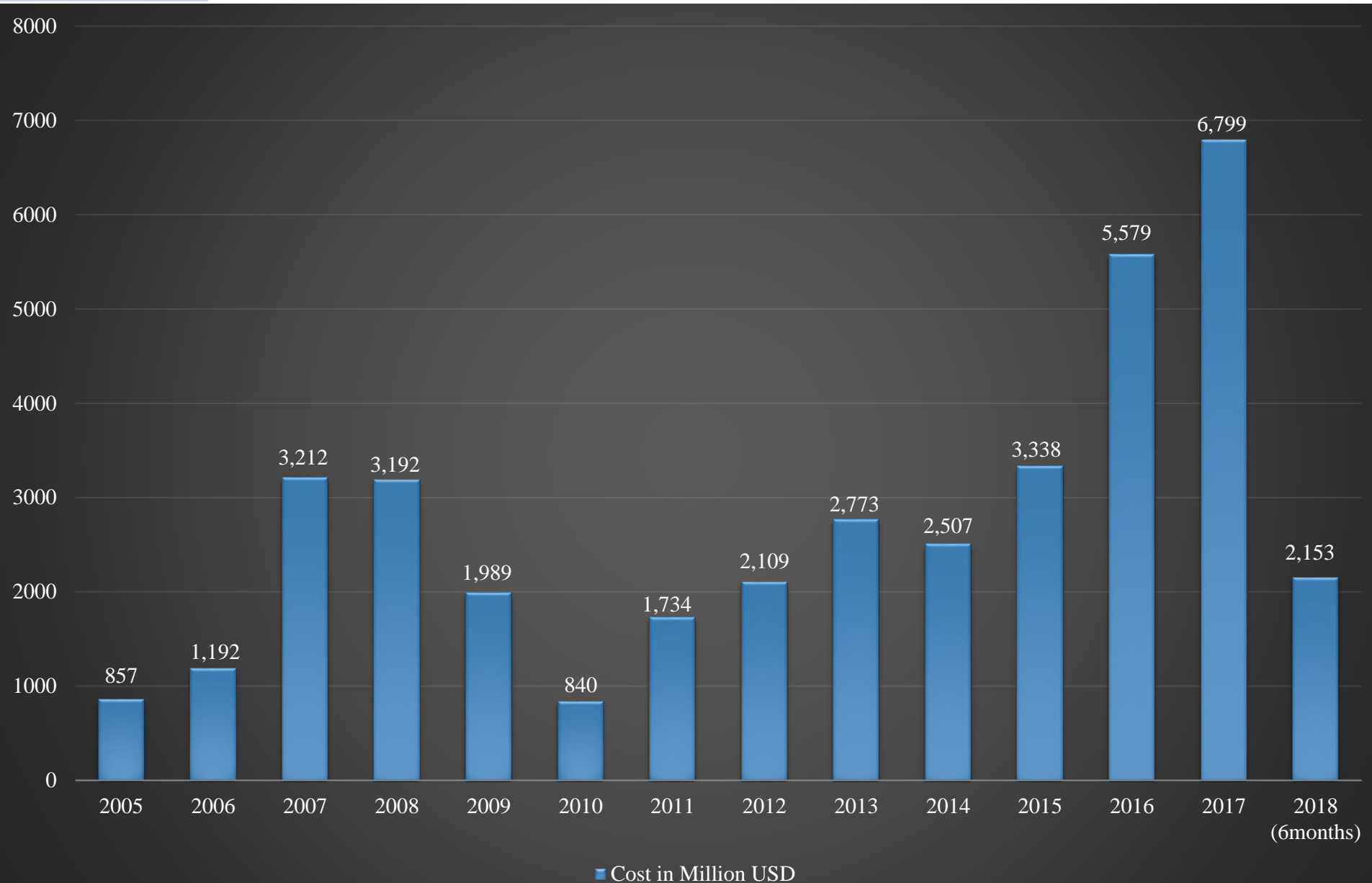
4- Construction Permission in Cambodia



5- Comparison cost and project number


YEARS	Number of Project	Total Area Building (m ²)	Estimation Cost (Million USD)	Percentage of Estimated Cost Comparison (%)	
2010	2,149	3,287,468	840	Compared with 2009, Decreased by 58%	↓
2011	2,129	5,257,585	1,734	Compared with 2010, increased by 106%	↑
2012	1,694	6,528,452	2,109	Compared with 2011, Increased by 72%	↑
2013	1641	7,596,151	2,773	Compared with 2012, Increased by 31,45%	↑
2014	1960	6,460,148	2,507	Compared with 2013, Decreased by 9.58%	↓
2015	2,305	7,686,112	3,338	Compared with 2014, Increased by 33.14%	↑
2016	2,635	12,158,268	5,579	Compared with 2015, Increased by 68%	↑
2017	3,418	11,381,883	6,799	Compared with 2016,increased by 21.84%	↑
6 months (2018)	1,643	5,352,422	2,153	Compared with 6 months of 2017, Decreased by 56.44%	↓

Estimated Construction Cost Investment in Cambodia from 2005 - 2018 (June)



6- Number of foreign investment projects and estimation cost from 2000 – 2018 (July)

Country	Number of Projects	Total Area Sq.m	Estimated Cost (USD)	7 months 2018		
				N. of Projects	Total Area M2	Est. Cost USD
China	139	7,669,680	2,408,225,619	11	757,400	321,522,250
Korea	50	3,763,075	1,644,006,537	1	7,951	3,975,500
Japan	42	713,639	255,514,121	4	16,371	9,043,000
Thailand	29	420,208	170,118,906	1	1,530	765,00
Taiwan	15	532,765	165,391,254	4	154,853	60,685,900
Singapore	11	421,450	161,872,580	1	10,149	3,044,700
UK	11	504,054	149,155,699	1	23,160	8,106,000
Malaysia	19	273,203	110,228,701	0	0	0
Russia	2	125,326	51,958,216	0	0	0
Canada	4	161,663	47,378,740	0	0	0
LAO PDR	1	75,742	36,356,160	0	0	0
Vietnam	9	115,868	35,464,602	0	0	0
Indonesia	1	62,058	34,131,900	0	0	316,400
France	6	46,264	18,485,290	1	904	892,500
India	3	39,589	17,769,050	1	1,785	0
USA	7	49,817	11,384,726	0	0	0
Netherland	1	14,596	9,487,400	0	0	0
Norway	1	11,730	7,741,800	1	11,730	7,741,800
Belgium	2	22,514	7,518,200	0	0	0
Australia	2	8,249	4,311,600	0	0	0
TOTAL	355	15,031,490	5,346,501,101	26	985,833	416,093,050

<div>  <div> 7- Number of Construction Companies Registered from 2000 – 2018 (June) </div> </div>				
Countries	Total Number of Registered Companies	Number of Licenses Still Valid	Type of Operation (Still Valid)	
			Design	Constructor
Cambodia	1520	683	24	659
China	293	187	11	176
Korea	155	46	03	43
Vietnam	58	34	03	31
Japan	49	34	04	30
Thailand	40	13	01	12
Malaysia	33	13	02	11
Singapore	17	07	01	6
USA	11	01	01	0
France	10	06	03	3
UK	06	02	0	2
Indonesia	05	02	01	1
Canada	02	01	0	1
India	02	02	0	2
New Zealand	01	-	0	0
Norway	01	-	0	0
Myanmar	01	-	0	0
Germany	01	-	0	0
Spain	01	01	0	1
Pakistan	01	-	0	0
Russia	01	-	0	0
Australia	01	01	0	1
Phillipine	01	01	0	1
TOTAL	2210	1034	54	980



8- Cost of Construction Materials in the Cambodia Market.

Materials	Unit	Price (USD)	Produced in
Portland Cement	Ton	79 - 98	Thailand, China, Vietnam, Local
Reinforcement Bar	Ton	625 - 675	Thailand, China, Italy (Vietnam), Local
Aggregate	m³	11 - 12.5	Local
Sand	m³	10 - 11.5	Local
Clay Brick	100Pc	0.38 - 0.51	Local
Roof Clay Tile	Pc	0.47 - 2.8	Thailand, Vietnam, Local
Timber	m³	340 - 380	Local
Floor Tile	Box/m2	7 - 14.60	Thailand, China, Vietnam, Italy, Indonesia, Malaysia, Spain, and Local
Mastic under painting	Bag	6 - 20	Thailand, Vietnam, Local



Materials	Unit	Price (USD)	Produced in
Emulsion Paint	25 Liters/Tank	16.5 – 136	Thailand, Japan, France, Korea, Norway, Vietnam, Malaysia, Local
Plywood	Sheet	10.5 - 38.5	Thailand,China, Vietnam, Local
<u>Ready Mix Concrete</u>			
Grade 20	M ³	67	Local Cement
Grade 25	M ³	69	Local Cement
Grade 30	M ³	73	Local Cement
Grade 40	M ³	78	Local Cement
Diesel	Litter	0.95	Sokimex, Caltex, Tela. Total, PTT, SVM
Petroleum	Litter	1 - 1.1	Sokimex, Caltex, Tela. Total, PTT, SVM



Construction Workers Situation

Cambodia Construction sector need the workers around 250,000 to 260,000 per day. Only the Phnom Penh capital city attract 130,000 per day.

Labor wage

Salary		
Non-Skilled worker	Skilled Worker	Engineer, Architect
260 – 300 USD	375 – 560 USD	400 – 2,500 USD
		250USD Not experience

- Labor Working Hours :
 - Full-time, 48 hours a week.
 - Holidays work must be paid twice of the daily rate.
- Female employees who gave birth are entitled to receive half of their salary for a period of 90 days.



9- Investment Opportunities in Cambodia

Why Invest in Cambodia?

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Open economy

- Equal treatment of all investors
- No requirement of local equity participation
- No price controls on products or services
- No restriction on foreign currencies convertibility
- Allow foreigners to own properties (Condominium from first floor up).
- Allow foreigners to set up business companies
(condition 51% and 49% foreigner for only construction and real estate),
the companies should register first at the ministry of Commerce and more
register at the which ministry that related with your business.

Sound macroeconomic environment

- One of the fast growing economy country during the last two decades (average growth rate: 7.7%)
- Low & manageable inflation rate (under 5%)
- Stable exchange rate (USD 1 = Riel 4000 \pm 5%).

Competitive investment incentives

- Low corporate tax: 20%
- Tax holiday: 0% up to 9 years
- Full import duty exemption (production equipment and machineries, construction material, production inputs).

One stop service

- Information & Application
- Fast-Track Investment Approval Process: all documents will be processed within only 28 working days.
- Customs Duty & Tax Exemption
- Visa & Work Permit.

Competitive labor force

- Reasonable wage: (minimum wage in 2018: **USD170**) , if including OT and others around USD 250
- Young and dynamic labor force (median age 24 years old).

Strategic location

- Center of ASEAN: flight time average only 1:30 hour to other ASEAN countries.

Market access and Preferential trading status

- ASEAN Market (ASEAN Economic Community - AEC) : pop. 616 M, GDP \$2.5 Tri.
- Regional Comprehensive Economic Partnership (RCEP) : ASEAN + China, Japan, Korea, India, Australia & New Zealand , pop. 3.3 B, GDP \$17.1 Tri.
- EUROPE Market Access
- Generalized System of Preferences : 32countries
- Most Favoured Nation : WTO members.

Investment Guarantee

- 1- No discrimination
- 2- No nationalization
- 3- No requirements of local equity participation
- 4- No price controls on products or services
- 5- No restriction on foreign exchanges
- 6- No capital control.


Investments in Cambodia

- Some Investments in Cambodia are encouraged with Incentives as eligible for custom duties exemption on raw materials and construction materials and all kind of machineries that serves investment activities, but not eligible for the profit tax exemption.
- Investors can rent real estates (land and buildings) up to 50 years of being permanently rental rights, and can be renewed.
- Investors who invest at least USD 310,000 and conditionally comply with “Law on Citizenship” are eligible to apply for Cambodian citizens and then have the legal right to own real estates in Cambodia.

Incentives for Investments

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- Production of food and beverage products with investment capital more than USD 500,000
- Production of product for textile industry with the investment capital more than USD 500,000
- Production of garments, textiles, footwear, hats with the investment capital more than USD 500,000
- Construction of modern market or trade center with the investment capital more than USD 2,000,000 with size more than 10,000 sqm and has adequate space for car park
- From 3-star hotel grade up.

- 
- Complex tourism center with hotel containing more than 100 rooms or tourist inns of more than 30 housing and tourist estates (resort) more than a minimum length of ten (10) hectares.
 - Agricultural production
 - Paddy farming more than 1,000 hectares
 - All kinds of cash crops more than 500 hectares
 - Vegetables more than 50 hectares
 - Telecommunication Investment eligible for custom duties exemption, but not eligible for the profit tax exemption

- 
- All kinds of commercial activities, import, export, wholesale, retails including duty free shops.
 - Currency and financial business and services, including bank ,financial institution, insurance companies and all kind of financial intermediation.
 - Real estate development.
 - Any transportation service, except investment in railway sector,
 - Casino and gambling business and service of any kind.
 - Tourism service provider, Tourism agent, Tourism information and advertisement.



10- Some New Urban Development Projects 2018

Koh Pich (Diamond Island) Project



PROJECT DETAILS:

- Location : Phnom Penh City,
- Land size : 100 hectares
- Developer : OCIC (Overseas Cambodian Investment Corporation)
- Facilities : Meeting Halls, Wedding Reception, Condominiums, Apartments Hotels, Theatre, Bridge, Commercial Center, Residential Area....
- Project Period : Started 2006

Thai Boon Roong Twin Tower Project



PROJECT: Thai Boon Roong Twin Tower Trade Center

- Location : Phnom Penh
- Land size : 133 Floors
- Developer : Thai Boon Roong Co.,Ltd
- Contractor: Kia Nip Group
- Facilities : Commercial Office, cultural centre, hotel, retail and shopping centers.
- Cost: \$1 Billions
- Project Period : Start from 2016 to 2019 (Estimate)



Cambodia-China Cultural and Creative Park



- Location : Siem Reap Province
- Land Area : 3.3 hectares
- Cost : US\$70 million
- Project Period : 19 July, 2018 - early 2020
- Developer : China's Yunnan Cultural Industry Investment
- Facilities : Museum, Cultural Centre



Chip Mong Sen Sok Mall



- Location: Phnom Penh
- Land Area: 40,000 square metres
- Project Period: 12 July, 2018 - 2020

- Facilities: Shopping Mall
- Developer: Chip Mong Group

The Prince Tian Xi Wan (SE Asia seaside resort)

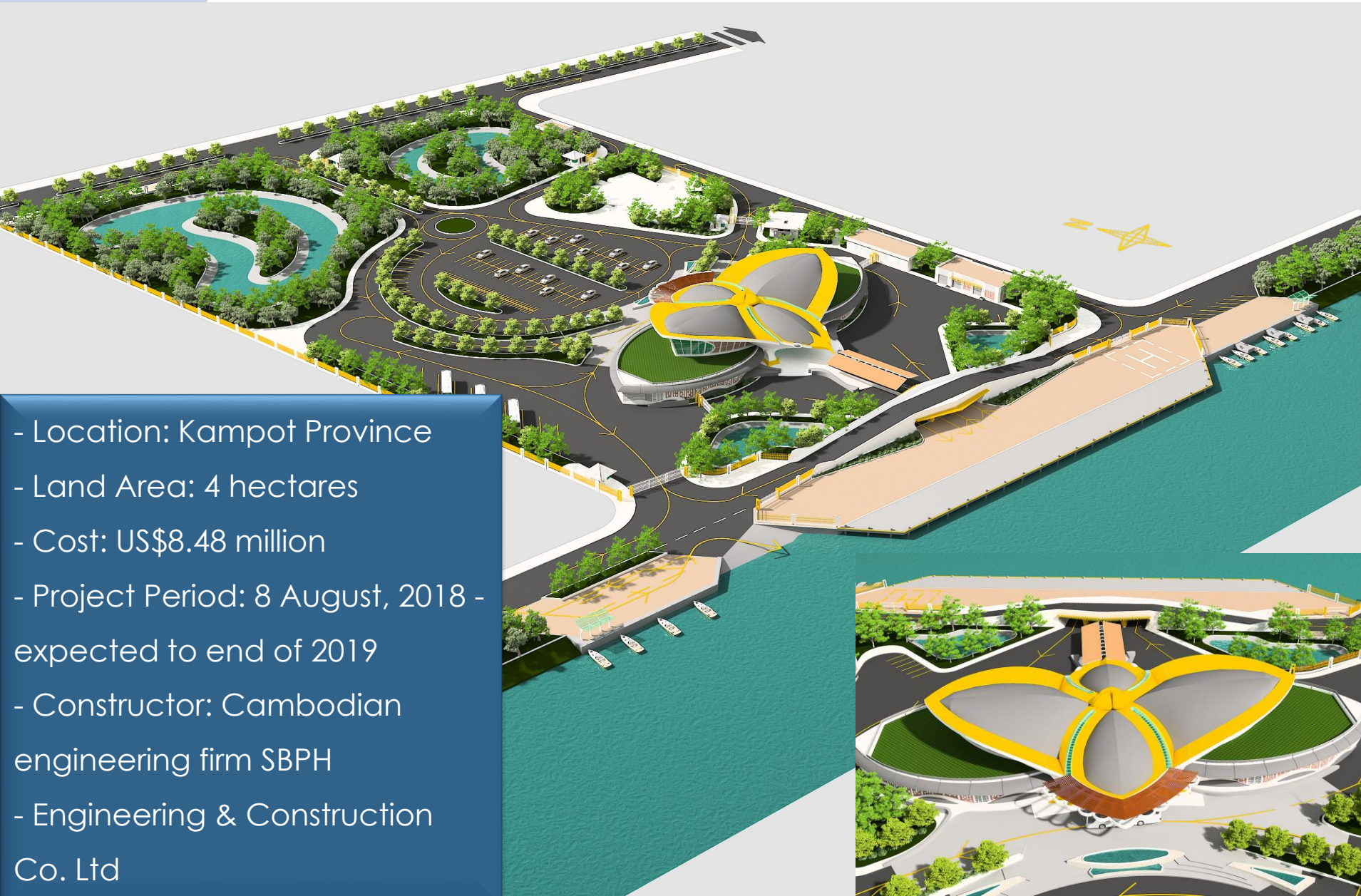


- Location: Sihanoukville
- Building Area: over 300,000 square metres
- Developer: Prince Real Estate Group (Cambodia)
- Facilities: international

commercial plaza, boutique hotel
apartments to
5-star and super luxury 5-star
hotels.



Kampot Tourist International Port



- Location: Kampot Province
- Land Area: 4 hectares
- Cost: US\$8.48 million
- Project Period: 8 August, 2018 - expected to end of 2019
- Constructor: Cambodian engineering firm SBPH
- Engineering & Construction Co. Ltd

Royal Bayview



PROJECT Details

- Location : Sihanouk ville
- Total Construction area : 157,045 Square meters
- Developer : Hong Lien Development Construction
- Construction Date: April 2017

End 2019 (Estimated)

Morodok Techo National Sports Complex

PROJECT Details

Prepare for hosting the SEA Game 2023

- Location : Phnom Penh
- Total Construction area : 85 - Hectares
- Constructor: L.Y.P. Group
- Construction Date : 3 phases
 - 1st Phase (2013 - 2016)
 - 2nd Phase (2016 - 2020)
 - 3rd Phase (Unknown – 2021 Estimated)
- Estimated Cost US\$100M – US\$300M



Dara Sakor Seashore Resort



PPROJECT Details

- Location : Koh Kong Province
- Total Construction area : 45,000 - Hectares
- Constructor: Tianjin Union Development Group
- Estimated Cost US\$3.8 Billion

Aeon Mall II (Shopping Mall)



PROJECT Details

- Location : Phnom Penh
- Floor Space area: 151,000 Square Meters
- Contractor: Hyundai Engineering (Cambodia) Co., Ltd
- Sub Contractor: **SOMA Construction** and Development Co.,

Parkson Mall

PROJECT Details

- Location : Phnom Penh
- Total Construction area : 70,000 Square meters
- Developer: Parkson group



The Peak

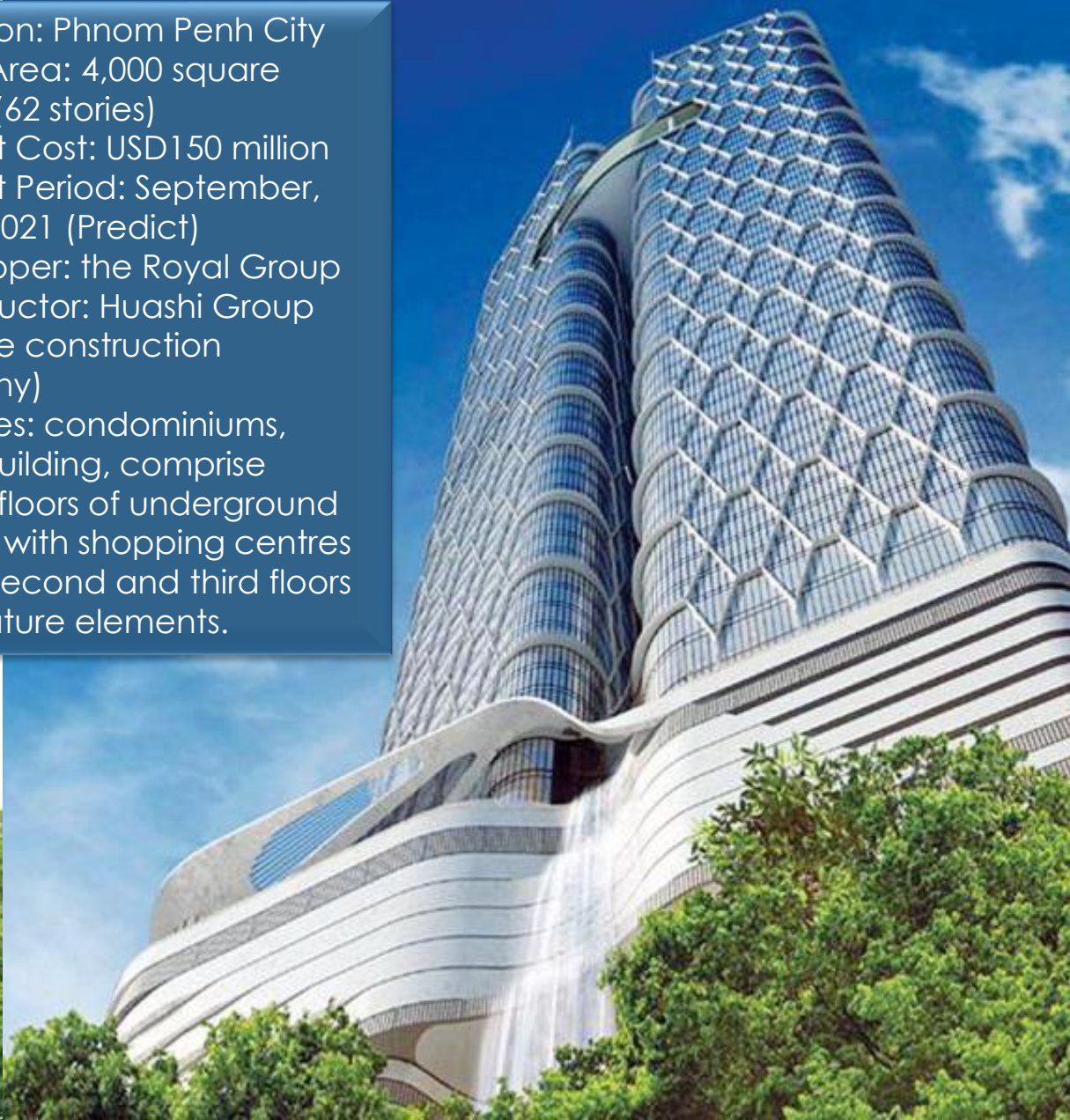
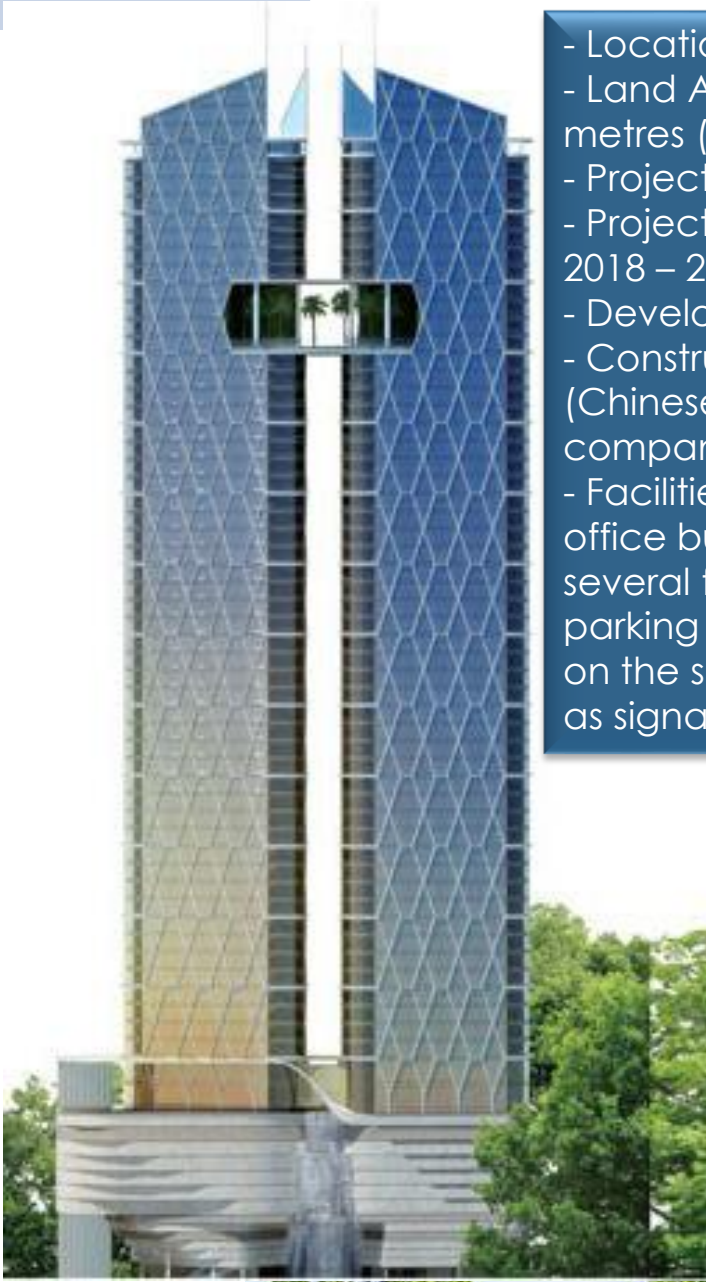


- Location: Phnom Penh City
- Land Area: 12670 Sqm (approximate)
- Storey: 55-stories
- Project Period: 2018 – 2020 (Estimate)
- Developer: OXley Gem (Cambodia) Co Ltd and Worldbridge Land (Cambodia) Co.,Ltd
- Facilities: residences, shops, restaurants, offices, and hotel.



OTK Royal One

- Location: Phnom Penh City
- Land Area: 4,000 square metres (62 stories)
- Project Cost: USD150 million
- Project Period: September, 2018 – 2021 (Predict)
- Developer: the Royal Group
- Constructor: Huashi Group (Chinese construction company)
- Facilities: condominiums, office building, comprise several floors of underground parking with shopping centres on the second and third floors as signature elements.



Prince Real Estate Commercial Complex



- Location: Phnom Penh, Sihanoukville, and Siem Reap.
- Project Period: 10 year
- Cost: US\$6 billion
- Land Area: over 400 hectares
- Developer: Prince Real Estate Group (Cambodia)
- Facilities: residential buildings, condominiums, hotels, offices, mixed-used developments, tourist attractions, supermarkets, restaurants, and more.



The City Gate



- Location: Phnom Penh
- Land Area: 9 hectares
- Rental Period: 50 years, from June 29, 2018 to June 28, 2068 (Land Rent From Government)
- Developer: Chean Chhoeng Thai Group
- Facilities: a mixed commercial complex comprising of an art centre, office building, cultural centre, water park, floating market, playground and public park, Phnom Penh smart centre, technology office, consolidated residential building, modern innovation building, a five-star hotel.
- Infrastructural Cost: embankments, pavements, and roads (US\$30 million), administration building (US\$11 million), two new multi-purpose terminals worth (US\$30 million)



Cambodia Construction Industry Expo

CAMBODIA CONSTRUCTION SUMMIT & EXPO2018

柬埔寨建造業博覽會

29th Nov - 1st Dec 2018



INVITATION

You are all cordially invited and welcome to join the Cambodia Construction Industry Expo.

The event host on 29th Nov – 1st Dec 2018,
from 8 : 00am to 19 : 00pm
at Diamond Island Convention and Exhibition Center.

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Thank You !