

The CHINESE-CAMBODIAN Community of Shared Future

—Toward Diamond Cooperation Framework in New Era—



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—Toward Diamond Cooperation Framework in New Era



CIVIL SOCIETY ALLIANCE FORUM

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Preface

The historical ties between Cambodia and China have withstood the test of time and deeply rooted in cultural and economic connections spanning several centuries. In the 1990s, guided by wise leadership from the late King Father His Majesty Preah Bat Samdech Preah Norodom Sihanouk and the former Prime Minister Samdech Akka Moha Sena Padei Techo Hun Sen, the two nations embarked on a renewed era of cooperation, driven by a mutual dedication to fostering peace, stability, and economic prosperity in both countries and in the region and beyond.

Cambodia has played a crucial role in advancing regional security and stability. The country works closely with China and other partners to address pressing challenges, including terrorism, climate change, and cybersecurity. Cambodia's steadfast support for multilateralism and rules-based international order has furthered the cause of peace, stability, and growth in the region.

Under the wise direction of the Royal Government of Cambodia, Cambodia has emerged as an important partner in the Belt and Road Initiative—a strategy initiated by China aiming to connect Asia with Europe and Africa for stimulating economic growth, increasing trade, and improving regional integration. Through this initiative, China's investments in infrastructure development have not only propelled economic growth and job creation but have also contributed to connecting people to people between China and participating countries including Cambodia.

As part of the people-to-people bond promotion between Cambodia and China, the Civil Society Alliance Forum, under chairmanship of H.E KEMREAT Viseth, has collaborated with the China NGO Network for International Exchanges and has been extensively engaged with the China Foundation for Peace and Development on both short-term and long-term projects since 2017, including the construction of school buildings, digging water wells, providing school kits, vaccines, Covid-19 equipment, and supporting other poverty reduction initiatives in Tanorn village, Daung commune, Bati district, Takeo province. This research project on the Chinese-Cambodia Community of Shared Future is a new CSAF's endeavor to promote academic exchange on relation and cooperation between Cambodia and China and contributes as part of people-to-people exchange program.

This book serves as a testament to the enduring friendship between Cambodia and China, celebrating the numerous accomplishments achieved over the past three decades. It underscores the shared values and common objectives that have united

these two nations, emphasizing the significance of cooperation and collaboration in shaping a more promising future for all.

Comprising several sections, the book delves into various aspects of the Cambodia-China relationship. The initial section offers a historical overview, tracing the roots of the relationship from ancient times to key milestones in the modern era. Subsequent sections explore economic ties, political collaboration, and cultural exchanges, highlighting the sharing of rich cultural heritage.

Looking ahead, this book anticipates numerous opportunities for further cooperation and collaboration between Cambodia and China. It recognizes the challenges on the horizon, including issues like poverty, inequality, and environmental degradation. Emphasizing the crucial role of ongoing cooperation in addressing these challenges, the book remains optimistic about building a more prosperous and stable future for both nations and the broader region.

In conclusion, this book encapsulates the robust and enduring bond between Cambodia and China, celebrating the achievements of the past 30 years. It serves as a reminder of shared values and common goals, underlining the importance of cooperation and collaboration in forging a brighter future for all stakeholders. Looking forward, there is confidence that the Cambodia-China relations will not only endure but thrive, bringing prosperity and stability to both nations and the region at large.



Vongsey Vissoth

Permanent Deputy Prime Minister

Minister in charge of the Office of the Council of Ministers

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In the tapestry of crafting this literary endeavor, our deepest appreciation and admiration unfurls towards Dr. SOK Siphana, whose editorial prowess has been an indispensable beacon. Dr. Siphana's unwavering dedication, profound expertise, and relentless pursuit of excellence have been instrumental in sculpting the essence of this book, elevating it to the pinnacle of quality.

A heartfelt acknowledgment extends to the esteemed authors and the diligent peer reviewers whose narratives grace the pages of this book. Their insightful contributions weave a rich tapestry, providing profound perspectives on the Chinese-Cambodian Community of Shared Future.

Our heartfelt admiration to H.E KEMREAT Viseth, Chairman of the Board of the Civil Society Alliance Forum, for his wise guidance and dedication from beginning of the book until publishing and the dedicated staff of the Civil Society Alliance Forum, our profound appreciation resonates. Their meticulous efforts in refining and expediting the publication process have been the cornerstone of this literary journey. We express our deep thanks for their invaluable support in bringing this book to fruition.

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PART I

INTRODUCTION

Chapter 1

THE MAKING OF AN IRONCLAD FRIENDSHIP: A TRIBUTE TO 30 YEARS OF CAMBODIA-CHINA MOST COMPREHENSIVE BILATERAL RELATIONS UNDER PRIME MINISTER SAMDECH TECO HUN SEN

By Dr. SOK Siphana

I. Riding The Unique Sino-Khmer Relationship

Seven centuries ago, a Chinese envoy named Zhou Daguan from the Yuan Dynasty visited Angkor of the Khmer Empire and lived there for a year from 1296 to 1297. During this time, he recorded in his famous book, called “A Record of Cambodia: The Land and Its People,” the culture of the Cambodian people during the magnificent Angkorian period. This book inspired greater awareness of the Cambodian civilization for many generations to come. Fast forward to the last century, this historic ties between Cambodia and China was rekindled when the late Chinese Premier Zhou Enlai befriended Preah Borom Rotanak Kaudh, the Late King-Father of Cambodia, at the Bandung Conference in Indonesia in 1958. Cambodia has since enjoyed a unique and special position in the annals of China’s foreign policy.

This historic bond, nurtured by subsequent generations’ leaders, has grown from strength to strength and evolved into the present-day “ironclad friendship.” The frequent visits to China by His Majesty Preah Bat Samdech Preah Boromneath Norodom Sihamoni, King of Cambodia, and Her Majesty Queen Mother Norodom Monineath Sihanouk, have further blessed this long-standing friendship.

The foundation of this profound political trust was furthermore driven by the commitment of Samdech Techo Prime Minister Hun Sen, who endeavored to further cultivate it to the maximum extent over the past thirty years. At that time, not only was Cambodia a least developed country, but it was also a post-conflict country, having just emerged from decades of war and civil unrest. Notwithstanding some modest achievements over the last three decades in rebuilding the country, massive development challenges still remained. Over the years, Cambodia was able to gradually harness many external resources to implement its development policy and alleviate poverty throughout the country. Nowadays, Cambodia is a peaceful country, drawing its immense pride from its decade-long political stability and sustained economic growth.

The year 2023 marks the celebration of the 65th Anniversary of the establishment of Cambodia-China diplomatic relations, the same year Prime Minister Samdech Moha Bovor Thipadei Hun Manet took over the leadership of the country. It is expected that he will set the stage for an exciting transformative chapter in China-Cambodia relations, building on the 30-year-old solid foundation as set by Samdech Techo Prime Minister Hun Sen.

II. How It All Begun

Samdech Techo Hun Sen initiated a series of visit exchanges to China beginning in 1997 to strengthen political ties between the two countries. Since then, he has visited China 15 times –some as official visits, others as working visits, with his most recent one taking place in February 2023. Vice versa, President Jiang Zemin became the first Chinese head of state to visit Cambodia in 2000, followed by Chairman Li Peng of the National People’s Congress in 2001, and Premier Zhu Rongji in 2002. Chinese President Hu Jintao also visited the Kingdom in 2012. In October 2016, he was honored with the state visit to Cambodia by President Xi Jinping himself. Many other high-level visits have also taken place, including the recent one by Premier Li Keqiang, who attended the 40th-41st ASEAN Summit and Related Summits in Phnom Penh in 2022.

As per past practices, in each visit many bilateral documents, whether in the forms of MoUs, grants, or loan agreements, were signed, covering various fields of cooperation ranging from climate change, agriculture, customs, technology, traditional Chinese medicine, education, and infrastructure.

In 2006, the two countries raised their bilateral relations to a comprehensive partnership of cooperation and upgraded it to a Comprehensive Strategic Partnership in 2010. As China’s Comprehensive Strategic Partner, policy synergy has allowed Samdech Techo to concentrate on development priority areas with substantive cooperation and concrete development projects that have enormously boosted Cambodia’s economic activities. With the uplifting of this traditional bond to its highest level, the two countries moved up one more notch to sign, in April 2019, the “Action Plan 2019-2023 on Building China-Cambodia Community of Shared Future.”

III. A Helping Hand at Times of Need

Trade between Cambodia and China has increased over the years, especially after Cambodia became a member of ASEAN in 1999. However, the decision by the European Union in February 2018 to launch a six-month monitoring period to determine whether Cambodian exports should continue to enjoy tax-free entry into the European market under the Everything but Arms (EBA) scheme prompted Samdech Techo to reach out to China to lessen Cambodia's reliance on market access in the West. As background, following the Cambodian People's Party's overwhelming victory of the general election in 2018 and the Supreme Court's dissolution of the main opposition Cambodia National Rescue Party (CNRP), the U.S. announced visa bans on individuals seen as limiting democracy in the country as part of a series of measures aimed at pressuring Cambodia to reverse course. The EU followed suit by starting the process of removing the EBA preferential trade scheme for Cambodian exports.

With both the World Bank and the Asian Development Bank indicating that the EBA suspension was a key external risk that could negatively impact Cambodia's economic prospects, Premier Li Keqiang had indicated his clear willingness to help Cambodia. One of its best initiatives was the start of an aggressive negotiation process to conclude the Cambodia-China Free Trade Agreement (CCFTA). Less than one year later, the CCFTA was signed on 12 October 2020 during the official visit of Chinese State Council and Foreign Minister Wang Yi. The agreement, which entered into force on 1 January 2022, has led to an increase of the trade volume which is expected to reach more than USD 10 billion by 2023. During the 6th Cambodia-China Inter-Governmental Coordination Committee (IGCC) meeting, Cambodia and China committed to accelerating the implementation of the CCFTA and the Regional Comprehensive Economic Partnership (RCEP) to increase their bilateral trade to USD 15 billion by 2025.

As China became a superpower in Southeast Asia, Samdech Techo has played as well an important role in promoting ASEAN-China relations through collective efforts to link regional connectivity under the Master Plan on ASEAN Connectivity (MPAC) 2025 with the Belt and Road Initiative (BRI), optimizing greater flows of goods, services, and people. For its part, the ASEAN-China Free Trade Agreement (ACTFA), and the RCEP have reinforced the foundation for long-term economic growth. Coincidentally, the RCEP, which was launched during Cambodia's second ASEAN chairmanship and entered into force 10 years later during its third chairmanship in 2022, has the potential to strengthen the country's industrial value chain and enhance its competitiveness.

IV. Cambodia and the Belt and Road Initiative (BRI)

But of all the bilateral, regional, and multilateral initiatives that Cambodia and China have with each other, Samdech Techo was most praiseful of the BRI. On the margin of the second Belt and Road Forum for International Cooperation (BRF), which China held to strengthen infrastructure, trade, and investment links with 154 countries and international organizations, he said:

”

“It is a model of international development cooperation that the world needs to jointly build it. Cambodia is willing to align its National Strategic Development Plan and its Rectangular Strategy Phase IV with the BRI to push for more achievements of the China-Cambodia cooperation.”

For that matter, about two years earlier in May 2017, Cambodia has signed the “Outline of Bilateral Cooperation Plan to Jointly Build the Silk Road Economic Belt and the 21st Century Maritime Silk Road”. Since then, the BRI has delivered many outstanding achievements to show the world, from the construction of the new Siem Reap International Airport to the development of the Sihanoukville Special Economic Zone. More recently, in November 2022, Premier Li Keqiang and Samdech Techo presided over the inauguration of the Phnom Penh-Sihanoukville Expressway. The construction of Phnom Penh-Bavet Express Way was also expected to be inaugurated in June 2023. In October 2023, China celebrated the 10th anniversary of the BRI, and Samdech Moha Bovor Thipadei Hun Manet joined the third BRF as Samdech Techo did in the past. As the world currently faces increasing global uncertainty, with protectionism and unilateralism continuing to creep in, and the prospect of a global economic crisis looming large, the BRI has proven to be a beneficial platform to strengthen connectivity and promote shared growth, especially during the post-pandemic era.

In hindsight, one could say that Cambodia is a good example of the success of the BRI in terms of bringing new development opportunities and pragmatic cooperation through its various features.

The First Feature is Policy Linkage: The BRI approach is about getting the right “Policy Synergy” to secure a closer partnership. During the state visit of President Xi in October 2016, both countries agreed to coordinate the BRI and the 13th Five-Year Plan with Cambodia’s Rectangular Strategy and the Industrial Development Policy 2015-2025 (IDP). On that day, China and Cambodia signed 31 cooperation documents to speed up the implementation of the BRI in Cambodia. In January 2018, Premier Li Keqiang attended the signing ceremony of

another 19 cooperation documents jointly with Samdech Techo. One year later in 2019, on the margin of the 2nd BRF, the “Action Plan to build the Community of Common Destiny” was also signed. All these actions are a great testimonial of the importance that both countries attach to the BRI.

The Second Feature is Connectivity: There is a need for China to improve its cross-border transportation infrastructure with its neighboring countries. As an old adage says: “A big ship also needs a small tugboat to help it moor.” To that effect, Cambodia has benefited quite substantially from many BRI infrastructure projects. According to the Ministry of Public Works and Transport, the roads and bridges already completed, under construction and to be constructed under grant assistance and preferential loans provided by China, are around 3,295 km in total at a cost of about USD 2.5 billion, including the Phnom Penh – Sihanoukville Expressway BOT Project. Moreover, the construction of the new Siem Reap International Airport and the Phnom Penh International Airport, the port container terminals, the new power plants and hydropower plants, are all in full swing. All these significant infrastructure projects will make Cambodia more competitive in its efforts to further attract FDI and improve its industrial productivity.

The Third Feature is Trade and Investment: Trade and investment have the potentials to unleash enormous business opportunities for both countries. After Cambodia’s accession to the World Trade Organization (WTO) in 2004, it became one of the fast-growing economies and one of the important players in the Mekong region. Trade volume grew from a low level in the pre-BRI period to a whopping USD 11 billion in 2022. After Cambodia’s successful conclusion of the CCFTA, with China being its first bilateral FTA partner, new market access was opened for hundreds of new Cambodian exports to the Chinese market and both countries have committed to boosting their bilateral trade to USD 15 billion by 2025. The RCEP, which has entered into force also in 2022, will certainly act as a big booster in the area of trade and investment for Cambodia in addition to the ongoing implementation of the ASEAN-China Free Trade Area (ACFTA).

During the 3rd Mekong-Lancang Cooperation Leaders’ Meeting in 2020, Samdech Techo expressed his full support to Premier Li Keqiang’s proposal to import more quality agro-products and livestock from Cambodia. In this connection, Cambodia’s bananas, mangos, Pailin longan, fragrant coconut, and other agricultural products have continuously entered the Chinese market, significantly alleviating poverty for many Cambodian farmers amidst the COVID-19 pandemic. Investment wise, China has invested heavily in Cambodia in many sectors, including garments, textiles, hotels and resorts, food processing, industrial parks, power plants, and cement plants, with a direct impact on the country’s economic development.

The Fourth Feature is about Official Development Assistance (ODA): The BRI is the largest source of development assistance for Cambodia’s physical infrastructure buildup. In addition to the long list of major infrastructure projects mentioned earlier, there are many other outstanding achievements like the Morodok Techo National Stadium, the Cambodia-China Friendship Tboung Khmum Hospital, and the China-aided medical building at the Cambodia-China Friendship Preah Kossamak Hospital.

The Fifth Feature is about People: Promoting people-to-people exchanges is another element of a long-term foundation of the BRI. Cooperation in science, education, culture, tourism, and health cooperation were undertaken by various friendship associations, youth organizations, think tanks, media, and non-governmental organizations to enhance the dynamics of people-to-people interactions. Samdech Techo supported the operation of Chinese cultural centers, like the Confucius Institutes, as well as other tourism exchange programs to promote the cultural heritage of both countries. Prior to the COVID-19 crisis, the year 2019 was designated as “Cambodia-China Year of Culture and Tourism”. It was a time when the tourism industry was thriving, with six Cambodian airlines operating to 34 Chinese major cities with 220 flights per week. Vice versa 16 Chinese airlines also operated to 18 Chinese major cities with 195 flights per week.

On 5 February 2020, Samdech Techo made a surprise overnight visit to Beijing amidst the COVID-19 outbreak to showcase his political support, solidarity, and trust in China’s fight against the epidemic. President Xi told Samdech Techo in their meeting that “a friend in need is a friend in deed as the Cambodian people stands with the Chinese people during this critical moment”. In response, China was the first country to provide Cambodia with COVID-19 vaccines and medical equipment, as well as dispatching Chinese medical experts to Cambodia.

V. The New Three Globals: GDI, GSI and GCI

During the General Debate of the 76th Session of the United Nations General Assembly, President Xi proposed a Global Development Initiative (GDI), which aims to pool global efforts to tackle common challenges by revitalizing global partnerships and reactivating development cooperation to deliver on the SDGs. Subsequently, Samdech Techo offered his support to the initiative and joined as a founding member of the Group of Friends of GDI. On 4 August 2022, China raised another initiative called the Global Security Initiative (GSI) at the ASEAN Post Ministerial Conference with China, and during the official visit of Samdech Techo to China on February 2023, he offered his support to this new initiative and stood ready to work with China on global security governance aiming at eliminating

the root causes of international conflicts and encouraging joint international efforts to bring stability and promote durable peace and development in the world. On 15 March 2023 at the Chinese Communist Party High-Level Dialogue with World Political Parties, President Xi announced the launch of his third Global, the Global Civilization Initiative (GCI), where he advocated respect for the diversity of civilizations against the idea of “universal values” that he sees as fundamentally western notion. These three flagship initiatives are China’s newest reflection of some conceptual backbone to a more globally engaged China, which he counted on the support of the world and certainly of Cambodia.

VI. Conclusion

In sum, Cambodia’s adherence to the “One-China Policy” and Samdech Techo’s support from the very start of the BRI have brought many benefits for Cambodia and enabled it to pursue its own development path that is suitable to its national conditions. For Samdech Techo, the features offered under the BRI can provide him with enormous opportunities to focus on result-oriented and project-based cooperation, all aimed at bringing tangible benefits to the Cambodian people. He was one of the very first leaders who expressed openly his support for this initiative. In his view, China’s assistance to Cambodia is less complicated and without conditionality. His famous quote about China is “China is talking less but is doing a lot to help Cambodia.”

During the February 2023 visit, Samdech Techo agreed with China to develop a **“Diamond Hexagonal Cooperation Framework”** with six priority areas, including political cooperation, production capacity and quality, agriculture, energy, security and people-to-people exchanges. This is a continuation of his 30 year legacy which will last for many decades to come.



About the Author

On 22 August 2023, for the 7th mandate of the Royal Government of Cambodia, Dr. SOK Siphana was appointed as a full-fledged cabinet member with the rank of Senior Minister in charge of Special Missions related to multilateral economic and trade matters. Previously, he was appointed by Prime Minister Samdech Techo Hun Sen as Advisor to the Royal Government of Cambodia with the rank of Minister in August 2009 and reappointed as Senior Advisor in September 2018 with the rank of Senior Minister.

He serves currently as the Emeritus Chairman of the Board of the Asian Vision Institute (AVI), having led the organization since 2019 as its chairman. From 2011 to 2017, he serves as Chairman of the Cambodia Development Resource Institute (CDRI), Cambodia's oldest and prominent independent research institute. From 2010 to August 2023, he was a practicing attorney and the Founding Partner of SokSiphana & associates, a law and consulting firm specialized in international trade and corporate law in Phnom Penh. From 1999 to 2005, he served as Secretary of State at the Ministry of Commerce, where he acted as the lead negotiator in Cambodia's accession to the WTO. From 2005 to 2009 he served as Director at the International Trade Center (UNCTAD/WTO) in Geneva, Switzerland.

Dr. Sok is holder of a Juris Doctor (J.D.) from Widener University School of Law in Delaware, United States (1992), a Ph.D. from Bond University School of Law in Queensland, Australia (2009), and a "Docteur en Droit" from the Université de Paris II Panthéon-Assas, Paris, France (2022). He was appointed by His Majesty King Norodom Sihamoni as a full-fledged member of the Royal Academy of Cambodia with a lifetime Royal Title of Academician on 13 October 2022 as well as a full professorship on 20 July 2023.

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PART II

**BACKGROUND OF THE CHINA-
CAMBODIA COMMUNITY OF
SHARED FUTURE**

Chapter 2

XI JINPING'S PROPOSED CONCEPT OF A HUMAN COMMUNITY OF SHARED FUTURE

By Dr. CHEA Munyrith

I. Introduction

The world today is facing major changes and full of uncertainties unseen in past centuries. As people look forward to the future, at the same time, they feel confused about it. A small number of countries have recently engaged in unilateralism, protectionism, and hegemonism, posing great threats to world peace and development. New security issues such as terrorism, climate change, and cybersecurity have emerged one after another, challenging and testing the international community. Mankind is once again standing at a crossroads, and one wonders what kind of world to build and how to build it, through cooperation or confrontation, through openness and isolation. Will it generate mutual benefits or a zero-sum game?

The answers to these questions are not only related to the interests of nations, but they certainly pertain to the future of mankind. With the responsibility and foresight of a politician and strategist, Chinese President Xi Jinping has grasped this existentialist issue and ponders the future and destiny of mankind. He has initiated the concept Human Community of Shared Future, driven by the aim of maintaining world peace and promoting common development. President Xi proposed this concept at the Moscow State Institute of International Relations on March 2013 and reiterated again in a speech to the World Economic Forum in Davos, Switzerland, in January 2017. China's concept is based on practical actions, which shifted the vision into concrete reality, with the backing of a broad consensus of solidarity and cooperation at the international stage. He quoted:

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“The tide of history is mighty; those who follow it will prosper, while those who go against it will perish. To keep up with the progress of times, one could not physically live in the 21st century while maintaining the mindset of the past, in the old era of colonial expansion, in the old framework of the Cold War mentality and a zero-sum game.”

II. Xi Jinping's Global Peace and Development Philosophy

The Chinese nation has always emphasized harmony over difference, concerted effort and mutual cooperation, as well as advocated a vision of “The world belongs to all” and “The earth is our common home.” Human beings live in the same global village and building Human Community of Shared Future is the core principle of President Xi's philosophy. It embodies China's global vision, as well as its spirit to shoulder its development responsibility for the world.

President Xi's wisdom lies in preventing a clash of civilizations, as the Chinese people realized that “all living things grow in harmony without harming one another and that a man pursuing his own success should also help others succeed.” With this inclusive mindset and drawing on the strengths of other civilizations, China has attempted to promote exchanges and mutual learning in this increasingly divided world by breaking down barriers of prejudice and selfishness for the common good of mankind. With an open mind, China always draws on the strengths of other civilizations. And with a broad vision for the common good of mankind, China always shares with others its experience in promoting Chinese modernization.

In President Xi's view, to build a Human Community of Shared Future, first and foremost, the world must uphold the notion of sovereign equality, dialogue, and coordination. Sovereign equality is the most important criterion for regulating the relationship between states, as all countries, big or small, strong or weak, rich or poor, are equal. The right of people of all countries to choose their own development path should be respected, and interference in the internal affairs of other countries should be opposed. Dialogue and consultation are effective tools for resolving differences; countries should respect each other and negotiate on an equal footing, without resorting to the Cold War mentality and refraining from hegemonic supremacy and coercion. No country can launch a war at will, nor can it undermine the international rule of law.

Second, the world must thrive through joint contribution, shared benefits, and win-win cooperation. All countries should adhere to the concept of mutual benefits, and promote an open, inclusive, balanced, and win-win economic globalization. They should jointly advance development so that everyone could enjoy prosperity and well-being. Only when all countries develop together can the world develop better. The practice of harming others for its own self-interest is neither ethical nor sustainable.

Third, the world must remain open, tolerant, and welcoming of exchanges and mutual learning. A Chinese saying goes “the sea admits hundreds of rivers for its

capacity to hold; a person is great when he can be tolerant and forgiving to others.” The prosperity of civilization and the progress of mankind cannot take place without these principles, and different civilizations can co-exist in harmony and complement each other to provide spiritual strength for human development.

President Xi’s Philosophy will keep China policies consistent, and its development strategy will provide new energy to sustain the concept of Human Community of Shared Future. For that to happen, we believe that first, China will stay firmly committed to maintaining mutual respect with all countries, through friendly cooperation and interactions, while avoiding bloc-based small circles. Its Global Security Initiative will contribute to making global security rules to facilitate peace talks and provide good offices and mediation in the context of a new regional and global security architecture that addresses the aspirations and accommodates the interests of all sides.

Secondly, win-win cooperation on high-quality development and high-standard global industrial and supply chains under the Global Development Initiative will foster greater synergy for developing countries to accelerate the implementation of the 2030 Agenda for Sustainable Development. China will host **the third Belt and Road Forum for International Cooperation** this year, and it will certainly use this opportunity to renew its friendship and advance development with other BRI partners to expand and extend the benefits to the world and humanity.

Thirdly, fairness and justice can only come from adhering to the principles of inclusive consultation and joint contribution to generate shared benefits in global governance, undergirded by the UN Charter. China should provide more international public goods to address global challenges through cooperation and coordination with people of all countries.

Through the Global Civilization Initiative, China should advocate greater exchanges and mutual learning among civilizations to bolster mutual understanding among people of all countries.

III. From Xi’s Philosophy to Global Principle

China is a part of the world. China’s development cannot be separated from the world, and the world’s development also needs China. China and the world are a community of shared future. China is willing to work with other countries in the world to promote the building of a new type of international relations and Human Community of Shared Future, to jointly build a better world and create a better future.

While advocating the concept «Human Community of Shared Future», Chinese President Xi Jinping pioneered the building of a new type of international relations featuring mutual respect, fairness, justice, and win-win cooperation. Building Human Community of Shared Future is the goal and direction, and building a new type of international relations is the prerequisite and path. It is a new path for state-to-state exchanges that leads to and creates conditions for Human Community of Shared Future.

Constructing a new type of international relations is the prerequisite and path for the concept «Human Community of Shared Future». In the complex and changing international relations, how countries should get along, what rules should be followed, and what kind of international relations should be constructed have always been important issues in the history of modern international relations. To build a new type of international relations means that all countries and the people should enjoy dignity, development results, and security. The future of the world should be controlled by the people of all countries, international rules should be written by all countries, global affairs should be governed by all countries, and development results should be shared by all countries.

Any country that continues to modernize should adhere to the concept of unity, cooperation and common development and adhere to the path for the concept «Human Community of Shared Future», sharing and win-win cooperation. Developed countries should sincerely help other countries to develop, because blowing out other people's lamps does not make us brighter, and obstructing the development path of others will not allow you to move faster also.

With the multi-polarization of the world, in-depth development of economic globalization, cultural diversification, and continuous advancement of social informatization, mankind today has more conditions than ever to move towards the goal of peace and development, and win-win cooperation is the realistic approach to achieve these goals. Any unilateralism, protectionism, and extreme self-interest are totally unworkable; any soloist, hegemonic and bullying behavior is totally unworkable.

Over the past ten years, China has taken practical actions to promote the building of Human Community of Shared Future, transformed ideas into actions, and transformed visions into reality. It has gathered broad consensus on solidarity and cooperation in the international community, gathered a strong joint force to deal with challenges, and opened up a new era of building a better future. The bright future of the world has become an important source of deterministic power to promote lasting peace and common prosperity in the world. Facts have fully proved that «Human Community of Shared Future» is the future of the people of all

countries in the world, and it is the right way and the trend of the times. Only by holding high the banner of «Human Community of Shared Future», adhering to a shared destiny and solidarity, transcending conflict and confrontation with peaceful development, replacing absolute security with common security, abandoning zero-sum games with mutual benefit and win-win results, preventing civilizational conflicts through exchanges and mutual learning, and caring for the earth home with green development, prosperity can last, and security can be guaranteed¹.

The concept «Human Community of Shared Future» is promoting the earth to become a global village where all countries live in harmony. In order to realize this beautiful vision, President Xi Jinping has put forward four major initiatives, forming «one platform and three pillars» for «A Community of Shared Future for Mankind»: «Belt and Road Initiative» proposed in September 2013, «Global Development Initiative» launched on September 21, 2021, «Global Security Initiative» on April 21, 2022, and March 15, 2023 «Global Civilization Initiative».

“All countries in the world are on a big ship with a shared destiny, and they must work together in the same boat to sail through the stormy waves and sail towards a bright future. All nations must paddle together, and there must be no attempt to throw anyone overboard. The international community has developed into a complex, exquisite and organically integrated machine. The removal of a part will make the operation of the whole machine face serious difficulties.”². Over the past decade, the common values of peace, development, justice, democracy and freedom for humanity have become more and more ingrained in the hearts of more and more people, and we should all strive for a better world to become. China’s unique experience as a global model to lead us to a better future.

IV. Conclusion

The concept « Human Community of Shared Future » is a shining light of peace that will be passed down from generation to generation, attempting to bring all nations together on the path to sustainable development and civilization progress. China has always supported this philosophy of achieving an environmentally friendly development and win-win development guided by the way of Modernization Socialism with Chinese Characteristics.

¹ Wu Chuanbing: The Concept of Human Community with a Shared Future, delivered a speech at the Roundtable Discussion on «Human Community with a Shared Future—Promoting World Peace and Development» on 26th Jun 2023, Royal University of Fine Arts, Phnom Penh.

² <https://www.youtube.com/watch?v=402Tqx2MPMk>

China and Cambodia have always been good neighbors, good friends, and good partners, representing a model of international relations based on mutual respect and win-win cooperation. Amidst the ever-changing international situation aggravated by the COVID-19 pandemic, cooperation in various fields between the two countries has expanded, strategic mutual trust was deepened, and friendship between the peoples solidified. With the entry into force last year of the Regional Comprehensive Economic Partnership (RCEP) and the Cambodia-China Free Trade Agreement” (CCFTA) we see great trade and investment potentials emerging. In the ASEAN context, China-ASEAN relations have also moved up to a comprehensive strategic partnership, whereby President Xi proposed that China and ASEAN jointly build a home that is peaceful, stable, prosperous, beautiful and friendly, taking new steps toward a closer China-ASEAN community with a shared future. As a full-fledged member of ASEAN, Cambodia-China relations stand to gain similar development opportunities. I propose that we work together to actively contribute to the building of a Human Community of Shared Future, and jointly create a better tomorrow for Cambodia-China friendship and cooperation.



About the Author

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Born in 1978, graduated with a Ph.D. in Philosophy in 2011. From 2009 to 2017, he served as the Director of the Confucius Institute at the Royal Academy of Cambodia. He is currently the Project Consultant of the General Secretariat of the Senate and the Director of the Planning and Projects Department of the Civil Society Alliance Forum, The Office of the Council of the Ministers' Office. He is a member of the Board of Directors of the Cambodian-Chinese Friendship Association and the President of the Cambodian Chinese Evolution Researcher Association. He is fond of writing books and translation works.

He has devoted himself to the study of Sino-Cambodian relations over the years and actively promoted exchanges and cooperation between China and Cambodia in the fields of tourism, culture, education, and other important ideas such as “the connection between the people to People” in the “Belt and Road Initiative.” In 2011, the Cambodian version of “Chinese New Year Folklore” was published in Cambodia. In 2012, “The Millennium Friendship - The Ancient Times of the History of Sino-Cambodian Exchanges” was published in the Chinese-Cambodian version. In 2013, “Zhenla – Cambodian Culture History” was published in Chinese, English, and Cambodian versions. In 2016, “Sino-Cambodian Relations in the Sihanouk Era” was published. In 2017, he completed the translation and proofreading of the Cambodian version of “Xi Jinping, Governance of China” and made great efforts to promote the friendship between China and Cambodia in Cambodian society.

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Chapter 3

CHINA-ASEAN RELATIONS TOWARD BUILDING A COMMUNITY OF SHARED FUTURE

By Dr. NEAK Chandarith

I. Historical Context of China-ASEAN Cooperation

China's engagement with the Association of Southeast Asian Nations (ASEAN) has evolved over several decades, driven by a shared interest in regional stability, economic cooperation, and mutual benefits. The historical context provides a foundation for understanding the development of ASEAN-China relations and the subsequent alignment of the Belt and Road Initiative (BRI) and the ASEAN Connectivity Plan.

1. Development of ASEAN-China dialogue relations: The establishment of ASEAN-China dialogue relations can be traced back to July 1991 when China became ASEAN's full dialogue partner. This marked a significant milestone in regional cooperation, laying the groundwork for enhancing political, economic, and socio-cultural ties between China and the ten ASEAN member states. This dialogue gained momentum over the years, with the establishment of various mechanisms facilitating communication and cooperation. The annual ASEAN-China Summit serves as a platform to discuss regional issues and set the direction for ASEAN-China relations. The ASEAN-China Ministerial Meeting also enables foreign ministers to engage in constructive dialogue and explore areas of mutual interest. These high-level dialogue mechanisms cover a wide range of topics, including political and security issues, economic cooperation, social and cultural exchanges, and regional and international collaboration.

2. The joint declaration on ASEAN-China strategic partnership: This instrument, signed in 2003, aimed to elevate the bilateral relationship to a higher level by establishing a comprehensive and mutually beneficial strategic partnership. It outlined key areas of cooperation, emphasizing the importance of political and security dialogue, economic cooperation, social and cultural exchanges, and regional and international collaboration. One crucial aspect was the deepening of economic integration between ASEAN and China, calling for enhanced trade and investment flows, the promotion of connectivity, infrastructure development, and cooperation in areas such as transportation, telecommunications, and energy. It also laid the foundation for subsequent initiatives, such as the linkage of the BRI and the ASEAN Master Plan on Connectivity.

II. Political and Security Cooperation

1. Treaty of Amity and Cooperation in Southeast Asia (TAC): This is a fundamental instrument for ASEAN and China in promoting peace, stability, and cooperation. The TAC provides a framework for maintaining harmonious relations and preventing conflicts, contributing to regional peace and stability. ASEAN and China have committed to respecting the sovereignty, territorial integrity, and independence of all nations. The treaty encourages the peaceful settlement of disputes and the promotion of dialogue and consultation.

2. Maintaining Peace and Stability in the South China Sea: ASEAN and China recognize the importance of maintaining peace and stability in the South China Sea. Efforts have been made to enhance dialogue, confidence-building measures, and cooperation in managing and addressing disputes related to the South China Sea. The adoption of the Declaration on the Conduct of Parties in the South China Sea (DOC) and the ongoing negotiations for a Code of Conduct (COC) aim to promote peace, stability, and the peaceful resolution of disputes in the region. These mechanisms provide a framework for ASEAN and China to manage their differences, uphold freedom of navigation, and promote the peaceful use of the South China Sea.

3. Enhancing Cooperation on Human Rights: ASEAN and China recognize the significance of promoting and protecting human rights. Their cooperation includes activities aimed at promoting awareness, understanding, and respect for human rights principles. They do so within the framework of the ASEAN Intergovernmental Commission on Human Rights (AICHR) and the China-ASEAN Senior Officials' Meeting on Transnational Crime (SOMTC), with these platforms providing opportunities for open and constructive discussions on human rights issues.

4. Combating Transnational Crimes and Non-Traditional Security Issues: ASEAN and China recognize the transnational nature of challenges such as terrorism, drug trafficking, cybercrime, and climate change, and the need for collective efforts to tackle these issues effectively. Cooperation in combating transnational crimes involves information sharing, capacity building, and joint operations.

III. Strengthening Economic Cooperation

1. Trade and Investment - Expanding Horizons for Mutual Prosperity: ASEAN-China relations have witnessed significant advancements in these areas, where China has become ASEAN's largest trading partner, and ASEAN is China's largest trading partner with the advent of the ASEAN-China Free Trade Agreement (ACFTA) in 2010. The ACFTA has resulted in the reduction and

elimination of tariffs on a wide range of goods, promoting trade liberalization and enhancing market access. The Regional Comprehensive Economic Partnership (RCEP), which entered into force in 2022, has further deepened economic integration and expanded market opportunities leading ASEAN to be already China's largest trading partner. It encompasses a larger regional market, covering a population of around 2.3 billion people and accounting for approximately 30% of the global GDP. This comprehensive agreement, which builds upon the existing ASEAN+1 FTAs, aims to liberalize trade further, enhance investment flows, and strengthen economic cooperation among the participating countries.

2. Connectivity and Infrastructure Development - Building Bridges for Regional Integration: Connectivity and infrastructure development have been key areas of focus in ASEAN-China relations, driven by the BRI, where China has invested enormously in various infrastructure projects such as transportation networks, energy facilities, and telecommunications systems. These investments have contributed to improving connectivity within ASEAN, enhancing the region's infrastructure capacity, and promoting economic growth.

3. Financial Cooperation - Enhancing Stability and Resilience: Strong financial systems and mechanisms are crucial for supporting economic growth, facilitating trade and investment, and mitigating financial risks. Efforts have been made to strengthen financial cooperation between ASEAN and China through various initiatives to promote greater financial integration by encouraging cross-border investment, facilitating capital flows, and supporting financial market development among the participating countries. In the areas of banking supervision, risk management, and financial technology (fintech), regulatory authorities and central banks have engaged in close collaboration aiming to strengthen the resilience and efficiency of financial systems.

4. Promoting Sustainable Development and Green Initiatives: ASEAN and China recognize the importance of sustainable development and environmental preservation in their economic cooperation. Huge efforts have been made to promote green initiatives, renewable energy, environmental conservation, and sustainable urban development through collaboration that includes sharing best practices, technology transfer, capacity building, and joint research. ASEAN and China have worked together on the preservation of natural resources, the reduction of carbon emissions, and the mobilization of green finance.

IV. Fostering People-To-People Exchanges

1. Cultural Exchanges and Tourism - Celebrating Diversity and Enhancing Understanding: Cultural exchanges and tourism play a vital role in enhancing mutual understanding, celebrating diversity, and strengthening people-to-people ties between ASEAN and China. Both regions recognize the importance of cultural diplomacy and the power of tourism in promoting cultural exchange and fostering

closer relationships. Through cultural exchanges, ASEAN and China promote the sharing of arts, traditions, and heritage. They organize cultural festivals, exhibitions, and performances showcasing the richness and diversity of their respective cultures. These events provide opportunities for artists, performers, and cultural practitioners to interact, collaborate, and deepen their understanding of each other's traditions.

2. Educational and Scholarly Exchanges - Promoting Knowledge Sharing and Intellectual Collaboration: Educational and scholarly exchanges are instrumental in promoting knowledge sharing, intellectual collaboration, and academic excellence between ASEAN and China. Both regions recognize the importance of investing in education and research to foster innovation, human capital development, and socioeconomic progress. Scholarships, exchange programs, and study tours are organized to enable students and scholars to pursue educational opportunities and gain exposure to different academic systems and cultures. This promotes cross-cultural understanding, language proficiency, and the exchange of ideas and best practices. Through educational and scholarly exchanges, ASEAN and China nurture a new generation of leaders, professionals, and scholars who possess a deep understanding of each other's societies, cultures, and perspectives.

3. Youth and Community Engagement - Empowering Future Generations: The potential of young people as agents of change and innovation is of great relevance for the future of ASEAN-China relations. Youth-focused programs are implemented to promote cross-cultural learning, leadership development, and community service. These initiatives foster friendship, mutual respect, and a sense of shared responsibility among the youth. By empowering future generations through youth and community engagement, ASEAN and China ensure the continuity of their strong bilateral relations.

4. Media and Communication - Facilitating Information Exchange and Public Diplomacy: Media and communication play a crucial role in fostering understanding, promoting dialogue, and facilitating public diplomacy between ASEAN and China. Both regions recognize the power of media in shaping perceptions, disseminating information, and building connections among their peoples. ASEAN and China promote media cooperation through the exchange of news, television programs, films, and documentaries, and these collaborations have contributed to the development of a more comprehensive understanding of regional issues and foster a balanced and nuanced portrayal of ASEAN-China relations.

5. Sports and Youth Exchanges - Promoting Sportsmanship and Cultural Understanding: Sports and youth exchanges serve as a platform for promoting sportsmanship, fostering cultural understanding, and building bridges between ASEAN and China. Both regions recognize the positive impact that sports can have on fostering friendship, promoting healthy lifestyles, and nurturing a spirit

of fair play. Sports events, tournaments, and friendly matches that bring together athletes, coaches, and sports enthusiasts from both regions are organized regularly. These activities provide opportunities for cultural exchange, skill development, and friendly competition. Sports diplomacy is leveraged as a tool to strengthen ASEAN-China relations.

V. Environmental Cooperation and Sustainable Development

1. Environmental Protection - Joint Efforts for a Greener Future:

Environmental protection is a shared priority for ASEAN and China, as both regions recognize the urgent need to address environmental challenges and work towards a greener and more sustainable future. Collaboration focuses on initiatives to tackle environmental issues such as pollution, deforestation, biodiversity loss, and habitat degradation. Efforts are made to enhance environmental governance and strengthen institutional frameworks for environmental management. Collaboration extends to joint research projects to explore innovative solutions, such as clean technologies, renewable energy, and eco-friendly practices, to reduce carbon emissions.

2. Climate Change Mitigation and Adaptation - Collaborative Strategies for Sustainability:

ASEAN and China recognize the urgency to mitigate the impact of climate change and have collaborated on mitigation and adaptation strategies to reduce greenhouse gas emissions, promote energy efficiency, and transition towards low-carbon and climate-resilient economies. They exchange knowledge and expertise on renewable energy development, clean technologies, and sustainable urban planning. Joint research and innovation projects are undertaken to find innovative solutions for climate change mitigation and adaptation.

3. Natural Resource Management - Balancing Economic Growth and Environmental Conservation:

Balancing economic growth and environmental conservation is a crucial aspect of sustainable development for both ASEAN and China. They have worked together to develop and implement policies, regulations, and guidelines for sustainable resource extraction, land use planning, and biodiversity conservation. They have also focused on activities that promote sustainable forestry practices, responsible mining, and the protection of critical habitats and endangered species, as well as combating illegal wildlife trade, promoting sustainable fisheries, and conserving marine ecosystems.

VI. Challenges and Opportunities in Building a Community of Shared Future

1. Geopolitical Dynamics and Power Balance: In building a community of shared future, ASEAN and China have faced various geopolitical dynamics due to competing interests, historical legacies, and ongoing territorial disputes. Managing these challenges requires diplomatic dialogue, mutual respect, and the commitment to peaceful resolution of conflicts. Building trust, promoting confidence-building measures, and enhancing regional security cooperation were initiated through fora such as the ASEAN Regional Forum (ARF) and the ASEAN-China Senior Officials' Meeting on the Implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC).

2. Economic Interdependence and Integration: Their economic interdependence presents challenges and opportunities as well in building a community of shared future. China's rise as a global economic power has led to increased trade and investment flows between the two regions with ASEAN becoming a significant trading partner and a destination for Chinese investments, and China benefiting from the region's abundant resources and growing consumer market. However, economic interdependence also brings challenges, such as competition for market access, protectionism, and economic imbalances. To that effect, the ACFTA and the BRI are two frameworks which attempt to enhance trade facilitation, connectivity, and economic cooperation.

3. Socio-Cultural Diversity and Understanding: ASEAN and China are two regions which are home to diverse ethnicities, languages, religions, and cultural traditions. Efforts are made to enhance cultural interactions and exchanges through initiatives such as cultural festivals, arts exhibitions, and cultural heritage preservation projects. Language and educational exchanges play a vital role in promoting mutual understanding and through scholarships, academic programs, and student exchanges cross-cultural learning are further promoted to enhance the richness of their respective cultures, traditions, and heritage.

4. Environmental Sustainability and Climate Change: ASEAN and China are vulnerable to the impacts of climate change, including rising sea levels, extreme weather events, and ecosystem degradation. China's commitment to carbon neutrality by 2060 is a significant step that supports ASEAN in its efforts to combat climate change. By working together to address environmental sustainability and climate change, ASEAN and China can foster shared future that prioritizes the protection of the environment, the preservation of natural resources, and the well-being of present and future generations.

VII. Policy Recommendations

To build a Community of Shared Future, both ASEAN and China should endeavor to implement the following measures. Achieving these goals will assure the success of their joint undertaking:

1. Strengthening Institutional Mechanisms and Dialogue Platforms:

- (a) Enhancing the role and effectiveness of existing mechanisms: Empower existing mechanisms like the ASEAN-China Joint Cooperation Committee (ACJCC) and the ASEAN-China Joint Working Group on the Implementation of the Declaration on the Conduct of Parties in the South China Sea (JWG-DOC) with adequate resources and authority to facilitate comprehensive dialogue and cooperation across various sectors.
- (b) Establishing new dialogue platforms: Consider new platforms to address emerging challenges, focusing on specific areas of cooperation, such as cybersecurity and the digital economy.
- (c) Strengthening people-to-people exchanges: Nurturing people-to-people exchanges to reinforce trust between ASEAN and China, a necessary condition to build lasting connections and a sense of shared identity and common values.

2. Promoting Trade and Investment Facilitation:

- (a) Streamlining trade procedures: Relentlessly pursue efforts to simplify and harmonize trade procedures, reduce non-tariff barriers, and increase transparency in customs processes to facilitate smoother trade flows and enhance the competitiveness of businesses in both regions.
- (b) Expanding market access: Make further efforts to liberalize trade and investment by deepening commitments under the ACFTA and the RCEP, and expanding the scope of preferential trade arrangements.
- (c) Promoting digital trade and e-commerce: In the post-pandemic era, promoting digital trade and e-commerce can lead to new sources of growth; however, there is a need to establish common standards, enhance digital infrastructure, and foster cross-border data flows.

3. Enhancing Socio-Cultural Exchanges and Cooperation:

- (a) Strengthening educational and language exchanges: Nurture a new generation of young leaders who are well-versed in each other's cultures and languages. Efforts should be made to continue promoting educational exchanges, scholarships, and student mobility programs.

- (b) Promoting tourism cooperation: Boost the tourism industry to deepen cultural understanding and foster people-to-people connections through joint marketing campaigns, tourism packages, and visa facilitation measures, among others.
- (c) Enhancing cultural preservation and exchanges: Continue showcasing each other's cultural diversity through the promotion of cultural heritage preservation projects, arts and cultural exhibitions, and cultural festivals.

4. Addressing Environmental Challenges and Promoting Sustainable Development:

- (a) Strengthening environmental cooperation: Further pursue collaboration in addressing environmental challenges through joint research and development projects, knowledge sharing on sustainable practices, and capacity-building programs.
- (b) Promoting green investments and technologies: Must provide incentives, promote public-private partnerships, and establish a favorable policy framework for green industries to encourage and facilitate green investments and the transfer of environmentally-friendly technologies. This is the only way ASEAN and China can accelerate the transition to a low-carbon and sustainable economy.
- (c) Strengthening climate resilience: Collaborate on building climate resilience, particularly in vulnerable sectors and regions like sustainable agriculture and farming techniques and biodiversity conservation, to ensure food security, preserve natural resources, and protect the rich biodiversity in the region. The protection of marine resources is another important aspect to address the threats of overfishing, marine pollution, and habitat degradation.

VIII. Conclusion

The ASEAN-China partnership holds immense potential for fostering regional stability, economic prosperity, and socio-cultural cooperation. Over the years, the relationship has evolved into a comprehensive strategic partnership, covering various areas of cooperation. As ASEAN and China move forward, it is crucial to build upon the achievements and further deepen their collaboration.

The policy recommendations outlined provide a roadmap for strengthening the ASEAN-China partnership across different dimensions. By strengthening institutional mechanisms and dialogue platforms, both regions can enhance their engagement and ensure effective communication and coordination. This will facilitate the resolution of challenges and the exploration of new opportunities.

In conclusion, the ASEAN-China partnership is poised to play a vital role in shaping the future of the Asia-Pacific region. By implementing the policy recommendations outlined, ASEAN and China can deepen their cooperation, address shared challenges, and seize opportunities for mutual benefit. With a commitment to dialogue, collaboration, and sustainable development, ASEAN and China can build a community of shared future and contribute to regional peace, stability, and prosperity.



About the Author

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PART III

**ACHIEVEMENTS OF BUILDING
CHINA-CAMBODIA
COMMUNITY OF SHARED
FUTURE**

Chapter 4

CAMBODIA-CHINA RELATIONS IN THE NEW ERA

By Dr. PO Sovinda

I. Introduction

The relationship between Cambodia and China has grown over time since 1958. Cambodia's historical ties with China began as early as the 13th century at the peak of our civilization in mainland Southeast Asia. During that time, the Yuan Dynasty dispatched its envoy to Angkor to observe and study the Khmer civilization, its culture, tradition, politics, society, and the way of life of the Khmer people. Soon after Cambodia gained independence from France in 1953, under the leadership of King Norodom Sihanouk, it cemented a strong relationship with China with the establishment of formal diplomatic ties. Since then, King Sihanouk visited China and met on numerous occasions with Mao Zedong and Zhou Enlai. Even after King Sihanouk was deposed after the coup in 1970, China, under Mao Zedong, continued to recognize him as Cambodia's legitimate leader.

In recent times, Cambodia-China relations have become more strategic as the world has gone through a period of uncertainty due to the power competition between the US and China. The relationship has been categorized as an ironclad friendship, with both countries pledging to defend each other's core interests concerning domestic affairs and the conduct of foreign policy. China was the first country to elevate its relations to the level of a comprehensive strategic partnership with Cambodia in 2013¹, with bilateral relations covering various fields of cooperation, ranging from political, economic, and socio-cultural. The following sections will discuss these elements in detail.

II. Political Relations

Since the end of Cambodia's civil war in 1993, Cambodia-China relations have been characterized by mutual interest and assistance. China became Cambodia's most trusted ally after the political instability in 1997, during which the World Bank and Western countries imposed some sanctions on Cambodia. China stepped in to provide

¹ Ministry of Foreign Affairs of the People's Republic of China. 2014. "Cambodia and China.", https://www.fmprc.gov.cn/eng/gbhdq_665435/2675_665437/2696_663396/

aid support to Cambodia¹, as well as other materials and equipment.² In 1999, China provided another US\$18 million as foreign assistance and a US\$200 million non-interest-bearing loan to help sustain the worsened Cambodian economy (Ibid.). As the political uncertainty persisted, foreign direct investment, which stood at US\$108 million in 1997, dropped to US\$90 million in 1998. Cambodia was in dire need of assistance to rehabilitate its devastated infrastructure following the total destruction by the Khmer Rouge regime.

China continued to increase its assistance in the organization of the election in 2018 despite the withdrawal of funds by the US and the EU, citing Cambodia's democratic backwardness.³ In 2022, China played a critical role in assisting Cambodia to host the 32nd Southeast Asian Game (SEA Games) with the aid of US\$160 million to construct the Morodok Techo National Stadium in 2013. The stadium is able to accommodate around 100,000 people and consists of playgrounds for basketball, volleyball, table tennis, football and facilities for athletes.⁴ Cambodia's successful hosting of the SEA Games has enabled Cambodia to raise its image on the international scene. At the spectacular opening ceremony of the SEA Games, Cambodia showcased its beautiful Apsara dance, Lbok Kator, Kun Khmer martial arts, and many other cultural practices that made Cambodian people proud of their culture.⁵

At the political party level, the relations between the CPP and the Communist Party of China (CPC) have also been intensified. Between 1996 and 2020, there were around 60 official delegations visiting each other's country, leading to the signing of numerous MoUs and agreements to deepen trust between the two political parties.⁶ Recently, after the landslide July 2023 election victory, President Xi Jinping immediately sent a congratulatory message to Prime Minister Hun Sen and the Central Committee of the CPP.⁷ In the same token, Cambodian leaders sent a similar message in October 2022 to congratulate President Xi for his re-election as CPC's Secretary General.⁸ These reciprocal gestures attest to the significance both sides attach to their bilateral relations.

¹ Jeldres, Julio A. 2012. "Cambodia's Relations with China: A steadfast friendship." In *Cambodia: Progress and Challenges Since 1991*, by Pou Sothirak, Geoff Wade and Mark Hong, 81-95. Singapore: ISEAS Publishing.

² Ibid.

³ Peou, Sorpong. "Cambodia in 2018." *Southeast Asian Affairs* (2019): 105-120.

⁴ Ismail, Vorajee. "SEA Games Stadium Construction to Begin Early." *Khmer Times*, March 3, 2013, <https://www.khmertimeskh.com/54849/sea-games-stadium-construction-to-begin-early/>

⁵ Cheang, Sopheng. "Cambodia's brand-new stadium hosts opening of SEA Games." *AP News*, May 5, 2023, <https://apnews.com/article/sea-games-cambodia-muay-thai-kickboxing-249025937474754880ead18b4eb5dd95>

⁶ Chheang, Vannarith. "Strong Party-to-Party Relations Cement Cambodia-China Bilateral Ties." ISEAS Yusof Ishak Institute, March 28, 2023, 2023/2023/22 "Strong Party-to-Party Relations Cement Cambodia-China Bilateral Ties" by Chheang Vannarith - ISEAS-Yusof Ishak Institute

⁷ The State Council The People's Republic of China. 2023. "Xi extends congratulations to Cambodia's Hun Sen on election victory." July 25, https://english.www.gov.cn/news/202307/25/content_WS64bf79d4ce6d0868f4e8de13a.html

⁸ Teng, Yalirozy. "PM Hun Sen and Son Hun Manet Congratulate President Xi Jinping." *Cambodianess*, October 24, 2022, <https://cambodianess.com/article/pm-hun-sen-and-son-hun-manet-congratulate-president-xi-jinping>.

The strengthening of party-to-party relations has enabled the two countries to better protect each other's interests. In February 2023, Cambodia and China co-issued a Joint Statement regarding the building of the Cambodia-China Community of Shared Future in the New Era, whereby Cambodia reiterated its "adherence to the One-China Policy." Cambodia also showed its support for China on regional and international issues, reiterating its position that the South China Sea issue is the concern of individual ASEAN countries and, as such, should be dealt with in a bilateral manner. In 2022, when Cambodia held the ASEAN Chairmanship, it was one of the few countries to protest against the visit to Taiwan by the US Speaker of the House of Representatives, the Honorable Pelosi Nancy, citing a violation of China's state sovereignty.

III. Economic Relations

Economically, China is Cambodia's largest trading partner and investor. Bilateral trade between the two countries reached US\$11.686 billion in 2022, with Cambodia exporting around US\$1.2 billion and importing around US\$10.4 billion from China.¹ Despite this significant trade deficit of approximately US\$9.2 billion, Cambodia still benefits greatly from trading with China, as most of the imports are goods used as inputs for export. Moreover, Cambodia's exports to China are primarily composed of agricultural goods. China is Cambodia's largest market for agricultural products such as rice, tanned fur skins, and bananas. In the first five months of 2023, Cambodia exported milled rice to China valued at around US\$77.42 million, constituting 42.43 percent of Cambodia's total export.² These increasing exports of agricultural goods have helped Cambodia reduce its poverty rate, as much as 57%, as most of the Cambodian people depend on the agricultural sector as their main source of income.³ Secondly, most of Cambodia's imported products from China are raw materials and equipment for garment factories, such as machinery, vehicles, electronics, medicines, and foodstuffs. These imported goods are very significant for Cambodia, as garment factories play a crucial role in boosting Cambodia's economy.⁴ It should be noted that the garment factories have provided thousands of jobs to the Cambodian people. As of 2023, garment and footwear factories have employed more than 800,000 people.⁵

¹ Hin, Pisei. "Exports to China soar 13% on bumper May." *The Phnom Penh Post*, 15 June, 2023, <https://www.phnompenhpost.com/business/exports-china-soar-13-bumper-may#:~:text=in%202022%2C%20Cambodia%20exports%20to,annual%20basis%20to%20%249.205%20billion>.

² Seng, Mengheng. "China and HK Cambodia's top rice exporter in the first five months of 2023." *Kiripost*, June 10, 2023, <https://kiripost.com/stories/china-and-hk-cambodias-top-rice-exporters-in-first-five-months-of-2023>

³ 50x2030. "Cambodia issues 2020 Agriculture Survey Report." September 28, 2022, <https://www.50x2030.org/news/cambodia-issues-2020-agriculture-survey-report>

⁴ Chheang, Vannarith. "Cambodia-China Free Trade Agreement: A Cambodian Perspective." *Fulcrum*, July 4, 2023, <https://fulcrum.sg/cambodia-china-free-trade-agreement-a-cambodian-perspective/#:~:text=Cambodia%20imports%20from%20China%20mainly,foodstuffs%2C%20electronics%2C%20and%20medicines>.

⁵ Sorn, Sarath & Run, Sreydeth. "Thousands of garment workers struggling to survive following mass factory closures." *Cambodia News*, April 3, 2023, <https://cambodianews.com/thousands-of-garment-workers-struggling-to-survive-following-mass-factory-closures/>

Cambodia is also one of the biggest recipients of China's Belt and Road Initiative (BRI). Various Chinese companies have invested in Cambodia, many of them involved in mega projects such as the US\$2 billion Phnom Penh-Sihanoukville Expressway, the US\$160 million Morodok Techo National Stadium, and the US\$3.8 billion Dara Sakor Project.¹ China has also invested in other key infrastructures such as the Sihanoukville Special Economic Zone (SSEZ), the Phnom Penh Autonomous Port of Phnom Penh, the Siem Reap International Airport, many bridges, as well as some 3,000 kilometers of road. It is important to note that 70% of roads and bridges in Cambodia are funded by China.² These infrastructure projects have certainly helped boost the country's economic growth through the enhancement of the country's transportation networks. For instance, the Phnom Penh-Sihanoukville Expressway reduces the travel time from five to two hours from Phnom Penh to Sihanoukville and vice versa, thus greatly benefiting Cambodia's production and logistics transport.³

China has provided assistance to help transform Sihanoukville into a potential hub for industrialization and supply chains. In 2008, a Chinese-Cambodian joint venture was formed to develop the Sihanoukville Special Economic Zone (SSEZ), which is the largest SEZ in Cambodia, covering 1,113 hectares of land.⁴ In the first ten months of 2022, the SSEZ has handled around US\$2 billion in international trade, an increase of 17% compared to the previous year.⁵ Currently, around 175 companies are operating within the SSEZ, most of them are Chinese companies.⁶ As the SSEZ is only 12 km away from the Sihanoukville Autonomous port, transportation is greatly facilitated.⁷ In fact, Sihanoukville shares similar characteristics to Shenzhen, which is China's most developed port city. With an increase in foreign direct investment in the SSEZ, it is expected that Sihanoukville will become Cambodia's hub for investment.

¹ Ngin, Chanrith. "Easy highway, troubled city: How China wins and loses Cambodians' hearts." Fulcrum, November 8, 2022, <https://fulcrum.sg/easy-highway-troubled-city-how-china-wins-and-loses-cambodians-hearts/>

² Construction & Property. "China helps Cambodia build over 3,000km of roads worth approx. US\$2 billion." December 27, 2022, <https://construction-property.com/china-helps-cambodia-build-more-than-3000-km-of-roads-at-a-cost-of-nearly-us2-billion/>

³ Ngin, Chanrith. "Easy highway, troubled city: How China wins and loses Cambodians' hearts." Fulcrum, November 8, 2022, <https://fulcrum.sg/easy-highway-troubled-city-how-china-wins-and-loses-cambodians-hearts/>

⁴ OpenDevelopment Cambodia. "Special Economic zones." August 4, 2015, <https://opendevdevelopmentcambodia.net/topics/special-economic-zones/>

⁵ Hi, Pisci. "SSEZ trade volume hits \$2B in 10 months." The Phnom Penh Post, November 15, 2022, <https://www.phnompenhpost.com/business/ssez-trade-volume-hits-2b-10-months>

⁶ Lin, Shujuan. "Sino-Cambodian Joint Venture changes lives for the better." China Daily, July 4, 2023, <http://epaper.chinadaily.com.cn/a/202307/04/WS64a3616fa3109411cfd8a05.html>

⁷ Xinhua News. "Chinese-invested Sihanoukville SEZ prepares for listing on Cambodia's bourse." June 20, 2019, http://www.xinhuanet.com/english/asiapacific/2019-06/20/c_138159425.htm

IV. Security Cooperation

Strategic considerations are one of the primary factors that have dictated past, current, and future Cambodia-China relations. China has provided military assistance, training and education programs, as well as conducted joint military exercises with Cambodia. Together, they have organized five joint naval military exercises (2016, 2018, 2019, 2020, and 2023). In early 2023, they signed 10 agreements covering military cooperation, including joint exercises, the provision of military equipment, and training programs.

V. People-To-People Relations

Good relations between Cambodia and China at the state level have always existed, but the connectivity between the two peoples is equally important. Both countries have endeavored to promote more cultural exchanges to increase the appreciation of their respective cultures by the other side.

In the pre-COVID period, there are around 250,000 Chinese nationals in Cambodia in 2019¹, with most of them running small and medium businesses. Around 80 percent of Chinese businesses are in Sihanoukville province.² In terms of tourism, Chinese tourists constituted the largest number of foreigners visiting Cambodia, accounting for 2.36 million visitors or 35.7% of Cambodia international tourists.³

The growth of Chinese tourists has enabled both countries to have a better understanding and tolerance of each other's cultures. Chinese culture has gradually penetrated Cambodian society as the number of Confucius Institutes continues to expand. By 2023, Cambodia hosted 23 branches of the Confucius Institute nationwide with around 140,000 students' annual intakes.⁴ These institutes have helped promote the Chinese language, cultural exchange, as well as people-to-people relations.⁵ Moreover, the assimilation of Chinese culture in Cambodia can be seen through the celebration of Chinese culture by the Cambodian people. Prior to 2010, the Chinese New Year was not widely celebrated in Cambodia, as it was only celebrated by families of Chinese ancestry. However, it has gained a lot of

¹ Tann, Sometha. "How Chinese money is changing Cambodia." *Made for minds*, August 22, 2019, <https://www.dw.com/en/how-chinese-money-is-changing-cambodia/a-50130240>

² Hin, Pisei. "Chinese own more than 90% of Sihanoukville businesses, says report." July 2, 2019, <https://www.phnompenhpost.com/business/chinese-own-more-90-sihanoukville-businesses-says-report>

³ Khmer Times. "Chinese top tourist arrivals in 2019." February 7, 2020, <https://www.khmertimeskh.com/688511/chinese-top-tourist-arrivals-in-2019/>

⁴ Fresh News. "Special report: over 3,000 Cambodian students graduate and study in China." July 15, 2020, <https://m.en.freshnewsasia.com/index.php/en/localnews/18807-2020-07-15-08-11-24.html>

⁵ Chheang, Vannarith. "Cambodia embraces China's controversial Confucius Institutes." *Fulcrum*, March 4, 2021, <https://fulcrum.sg/cambodia-embraces-chinas-controversial-confucius-institutes/>

traction lately in Cambodia, with the spokesman at the Cambodian Ministry of Culture and Fine Arts stating that there are at least over 60% of Cambodian people who celebrate Chinese New Year. This is an indication of the close bond between the Cambodian and Chinese people.¹

Other people-to-people relations between the two countries can be observed in the increase in scholarship opportunities that China has provided to Cambodian students. In 2021, the Chinese government provided 550 scholarships for Cambodian students to study in China for five years.² Currently, there are around 2,000 Cambodian students studying in China, with around 300 of them graduating annually.³ The increasing number of Cambodian students studying in China will help strengthen cultural understanding and the people-to-people ties between the two countries. As a developing country, education is key to Cambodia's future growth and prosperity. By allowing Cambodian students to study in China under full scholarships, China is able to nourish future generations to contribute to the development of Cambodia.

VI. Conclusion

Overall, Cambodia-China ties have reached a higher level, driven by mutual benefits and respect for each other's independence. Over the years, various cooperation frameworks have been developed in the fields of politics, economics, and people-to-people ties. However, there is ample room for improvement between the two countries, particularly in the following aspects.

First, both countries should continue exchanging diplomatic visits to further enhance understanding in new strategic areas. Second, economic cooperation should be enhanced in ways that benefit both countries, especially China, which should increase the volume of purchases of Cambodia's products to reduce the trade deficit. Third, people-to-people exchanges should be qualitatively improved with a focus on building a better image of Chinese nationals among the Cambodian people. Fourth, China should invest in more rural physical infrastructure to provide better opportunities for connectivity for Cambodians living in the provinces. Fifth, China should support more productive capacity-building programs in manufacturing to upgrade the development of human resources, which is one of the key priorities of the new Cambodian government.



¹ Xinhua News. "Spotlight: Chinese New Year, festival of luck and family reunion, gaining popularity in Cambodia." February 14, 2018, http://www.xinhuanet.com/english/2018-02/14/e_136975914.htm

² Tith, Kongnov. "China offers 550 scholarships for students to study for 5 years." Khmer Times, November 17, 2021, <https://www.khmertimeskh.com/50972089/china-offers-550-scholarships-for-students-to-study-for-5-years/>

³ Fresh News. "Special report: over 3,000 Cambodian students graduate and study in China." July 15, 2020, <https://m.en.freshnewsasia.com/index.php/en/localnews/18807-2020-07-15-08-11-24.html>

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Chapter 5

THE GREAT SIGNIFICANCE BEHIND THE BUILDING OF A CHINA-CAMBODIA COMMUNITY OF SHARED FUTURE: A PERSONAL PERSPECTIVE

By Dr. SOK Siphana

I. Introduction

When I was asked to write this article on the ‘Chinese-Cambodian Community of Shared Future,’ one thought came to mind: the ‘Mekong River’ or the ‘Lancang River.’ As Chairman of the National Secretariat of the Mekong-Lancang Cooperation, I happened to be on the Mekong-Lancang Peace Boat Cruise, delivering my keynote speech at its opening ceremony. For the next seven days, about 60 participants from China and the five Mekong countries, namely Cambodia, Lao PDR, Myanmar, Vietnam, and Thailand, will embark on this beautiful river cruise boat, with the main objective of strengthening our partnership through various activities, including training, site visits, and networking. The training sessions will focus on leadership and negotiation skills, while the topics range from water governance, sustainable development, the Belt and Road Initiative, and many more. The selection of the topics was driven by the participants’ needs for a better understanding of the latest global and regional development amid the fast-changing world, which may impact peace and sustainable development in the Mekong region.

The cruise made its first stop in Kampong Cham city, and just facing the town was a big island in the middle of the Mekong River named Koh Sotin. The island is a very rich food area with its local economy based on cash crops like tobacco and corn. After rice, fish is the second most important ingredient in the villagers’ diet. There is an abundance of fish, easily accessible for anyone who cares enough to get some. For generations, the island’s population has never suffered from hunger. My mom would tell me that before the war in 1970, it was very common for officials to go to the island on weekend picnics or to entertain guests. People in the village would prepare a meal loaded with freshly caught fish from the river. Fish can be eaten in a variety of ways: fresh, dried, or smoked; grilled, stewed, or boiled in soup; mashed into a paste or refined into oil. For special guests, like foreigners, the locals would go as far as to find a few of the famous Mekong River lobsters just to show their civility and hospitality. They would cook them in the traditional Khmer style recipe, a clear soup cooked in a tangy lemongrass mixture, flavored with finely chopped red chili and Cambodian herbs.

Working on this article while sitting on the deck of this Mekong cruise boat made me appreciate the abundance of water and fisheries, the rich alluvial soil so fertile that anything you wanted to plant just grew by itself, as much as all the natural phenomena that affect the lives of the riparian farmers and villagers along this mighty Mekong River. To many of them, they are or can be at the mercy of nature, but worse at the mercy of man-made decisions. Their prosperity or misfortunes, to some extent, are interlinked with natural events like a good flood or a dry season, nowadays determined by many geopolitical and geoeconomic factors far beyond what they could comprehend.

It was a major mental struggle for me every time I worked on matters related to regional and sub-regional cooperation, as I felt like I had to adjust my paradigm from a macro view of the world, driven by multilateralism-related issues like climate change, the post-Cold-War US-China rivalry, and trade-related issues down to a micro perspective where the matters at play seemed to be directly touching the basic lifeline of people, like diminishing water resources, food security, and other poverty-reduction initiatives. It felt like switching off the light in one room and switching it on in another room.

Looking up and gazing far beyond the reach of our eyesight, some 4,880 kilometers away is the source of the river in China. The Mekong River, known in China as the Lancang River, runs through Myanmar, Laos, Thailand, Cambodia, and Vietnam before discharging into the sea, nourishing along its flows some 326 million people. Clearly, there is something to write about a shared destiny. What could be better than to title this article as the ‘Great Significance behind the Building of a China-Cambodia Community of Shared Future.’

II. The Genesis of the China-Cambodia Community of Shared Future

Diplomatic relations between our two countries were officially established only in 1958, but our two peoples have had thousands of years of traditional relations since the Great Angkor era. One has to appreciate President Xi Jinping’s recent ‘Global Civilization Initiative,’ which called for joint efforts to advocate for the respect for the diversity of civilizations, the common values of humanity, the importance of the inheritance of civilizations, and people-to-people exchanges. This is a vision of a community of shared future to which Cambodia can certainly adhere.

In the face of a turbulent international landscape, President Xi has also put forth two other visionary signature initiatives, the ‘Global Development Initiative (GDI)’ and the ‘Global Security Initiative (GSI)’ in September 2021 and in April 2022, respectively. While the GSI advocates a new path to security featuring dialogue over confrontation, partnership over alliance, and win-win over zero-sum, the GDI

embodies the core tenets of high-quality development that fosters greater synergy for developing countries to accelerate the implementation of the 2030 Agenda for Sustainable Development.

These three initiatives didn't spruce up overnight. During the General Debate of the 76th Session of the United Nations General Assembly, President Xi Jinping proposed this GDI aiming at pooling global efforts to tackle common challenges and promote post-COVID social-economic recovery so that the global community can secure a brighter and more sustainable future. Interestingly enough, it was ten years earlier that President Xi put forth his vision of China's diplomacy to respond to the profound geopolitical changes of our times, whereby he introduced a concept of building a community of shared future for mankind. It was during the same period in 2013 that he launched his flagship 'Belt and Road Initiative.'

Initially promoted under its longest name, the 'Silk Road Economic Belt and the 21st Century Maritime Silk Road,' the initiative has attracted considerable attention from the international community, although no one seemed to really know what it was all about, except from the official narrative which built on the historical symbolism of the ancient Silk Road. Its modern-day narrative is all about sustainable development through regional cooperation and strengthening communications between civilizations.

This multifaceted economic, diplomatic, and geopolitical initiative has morphed over the years through various iterations, from its long name to a shorter one, the 'New Silk Road,' to the 'One Belt, One Road,' and finally to the 'Belt and Road Initiative' or shortly the 'BRI.' President Xi's signature foreign policy initiative won positive responses from many countries involved, although quite honestly each of them seemed to perceive it from a widely different perspective. The metaphor of eight blindfolded persons touching different parts of the big white elephant is probably pertinent.

It took nearly two years before the Chinese government issued in 2015 'The Vision and Actions on Jointly Building the Silk Road Economic Belt and the 21st Century Maritime Silk Road' which fleshed out the details of the initiative. It suggested promoting policy coordination, connectivity of infrastructure and facilities, unimpeded trade, financial integration, and people-to-people bonds, all the while adhering to the principle of achieving shared growth through discussion and collaboration.

Cambodia was one of the first countries to have endorsed the path-blazing initiative. In hindsight, I can say that Cambodia is a good example of the success of the BRI in terms of bringing new development opportunities and pragmatic cooperation in various fields that are of great mutual benefits. In October 2016, both countries signed a 'Memorandum to formulate an outline of Bilateral Cooperation Plan to jointly build the Silk Road Economic Belt and the 21st Century

Maritime Silk Road' followed a year later by the adoption of an actual Outline during Samdech Techo Hun Sen's trip to participate at the 1st 'Belt and Road Forum for International Cooperation' in Beijing.

During the 2nd Belt and Road Forum in April 2019 in Beijing, both countries have signed an 'Action Plan on Building Cambodia-China Community of Shared Future' and endeavored to implement it quite earnestly since. The Action Plan gave a vigorous strategic dimension to our partnership in fields of cooperation, ranging from security, politics, economic development, trade, investment, and people-to-people ties.

The relationship continued to flourish and generate many tangible benefits in terms of peace, stability, and prosperity for the two nations and the region at large, culminating in the announcement of the year 2023 as the 'Cambodia-China Friendship Year,' which coincides with the '65th Anniversary of the diplomatic relations between China and Cambodia.'

III. Cambodia and China: A Unique Century Long Relationship

Our unique relationship goes back many decades, even centuries. Here we must recognize that the traditional friendship treasured by the peoples of the two countries was forged and carefully nurtured by the late King-Father of Cambodia, His Majesty Preah Bat Samdech Preah Norodom Sihanouk 'Preah Borom Ratanak Kaudh,' and the late Chairman Mao Zedong, the late Premier Zhou Enlai, and other elder Chinese leaders.

These historical ties were taken over in the new era by Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia, and President Xi Jinping, and since then, we have witnessed the strengthening of these relations to a point that could be dignified as a 'Cambodia-China Community of Shared Future.' Starting with the elevation of bilateral cooperation in 2010 into a 'Comprehensive Strategic Partnership of Cooperation,' we have seen the intensification of many high-level visits, the most important of which was that of President Xi Jinping in October 2016, followed by two trips of Premier of State Council Li Keqiang, once in January 2018, and in November 2022 when he combined his official visit with his attendance at the 40th and 41st ASEAN Summits and Related Summits.

During the official visit of Samdech Techo Hun Sen to China in February 2023, both countries agreed to develop a diamond cooperation framework with six priority areas, including political cooperation, production capacity and quality, agriculture, energy, security, and people-to-people exchanges.

IV. Cambodia-China Comprehensive Strategic Partnership

Promoting greater synergies between Cambodia's development strategies and those of China is key to driving the country out of the development conundrum. As a Comprehensive Strategic Partner, such policy synergy allowed Cambodia to

concentrate its resources efficiently on development priority areas of mutual interest. During the state visit of President Xi Jinping in 2016, both countries agreed to accelerate the coordination of the BRI and the 13th Five Year Plan with Cambodia's Rectangular Strategy and its Industrial Development Policy 2015-2025.

Cambodia is impressed with China's path to modernization that offered new opportunities for new development, and it respects China's wisdom in addressing the country's common development challenges while supporting Cambodia's choice of development path that suits its national conditions.

If we are to compare Cambodia and China, the challenges facing them are numerous and multifaceted but very different. From a development perspective, China has entered the post-industrial stage, while Cambodia is still at the developing stage. Yet, they do have common concerns ranging from eradicating poverty, tackling the rising disparities that undermine social cohesion and political stability, creating jobs, and advancing market-based industrial transformation and economic diversification.

More worrisome for both countries is their respective governments' overarching ambition to achieve sustainable development while bearing the brunt of climate change disasters, environmental degradation, and diminishing water resources. The two countries are acutely exposed to environmental pressures due to rapid urbanization, air pollution, groundwater depletion, to cite just a few.

Given the size of China's economy as the second-largest economy in the world, in terms of purchasing power parity, and the size of its population, its prospects for stability and growth are of key importance, not just to Cambodia but to the developing world. Cambodia is not only a least developed country, but it is also a post-conflict country, having emerged only three decades ago from war and civil unrest. With the country finally achieving full peace and political stability, Cambodia has made impressive achievements across all sectors over the last two decades, but development challenges still remain. Moreover, several geopolitical trends continue to affect Cambodia, including the shift towards a multi-polar global power restructure, non-traditional transnational crimes, and cross-border infectious disease transmission.

In recent years, throughout all the summits and foreign ministers' meetings I have attended, I have noticed a strong sense of urgency to secure economic growth through various regional and sub-regional complementarities to withstand global downturns and to respond to rising nationalism and protectionism. Similar to the GDI as advocated by President Xi, Cambodia continued to advocate further opening of markets, improving the investment environment, eliminating trade

barriers, and facilitating trade and investment, in line with its commitment to the implementation of the United Nations 2030 Agenda for Sustainable Development. The fact that the GDI has attracted the support of more than 100 countries and a number of international organizations, including the United Nations, is a testament to its influence in shaping development at the global level. Today, the Chinese economy is deeply embedded in the world economy in all areas, and China is the main trading partner with over 140 countries and regions, contributing over 30 percent of global growth on average for the past 10 years in a row.

V. Development Assistance Under The BRI

In terms of development assistance, the BRI is the largest source of aid for Cambodia's physical infrastructure development, which is a backbone for our economic growth. As a result, Cambodia has many outstanding achievements to show the world, from the construction of the new Siem Reap International Airport to other road, bridge, and port projects. The construction of port container terminals, new power plants, hydropower plants, and the upcoming connection of the Sihanoukville-Hong Kong submarine cable will change the dynamics of the country's investment environment.

In the hydropower sector, China has invested already USD 2.360 billion to build a capacity of 1,328 megawatts in 6 mega projects Koh Kong, Kampot, Stung Treng, and Pursat provinces. It has also invested in a 100-megawatt coal-fired power plant in Sihanoukville and a 60-megawatt solar power station in Battambang.

The Phnom Penh-Sihanoukville Expressway, inaugurated by Premier Li Keqiang and Samdech Techo Hun Sen in November 2022, is transforming Sihanoukville province into a multipurpose special economic zone with all the industrial and supply chain linkages. The Sihanoukville Special Economic Zone has so far deepened its productive capacity to accelerate the development of a modern industrial mix in the country. Moreover, the construction of Phnom Penh-Bavet Expressway was also inaugurated last June. To date, China has assisted in the construction of more than 10 bridges and 30 national roads totaling over 3,000 kilometers in length, at a cost of approximately USD 2 billion.

All these significant infrastructure projects have improved the country's competitiveness in terms of attracting FDI in manufacturing, all of which rely on quality energy sources. Back in 2013, a study by the Economic Research Institute for ASEAN and East Asia (ERIA) estimated that Cambodia would need about USD 16 billion for the next decade for its infrastructure build-up, which is equal to at least 1.6 billion per year. It seems that the BRI projects are filling this need quite fast. Since 2018, Chinese investment has exceeded over USD 10 billion, and

Chinese companies remain the top foreign investors, accounting for 43% of the total investment of USD 2.99 billion in the first half of 2022.

Sihanoukville Special Economic Zone - A flagship BRI project: Many well-known Chinese enterprises have refocused their investment to Cambodia. According to the Council for the Development of Cambodia, the Sihanoukville Special Economic Zone, established in 2007 on a land area of 1,114 hectares, is hosting some 218 companies with a total investment of USD 1.4 billion, employing around 21,000 jobs. Very recently, in 2021, the Government appointed Urban Planning and Design Institute of Shenzhen to develop and transform the Sihanoukville province into a ‘Model Multi-Purpose Special Economic Zone.’

VI. The Regional Comprehensive Economic Partnership (RCEP) And the Cambodia-China Free Trade Agreement (CCFTA)

Since Cambodia acceded to the World Trade Organization (WTO) in 2004, it became one of the fast-growing economies and one important player in ASEAN. In terms of trade, China is currently Cambodia’s top major trading partner. With the recent entry into force of the RCEP, China sees this mega regional FTA as an important piece in the greater economic integration of East Asia. Cambodia and China have also signed in October 2020 the CCFTA, making China the first-ever Cambodia’s bilateral FTA partner. These two agreements will transform Cambodia’s trade landscape to enable it to fully capture the vast market access of China.

The CCFTA and the RCEP complement each other well and have opened up new market access for hundreds of new Cambodian exports to the Chinese market. In fact, the volume of bilateral trade reached USD 10.5 billion in 2022, and they have committed to boosting their trade volume to a whopping USD 15 billion by 2025. Cambodia intends to make full use of the CCFTA to promote additional trade for its agricultural products and commodities. During the 3rd MLC Leaders’ Meeting in 2020, Samdech Techo Hun Sen expressed his full support to Premier Li Keqiang’s proposal to import more quality agro-products and livestock from Cambodia. In this connection, Cambodia’s bananas, mangos, Pailin longan, cashew nuts, and other agricultural commodities have been exported continuously to the Chinese market, significantly alleviating poverty for many Cambodian farmers amidst the COVID-19 pandemic.

Cambodia started to export its first shipment of fresh mangoes to China, from its annual quota of 500,000 tons. China offered also quotas for Cambodia to export 400,000 tons of rice. Other phytosanitary protocol requirements are in the process

to enable the export of peppercorns and aquatic products like Basa fishes. To that effect, Cambodia has made full use of the mechanism of Cambodia-China Economic and Trade Cooperation Committee to expand the export of quality Cambodian products into the Chinese market through international fairs like the China International Import Expo, the China Import and Export Fair, and the ASEAN-China Expo.

VII. Mutual Support in the Fight Against the Covid-19 Pandemic

Over the years, Cambodia and China have forged a very strong bond of friendship during both the good and difficult times. The last three years of the COVID-19 pandemic were certainly a true testing moment of this enduring relationship. When China was struck with the COVID-19 crisis, Samdech Techo Hun Sen took a sudden visit to Beijing in early 2020 to demonstrate Cambodia's political support, solidarity, and trust in the Chinese government's ability to combat the outbreak. In response, China was the first country to provide Cambodia with COVID-19 vaccines and dispatching Chinese medical experts and medical equipment to the country.

Needless to say, the COVID-19 pandemic has eroded decades of gains in global development and seriously hampered the implementation of the UN 2030 Agenda for Sustainable Development. On December 27, 2021, Samdech Techo expressed his solidarity with China by joining as a founding member of the Group of Friends of GDI. There, he called for the COVID-19 vaccines and medicines to be treated as global public goods and congratulated China for its commitment to ensure vaccine's accessibility and affordability in all developing countries. As Cambodia gradually reopens its economies and prudently worked on its economic recovery plans, a deep sense of gratitude goes to the people and the Government of China for the donation of millions of doses of SINOVAC and SINOPHARM vaccines. Other assistance in public health deserving praise is in the construction of the Cambodia-China Friendship Tboung Khmum Hospital as well as in the China-aided medical building at the Cambodia-China Friendship Preah Kossamak Hospital. All these public health assistances have contributed hugely to the socio-economic development and the well-being of the Cambodian people. This is a true reflection of how a community of shared future works at its best.

Uplifting Cambodia spirit at the historic SEA Games: For this year, the outstanding achievements at the 32nd SEA Games and the 12th ASEAN Para Games held in May and June 2023 in Phnom Penh are another example of this closer partnership. This biennial Southeast Asian multi-sport event for regular athletes and those with disabilities would not have been possible without the assistance from the Chinese government in the construction of Morodok Techo National Stadium.

VIII. Placing the ASEAN Community in the Larger Community of Shared Future

China's national interest cannot be separated economically, militarily, or politically from the interests of Cambodia and other ASEAN countries. Obviously, Cambodia couldn't overcome all the challenges on its own. We must bear in mind that Cambodia is an integral part of the ASEAN Community. Together with many development partners, with China being the most active one, Cambodia has forged greater synergy to promote its development by obtaining the necessary investment in building its network of infrastructure, hoping to reduce the development gap and ultimately realizing the ASEAN Community.

Cambodia supported the elevation of ASEAN-China relations to a 'Comprehensive Strategic Partnership' and the adoption of the 'Joint Statement on the ASEAN-China Summit to Commemorate the 30th Anniversary of the ASEAN-China Dialogue Relations.' At that event which took place on 22 November 2021, President Xi Jinping highlighted a five-point proposal to enhance ASEAN-China relations, namely:

- Building Peaceful Home Together, whereby China is ready to deepen cooperation in defense, transnational crimes, and to sign the protocol to the SEANWFZ Treaty;
- Building a Secure Home Together, with China's commitment to support ASEAN health shield and strengthen effective cooperation on disaster management;
- Building a Prosperous Home Together, whereby China is to provide USD 1.5 billion development investment for the next 3 years and ready to work with ASEAN to fully tap into the RCEP and upgraded ASEAN-China FTA and increase support for human resource development;
- Building a Beautiful Home Together, which features greater cooperation on green development and blue economy among others; and
- Building Amicable Home Together, through the promotion of tourism and people-to-people exchange, especially among the youth and young leaders.

With this reassuring statement, Cambodia is looking forward to seeing ASEAN-China continuing to strengthen their regional connectivity in line with the spirit of the 'ASEAN-China Joint Statement on Synergizing the Master Plan on ASEAN Connectivity (MPAC) 2025' and the BRI to optimize the freer flows of goods, services, and people. In addition to the ASEAN-China FTA, Cambodia should expect to have more benefits arising under the RCEP as well, all of which will serve to reinforce the foundation for long-term economic growth and bring about mutual prosperity in line with the 'ASEAN-China Strategic Partnership Vision 2030.'

In the meantime, at the sub-regional level, Cambodia and many other Mekong countries continue enhancing their connectivity and industrial cooperation to strengthen the integration of their sub-regional supply chains into the global value chains. They view that boosting investments in quality infrastructure can stimulate more cross-border economic cooperation and enhance the long-term competitiveness of the sub-region. To that effect, there are enormous possible synergies with the proposed ‘Mekong–Lancang Economic Development Belt’ and the ‘New International Land-Sea Trade Corridor’ which take into account the national strategies, development visions, and development plans of the respective Mekong-Lancang countries. These two new initiatives will undoubtedly help build a more integrated Mekong Sub-region as a new growth pole, with Cambodia at the center of this community of shared future.

IX. China’s Global Security Initiative

We can’t talk about trade and investment without putting them in the larger framework of global peace and security. Our world today is witnessing accelerating changes unseen in this century. We have barely emerged from the pandemic, and already, we are confronted with unprecedented multiple security crises. That is why during his recent visit last February 2023, Samdech Techo Hun Sen reaffirmed his support for China’s GSI proposal and stood ready to work with China on global security governance towards a common, comprehensive, cooperative, and sustainable security. Having gone through years of war itself, Cambodia can appreciate the philosophy behind the GSI concept whereby humanity is an indivisible security community, and peace can only be secured through a path of dialogue over confrontation, of partnership over alliance, and a win-win over zero-sum.

Politically speaking, China has firmly adhered to the principle of peaceful coexistence, respecting independence and sovereignty in its pursuit of good relations with Cambodia. Vice versa, Cambodia has always maintained its stance on the ‘One-China Policy’ and supports China’s efforts to safeguard its core interests. For the record, Cambodia was one of the main actors in facilitating and materializing the Declaration on the Conduct of Parties in the South China Sea (DOC) in 2002, which turned out to be one of the cornerstones in transforming the South China Sea into a sea of peace, friendship, and cooperation. Over the past 20 years, Cambodia has never failed to call on the relevant parties to fully implement the DOC, to deepen pragmatic maritime cooperation, and reach an early conclusion on the Code of Conduct in the South China Sea (COC).

X. Conclusion

In closing, I wish to quote President Xi Jinping’s address at the closing meeting of the first session of the 14th National People’s Congress on March 13, 2023. He said that “We must strive to promote the building of a community of shared future for mankind. China’s development benefits the world, and China cannot develop itself in isolation from the world.” This statement reminds me of an old Cambodian adage ‘Sampov trovkar sompan,’ meaning ‘a big vessel needs the help of small boats,’ a modern-day metaphor of a big liner needing the help of small tugboats to dock, the big vessel being the BRI and one of the tugboats being Cambodia. Amidst this challenging time of global growth de-acceleration, anti-globalization, protectionism, and unilateralism, it is extremely important to recognize the great significance of this visionary concept of a Community of Shared Future. Only through peace, stability, and sustainable development can we secure and share the fruits of prosperity for our next generations. This moment of great rivalries among the superpowers will create great stress on our relations, but a crisis also sparks opportunities. Only in the heat of pressure can we test the true spirit and strength of our partnership. Let us join hands to forge ahead together on this worthwhile journey toward strengthening a ‘Cambodia-China Community of Shared Future.’



About the Author

On August 22, 2023, for the 7th mandate of the Royal Government of Cambodia, Dr. SOK Siphana was appointed as a full-fledged cabinet member with the rank of Senior Minister in charge of Special Missions related to multilateral economic and trade matters. Previously, he was appointed by Prime Minister Samdech Techo Hun Sen as an Advisor to the Royal Government of Cambodia with a rank of Minister in August 2009 and reappointed as a Senior Advisor in September 2018 with a rank of Senior Minister.

He currently serves as the Emeritus Chairman of the Board of the Asian Vision Institute (AVI), having led the organization since 2019 as its Chairman. From 2011 to 2017, he served as Chairman of the Cambodia Development Resource Institute (CDRI), Cambodia's oldest and most prominent independent research institute. From 2010 to August 2023, he was a practicing attorney and the Founding Partner of Sok Siphana & Associates, a law and consulting firm specialized in international trade and corporate law in Phnom Penh. From 1999 to 2005, he served as Secretary of State at the Ministry of Commerce, where he acted as the lead negotiator in Cambodia's accession to the WTO. From 2005 to 2009, he served as Director at the International Trade Center (UNCTAD/WTO) in Geneva, Switzerland.

Dr. Sok holds a Juris Doctor (J.D.) from Widener University School of Law in Delaware, United States (1992), a Ph.D. from Bond University School of Law in Queensland, Australia (2009), and a "Docteur en Droit" from the Université de Paris II Panthéon-Assas, Paris, France (2022). He was appointed by His Majesty King Norodom Sihamoni as a full-fledged member of the Royal Academy of Cambodia with a lifetime Royal Title of Academician on October 13, 2022, as well as a full professorship on July 20, 2023.

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Chapter 6

CHINA AND CAMBODIA ECONOMIC COOPERATION

By Dr. HUOT Pum

I. Background

Economic ties between China and Cambodia extend into the earlier history of Cambodia. There are multiple records of Funan, a kingdom preceding today's Cambodia, hosting many trading posts that were part of a thriving trade network established by Chinese merchants. A record by an early Chinese diplomat to Cambodia, Zhou Daguan, painted a vivid picture of Cambodian society in the 13th century, which comprised bustling trading activity between the two civilizations. In this era, Chinese merchants found profitable businesses in Cambodia, exporting exotic products back to China, while Cambodians had an appetite for luxurious products such as gold, silver, and silk from China. Since then, little is known regarding economic ties between the two countries until the 20th century.

In 1958, China and Cambodia formally established diplomatic relations. This relationship has continued to strengthen despite political upheavals within the two countries, the region, and the world, especially in the late 20th century. In 2010, both countries upgraded their bilateral relations to a comprehensive strategic partnership. Today, China and Cambodia's relationship is arguably closer than ever in both bilateral and other multilateral frameworks, such as through ASEAN. The leaders of both countries have used terms such as "most trusted friend" to describe each other and have described their friendship as an "ironclad friendship," openly expressing unwavering commitment to forge an even closer friendship and support each other on the international stage.

In the current climate of geopolitical tensions and economic competition, as well as increasing interests in Southeast Asia and the Pacific region, China and Cambodia's relationship is becoming more important, not just for the interests of the two countries but potentially also for the region. Such trying times and the inextricability of economics and geopolitics require both countries to navigate their relationship with each other and with other countries even more carefully. This article begins by providing factual discussions over economic aspects of China and Cambodia cooperation, providing an overview of the cooperation, followed by analytical discussions about the challenges, opportunities, and the future prospects of this cooperation.

II. An Overview of China and Cambodia Economic Cooperation

Over the last decades, economic cooperation between China and Cambodia has grown very rapidly, fostering stronger trade relations than ever and providing significant mutual benefits to the people of both countries. Being one of the largest economies in the world and arguably one of the most advanced in terms of industrialization, China has a strong interest in expanding its economic presence in the Southeast Asian region and Asia as a whole. In this regard, China has found partners in many countries in the Asia Pacific, and among them, Cambodia—a country with strong aspirations and commitment to grow, to develop, to lift its people out of poverty, and ultimately to become a high-income country and an advanced economy by 2050. Given their complementary goals, the two countries have forged a very strong bond, including government-to-government, people-to-people, and business-to-business aspects, especially in economic cooperation.

So far, economic cooperation between China and Cambodia has borne many fruits for both countries. On the one hand, China's multi-billion-dollar investment in Cambodia's infrastructures and economic activities has been critical for Cambodia in achieving its economic development goals. In addition, the size of China's market and the recently agreed Free Trade Agreement (FTA) between the two countries and other multilateral frameworks such as the ASEAN-China FTA and the Regional Comprehensive Economic Partnership (RCEP) are giving Cambodian entrepreneurs access to a much larger market with plentiful opportunities. On the other hand, Cambodia's dynamic and growing market has provided many opportunities for Chinese investors, not only in Cambodia's market but also as a channel to the ASEAN markets and to some of the developed world where Cambodia is party to preferential treatments. Furthermore, Cambodia's strategic location in Southeast Asia makes its support for some of China's most important global initiatives, such as the Belt and Road Initiative (BRI) and the Community of Shared Future (including bilateral Cambodia-China Community of Shared Future (2019-2023)), indispensable for China, as China tries to forge even closer economic cooperation with the whole of Southeast Asia and to increase its economic presence in the region.

China's support in regional and global infrastructure development, the BRI arguably has the most significant impact on infrastructure development in Cambodia. This project gives middle-income countries, such as Cambodia, access to much-needed world-class high-quality connectivity infrastructures to enhance economic integration within the country and with the region, increasing its competitiveness and promoting intraregional trade. Like many other countries party to the initiative, Cambodia has benefited a lot from this initiative, as seen in

the Phnom Penh-Sihanoukville Expressway and several other upcoming infrastructure projects, including rail links between Cambodia and other neighboring countries. Given Cambodia's location, it stands to benefit even more from being placed in the center of the initiative's vision and projects for the region.

These infrastructure development projects benefit Cambodia directly by making the country more competitive and attractive by facilitating trade, lowering production costs, and increasing accessibility to the regional market for all businesses, including Chinese investors and investors from other countries. This has opened up many new opportunities and increasing positive prospects for Cambodia as it strives towards industrialization and a more prominent presence in the global market. Undoubtedly, these connectivity infrastructures will continue to be a key catalyst for Cambodia's commercial and economic future for a long time to come.

China's investment in urban development has also had a significant impact on Cambodia's economy, particularly in the real estate and construction markets. China's investment in this sector has been a major source of foreign currency and cash inflow into Cambodia, making it a significant contributing factor to the country's economic growth in the last few decades, especially between the early to late 2010s. This period witnessed a substantial economic boom in the real estate and construction sectors, especially in the capital city and the province where Chinese investment was concentrated the most—Phnom Penh Capital and Sihanoukville Province. This influx of investment in urban development filled the capital city with never-before-seen high-rise buildings and skyscrapers, granting greater access to housing for the local population. Additionally, the quiet seaside province of Sihanoukville was transformed into a bustling center for Chinese tourists and investors, equipped with modern high-rise buildings and skyscrapers. This development has transformed the image of Cambodia from being one of the poorest countries in the region into one of the fastest-growing countries, destined for development, industrialization, and prosperity. However, it should be noted that this rapid influx of investment is not without some fundamental social challenges, which will be discussed in detail in the next section.

As a major testament to China's and Cambodia's commitment to joint development, both countries have embarked on a joint project to transform the Sihanoukville Province into a Multi-Purpose Special Economic Zone (SEZ), nicknamed the "second Shenzhen City" after China's first SEZ and third-largest city by Gross Domestic Product, which kickstarted China's economic success. This large-scale project is expected to provide a significant boost to economic development not just for Sihanoukville Province but for the whole of Cambodia. Similar to how Shenzhen City did for China, it aims

to kickstart country-wide economic transformation and set Cambodia on a new path of sustained industrialization and economic development. This project not only demonstrates the ambition of both countries to develop and build the fundamentals for a strong Cambodian economy to strengthen their partnership but also shows their commitment to long-term economic cooperation and common prosperity.

Apart from connectivity infrastructures and investment in urban development, China has also made significant contributions to other infrastructures to prepare Cambodia for future challenges, especially in the renewable energy sector. This assistance is helping Cambodia pave the way for future energy security and adapt to more stringent energy source requirements from the global market. China has largely focused on investing in hydropower projects that have contributed significantly to Cambodia's energy requirements. More recently, China has shown a lot of interest in constructing large solar farms in Cambodia, which will contribute to meeting the country's quickly rising demand for electricity.

Regarding investment, China has been the largest source of investment and foreign currency for Cambodia in the last several years. In the first half of 2023, 65% of the investment projects approved by the Council for the Development of Cambodia (CDC) originated from China, with many of these projects focusing on the manufacturing sector, taking advantage of Cambodia's low-cost labor. The sheer size of China's investment in Cambodia makes it an important job provider and a key source for technology transfer for Cambodia. However, some may argue that although the increasing quantity of investment is undoubtedly beneficial for Cambodia, this quantity of investment could be put to more effective use and be more beneficial for both Cambodia and China if it were placed in new high-skilled and high-technology industries. This is because most of China's investment has been in the traditional garment and textile industry, which has been largely exhausted in Cambodia. The last few years, however, have shown some signs that investment is gradually being transformed with increases in investment in higher value-added activities such as the electronic industry.

In terms of trade, China has become Cambodia's largest trading partner and source of investment, which has become an important source of job creation, technology transfer, and foreign currency. In 2022, Chinese investment alone accounted for 90.5 percent of the foreign direct investment in Cambodia.

Beyond bilateral cooperation, China and Cambodia's cooperation in multilateral frameworks has also deepened remarkably in the last few years. ASEAN and China implemented the ASEAN-China Plan of Action 2021-2025, which details their commitment to cooperate in many fields, including politics, economics, social and cultural, and more. In addition, both parties have continued to

reaffirm strong commitments to further advance the ASEAN-China Comprehensive Strategic Partnership, with many initiatives arising frequently and regularly. The most important fruit of this cooperation is arguably the RCEP, the largest FTA in the world comprising a total of 15 signatories.

As seen from this discussion, economic cooperation between China and Cambodia spans many fields and aspects and has been beneficial for both countries. Its continued cooperation undoubtedly provides more hope and prospects for development for the two countries. It is clear that Cambodia may have benefited more than China from this economic relationship. However, this is entirely expected given the relative sizes of both economies and, most importantly, it cannot be ignored that a prosperous, stable, and peaceful Cambodia (and Southeast Asia as a whole) is just as important for China's future as for Cambodia itself.

There is no doubt that there is more space for this economic cooperation to grow, and for both countries to benefit even more from this cooperation. Therefore, it is expected that economic cooperation between the two nations will continue to grow. However, given the current state of economic uncertainty, global geopolitical instability, and the roles that each country plays in the region, the strengthening and deepening of their economic cooperation is not without its challenges, and both countries will have to work together to overcome and navigate through them.

III. Challenges in China and Cambodia Economic Cooperation

Even though China and Cambodia have enjoyed a long-standing relationship of mutual benefits, economic cooperation between China and Cambodia is also facing some challenges that need to be overcome to sustain existing cooperation, forge even closer ties, and extract even more from this relationship. In the world of increasing geopolitical tensions and economic competition between superpowers, challenges for economic cooperation do not just exist within the two countries but also from the outside, due to the interplay of dynamics between these two groups and their inextricable economics and geopolitics nature. For both countries, these challenges mean that forging ahead in their economic cooperation is not a straightforward endeavor and requires careful calculation with precise navigation, diversification, harmonization and wholesome consideration of all aspects and parties involved.

From within, one of the significant challenges is that economic cooperation between China and Cambodia is largely unbalanced. China remains Cambodia's largest trading partner, accounting for over 40% of the country's exports and imports. However, this trade is largely one-sided, resulting in Cambodia's trade deficit with China. As a result, one might deem such a trade pattern less beneficial for Cambodia in the long run.

Externally, China and Cambodia's relationship, whether within or beyond the spheres of economic cooperation, has been under very close watch from the international community, due to Cambodia's strategic location in Southeast Asia and the pivotal role it plays with its membership in the consensus-based ASEAN. There have been multiple baseless allegations that the fruits of this relationship are more sinister than both China and Cambodia claim them to be and are beyond the economic interests of both countries. For a small country with little influence like Cambodia, such allegations would result in a tougher situation for Cambodia to integrate into the region and the world. Thus, such external challenges require both parties to navigate this relationship much more carefully and less freely than what any two sovereign nations with sole interests in development are entitled to.

From the arguments above, China and Cambodia face significant challenges as the two countries move forward in their relationship. Both countries will have to discuss and identify key challenges, find common grounds and common interests, and set clear paths to further strengthen the relationship through diversification and harmonization their trade venture in their economic cooperation. In addition, the forging of this relationship must take regional geopolitical and economic landscapes, and especially the interests of other countries in the region into consideration.

IV. Opportunities for China and Cambodia

To further advance China and Cambodia economic cooperation, it is important for both partners to identify more opportunities and further scope for cooperation, especially given the fact that there is a large gap in development between the two countries. No doubt, both countries, including China, will benefit from a smaller development gap. A more developed Cambodia would present more opportunities for investors from all over the world, including China, and given Cambodia's strategic location in ASEAN, it can potentially become a hub and doorway to ASEAN's fast-growing and dynamic market.

In addition, given that there are existing frameworks for cooperation, such as the BRI, the Cambodia-China Community of Shared Future Initiative, and the Cambodia-China FTA, in the short term, it only remains for the two countries to take full advantage of these frameworks and exploit what has not been exploited. In the long term, both countries must take a futuristic view of their common interests and goals and align it with the future of their economic cooperation in both scope and scale.

China and Cambodia have room to seek more potential opportunities through bilateral cooperation and various initiatives. In terms of further infrastructure investment, China can assist in developing more transportation networks and essential infrastructure such as railways, logistics hubs, bonded warehouses, deep-water sea ports, expressways, and so on to enhance connectivity within Cambodia and improve trade and tourism. Simultaneously, China's capability in energy infrastructure, particularly in producing solar panels, can potentially help diversify the sources of energy in Cambodia.

China has expertise in manufacturing and industrialization. Henceforth, China shall continue to focus on the establishment and development of SEZ, industrial and agro-industrial parks which help Cambodia diversify its economy, create jobs, enhance productions and its export dimensions. Remarkably, Cambodia has significant potential in agriculture, hence the cooperation can emphasize on developing modern agriculture, diversifying products by focusing on high-quality crop seeds and natural resources and enhancing agricultural value chains. For that, they are able to boost agricultural productivity and capability, food security, and income generations for Cambodians. On top of that, China is a key source market for tourism, whereas Cambodia has a rich cultural heritage covered by an ancient history and natural beauty that highly attract tourists. Therefore, the collaboration can involve investment in the service sector, such as hotels and resorts, as well as transportation development through an increase in flight routes and training programs to enhance service standards. On the other hand, China boasts rapid technological advances and technology transfer which plays an important role in benefiting Cambodia's potential sectors such as agriculture, tourism, non-garment, and other backward and forward linkages. Both countries can collaborate to support the adoption of modern technologies, human resources and skills development, standards compliance, design, innovation and Research and Development (R&D) activities.

The development of cooperation between the two countries is a clear testament to the commitment of the government and people of the two countries to strengthen friendship and cooperation partnership for the benefit of both nations and people. The economic aspect of government-to-government cooperation between China and Cambodia embraces enormous potential to promote economic growth, enhance trade and investment, boost economic diversification, develop infrastructure, create jobs and social development, as well as integrate the regional economy. As for cultural exchanges and people-to-people interactions between China and Cambodia, they are vital for fostering mutual understanding, strengthening bilateral cooperation, and promoting sustainable economic growth. Cambodia and China have jointly agreed to develop a **“Diamond Hexagon Cooperation Framework”** with six priority areas, including people-to-people

exchanges, as China will give priority to not only encouraging tourism cooperation but also support Cambodia in developing education and health. Besides, business-to-business cooperation between China and Cambodia is also a crucial way for fostering trade, investment, and economic growth. It allows companies to pull each other's strengths, promote trade and investment, knowledge and skills exchange, enlarge market access, and drive innovation.

It is also worth noting the continued commitment and political will of the leaders of both countries that present more opportunities for cooperation. During his official visit to China, newly elected Cambodian Prime Minister Samdech Thipadei Hun Manet met with President Xi Jinping to reaffirm Cambodia's continued friendly policies towards China and his government's willingness to work with China in mutually beneficial areas such as energy, food security, and investment. President Xi welcomed his commitment, even comparing the China-Cambodia friendship to a deep-rooted tree that bears fruit for both nations. With such a close bond and unwavering friendly policies between the two leaders, one can expect China-Cambodia cooperation to reach even greater heights.

V. Future Prospects and Vision for China and Cambodia Economic Cooperation

As per the above discussion, China and Cambodia's economic cooperation has borne many fruits and presented both countries with many opportunities for growth and development but is as well fraught with internal and external challenges. Therefore, both countries must set a clear vision for what they want to achieve together. At the same time, with the sensitivity placed on related issues and competing interests of other countries in the region and of some global superpowers, regional and possibly even global interests must unavoidably be part of their consideration when forging further cooperation.

The vision for China and Cambodia's economic cooperation is based on mutual benefit, sustainable, and inclusive growth. Both countries can create a win-win strategy that promotes socio-economic development and regional integration. Furthermore, both countries should strive for new concepts and approaches and enhance existing bilateral relations, particularly placing more effort to work actively and closely together to accomplish the future cooperation of **“One position, Six-way cooperation, and Two corridors”** effectively.

By aligning China-Cambodia economic cooperation with existing regional frameworks, both countries can further exploit the benefits of their agreement.

This alignment is to ease trade flows, promote investment, enhance trade relations, and be flexible in line with the current situation.

With RCEP, China and Cambodia can pull this agreement to enlarge economic integration within the region for inclusive and sustainable growth. RCEP can provide the prospect to initiate key structural reforms to move domestic industries to higher value-added activities. To fully optimize the benefits of this agreement, Cambodia needs to further liberalize and effectuate deeper structural reforms by improving competitiveness, trade facilitation and logistics, developing key soft and hard infrastructures, enhancing skills development and digitalization, and modernizing SEZs to attract higher quality FDI.

As a member of ASEAN, Cambodia has greatly benefited from the China-ASEAN FTA, which has contributed to strengthening a fruitful relationship between China and Cambodia, as well as gaining more FDI and market access. By aligning economic cooperation within this agreement, both countries can effectively implement tariff reductions, simplify rules of origin provisions, diversify product exports, and promote services trade. Moreover, the Cambodia-China FTA has injected new impetus into Cambodia-China trade with better trade facilitation, enhancing Cambodia's economic recovery. Under this agreement, Cambodia expects to increase its export, particularly in the agriculture sector. However, to fully benefit from this agreement, Cambodia requires assistance in improving sanitary and phytosanitary measures, enhancing its export capability and competitiveness, facilitating trade by conducting R&D, and establishing public-private partnerships (PPPs).

For the above challenges, Cambodia should focus on value-added products by promoting the development of industries that produce and export finished goods rather than raw materials. Likewise, Cambodia should seize all opportunities to exploit the potentials under existing bilateral and multilateral FTAs to diversify its export to new markets in other countries or regions to reduce dependence on a single market. Cambodia should pay more attention to attracting Chinese investors to diversify their investments in other economic poles and potential sectors in Cambodia through efforts like strengthening trade facilitation, developing new infrastructure, fortifying regulatory frameworks, mainly the promotion of the Law on Investment of the Kingdom of Cambodia that provides better protections for investors and more attractive incentive schemes.

China and Cambodia should seek to seize all opportunities to open up new prospects for future cooperation to reinforce their comprehensive strategic partnership between the two countries. Both countries should continue strengthening their bilateral economic cooperation framework by enhancing investment promotion activities in potential sectors through direct investment or

by joint ventures with local enterprises or PPPs, accelerating the transition toward a digital economy and a digital society, addressing the issue of climate change, as well as strengthening cultural and people-to-people exchanges.

VI. Conclusion

Cambodia and China's economic cooperation has reached a new height in the last decade. With both countries becoming more intertwined in all aspects, especially in terms of investments and trade, both countries indeed share a common destiny. From infrastructure development to technical assistance, from FDI to trade, Cambodia's aspiration to become an upper-middle-income country by 2030 and a high-income country by 2050 will come true with the support from China.

Even though there remain some challenges to be tackled between the two countries, there exist ample ways and means for them to overcome and achieve so much more for the people of both countries. With strong political will and popular support, Cambodia and China will no doubt seize these opportunities to build an even stronger bond in the upcoming future.



About the Author

Dr. HUOT Pum currently serves as the Secretary of State at the Office of the Council of Ministers and as an Advisor to Samdech Moha Borvor Thipadei HUN Manet, Prime Minister of the Kingdom of Cambodia. He is also a member of the Board of Directors for the National Bank of Cambodia, as well as a member of the Supreme National Economic Council (SNEC). He earned his Bachelor of Business Administration (BBA) from the Royal University of Law and Economics (RULE), Phnom Penh, Cambodia, before pursuing a 10-year study at Université Lumière Lyon 2, Lyon, France (1998-2008), where he was awarded a BA, MA, and Ph.D. in Banking, Finance, and International Economics. He started his government career as an official at the Ministry of Education, Youth and Sports before transferring to the Ministry of Economy and Finance, where he held multiple positions, including Deputy Director-General of the Securities and Exchange Commission of Cambodia, Deputy Secretary-General of the General Secretariat of the Committee of Economic and Financial Policy, and lately as an Under-Secretary of State. Dr. Huot Pum was also recruited as an Economist and Coordination and Technical Assistance Officer at the Singapore-based ASEAN+3 Macroeconomics Research Office (AMRO), where he served from early 2012 to mid-2019.

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Chapter 7

CAMBODIA-CHINA COOPERATION ON DIGITAL TRANSFORMATION

By Dr. CHHEANG Vannarith

I. Introduction

The Covid-19 pandemic has had a profound impact on societies and economies worldwide, forcing organizations and individuals to adapt swiftly to the new realities imposed by the crisis. One of the most significant consequences of the pandemic has been the accelerated pace of digital transformation across various sectors. As societies navigate the recovery phase, it is crucial to address the digital divide, enhance cybersecurity measures, and invest in digital literacy programs to ensure an inclusive and sustainable digital transformation in the post-pandemic world.

Cambodia and China have witnessed growing cooperation in various sectors, including digital transformation. As both countries recognize the potential of digital technologies to drive economic growth and societal development, they have forged partnerships to harness the benefits of digitalization. This chapter sheds light on digital transformation in Cambodia and China and explores the opportunities and challenges of Cambodia-China cooperation in the context of digital transformation.

II. Understanding Digital Transformation

Digital transformation has become a prominent concept in today's rapidly evolving technological landscape. It refers to the profound changes that organizations undergo to leverage digital technologies, processes, and strategies to drive innovation, improve efficiency, and adapt to the digital era. For example, in the case of China, investing in digital technologies, enhancing employee digital skills, and implementing digital transformation strategies are three crucial elements that can greatly benefit small and medium-sized enterprises (SMEs) in their journey of digital transformation. These factors play a significant role in improving performance and ensuring the sustainable development of SMEs.¹

¹ Teng, Xiaoyan, Wu, Zhong, and Yang, Feng (2022). Research on the relationship between digital transformation and performance of SMEs. *Sustainability* 14 (10):1-17. <https://doi.org/10.3390/su14106012>

Digital transformation involves a comprehensive and strategic overhaul of an organization's operations, culture, and user experiences by harnessing the potential of digital technologies. It encompasses a shift from traditional, manual, and analogue processes to digitalized, automated, and data-driven approaches. Digital transformation is not merely about adopting and implementing advanced technology but rather a holistic transformation that integrates technology with people, processes, and organizational objectives and changes. Systemic change is therefore necessary. Primarily, the reason behind this is that digital technologies inherently offer opportunities for increasing efficiency and productivity and fostering closer, seamless relationships with stakeholders (public-private-people sectors). However, if individuals lack the necessary mindset to embrace change and if the existing organizational practices are flawed, the implementation of digital transformation will only amplify these shortcomings.¹

Digital transformation is a complex and multifaceted process that requires organizations to embrace technology, data-driven insights, process optimization, customer-centricity, cultural change, Organizational behavior changes, and talent development. By integrating these key elements, organizations can adapt and thrive in the digital era, seize new opportunities, and remain competitive in a rapidly evolving business or governance landscape. Embracing digital transformation is not just a choice but a necessity for organizations that seek long-term growth and sustainability in the digital age.

At least six key elements need to be met in the process of digital transformation. First, technology adoption. Digital transformation relies on the adoption and integration of cutting-edge technologies. This includes cloud computing, artificial intelligence, big data analytics, the Internet of Things (IoT), automation, and other emerging technologies relevant to an organization's industry. The careful selection, implementation, and customization of these technologies are crucial for enabling digital transformation.

Second, data-driven insights. Data is at the core of digital transformation. Organizations must collect, analyze, and leverage data to gain insights into customer behavior, operational inefficiencies, market trends, and strategic decision-making. Advanced analytics and data-driven intelligence enable organizations to make informed choices, optimize processes, and create personalized experiences for customers.

¹ Tabrizi, Behnam; Lan, Ed; Girard, Kirk; and Irvin, Vernon (2019) Digital transformation is not about technology. Harvard Business Review, 13 March 2019, <https://hbr.org/2019/03/digital-transformation-is-not-about-technology>

Third, process innovation. Digital transformation often involves reimagining, innovating, and optimizing existing processes. This includes eliminating manual and redundant tasks, streamlining workflows, and integrating various systems to achieve operational efficiency and agility. Process automation and digitization enable organizations to reduce costs, improve productivity, and respond quickly to changing market dynamics.

Fourth, customer-centricity. A central focus of digital transformation is enhancing the customer experience. Organizations must understand and adapt to evolving customer preferences and behaviors in the digital landscape. This involves personalized interactions, seamless omni-channel experiences, and leveraging technology to deliver value and convenience to customers. Customer-centric digital transformation ensures organizations remain competitive and relevant in the digital age.

Fifth, organizational culture and leadership. Digital transformation requires a cultural shift within organizations. It entails fostering a culture of innovation, agility, and continuous learning. Leaders play a crucial role in driving digital transformation by championing change, aligning organizational goals, empowering employees, and fostering a digital-first mindset. A culture that embraces experimentation, collaboration, and adaptation is essential for successful digital transformation.

Sixth, talent and skills development. Building a digitally skilled workforce is vital for digital transformation. Organizations need to identify the skills required to leverage emerging technologies effectively and invest in training and upskilling programs. This includes digital literacy, data analytics, technology proficiency, creativity, and adaptability. Nurturing talent ensures organizations can fully leverage the potential of digital technologies and drive innovation.

III. Digital Transformation in Cambodia

Digital transformation is gaining momentum in Cambodia as the country recognizes the potential of digital technologies to drive economic growth, improve governance, strengthen national resilience, and enhance the quality of life for its citizens. This section explores the progress made in digital transformation in Cambodia, the challenges faced, and the outlook for the country's digital journey.

In 2021, the Cambodian government issued a comprehensive Digital Economy and Society Policy Framework 2021-2035 with the aim to build “a vibrant digital economy and society by laying the foundations to promote digital adoption and transformation in all social actors including the state, citizens, and businesses, to accelerate new economic growth and promote social welfare in the new normal.”

In 2023, the Pentagonal Strategy Phase I (2023-2028) was issued in which the Pentagon 5 focuses on the development of the digital economy and society, including (1) building digital government and digital citizens, (2) development of the digital economy, digital business, e-commerce, and digital innovation system, (3) building and development of digital infrastructures, (4) trustworthiness building in the digital system, and (5) development of financial technology.¹

1. Progress Made

Cambodia has made some progress across multiple facets of its digital transformation journey. These advancements in digital infrastructure, data governance, e-commerce, government digitalization, and the thriving start-up ecosystem signify the nation's commitment to embracing the digital era and promoting innovation-led growth. However, continued efforts are essential to address persisting challenges and ensure the sustained development of Cambodia's digital landscape.

- **Infrastructure Development:** Cambodia has made substantial headway in the development of its digital infrastructure. Key initiatives, such as the establishment of the National Fiber Optic Backbone Network, investments in 4G and 5G networks, and the expansion of broadband connectivity, have collectively laid a robust foundation for the nation's digital transformation journey. The creation of critical digital infrastructure elements, such as the National Data Centre and the National Internet Gateway, has been instrumental in bolstering the digital landscape.²
- **Digital Data Governance:** Recognizing the significance of secure data flow, Cambodia has initiated efforts to enhance digital data governance since 2014. Policy and regulatory frameworks have been introduced to support this endeavor. While commendable progress has been achieved, several challenges persist. These include the need for more agile policy instruments, robust legal frameworks, efficient institutional structures, and a skilled workforce, all of which are essential components of effective digital data governance.³
- **E-commerce and Digital Payments:** Cambodia's e-commerce sector has experienced remarkable growth, marked by the emergence of local e-commerce platforms and the widespread adoption of digital payment solutions. The proliferation of online marketplaces, digital wallets, and mobile banking services

¹ Royal Government of Cambodia, "Pentagonal Strategy-Phase I for Growth, Employment, Equity, Efficiency and Sustainability: Building the Foundation Towards Realising the Cambodia Vision 2050". August 2023.

² Khmer Times, "Cambodia's digital infra 'offers perfect platform for edutech growth'", 2 May 2023, <https://www.khmertimeskh.com/501282720/cambodias-digital-infra-offers-perfect-platform-for-edutech-growth/>

³ Chhort, Chhoravuth and Chheang, Vannarith (2021) Digital data governance in Cambodia: Progress and Prospect. AVI Perspective, 28 January 2021.

has not only enhanced convenience but has also broadened market access and promoted financial inclusion. The introduction of the Bakong digital payment system by the National Bank of Cambodia in October 2020 represents a significant milestone in the realm of digital payments. Bakong, an all-in-one mobile payment and banking app, has made substantial contributions to the digital payment landscape.¹

- **Government Digitalization:** The Cambodian government has demonstrated a steadfast commitment to digital transformation. Initiatives like the National Single Window for Trade Facilitation and the development of digital government platforms underscore this commitment. The digitization of public services, accompanied by efforts to enhance transparency and streamline administrative processes, exemplifies the government's dedication to improving governance and citizen engagement.
- **Start-up Ecosystem:** has seen the emergence of a vibrant start-up ecosystem, with entrepreneurial ventures focused on technology and innovation. Incubators, accelerators, and investment programs have been established to support start-ups, fostering creativity, and driving digital entrepreneurship. The establishment of Techo Startup centre and Khmer Enterprise has contributed to this endeavor.

2. Challenges and Gaps

Some of the key challenges and gaps that Cambodia is facing in digital transformation include talent and skills gaps, digital divide, cybersecurity and data privacy, and the lack of regulatory framework.

- **Skills Gaps:** Developing a skilled digital workforce is essential for sustaining and driving digital transformation. Cambodia needs to invest in digital education and training programs to bridge the skills gap. Collaboration between academia, industry, and government is necessary to equip individuals with the relevant skills in areas such as coding, data analytics, and emerging technologies.
- **Digital Divide:** Bridging the digital divide remains a significant challenge in Cambodia. Limited internet connectivity in rural and remote areas, lack of digital literacy, and affordability barriers hinder equal participation in digital transformation. Efforts are needed to extend connectivity infrastructure, promote digital skills development, and ensure inclusivity in the digital economy.

¹ Khmer Times, "Rise in digital payments driving force for e-commerce growth in Cambodia", 13 July 2022, <https://www.khmertimeskh.com/501111773/rise-in-digital-payments-driving-force-for-e-commerce-growth-in-cambodia/>

- **Cybersecurity and Data Privacy:** digital transformation progresses, the need for robust cybersecurity measures becomes critical. Cambodia must strengthen its cybersecurity framework to protect against cyber threats, data breaches, and privacy infringements. Building capacity in cybersecurity and raising awareness among organizations and individuals is crucial for a secure digital environment.
- **Regulatory Framework:** Ensuring a conducive regulatory environment is vital for fostering digital innovation and attracting investment. Cambodia needs to establish clear and adaptable regulations that address emerging technologies, data protection, e-commerce, and intellectual property rights. Balancing regulation with innovation will support the growth of digital businesses and stimulate economic development.

3. Moving Forward

Moving forward, Cambodia needs to promote digital inclusion, industry collaboration, and data-driven decision making, and develop digital innovation ecosystem.

- **Digital Inclusion:** Cambodia's focus should be on addressing the digital divide by extending connectivity, enhancing digital literacy programs, and promoting affordable access. This will enable more citizens, especially in rural areas, to benefit from digital services, education, and opportunities.
- **Industry Collaboration:** Collaboration between the government, private sector, and civil society is essential for driving digital transformation. Partnerships can foster innovation, knowledge sharing, and investment in technology infrastructure, start-up support, and skills development.
- **Data-Driven Decision Making:** The effective utilization of data and advanced analytics will empower businesses and the government to make informed decisions, improve services, and drive economic growth. Establishing data governance frameworks and promoting data sharing partnerships will be crucial.
- **Digital Innovation Ecosystem:** Continued support for start-ups, entrepreneurship, and innovation ecosystems will spur digital transformation. Initiatives such as incubators, funding programs, and mentorship networks will foster a vibrant ecosystem for technological advancements and digital solutions.

IV. Digital Transformation in China

China has emerged as a global leader in digital transformation, leveraging its technological prowess to revolutionize various sectors of the economy and society. This analysis explores the achievements, challenges, and prospects of digital transformation in China, highlighting the country's advancements, key initiatives, and the implications for its domestic and global influence.

1. Progress Made

- **Technology Infrastructure:** China has made significant investments in building a robust technology infrastructure, including high-speed broadband networks, 5G connectivity, and data centers. These efforts have laid the foundation for digital innovation and enabled widespread adoption of digital technologies. During the 2020 National People's Congress, the Chinese Communist Party (CCP) made an announcement outlining its commitment to reinforcing the Made in China 2025 and China Standards 2035 initiatives. Additionally, it unveiled plans to invest around US\$1.4 trillion in a public spending program aimed at developing digital infrastructure. This new infrastructure plan encompasses seven crucial areas of focus. These include the establishment of robust 5G networks, the development of the industrial internet, improvements in inter-city transportation and rail systems, the construction of data centers, advancements in artificial intelligence (AI) technology, the implementation of ultra-high voltage power transmission, and the establishment of new-energy vehicle charging stations.¹
- **E-commerce and Mobile Payments:** China's e-commerce industry, led by corporate giants like Alibaba and JD.com, has experienced rapid growth. Furthermore, the country's digital-savvy consumers have embraced online shopping, while mobile payment platforms such as Alipay and WeChat Pay have become deeply integrated into daily life, transforming traditional retail and payment systems. Notably, mobile payment adoption significantly increases household online shopping expenditure and the positive spending effect of mobile payment adoption on households' online shopping points to synergies between mobile payment and e-commerce platforms.²
- **Digital Finance and Fintech:** China has witnessed the rapid growth of digital finance, with the emergence of fintech companies offering innovative services such as peer-to-peer lending, digital wallets, and wealth management platforms. Technologies like blockchain are also being explored for applications in areas like supply chain finance. Moreover, digital finance improves financial inclusion in China. It could drive financial liberalization and alleviate financial repression particularly for households with interest earnings that are far less than they would have been in a more liberalized financial environment.³

¹ China Briefing, "How Can Foreign Technology Investors Benefit from China's New Infrastructure Plan?", 7 August 2020, <https://www.china-briefing.com/news/how-foreign-technology-investors-benefit-from-chinas-new-infrastructure-plan/>.

² Yang, Wei; Vatsa, Puneet; Ma, Wanglin; and Zeng, Honguyn (2023). Does mobile payment adoption really increase online shopping expenditure in China: A gender-differential analysis. *Economic Analysis and Policy* 77, 99-110. <https://doi.org/10.1016/j.eap.2022.11.001>

³ Chan, Sarah (2022) Fintech and Digital Finance in China: Developments and implications. EAI Background Brief No. 1634, National University of Singapore. <https://research.nus.edu.sg/cai/wp-content/uploads/sites/2/2022/03/EAIIBB-No.-1634-Fintech-in-China-essum.pdf>

- **Smart Cities and Internet of Things (IoT):** China is at the forefront of developing smart cities, leveraging IoT technologies to improve urban management, enhance transportation systems, and optimize energy consumption. Innovations like facial recognition, AI-powered surveillance, and smart transportation solutions have been implemented in various cities. Smart technologies and networking solutions, such as the Internet of Things (IoT), have been adopted by most leading cities in China as ways to revitalize economic opportunities and strengthen their global resilience to climate change.¹

2. Challenges and Gaps

Some of the key challenges that China is facing in the process of digital transformation include data privacy and security, regulatory framework, digital divide, and ethical implications of advanced technologies like AI.

- **Data Privacy and Security:** As digital transformation progresses; China faces challenges in ensuring data privacy and protecting against cybersecurity threats. The collection, storage, and use of vast amounts of personal and sensitive data raise concerns about privacy infringement and the potential for data breaches.
 - **Regulatory Framework:** China's digital transformation has prompted the need for robust regulations and oversight to address issues like data protection, antitrust concerns, and fair competition. Striking a balance between fostering innovation and managing potential risks will be crucial for sustaining digital growth.
 - **Digital Divide and Inclusion:** While digital transformation has brought significant benefits, there is a digital divide between urban and rural areas, as well as among different socioeconomic groups. Ensuring inclusivity by extending connectivity, digital literacy, and access to underserved communities remains a challenge.
- Ethical Implications:** As technology advances, ethical considerations
- surrounding AI, facial recognition, and data use are gaining prominence. Balancing technological advancements with ethical guidelines and social impact is crucial for maintaining public trust and ensuring responsible digital transformation.

¹ Song, Tao; Cai, Jianming; Chahine, Teresa; and Li, Le (2021) Towards smart cities by Internet of Things (IoT)- a silent revolution in China. *Journal of the Knowledge Economy* 12, 1-17.

3. Moving Forward

In terms of digital governance and regulation, the Chinese government is working on shaping policies and regulations to foster innovation, protect data privacy, and ensure cybersecurity. Striking the right balance between regulation, innovation, and consumer protection will be crucial for sustainable digital growth. Remarkably, China's digital transformation is increasingly emphasizing sustainability and green technologies. Efforts to promote renewable energy, reduce carbon emissions, and apply digital solutions for environmental monitoring and resource management are likely to be prioritized. China has set ambitious goals to become a global leader in AI.¹ Continued investments in AI research, development, and talent will drive advancements in areas like machine learning, robotics, and autonomous vehicles, with implications for industries such as healthcare, manufacturing, and transportation.

In September 2023, China articulated its vision for a “Global Community of Shared Future” in a comprehensive document titled “China’s Proposals and Actions.” Within this concept note, China underscores the profound global governance deficit that currently exists, highlighting the pressing need for effective international cooperation and governance mechanisms. One of the critical challenges confronting the world is the expanding digital divide, which necessitates the development of a sound and inclusive global governance regime on AI.²

V. Cambodia-China Cooperation on Digital Transformation

In the newly unveiled action plan aimed at realizing a “Community of Shared Future” spanning the years 2023 to 2028, China is committed to supporting Cambodia in the development of the Cambodian National Data Centre for Digital Government Project. Recognizing the multifaceted nature of digital transformation cooperation between the two nations, a holistic approach is imperative. Within the action plan, both parties have committed to elevating their collaboration in the domains of information, communication, and digital technologies. Concurrently, they aim to facilitate the transfer and commercialization of technology, fostering an environment conducive to mutual investments. Furthermore, their shared commitment extends to fostering tangible advancements in scientific and technological innovation, with the goal of benefiting their respective populations through these innovations.

¹ Grady, John, “China looking to become Artificial Intelligence Global Leader, Report says”, USNI News, 26 June 2023. <https://news.usni.org/2023/06/26/china-looking-to-become-artificial-intelligence-global-leader-report-says>

² The State Council Information Office of the People's Republic of China, “A Global Community of Shared Future: China's Proposals and Actions”, September 2023. http://english.scio.gov.cn/whitepapers/2023-09/26/content_116710660_5.htm

China's Digital Silk Road Initiative, an integral part of the Belt and Road Initiative, opens promising avenues for cooperation between the two countries in the realm of digital transformation. This initiative is designed to augment digital connectivity and stimulate collaboration in pivotal areas like digital infrastructure, e-commerce, and digital data governance. Through concerted efforts under this framework, Cambodia and China can bolster their economic integration, intensify digital linkages, and fortify their comprehensive bilateral relations.

To this end, Cambodia and China must collaboratively establish robust governance frameworks, data protection regulations, and cybersecurity measures, ensuring both the secure and responsible utilization of data while safeguarding the interests of individuals and businesses. This section examines the opportunities, implications, and challenges of Cambodia-China cooperation in the context of digital transformation.

1. Digital Infrastructure Development

China's expertise in digital infrastructure development has the potential to significantly benefit Cambodia's digital transformation journey. China has demonstrated its prowess in building robust and reliable infrastructure, and this knowledge can be leveraged to support Cambodia's efforts in expanding its digital connectivity and improving access to digital services. Collaboration between Cambodia and China in various areas of infrastructure development can yield fruitful outcomes.

- **Broadband Networks:** China's experience in expanding broadband networks can serve as a valuable resource for Cambodia. China has made substantial investments in developing high-speed broadband networks, ensuring extensive coverage across its vast territory. This expertise can be shared with Cambodia to help accelerate the expansion of broadband networks, particularly in rural and underserved areas. Improved connectivity will enhance digital access and bridge the digital divide, enabling more Cambodians to benefit from digital services and participate in the digital economy.
- **Data Centres:** China has made significant advancements in establishing large-scale data centres that support the storage, processing, and management of vast amounts of digital information. Collaboration with China can assist Cambodia in developing its data centre infrastructure, ensuring secure and reliable data storage capabilities. Establishing efficient data centres will contribute to enhanced data management, facilitating data-driven decision-making and enabling businesses to leverage the power of big data analytics.

- **5G Technology:** China is at the forefront of 5G technology development and deployment. Collaboration with China can enable Cambodia to leverage China's expertise in implementing 5G networks. The implementation of 5G technology in Cambodia would result in significantly faster and more reliable internet connectivity, enabling seamless communication, supporting the Internet of Things (IoT), and unlocking new possibilities for innovative applications. Industries such as healthcare, transportation, and manufacturing can benefit from the transformative potential of 5G technology, leading to increased efficiency, productivity, and competitiveness.
- **Knowledge Exchange and Technical Expertise:** Collaboration between Cambodia and China in infrastructure development can also facilitate knowledge exchange and technical expertise. China's experience in planning, designing, and implementing large-scale infrastructure projects can provide valuable insights and best practices for Cambodia. Through partnerships, joint projects, and capacity building programs, Cambodia can tap into China's technical expertise, enabling the country to build a strong foundation for its digital transformation.

By leveraging China's expertise in infrastructure development, Cambodia can enhance its digital connectivity, ensuring efficient data transmission and improved access to digital services. Strengthening broadband networks, establishing data centres, and implementing 5G technology will contribute to Cambodia's digital transformation by creating a robust and reliable digital infrastructure. The collaboration between Cambodia and China in this realm can help Cambodia leapfrog in its digital development, enabling the country to harness the full potential of digital technologies and drive economic growth and social progress.

2. E-commerce and Digital Trade

China's position as a global leader in e-commerce provides a valuable opportunity for collaboration with Cambodia in this thriving sector. China's experience in e-commerce platforms, logistics, and cross-border digital trade can offer valuable insights and knowledge that can support Cambodia's digital transformation efforts, drive economic growth, and foster digital entrepreneurship.

- **E-commerce Platforms:** China's e-commerce giants, such as Alibaba and JD.com, have achieved remarkable success in creating robust online marketplaces. These platforms have revolutionized retail and opened new avenues for businesses to reach customers. Collaboration with China can involve knowledge sharing on platform development, user experience optimization, and effective online marketing strategies. Cambodia can benefit from China's experience in developing and scaling e-commerce platforms, thereby accelerating the growth of its own digital marketplace and enabling local businesses to expand their reach.

- **Logistics and Supply Chain:** China has built advanced logistics and supply chain networks to support its booming e-commerce industry. Leveraging China's expertise in supply chain management, last-mile delivery solutions, and warehouse operations can assist Cambodia in enhancing its logistics infrastructure. Collaboration in this area can help improve the efficiency of Cambodian businesses' operations, reduce delivery times, and enable reliable and cost-effective distribution of products to customers.
- **Cross-border Digital Trade:** China has also excelled in cross-border e-commerce, leveraging digital platforms and innovative logistics solutions to facilitate international trade. Sharing best practices and knowledge on cross-border digital trade can support Cambodia in expanding its export capabilities and entering new markets. Collaboration can involve guidance on customs procedures, regulatory compliance, and digital payment systems, enabling Cambodian businesses to tap into global opportunities and diversify their customer base.
- **Digital Entrepreneurship:** China's vibrant digital entrepreneurial ecosystem offers valuable lessons for Cambodia's emerging start-up community. Collaboration can involve sharing experiences, mentorship programs, and investment opportunities, fostering a culture of digital entrepreneurship and innovation in Cambodia. Chinese investors and venture capital firms can play a crucial role in supporting Cambodian start-ups and providing the necessary funding and expertise for their growth.

By collaborating with China in e-commerce, Cambodia can tap into China's expertise and experience to accelerate its digital commerce sector, expand market access for Cambodian businesses, and promote digital entrepreneurship. Sharing best practices, knowledge, and technological advancements in e-commerce platforms, logistics, and cross-border digital trade will contribute to Cambodia's economic growth, job creation, and integration into the global digital economy. Additionally, such collaboration can facilitate the exchange of ideas, foster innovation, and strengthen bilateral ties between Cambodia and China.

3. Digital Skills Development

China's expertise in digital skills development and its well-established ecosystem can play a crucial role in enhancing Cambodia's workforce and supporting its digital transformation agenda. Collaboration between China and Cambodia in capacity building, training programs, and knowledge exchange can help equip Cambodians with the necessary digital skills, promote employability, and drive the country's digital transformation efforts.

- **Training Programs and Skill Development:** China's experience in implementing comprehensive training programs can provide valuable insights for Cambodia. Collaboration can involve sharing best practices in designing and implementing digital skills training initiatives tailored to the specific needs of Cambodia's workforce. China's successful models, such as vocational training programs and public-private partnerships, can be adapted to Cambodia's context, enabling the country to develop a skilled and adaptable digital workforce.
- **Knowledge Exchange and Technical Expertise:** Collaboration between China and Cambodia can facilitate knowledge exchange and technical expertise in various digital domains. China's expertise in emerging technologies, such as artificial intelligence (AI), big data analytics, and cloud computing, can be shared with Cambodia. Through workshops, seminars, and technology transfer programs, Cambodians can gain insights into cutting-edge digital technologies and learn from China's advancements in these fields.
- **Digital Literacy and Education:** China's experience in promoting digital literacy and incorporating digital education into the curriculum can serve as a valuable reference for Cambodia. Collaboration can focus on designing digital literacy programs that cater to different segments of the population, including students, workers, and entrepreneurs. Emphasizing digital literacy will enhance the digital capabilities of Cambodians, empower them to leverage technology effectively, and drive digital inclusion.
- **Multi-Stakeholder Partnerships:** Collaboration between China and Cambodia can involve partnerships between government agencies, educational institutions, and private enterprises. By working together, these stakeholders can develop joint initiatives, such as internship programs, apprenticeships, and on-the-job training opportunities. These programs will enable Cambodians to gain practical skills, work experience, and exposure to China's digital industry, fostering a stronger workforce for Cambodia's digital economy.

By leveraging China's advanced digital skills ecosystem, Cambodia can enhance its workforce and accelerate its digital transformation journey. Collaboration in capacity building, training programs, and knowledge exchange will equip Cambodians with the necessary digital skills, promoting employability and supporting the country's digital transformation agenda. The collaboration between China and Cambodia in this realm can contribute to the development of a skilled and adaptable digital workforce, enhancing Cambodia's competitiveness in the global digital economy.

4. Data Privacy and Security

- **Governance:** Cambodia and China should engage in a comprehensive exchange of experiences and expertise in crafting an encompassing governance framework for data privacy and protection. This may encompass the creation of rules and regulations delineating the rights and responsibilities of individuals and organizations concerning the collection, storage, processing, and sharing of personal and sensitive data. Mutual cooperation can encompass the sharing of best practices and insights in developing legal frameworks, ensuring alignment with international standards, and promoting a secure digital environment.
- **Data Protection Regulations:** Collaborative efforts between Cambodia and China should be directed at formulating data protection regulations. This entails the establishment of guidelines and standards for organizations to adhere to in safeguarding data privacy and fortifying defences against data breaches. Cooperation may involve the exchange of expertise in implementing data protection mechanisms such as data anonymization, encryption, and access controls. Alignment of data protection regulations ensures consistency and effectiveness in data privacy practices.
- **Cross-Border Data Flows:** Collaborative efforts between Cambodia and China must address the intricacies of cross-border data flows. Establishing secure and compliant data transfer mechanisms, including provisions for data localization and cross-border data transfer agreements, is paramount. Cooperation may involve negotiations and discussions on data-sharing arrangements, ensuring that data flows between the two nations conform to relevant laws, respect privacy rights, and adhere to stringent security standards.
- **Cybersecurity Measures:** A robust partnership between Cambodia and China is essential for bolstering cybersecurity measures, defending against cyber threats and attacks. Collaboration should encompass knowledge sharing and expertise exchange in cybersecurity practices, incident response protocols, and threat intelligence sharing. By nurturing information exchange and cooperation in cybersecurity, both nations can enhance resilience against cyber threats, mitigate risks, and safeguard critical digital infrastructure. Capacity-building programs should be devised to elevate the cybersecurity capabilities of individuals, organizations, and government entities through training initiatives, workshops, and knowledge sharing sessions on cybersecurity best practices, incident handling, and emerging threats. Augmenting the cybersecurity skills and knowledge base of professionals in both countries will contribute significantly to a more secure digital ecosystem.

By working together to establish robust governance frameworks, data protection regulations, and cross-border data flows, Cambodia and China can foster a secure and responsible digital ecosystem. Cooperation in these areas will not only protect the interests of individuals and businesses but also foster trust, encourage cross-border collaborations, and facilitate the smooth exchange of data for innovation, economic growth, and mutual benefit between the two countries.

The sharing of experiences, best practices, and cutting-edge advancements in digital technologies, entrepreneurship, and innovation serves as a catalyst for inspiring and driving innovation in both nations. This dynamic exchange of knowledge and ideas has the potential to incubate novel digital solutions, promote entrepreneurial spirit, and nurture a culture of innovation, thereby strengthening the overall digital ecosystems in Cambodia and China.

VI. Conclusion

Cambodia-China cooperation on digital transformation presents opportunities for both countries. By leveraging China's expertise in digital economy and society development, Cambodia can accelerate its own digital transformation journey. Therefore, more efforts and investments are required to broaden and deepen cooperation and partnership on digital transformation. Notably, both countries must address some main challenges related to digital data governance, digital divide, and institutional capacity. Through a strategic and inclusive approach, Cambodia and China can forge a mutually beneficial partnership that drives sustainable growth, improves livelihoods, and fosters innovation in the digital era.

Looking ahead, Cambodia-China cooperation in digital transformation can drive economic growth, enhance connectivity and integration, and foster knowledge exchange and innovation- leading to the realisation of a genuine Community of Shared Future. By embracing a strategic and inclusive approach, Cambodia and China can jointly develop innovative digital solutions to address socio-economic issues. Four areas that both countries should invest more efforts and resources on are digital infrastructure development, e-commerce and digital trade, digital skills development, and data privacy and cyber security.



About the Author

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Chapter 8

CAMBODIA-CHINA COOPERATION ON SECURITY ASPECTS

By SIM Vireak

I. Introduction

Cambodia-China ironclad friendship, nurtured by the leaders of both countries' elder generations, has strengthened over the last 65 years since the establishment of diplomatic ties. In the face of major changes and challenges confronting the world, this strategic relationship carries even more weight. The two sides have endeavored to deepen their close win-win cooperation. In the "Cambodia-China Friendship Year," marking the 65th anniversary of diplomatic relations, they have launched a series of events to take their relationship to new heights, worthy of the essence of a "Cambodia-China Community of Shared Future".

At the pinnacle of their bilateral relations, Cambodia and China agreed to develop a diamond cooperation framework comprising six priority areas: political and security cooperation, production capacity and quality, agriculture, energy, security, and people-to-people exchanges. One cornerstone of this relation is security cooperation, where both sides are keen to collaborate at bilateral, regional, and international levels.

This article touches on the dynamics of these three levels of security cooperation, contributing to the maintenance of the independence, sovereignty, and self-determination of each country while promoting peace, stability, and prosperity for the two countries and the region at large. It focuses on military security, human security, and other strategic matters, elaborating on security cooperation at the bilateral level, namely military-to-military cooperation, law enforcement cooperation, and COVID-19 cooperation.

II. Security Cooperation at Bilateral Level

Overriding Principles: Protection of Core National Interest, Independence, Sovereignty, and Self-Determination

In a turbulent international environment, Cambodia and China attach great importance to the sanctity of their respective core national interests, independence, sovereignty, and self-determination on the path of development. Both countries have experienced outside interference and domination that has clouded part of their history. It is in their common interest to work together to protect their core principles that justify the essence and existence of their respective state.

China has affirmed its support for the Cambodian people's choice of a development path suited to its national conditions. Similarly, it stands behind Cambodia's efforts to safeguard its independence, sovereignty, security, and development interests, strongly opposing any foreign interference in the country's internal affairs.

As for Cambodia, it has always maintained its firm adherence to the "One-China Policy". It regards the government of the People's Republic of China as the only legitimate government representing the whole of China, and opposes any attempt to interfere in China's internal affairs while resolutely supporting China's efforts to achieve national reunification. Cambodia has consistently reiterated its position that it will not develop any form of official relations with Taiwan. These overriding principles have guided the two countries in the development of their multifaceted security cooperation.

Military Cooperation: For Cambodia, bilateral military cooperation with China is one of the most dynamic and comprehensive relations. China is the only country with which Cambodia has conducted military exercises during and immediately after the outbreak of the COVID-19 pandemic. Since 2016, both countries have held the Golden Dragon military exercise five times. In 2020, at the height of the COVID-19 epidemic, Cambodia was the first and only foreign country with which China conducted a military exercise.¹ The joint naval exercise before the official start of the Golden Dragon-2023 joint drills marked a high level of comprehensive military exchange and cooperation.

It is noteworthy that in the same year Cambodia conducted another exercise, the "Peace Angel 2023," with China focused on medical, health, and relief management. The exercise was held for the first time, marking a new unprecedented historical milestone for Cambodia to conduct military exercises with any friendly country twice a year.

¹ Sun Mesa. 2020. "Golden Dragon kicks off amid COVID-19 fears." Khmer Times, March 16. <https://www.khmertimeskh.com/702060/golden-dragon-kicks-off-amid-covid-19-fears/>

Golden Dragon Military Exercises from 2016 to 2023

1. December 2016: A nine-day joint military exercise was held in Kampong Speu province's Army Institute under the theme "Humanitarian Rescue and Disaster Relief" (280 Cambodian personnel and 97 Chinese personnel).¹
2. 15 - 31 March 2018: A 17-day joint military exercise was held in Kompong Speu province, under the theme "Counter-Terrorism and Humanitarian Works" to commemorate the 60th anniversary of Cambodia and China Diplomatic Ties with 307 Cambodian and 216 Chinese troops focusing on counter-terrorism, humanitarian relief, road repairs, mine and UXO clearance, bridge construction and disaster relief and resettlement (307 Cambodian personnel and 216 Chinese personnel).²
3. 14 - 25 March 2019: A 15-day event was held in Kampot province under the theme "Humanitarian Affairs and Counter-Terrorism" focusing on drills on counter-terrorism, hostage rescue, natural disaster response, UN missions and infantry engineering (2,542 Cambodian personnel and 252 Chinese personnel).³
4. 15 March - 1 April 2020: A 15 days event was held in Kampot province's Chum Kiri district, under the theme "Counter-terrorism capacity and humanitarian activities". The drills included combat and hostage-rescue scenarios (2,763 Cambodian personnel and 256 Chinese personnel).⁴
5. 23 March - 8 April 2023: The event was held at the Military Police Training Center (Phnom Chum Rik Reay) in Samakki Meanchey district's Peam commune, Kampong Chhnang province, under the theme "Security Operations in Major Events and Humanitarian Relief". At least 583 Royal Cambodian Armed Forces (RCAF) personnel and 257 soldiers of the Chinese People's Liberation Army (PLA) have directly participated in the exercise along with more than 2,000 support personnel. The two militaries exchanged experiences on humanitarian work, disaster relief, counter-terrorism, regional peacekeeping and United Nations missions. The drills also focused on mobile operations, surveillance and blockade, surveillance, protection of dignitaries, release of hostages, on-site maintenance, demining, biological testing, tackling infectious diseases as well as clearing re-organizing land which is cleared of mines (2,831 Cambodian personnel and 257 Chinese personnel).⁵

¹ Ben Sokhean. 2019. "Golden Dragon joint military exercises with China begin today." Khmer Times, March 13. <https://www.khmertimeskh.com/586172/golden-dragon-joint-military-exercises-with-china-begin-today/>

² Ibid.

³ Ibid.

⁴ Sun Mesa. 2020. "Golden Dragon kicks off amid COVID-19 fears." Khmer Times, March 16. <https://www.khmertimeskh.com/702060/golden-dragon-kicks-off-amid-covid-19-fears/>

⁵ Soth Koemsoeun. 2023. "Back in action: Golden Dragon joint military drills resume after two-year hiatus." Khmer Times, March 24. <https://www.khmertimeskh.com/501261346/back-in-action-golden-dragon-joint-military-drills-resume-after-two-year-hiatus/>

6. 16 - 21 September 2023: The “Peace Angel 2023” was held for the first time, focusing on medical, health and relief management. The drill saw participation of nearly 750 troops from both sides. The Chinese side had a total of 126 participants, including 10 pilots and 95 health workers, while the Cambodian team consisted of 595 members, that included 237 training troops and 334 service personnel. China took part in the joint exercise with one Y-19, three Y-20s, three ambulances, along with 1,000 sets of medical and rescue equipment while Cambodia made its presence with two Mi-17 helicopters, two Z-9 helicopters, six ambulances, as well as medical and rescue equipment.¹

Military cooperation goes beyond frequent military exercises. China’s supply of military equipment, training, and scholarships to Cambodia often makes headlines, highlighting the breadth and depth of security cooperation between the two countries. Notably, with a grant from China, on June 8, 2022, Cambodia broke ground on the construction of facilities and the upgrade of the Ream Naval Base, part of the modernization of the country’s naval capacity. The groundbreaking ceremony marked the beginning of the construction project to rehabilitate the dry dock, pier, and slipway, along with the construction of a vessel maintenance workshop. After rehabilitation, the Ream Naval Base port, with its current seven meters shallow depth, will be able to dock medium-sized vessels.

Despite various accusations about a possible presence of Chinese troops on its soil, Cambodia has publicly stated that its Constitution prohibits the presence of foreign military bases or foreign military forces on Cambodian soil. Cambodian authorities have explained the need to renovate the base, emphasizing that it only serves to strengthen the country’s naval capabilities to protect its maritime territory and combat crime on the high seas. Additionally, they made a goodwill gesture by allowing foreign military attachés from embassies in Phnom Penh to visit the naval base, constituting an unprecedented transparency practice regarding one of its military bases.²

Law Enforcement Cooperation: Law enforcement cooperation is another aspect of security cooperation. Both countries have agreed to continue cooperation in the exchange and sharing of information between law enforcement officials, focusing on countering transnational crime, counter-terrorism, preventing “color revolution,” combating drug-related crimes, telecom fraud, illegal cross-border gambling, human trafficking, and law enforcement’s capacity building.

¹ Hang Punrey. 2023. “China, Cambodia ‘Peace Angel’ drill ends on high note.” Khmer Times, September 22. <https://www.khmertimeskh.com/501364540/china-cambodia-peace-angel-drill-ends-on-high-note/>

² Niem Chheng and Ry Sochan. 2022. “Fresh Ream claims shot down at groundbreaking.” Phnom Penh Post, June 08. <https://www.phnompenhpost.com/national-politics/fresh-ream-claims-shot-down-groundbreaking>

The agreement on law enforcement between China and Cambodia was first signed in March 2019 under the initiative of Prime Minister Hun Sen and President Xi Jinping. They also agreed to designate 2019 as the “Cambodia-China Law Enforcement Cooperation Year”.

In August 2019, Cambodia issued a circular prohibiting the licensing of online gambling. Cambodia will no longer issue online gambling licenses nor renew them once they have expired. The then Cambodian Prime Minister Hun Sen also ordered authorities at all levels to intensify the investigation and crackdown on all illegal online gambling businesses to maintain social security and public order.¹

In October 2019, the Chinese Embassy in Phnom Penh lauded law enforcement cooperation efforts between the two countries that have seen around 1,000 Chinese nationals, accused of varying crimes, deported in the last 12 months. After the China-Cambodia Law Enforcement Cooperation Office was established, the enforcement agencies of the two countries have worked closely with each other to crack down on crimes that affect the lives, property, and safety of both of their citizens.²

In 2019, 150 Chinese nationals were arrested and deported to China for operating Voice over Internet Protocol scams in Preah Sihanouk and Kampong Speu provinces. In 2020, the Cambodian General Department of Immigration requested China’s Ministry of Public Security to review and facilitate the deportation of an additional 100 Chinese nationals from Cambodia.

COVID-19 Cooperation: COVID-19 cooperation is an important aspect of human health security, which had never been as deadly since the COVID-19 pandemic wreaked havoc on the whole world. In the face of the pandemic, there was a serious shortage of vaccine, and China played an exemplary role in helping many developing countries, including Cambodia, to fight against this deadly disease. Many Cambodian leaders, notably the then Prime Minister Hun Sen, praised China’s assistance during the COVID-19 crisis with the provision of doses of COVID-19 vaccines. He stated that “if I didn’t rely on China, who would I rely on?”³

As of December 2022, Cambodia had received a total of 42.1 million doses of vaccines from China, comprising a grant of 13.6 million doses and the purchase of 28.5 million doses. China also dispatched its military medical experts along with medical supplies and equipment to Cambodia to help combat the highly contagious

¹ “Cambodia stops issuing licenses for online gambling businesses.” Xinhua, August 18, 2019. http://www.xinhuanet.com/english/2019-08/18/c_138318311.htm

² Post on Facebook page of Chinese Embassy in Cambodia. October 17, 2019. <https://www.facebook.com/ChineseEmbassyCambodia/photos/a.1660289967389937/2464596676959258/?type=1&theater>

³ Nhim Sokhorn and Ouch Sony. 2021. “Hun Sen: ‘If I Didn’t Rely on China, Who Would I Rely on?’”. VOD, September 13. <https://vodenglish.news/hun-sen-if-i-didnt-rely-on-china-who-would-i-rely-on/>

disease. Subsequently, the then Cambodian Defense Minister General Tea Banh presented the “Knight Class” medals to four Chinese military doctors after they had successfully completed their two-month mission in helping the country fight COVID-19. According to General Tea Banh, during the COVID-19 pandemic, a few milestones deserved to be inscribed in the annals of the Cambodia-China relations, including the special visit of Cambodian Prime Minister Samdech Techo Hun Sen to Beijing on February 5, 2020, the Cambodia-China military exercise in March 2020, and the dispatching of the Chinese medical team to aid Cambodia’s fight against the virus.

For their part, China appreciated Cambodia’s objection to the politicization and stigmatization of COVID-19 and praised it for its firm support for the World Health Organization’s indispensable role in combating the pandemic.¹

III. Security Cooperation at the Regional Level

Cambodia-China cooperation at the regional level specifically refers to cooperation within the ASEAN framework. ASEAN and China have had close working relations in promoting peace and security in the regional agenda through various ASEAN-led regional frameworks such as the ASEAN-China Dialogue Relations, the ASEAN Plus Three, the ASEAN Regional Forum, the ASEAN Defense Ministers’ Meeting, and the East Asia Summit. While ASEAN and China do at times have some differences in their security issues, they have a strong dialogue and cooperation based on mutual trust, mutual benefits, and mutual understanding, playing an important role in preserving peace and stability in the region. Within this framework, Cambodia has played a constructive role in strengthening ASEAN-China relations.

In 2022, when Cambodia assumed the chairmanship of ASEAN for the third time under the theme “ASEAN A.C.T.: Addressing Challenges Together,” it remained committed to open regionalism that supports the building of a peaceful region. Through the deepening of the ASEAN-China Comprehensive Strategic Partnership, the joint efforts of ASEAN Member States and China have worked to reach an early conclusion on a substantive and effective Code of Conduct in the South China Sea (COC) to turn the South China Sea into a sea of peace, friendship, and cooperation.

¹ “Cambodia awards honorable medals to Chinese military doctors for contributions to COVID-19 fight.” Xinhua, May 22, 2020. http://www.xinhuanet.com/english/2020-05/22/c_139079664.htm

Regarding the ongoing COC negotiations launched in 2018, Cambodia has consistently advocated for a COC that is effective, substantive, and consistent with international law. It's essential to remember that since the signing of the Declaration on the Conduct of Parties in the South China Sea (DOC) in 2002 in Phnom Penh, the DOC has served as the main vehicle to promote trust and confidence and maintain peace and stability in the South China Sea region. Cambodia has been proactive in promoting the full and effective implementation of this important instrument. Together with other ASEAN Member States and China, Cambodia has initiated several practical cooperation activities, such as hosting the ASEAN-China Joint Working Group on the Implementation of the DOC (known as JWG-DOC) meetings and other workshops and seminars to promote the DOC.

Due to the pandemic, the negotiations were temporarily stalled before virtual meetings became a norm for the next two years. It was only until 2022 that Cambodia had the opportunity to facilitate the COC negotiations with the physical hosting of the 367 JWG-DOC Meeting in Siem Reap in May 2022 and the subsequent one in Phnom Penh in October 2022.

Cambodia was pleased with the progress of the second reading of the Single Draft Negotiating Text (SDNT) in 2022, which coincided nicely with the celebration of the 20th Anniversary of the DOC. The journey towards concluding the COC was not easy due to divergent perspectives; however, Cambodia has been steadfast in its efforts to encourage all the Parties concerned to seek mutual understanding and find common ground to move forward in the course of the negotiations.

IV. Security Cooperation at the Global Level

Security cooperation on the global level refers to the mutual support between Cambodia and China in international multilateral organizations and fora where both countries aim to protect their core national sovereignty interests. To understand this dynamic, it is appropriate to look at the three initiatives of President Xi Jinping, namely the Global Civilization Initiative (GCI), the Global Development Initiative (GDI), and the Global Security Initiative (GSI), which define their security interests in various multilateral institutions.

The GCI advocates respect for the diversity of civilizations, promotes the common values of humanity, attaches importance to the inheritance and innovation of civilizations, strengthens international people-to-people exchanges and cooperation, and provides basic guidelines and paths for different civilizations to coexist, exchange, and learn from each other.¹

¹ Ambassador Liu Jin. "Promoting World Modernization with Chinese Initiatives." April 06, 2023. http://gm.china-embassy.gov.cn/eng/sgxw/202304/t20230406_11055371.htm

The GSI underlines the importance of adhering to the principles of mutual respect, openness and inclusion, multilateralism, mutual benefit and win-win, a holistic approach, and upholding the UN's central role in security governance. It promotes coordination and sound interactions among major countries, facilitates the peaceful settlement of hotspot issues through dialogue, tackles traditional and non-traditional security challenges, strengthens the system and capacity for global security governance, and works with all peoples around the world to safeguard the peace of the global community.¹

The GDI promotes international cooperation in eight priority areas: poverty alleviation, food security, pandemic response and vaccines, financing for development, climate change and green development, industrialization, digital economy, and connectivity in the digital era.

Cambodia is a staunch supporter of these three initiatives as they align well with Cambodia's values and principles in the conduct of its international relations. They recognize the common values for all humanity of peace, development, fairness, justice, democracy, and freedom, and they stand ready to safeguard the international system with the UN at its core. The two countries are committed to building a new type of international relations and promoting global partnerships based on equality, openness, and cooperation.

V. Conclusion

Marking the 65-year journey together, Cambodia and China have shown that their time-tested friendship is very resilient. Their relations grew even stronger at the time of crisis that threatens the security of their respective countries, as the old adage says, "a friend in need is a friend in deed."

The above explanations have shown the robustness and multifaceted nature of security cooperation between Cambodia and China. This ironclad friendship, underlined by solid security cooperation, has enabled both countries to firmly protect their core national interests, independence, sovereignty, and self-determination. Certainly, Cambodia-China security cooperation has contributed significantly to ensuring regional security, maintaining peace, and ensuring the proper functioning of regional and global multilateralism. For the future, amidst the challenging and uncertain international order, it is natural to foresee that Cambodia and China will continue to enhance their security cooperation to lead the nations on the path to peace and prosperity.



¹ Ibid.

About the Author

SIM Vireak currently serves as the Under-Secretary of State at the Ministry of Economy and Finance (MEF) of the Kingdom of Cambodia, and he is also a member of the Supreme National Economic Council (SNEC). Additionally, for academic purposes, he serves as a strategic advisor to the Asian Vision Institute (AVI). He earned his bachelor's degree from Hitotsubashi University, a master's degree from the University of Tokyo in international politics, and he is currently pursuing a PhD at Jinan University in Guangzhou. He commenced his government career in 2007 at the Ministry of Foreign Affairs and International Cooperation (MFAIC), holding various positions until 2022, with his most recent post being the Director-General of the General Department of ASEAN during Cambodia's ASEAN Chairmanship in 2022. His recent publication is a book entitled "Observations on the Evolution of Contemporary Cambodia - A Cambodian View".

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Ibid.

Chapter 9

CHINA-CAMBODIA COOPERATION ON PEOPLE'S LIVELIHOOD IMPROVEMENT

By DOUNG Virorth

Abstract

China's international development cooperation approach has shifted from a traditional and ad-hoc basis toward a more long-term and people-oriented livelihood improvement practice, notably since the issuance of a White Paper on China's International Development Cooperation in January 2021. This document outlines the new modality, with poverty reduction, agricultural development, and food security as its core components. This paper examines how this new modality shapes international cooperation with Cambodia, using the case of the collaboration between the China Foundation for Peace (CFPD) and the Development and Civil Society Alliance Forum in implementing the livelihood project.

The cooperation between CFPD and CSAF has focused on various aspects of improving the livelihood of the Cambodian people, including health and education enhancement, as well as a long-term poverty reduction project. The paper concludes that the collaboration between CFPD and CSAF effectively reflects China's evolving approach to International Development Cooperation. Additionally, it suggests that while the current approach is new to China's foreign cooperation policy, there should be an avoidance of Western modalities and terms that impose strong and complicated bureaucracy.

I. Background

China's role in international development cooperation has grown significantly since it began seven decades ago. Particularly in recent years, through the Belt and Road Initiative (BRI), China's profile and engagement in global governance and image have been enhanced (Jingdong et al., 2022). China's ambition involves taking a more proactive approach in foreign cooperation and moving toward a new model by linking with the United Nations 2030 Agenda for Sustainable Development and by including the BRI as a major platform to achieve key development goals (SCIO, 2021).

Traditionally, from 1950 to 1970, China’s foreign aid was associated with ideologically driven support from mostly countries of similar ideologies, such as the Democratic People’s Republic of Korea (North Korea), Vietnam, Mongolia, Nepal, Myanmar, and some other 23 African countries. Economic feasibility support was not considered a leading factor but mostly for political purposes. Only after the “Reforms and Opening up” in 1978 did China shift its international development cooperation toward a more economic interest-based approach and opened its horizontal dimensions to broader aspects, mainly with Western countries, to gain access to capital and development experience (UNDP, 2021). This “aid to facilitate trade” approach enabled China to increase its global trade volume from US\$37 billion in 1980 to US\$117 billion in 1990 (SCIO, 2021). From 2013 to 2018, China extended its development cooperation to 20 regional and international multilateral organizations and 122 countries worldwide – 30 in Asia, 53 in Africa, 9 in Oceania, 22 in Latin America and the Caribbean, and 8 in Europe. The higher rate of investment went to African countries, accounting for 44.65%, while Asian countries ranked second, accounting for only 36.82% of the total international cooperation.

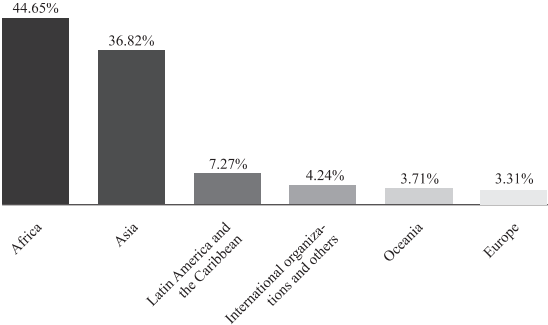


Chart 3: Distribution of China’s Foreign Aid by Region, 2013-2018

China’s remarkable achievement in poverty reduction has enabled it to “go global” and share the lessons learned with the world, especially with other developing countries facing similar poverty situations. China has capitalized on its success to promote its foreign policy soft power through two main approaches: 1) sharing experiences in world conferences, workshops, collaborative research projects, capacity-building, and exchange programs, and 2) implementing direct programs in countries where China has cooperation on issues of education, health, and poverty reduction, especially among BRI countries. The other approach involves project implementation by Chinese agents and funding support to other international financial organizations such as the World Bank and other specialized UN agencies like the World Food Program and UNDP. China has implemented these poverty reduction programs mainly in Africa and Asia.

China's success in poverty reduction has made a significant contribution to the global effort in fighting against global poverty. It was the first country in the world to achieve the MDG of reducing extreme poverty by half. China implemented global poverty reduction through three approaches: First, sharing experiences of China's success through effective program implementation. The Shanghai Global Poverty Reduction Conference held in May 2004 marked the beginning of this process, and subsequent similar routine sharing experience platforms became the topics of regular annual events. In September 2005, President Hu Jintao solemnly announced at the General Assembly of the United Nations that within three years, China would hold training for developing countries to cultivate 30,000 talents in various areas. In May 2005, the International Poverty Reduction Center in China (IPRC) was founded in Beijing, aiming to contribute to the cause of global poverty reduction, with one of its main responsibilities being to spread China's experience in poverty reduction to other developing countries.

Second, China considered its trade with developing countries as part of larger development strategies to help reduce poverty. Starting from the 2000s, its foreign trade has continued to expand, as well as its foreign investment. In 2012, bilateral trade between China and Africa reached US\$198.4 billion, and Chinese investment reached US\$2.9 billion. By the end of 2012, Chinese direct investment had attained nearly \$20 billion (Zuo, 2019). Through its "Going Global" strategy, China has made good use of the international market and resources to promote its poverty reduction initiatives.

Third, China has joined hands with the international community to use foreign development aid focusing particularly on health, education, culture, and poverty reduction. It did not attach any political strings to bind other countries with its foreign development aid programs (IPRC, 2018, and SCIO, 2021). The most direct practice of the internationalization of China's experience in poverty reduction is the implementation of its poverty reduction aid projects, in the form of exchanges of China's basic experience in poverty reduction and development assistance in support of foreign poverty reduction projects. China started to collaborate with 10 international institutions to implement these multilateral assistance initiatives since 2000.

Fourth, through its IPRC Centre, China has implemented human resource development on poverty reduction experience in recipient countries worldwide in the form of short-term trainings and higher education. Since 2005, it has held a large number of trainings for middle-level and senior officials responsible for development and poverty reduction to enable participants to experience directly China's poverty reduction experiences (Zuo, 2019). Finally, China has been active in supporting collaborative research projects on poverty reduction that were eventually shared in the form of lessons learned with other developing countries. From 2007 to 2012, the IPRCC has implemented a total of 15 such research projects (IPRCC, 2018).

II. China's Model on Poverty Reduction

Within 40 years of its “Reforms and Opening up,” China has lifted almost 950 million of its population out of poverty and moved the country from a low-income country to a higher-income country, being one of the few countries to have experienced such a fast-track record in the world. Literature links the success of poverty reduction to China’s speedy economic growth miracle. Since 1978, China has achieved consistent and rapid economic growth, with the average GDP rate at 9%, paving the way for China to become the world’s second-largest economy after the US. China’s income per capita has increased 25-fold from \$300 in 1978 to \$7,300 in 2017 (World Bank, 2018).

Such a remarkable achievement has drawn global attention, especially from developing countries, on how China could manage to achieve its poverty alleviation so rapidly. Literature reviews show various factors that have contributed to this success. First and foremost is Chinese leadership’s commitment and political continuity. Since the founding of the PRC, poverty reduction has been the prime goal for both the PRC and the CPC and is methodically highlighted in the CPC National Congress and other high-level discussions. Such strong leadership at the highest level has set the tone for local governments to follow suit and set goals to accomplish the “war against poverty” in their locality. Many strategies and mechanisms were developed, with China allocating a large amount of funds toward addressing poverty priorities.

Secondly, the success of poverty reduction is to a great extent owed to China’s economic miracle, and the benefits of such growth are wisely and fairly distributed to the whole society, especially to address poverty areas. Since its “Reform and Opening up,” China has managed to maintain its core political ideology of socialist market economy with Chinese characteristics and build its country into a strong, modern, and civilized nation. Many accounts can be explained for China’s fast economic growth. Successful reforms towards household contract responsibility systems, flexible policies based on market and political developments, the shift from a heavy industry-dependent economy toward a light industry-dependent and green ecology development, the reform toward Township and Village Enterprise (TVEs), the reforms of SOEs toward private-owned enterprises, and the opening up for foreign investments and modern urbanization and infrastructure development are all fundamental factors contributing to the current China exponential growth. At the core, though, is China’s state capacity to put these plans into action, driven by the central government and the CPC at the national level, followed by highly motivated local governments.

Thirdly, China has put forward various programs to directly address poverty issues so that the benefits could reach out to the poor. There is a high concentration of development-oriented poverty alleviation in rural areas. The Outline for Development-Oriented Poverty Alleviation for China's Rural Areas (2001-2010) and the Outline for Development-Oriented Poverty Alleviation for China's Rural Areas (2011-2020) were developed in the most comprehensive manner, giving clear guidelines for all levels of government to follow (Yan, 2016; Zuo, 2019; and State Council, 2018). Financial management plays a fundamental role in the government's poverty reduction scheme, and China's success in its government-led financial support of poverty alleviation model has increased year after year (Zuo, 2019). Providing enough food, clothing, safe drinking water, and improving housing conditions are all prioritized poverty reduction action plans that China has managed to achieve successfully.

Fourthly, China prioritized its strategies to focus on the delivery of basic social services such as better access to education and better access to healthcare services through adopting various laws and legal frameworks. China also has a social assistance system with subsistence allowances, assistance and support for people in extreme difficulty, disaster relief, and medical, housing, education, employment assistance (Yan, 2016).

Fifthly, after the 18th CPC National Congress, China geared its efforts to focus on poverty alleviation by declaring the "war on poverty" to be complete by 2020. President Xi has proposed a series of new ideas, particularly the Targeted Poverty Alleviation (TPA) initiatives aimed at addressing poverty issues accurately and by providing strategies and resources to solutions. China has managed to dispatch 775,000 management staff, including 195,000 outstanding ones, to the poor villages and grassroots organizations to serve as their first secretaries, which ultimately led to an improvement in the poverty governance of grassroots organizations. Finally, China has vigorously advocated the role of private enterprises to participate in poverty alleviation programs.

III. From Success to Sharing Experience on Poverty Reduction: Cooperation Between CFPD and CSAF on "Poverty Reduction in Tanorn Village/Dong Commune"

China has offered the Cambodian people various humanitarian projects as part of its soft power and China's Go Global policy [As part of the BRI's global effort to promote global humanity of shared future, which called for joint efforts to advocate the respect for the diversity of civilizations, the common values of humanity, the importance of inheritance of civilizations, and people-to-people exchanges.]. China NGO Network for International Exchange, as part of an exchange program with civil society cooperation, has allowed the China Foundation for Peace and Development to open an office in Cambodia in 2017 (CFPD). Since its inception in Cambodia,

CFPD has cooperated with various civil society organizations on various humanitarian work focusing on health, education, agriculture, labor, and rural development as part of a poverty reduction initiative for Cambodian people. Among them, the Civil Society Alliance Forum (CSAF) had entered into cooperation with CFPD in 2017 to implement both short-term and long-term projects. Already nearly US\$3 million was spent covering a period from 2018 till 2023 for projects including school buildings, digging wells, school kits, vaccines, COVID-19 equipment, and other poverty reduction support initiatives in Tanorn village, Dong Commune, Bati district, Takeo province. The China-Cambodia Village for Poverty Reduction project in Tanorn village is a three-year project aiming to alleviate poverty through building physical infrastructure to provide market access to the remote village to connect to town. The project has provided hope to local people to get out of poverty, with good access to the market, solar energy for schooling, and a green environment for livelihood improvement. Once an isolated village with poor access roads, no clean water, electricity, school, and health center, the situation has completely changed after the advent of the **CFPD-funded project**.

“Now, residents can grow paddy rice twice per year, with proper access roads, and they have access to solar power and clean water, and some have received funds for raising chicken and ducks, or growing vegetables. The project has improved living standards for the villagers from zero to a moderate level” Xinhua quoted the village chief’s statement.”

IV. Conclusion

The cooperation between the CFPD and the CSAF on various projects to alleviate poverty in Cambodia is one example of China’s model of poverty reduction at work. While China has earned much respect and support from the international community for its incredibly successful poverty reduction drive, China should continue to maintain this positive trend to harness more support from the rest of the developing countries around the world.



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PART IV

**PROSPECTS FOR THE
CHINA-CAMBODIA
COMMUNITY OF SHARED
FUTURE**

Chapter 10

PROSPECTS FOR CHINA-CAMBODIA COOPERATION ON ECONOMIC AND POLITICAL ASPECTS

By Dr. CHHENG Kimlong

I. Introduction

Over the past two decades, Cambodia has transformed from a country that relied almost entirely on traditional agriculture, surrounded by economic and political issues, to a rapidly developing country in all areas. It has maintained an annual growth rate of about 7 to 8 percent on average since 2000 (Cambodia Sector Specific Investment Strategy and Action Plan 2013). This transformation includes a significant influx of foreign investment, steady growth of trade, and impressive poverty reduction, leading to its classification as a lower middle-income country by 2015, a high middle-income country by 2030, and a high-income country by 2050 (The World Bank 2023). Economic growth and cooperation with other countries were interrupted during 2020 by the COVID-19 pandemic and travel restrictions. Since 2000, GDP grew steadily, amounting to USD 27.09 billion in 2019, with a small decrease of 3.1 percent to USD 25.87 billion in 2020 (The World Bank 2023). The Cambodian economy recovered in 2021 and 2022, with increased flow of foreign direct investment from China.

China is not only Cambodia's largest trading partner but also its friend for centuries. China has provided a considerable amount of foreign aid to Cambodia, playing an important role in economic and political relations between the two countries. The first financial assistance agreement was made in 1956 under the friendship between His Majesty King Norodom Sihanouk, the late king father of Cambodia, and Zhou Enlai, former Prime Minister of the People's Republic of China. Since 2000, China has provided numerous foreign aids and grants to strengthen public services, roads, bridges, and other major facilities.

II. Cambodia's Development Before the Covid-19 Crisis

1. The growing economic ties

Historical foreign relations between the two countries as bilateral cooperation partners have made a significant contribution to Cambodia's economic growth. Samdech Techo Hun Sen was invited to sign the Pact on Trade Investment and Exchange between the Cambodian People's Party and the Communist Party of China in Beijing in 1996, followed by the signing of the Comprehensive Partnership Treaty in 2006 and the Comprehensive Strategic Partnership in 2010.

Prior to the COVID-19 crisis, Cambodia's economic situation improved for 10 consecutive years. In 2019, Cambodia's GDP more than doubled its 2010 level, and foreign direct investment also grew significantly (The World Bank 2023). Investment from China grew steadily and became its largest source of investment, followed by Vietnam, the UK, Malaysia, Korea, and others (Vuthy 2017). China is also Cambodia's number one trading partner, with total bilateral trade amounting to nearly US\$ 39 billion in 2019 (Provisional Trade Statistics with Important Partner from Jan-Dec 2019).

Tourism is also a major sector that contributes significantly to the national economic growth, with more than 2.3 million Chinese tourist arrivals prior to the outbreak of COVID-19, representing an equivalent of 35 percent of the total international tourists of 6.6 million tourists.

2. The growth of social sector

China has also contributed to the growth of Cambodian society in terms of infrastructure, energy, and education. China has invested heavily in the energy sector, particularly in hydropower plants and coal-fired power plants. Hydropower and coal are the main sources of energy in 2021, with hydropower accounting for 44 percent and coal for 41 percent compared to 10 years ago when domestic energy production relied solely on gasoline and diesel. China has invested in and financed thousands of kilometers of transmission lines as well as constructed other infrastructure facilities, which are the economic lifeline of the country.

In terms of education, China has provided a thousand scholarships to study in China to Cambodian students in total. Vice versa, Chinese people are also interested in learning Cambodian culture. Every year, through the exchange programs of the Royal University of Phnom Penh and the University of China, Chinese students studied the Khmer language, while the Confucius Institutes offered short Chinese general education courses, a Bachelor of Chinese Language Course, and Chinese Language Proficiency Test Preparation Sessions. Established in 2009 under the auspices of the Royal Academy of Cambodia, the Confucius Institute has 22 branches in Cambodia.

Over the past 10 years, it has dispatched 500 students to study in China at 213 well-known universities in China universities. The institute enrolls about 140,000 students a year (Special Report: Over 3,000 Cambodian Students Graduate and Study in China 2020).

3. Cambodia's status after the COVID-19 crisis

The COVID-19 virus broke out in late 2019 and spread around the world, severely affecting the economies and growth of countries globally, and Cambodia was no different. In the aftermath of the outbreak, the tourism industry and investment in Cambodia plummeted, leading to a gross decline in Cambodia's GDP in 2020 to US\$ 25.87 billion, a minus 3.1 percent annual GDP growth rate, down from 2019 (The World Bank 2023). Tourism, Cambodia's main economic driver, is estimated to lose more than US\$ 3 billion. Only in the first four months of 2020, 2,956 tourism-related businesses were closed, and the unemployment number was 45,405. By 2020, a total of 433 factories and related businesses across the country closed, leaving an estimated 135,000 workers and 17,000 tourist workers unemployed. More than 50 percent of foreign investment inflows focusing on the construction sector fell sharply due to the decline of Chinese investment, which represents the largest FDI in the construction sector. However, the volume of Cambodia's exports to China increased by 8.3 percent (Provisional Trade Statistics with Important Partners Jan-Dec 2020), which is a factor contributing to the stabilization of the Cambodian economy. Throughout the pandemic, China has sent large quantities of vaccines and protective equipment to Cambodia to support its fight against the spread of the virus.

4. Cambodia's economic recovery

After the COVID-19 pandemic was successfully brought under control, Cambodia's economy started its recovery in 2021, with a total GDP of USD 26.96 billion, growing at a rate of 3 percent, with foreign investment accounting for 12.9 percent of GDP (The World Bank 2023). This recovery was led by a 7.4 percent increase in industrial production, a 1.1 percent increase in agricultural production, and an increase in trade volume with partner countries totaling more than USD 48 billion. Trade volume was led by China with USD 11.19 billion in imports and USD 1.5 billion in exports in 2021, mostly in agricultural products such as cassava, bananas, and rubber (More Than Half of Cambodia's 2022 Exports are Garment, Footwear, and Travel Accessories 2023).

The economic recovery in 2022 was stronger, with a 5.2 percent GDP growth rate and a total GDP of USD 29.96 billion, and net FDI inflow equaling 11.95 percent of GDP (The World Bank 2023). As of mid-2022, China remains the lead foreign investor, with Cambodia receiving a fixed asset investment of USD 1.29 billion, equivalent to 43 percent of the total investment of USD 2.99 billion, and providing employment opportunities for up to 70 percent of the construction sector. Total international trade amounted to more than USD 52 billion, an increase of 9.2 percent compared to 2021, with exports increasing by 16.4 percent to USD 22.4 billion, up from USD 19 billion for the same period. This growth is primarily due

to the entry into force of the Cambodia-China Free Trade Agreement (CCFTA) and the implementation of the Regional Comprehensive Economic Partnership (RCEP) in January 2022. In the first quarter of 2023, Cambodia attracted 39 fixed asset investment projects with a total investment of USD 294 million, with 38 of them in the construction sector and one in the tourism sector (Cambodia Attracts \$294 million in Investment in Q1 2023).

In early 2023, Samdech Techo Hun Sen and Premier Li Keqiang have signed 12 more bilateral cooperation agreements to strengthen the Comprehensive Strategic Partnership in Beijing (12 Agreements Inked by Cambodia and China 2023):

- Agreement on Strengthening Cooperation in Building a Cambodia-China Community of Shared Future in the New Era
- Agreement on Kratie University Development Project, Phase 2 under Chinese government grant financing
- Action Plan on Trade and Economic Cooperation 2023-2024
- Protocol of Quarantine and Hygiene Requirements for Live Aquatic Animals to be Exported from Cambodia to China
- Memorandum of Understanding on Cooperation between the Ministry of Information of Cambodia and the China Central Radio and Television
- Agreement on Cooperation between the Agency Kampuchea Presse (AKP) and Chinese News Agency Xinhua
- Joint Statement on the Asian Cooperation Initiative for the Preservation of Cultural Heritage
- Memorandum of Understanding on Cambodia-China Development Cooperation Plan 2023-2025
- Exchange of Notes on Feasibility Study of Pilot Project for Poverty Reduction Cooperation in Cambodia, Phase 2
- Letter of Handover and Acceptance of 4.4 million USD Grant for UXO Reduction Project in Cambodia
- Framework Agreement
- Concessional Loan Agreement for Dang Kambit Reservoir Development Project in Kampong Thom Province.

5. Infrastructure Development

China has also boosted social infrastructure development and the public sector under the Belt and Road Initiative (BRI) Development Assistance. It has financed, among others, the construction of Siem Reap-Angkor International Airport, covering an area of 700 hectares, scheduled to be completed in 2023, and the Phnom Penh-Sihanoukville expressway, officially launched in November 2022. An international airport is planned to be built on Koh Rong, as well as the construction of Phnom Penh-Bavet Expressway (Luke 2023).

Up until 2023, China has constructed more than 10 bridges and 30 national roads with a total length of more than 3,000 kilometers (Hun Sen 2023). It has also completed the construction of the Moradok Techo National Stadium on time for the celebration of the Asian Para Games and Sea-Game, the Cambodia-China Friendship Hospital in Tbong Khmum, and the Chinese Aid Hospital at the Cambodia-China Friendship Hospital in Preah Kosomak, all of which have contributed greatly to the economic, social, and well-being of the Cambodian people.

In the field of energy, China has invested in a 700MW coal-fired power plant in Sihanoukville, with construction starting in December 2022. It was a joint venture investment project worth USD 1.2 billion between Cambodia International Investment and Development Group (CIIDG) and China Huadian Hong Kong Co Ltd (CHDHK) (Kunmakara 2022).

III. Symmetrical Policies and Strategies

1. One belt and one road initiative

The One Belt One Road initiative strategy is the strategy to promote and facilitate the development of transport, energy, trade, and communications infrastructure (Making inroads: Chinese Infrastructure Investment in ASEAN and Beyond, Facesheet3: One Belt One Road Initiative n.d.). Cambodia has become a major partner and beneficiary of China's One Belt One Road initiative.

2. One-China policy

China has its One-China policy, a principle that its partners must respect. Cambodia has expressed its adherence to the One-China policy with Taiwan as its province.

3. Building the community of shared future for mankind

In 2013, President Xi Jinping set out a vision to build a community with a common future for humanity, which became China's most important foreign policy (Following the Vision of a Community of Shared Future for Mankind and Bringing More Certainty to World Peace and Development 2023).

4. The Pentagonal Strategy-Phase I

Cambodia supported the Belt and Road Initiative in line with its National Strategic Development Plan and the Rectangular Strategy Phase IV. After winning the general election on 23 July 2023, the Seventh Legislature of the National Assembly has adopted the Pentagonal Strategy Phase-1, which has five key priority areas, including people, roads, water, electricity, and digital technology, aiming at maintaining peace, economic growth, and overall development (The Pentagonal Strategy Phase-1 2023). The priority areas are in line with China's strategic under on the BRI.

IV. Conclusion

The development in Cambodia before and after the COVID-19 has shown significant growth, encouraging more domestic and foreign investment to take the center stage in ensuring resilient growth in years to come. International trade with China's trade volume keeps growing and is likely to continue growing despite the challenges that have led to a decline in orders from other countries. China has provided a lot of assistance to build infrastructure across the country, boosting more transport and trade. Cambodia's progress in the field of infrastructure under the BRI initiative will facilitate travel, save time, and act as an important catalyst in attracting more and more international tourists to Cambodia. Lastly, the compatibility between China's policy of building a community of shared future with the new government's Pentagonal Strategy (Phase I) will further enhance the good cooperation under the Comprehensive Strategic Partnership between the two countries.



About the Author

Dr. CHHENG Kimlong holds a PhD in Economics from the Australian National University (ANU), a Master's in economics from Kobe University, and a Master's in business administration from Preston University. Dr. Chheng is the Executive Vice-President of the Asian Vision Institute (AVI) and is AVI Director of the Centre for Governance Innovation and Democracy. He is an Advisor to the President of the National Assembly. He was a Research Assistant for the ANU Indonesian Project, Senior Researcher at the Centre for Policy Studies, Economic Researcher at the General Secretariat of the Committee for Economic and Finance Policy at the Ministry of Economy and Finance, Research Consultant at the Cambodia Development Resource Institute, Economic-Commercial Specialist at the United States Embassy, Socio-Economist for rural development projects, and Program Assistant in charge of economic and private sector development at the Japan International Cooperation Agency. He has over 15 years of experience in quantitative and qualitative research and consultancy. He has tracked and researched key areas of the Cambodian economy, including agriculture, trade, investment, the financial sector, garment and footwear industries, oil and gas sectors, and the real estate sector. Dr. Chheng has over 12 years of experience in teaching undergraduate and graduate courses at various universities in Cambodia.

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Chapter 11

COMMUNITY OF SHARED FUTURE FOR MANKIND: CAMBODIAN PERSPECTIVE ON CHINA ASSISTANCE TO ECONOMIC AND SOCIAL DEVELOPMENT

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Tepsamol CHEN⁴

Abstract

A community of shared future for mankind aims to build a world of shared development and prosperity, enhancing the common development of all countries worldwide. This article explores the Cambodian perspective on China's aid for economic and social development, prioritized areas for economic growth and social development, and Cambodia's positive perception of China's aid. The study reveals three main findings. First, Cambodian people agree that China's aid contributes to Cambodia's development in terms of the financial crisis, new development priorities, changes in government, multilateral trade policy changes, regional trade policy changes, and national trade policy changes. Second, Cambodian people hold a moderate perception regarding China's aid contributing to the country's development. China assisted Cambodia in promoting peace, human rights, community development, climate change response, and international affairs. Moreover, Cambodian people assessed a high degree of China's aid contributing to action on infectious diseases like the COVID-19 outbreak and advancing the country's interests. Third, Cambodian people identified priorities for China's aid to support Cambodia. The participants were highly optimistic about China's aid for economic growth and social development in Cambodia. They prioritized areas, requesting China's aid to pay attention. This paper represents one of Cambodia's pioneering empirical studies to gather local perspectives on the community of shared future for mankind. The findings are crucial for policymakers, planners, the Chinese government, companies, and the people to ensure effective implementation of the community of shared future for mankind by both countries.

Keywords: Community of shared future for mankind, China's aid, economic growth, and social development

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I. Background

The 21st century, a community of shared future for mankind is vital for worldwide economic growth and development. China's comprehensive national strength has significantly improved both its material and spiritual aspects, with Marxist theory influencing the concept of the shared future community and its ideology. China has closely attended to theoretical innovation while analyzing problems on a case-by-case basis, combining Marxist general theory with China's reality (Liu, 2019).

The vision of this Community of Shared Future for Mankind not only provides China with an opportunity to address the security deficit in the world but also serves as a clarion call for solidarity to promote cooperation (MFA, 2023). Chinese President Xi Jinping introduced this philosophical concept, rooted in traditional Chinese values, aiming to bring happiness to people worldwide concerning independence, economic growth, and development (Liu, 2019). This represents an in-depth reflection on the significant problems of Marxist philosophy, prompting attention and heated discussion (He, 2016). He also shared insights and opinions on the ideal relationship between countries of different sizes, emphasizing equal coexistence and mutual benefit. Big and small countries must treat each other as equals, balancing justice and interests, with justice holding greater significance than interests (Xi, 2018).

Cambodia is a comprehensive strategic partner with China, receiving full support aligned with its national strategies while safeguarding sovereignty and independence, as demonstrated by the recent high-profile official visit of Chinese Foreign Minister Wang Yi to Cambodia on August 12 - 13, 2023 (MFAIC, 2023). On the 65th anniversary of diplomatic relationships between Cambodia and China, both countries have enhanced bilateral collaboration through one position, six-way cooperation, and two corridors. In the modern era, China actively pursues an agenda promoting physical infrastructure and advancing industrial development (Xinhua, August 13, 2023). It envisions a world of common prosperity built through win-win cooperation in economic globalization and multilateral trade and development (MFA, September 07, 2023).

At the regional level, the concept of a community of shared future for mankind has led China to initiate many initiatives with neighboring countries in the Asia-Pacific, regional groupings like the Association of Southeast Asian Nations (ASEAN), the Shanghai Cooperation Organization, as well as with Arab, African, and Latin American states. Bilateral communication with the leaders of many countries has taken place to achieve consensus on this community. At the multilateral level, this notion is frequently referenced in resolutions or declarations of the United Nations and the Shanghai Cooperation Organization. The international community widely recognizes it, and it is gradually becoming a global consensus. All countries and international organizations without political prejudices seem to have accepted this concept (Huaxia, March 23, 2023).

To solve current world problems, all countries must work together for a better future if they are to share the same destiny (Liu, 2019). They may open the door to connect with each other to solve political conflicts, jointly encourage economic development, deepen cultural exchanges, enhance global cultural integration, and improve the sense of honor and happiness (Zhao and Li, 2008).

In this paper, we aim to explore how the Community of Shared Future for Mankind is implemented in Cambodia. It captures Cambodia’s perspectives and perceptions of China’s assistance, with a focus on prioritized areas of economic growth and social development.

II. Research Methodology

The research applied a descriptive type to explore how the community of shared future for mankind is implemented in Cambodia. To capture the Cambodian perspective, a sample of the population was contacted to fill out the online survey (46 females (46.5%) and 53 males (53.5%)). The survey interviewed individuals from various sectors, including university (27.7%), NGO/IO/UN (19.1%), students (19.1%), public sector (17.0%), private sector (12.8%), and researchers (4.3%) (Figure 1). Their voluntary participation in the survey followed a structured questionnaire with a consent form of anonymity. Qualitative information from news and existing research was used to explain quantitative data from the survey. Due to time and financial constraints, the paper captures insights and perspectives of Cambodian people only, without conducting interviews with Chinese people or experts. For data analysis, the Weighted Average Index (WAI) measured the perspective of the participants, using a five-point scale [Very Low = 0.00–0.20, Low = 0.21–0.40, Neutral = 0.41–0.60, High = 0.61–0.80, Very High = 0.81–1.00].

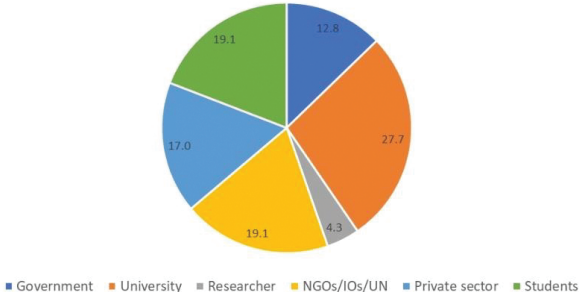


Figure 1. Types of jobs employed by interviewees

III. Finding and Results

1. China's aid contributes to economic growth and social development.

Figure 2 shows the public perception of Cambodian people regarding how Chinese aid contributes to economic growth and social development in Cambodia. The assessment indicators include the financial crisis, new development priorities, change of government, multilateral trade policy changes, regional trade policy changes, and national trade policy changes.

Since 2013, President Xi Jinping and top government officials launched the Chinese proposition of building a community of shared future for mankind. In January 2017, he delivered another speech at the Geneva-based United Nations, providing an expanded, systematic, and comprehensive elaboration of his proposition to “work together to build a community of shared future for mankind.”

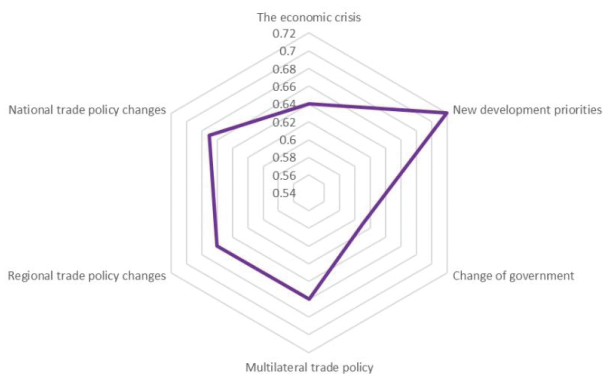


Figure 2. Perception of China aid contributes to economic growth in Cambodia.

Note: Weight Average Index (WAI) is measured on a five-point scale [Very Low = 0.00–0.20, Low = 0.21–0.40, Neutral = 0.41–0.60, High = 0.61–0.80, Very High = 0.81–1.00]. OA = Overall assessment.

He advised the world to “pass on the torch of peace from one generation to another, sustain social development and make civilization flourish: this is what people of all the nations long for; it is also the responsibility of statesmen of our generation should shoulder” (Ding & Cheng, 2017).

As for Cambodia, at the level of head-of-state diplomacy, the two nations initiated an action plan to raise China-Cambodia relations to new levels to progress toward a community of shared future in April 2019. Ever since, China has consistently supported Cambodia’s economic growth and development through the development of its expressway, factories, power stations, and hydropower stations (Khmer Times, 23 December 2023). Under the BRI, both countries have enhanced their cooperation in

various fields from agriculture, trade, investment, tourism, to physical infrastructure development. Both countries have also worked to increase people-to-people exchanges, improve communication in international and regional affairs, and strengthen law enforcement and security. China was a key economic driver and provided humanitarian assistance to the Cambodian people in recent years. In 2021, China invested \$2.32 billion in fixed assets in Cambodia, increasing by 67% from \$1.39 billion in 2020, while the Council for the Development of Cambodia (CDC) has acknowledged that the COVID-19 outbreak has had a detrimental impact on Chinese investment in Cambodia (Phnom Penh Post, 5 July 2023).

President Xi has committed to assist Cambodia in continuing its development path suited to its national conditions in his congratulatory message to Samdech Techo Hun Sen on July 25, 2023, after the victory of the Cambodian People's Party in the general elections to elect members of the National Assembly (MFA-News, 25 July 2023).

The survey showed a moderate degree in their perception regarding China's contribution to Cambodia's social development, especially in promoting peace, human rights, community development, climate change response, and international affairs. They rated high on China's assistance in action to combat infectious diseases like the COVID-19 outbreak (Figure 3). Cambodia is one of the most fully vaccinated nations against COVID-19 in the world, which could open up the country after the COVID-19 outbreak, and China was one of the main countries to have assisted Cambodia in its recovery following the pandemic. China has dispatched its medical experts, including in traditional Chinese medicine, and provided equipment for medical supplies to support Cambodia's national immunization campaign.

With the collaboration of the Cambodia-China Friendship Radio, the Cambodian Senate, the China Foundation for Peace and Development, and the Cambodian Association of Research on Cambodia-China Progress, a joint seminar under the theme "Cambodia-China's Shared Destiny in Fighting COVID-19" was organized in Phnom Penh to assess bilateral cooperation against COVID-19 and explore and discuss the way forward on December 21, 2022. Over 100 senior officials and representatives from the Cambodian Senate and the Ministry of Health, the PRC Embassy in Cambodia, the Chinese military and traditional medical teams, and the Cambodian medical team joined the discussions (Khmer Times, 23 December 2022).

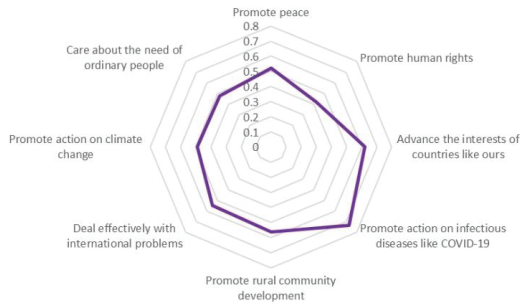


Figure 3. Perception of Chinese aid to contribute to social development in Cambodia.

Note: Weight Average Index (WAI) is measured on a five-point scale [Very Low = 0.00–0.20, Low = 0.21–0.40, Neutral = 0.41–0.60, High = 0.61–0.80, Very High = 0.81–1.00]. OA = Overall assessment.

2. Prioritized sectors for economic growth and social development

Figure 4 provides public perception regarding prioritized sectors under Chinese assistance. The survey showed a highly optimistic view of China’s aid for economic growth and social development in Cambodia. They rated highly the prioritized areas where China should pay attention. The Cambodian market economy became one of the fastest-growing among developing economies over the past decades, driven by four important sectors: (1) garments and footwear, (2) construction and real estate, (3) tourism, and (4) agriculture. China has certainly contributed to the recent economic development, with the country’s GDP growing at an average rate of almost 10% annually between 1998 and 2007, and about 7% from 2010 to 2015 (Global Times, 24 March 2020).

The funds provided by China come in many forms, most of them in the form of corporate investments and non-concessional loans (ODC-News, 28 July 2016). Since 2000, Cambodia has been one of Southeast Asia’s largest recipients of Chinese official finance (Williamson, 2023). China’s aid has been crucial for Cambodia’s economic growth and social development as they responded to its national policies and strategic development plans, with this financial assistance contributing to implementing activities for the rehabilitation and development of the country’s physical infrastructure and creating a conducive investment environment (ODC-News, 28 July 2016). For that matter, the Chinese government has encouraged more companies from China to invest in Cambodia, particularly in the Sihanoukville Special Economic Zone, to establish an industrial development corridor in Cambodia. The SSEZ is a massive compound of 11 square km and comprises around 170 factories operating there, employing some 30,000 jobs (Khmer Times, 12 February 2023). The other development corridor is the fish-rice corridor centered around the Tonle Sap Lake region (Khmer Times, 12 February 2023).

China has invested heavily in the cement industry, including Chip Mong Insee Cement, Cambodia Cement Chakrey Ting Factory Co, and Battambang Conch Cement Factory (Williamson, 2023), where their production altogether is expected to fully meet the cement demand of Chinese companies operating in Cambodia (Williamson, 2023). Energy-wise, 73% of the total energy produced locally was the result of Chinese-invested coal-fired and hydropower plant projects. Chinese direct capital investment or FDI was instrumental in providing technical support to existing Cambodian companies (ODC-News, 28 July 2016). Cambodia received US\$41.0 billion FDI between 1994 and 2021, of which China accounted for 43.9%, followed by South Korea (11.9%), Vietnam (6.1%), Singapore (6.5%), Japan (5.9%), and Malaysia (4.6%) (DU-Press, 2013). Chinese investors have mainly invested in manufacturing (30.7%), electricity (13.0%), finance (10.9%), real estate (10.7%), hotels and restaurants (9.6%), agriculture (6.4%), and construction (5.2%) (Ngin, 2022).

Development assistance helps secure investments, significantly influencing political norms, economic activities, and international affairs. There is also a good correlation between investment and poverty reduction in Cambodia (Ngin, 2022). According to a report from the Ministry of Agriculture, Forestry, and Fisheries (MAFF), China is one of the important importers of agricultural goods from Cambodia, with a great impact on the livelihood of farmers where most poverty lies. Approximately 689,702 tons of agricultural products were shipped to China between January and November 2022 (Khmer Times, 12 February 2023). In terms of tourism, Cambodia received 25,000 Chinese tourists in January and expects to attract between 800,000 and one million in 2023.

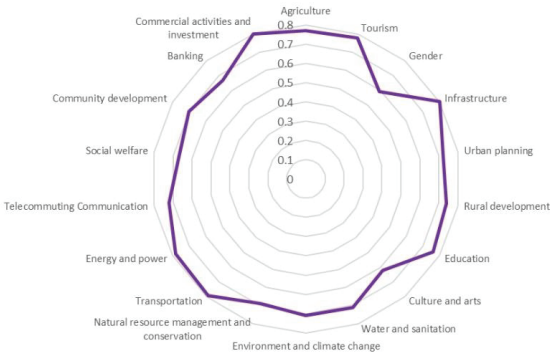


Figure 4. Sector priorities for Cambodia's development proposed for China's aid.

Note: Weight Average Index (WAI) is measured on a five-point scale [Very Low = 0.00–0.20, Low = 0.21–0.40, Neutral = 0.41–0.60, High = 0.61–0.80, Very High = 0.81–1.00]. OA = Overall assessment.

3. Positive perception of China’s overall aid to Cambodia

The participants were asked to share their perceptions of the Chinese government, companies, and people, to which they showed an overall moderate positive perception. They do express a positively high perception of Chinese companies and Chinese people in China (Table 1). In contrast, they showed a moderate view of Chinese companies and people in Cambodia. In recent years, the investment and mobility of Chinese people working and settling in Cambodia have gradually increased.

Table 1. Positive perception of Cambodian on China.

Attributes	WAI	OA
	(n=99)	
To what degree do Cambodian people have positive views of the Chinese government?	0.60	Medium
To what degree do Cambodian people positively view Chinese companies in China?	0.64	High
To what degree do Cambodian people positively view Chinese companies in Cambodia?	0.59	Medium
To what degree do Cambodian people have positive views of Chinese people in China?	0.67	High
To what degree do Cambodian people positively view Chinese people in Cambodia?	0.47	Medium

Note: Weight Average Index (WAI) is measured on a five-point scale [Very Low = 0.00–0.20, Low = 0.21–0.40, Neutral = 0.41–0.60, High = 0.61–0.80, Very High = 0.81–1.00]. OA = Overall assessment.

Undoubtedly, the government, companies, and people from China have contributed to Cambodia’s economic growth and social development. The State of Southeast Asia Report 2022 by ISEAS – Yusof Ishak Institute shows that more than 90% of the respondents in Cambodia had a positive perception of China, considering it the most vital provider of assistance in vaccines to the region, with around 68% trusting Chinese vaccines (including Sinopharm, Sinovac). China was extensively perceived as the most influential economic power (84%) and the most influential political and strategic power (75.3%) in the region (Chheang, 2022).

In 2021, a study on China in Young Eyes, supported by China Huaneng Group, was conducted by the 21st Century Maritime Silk Road Research Center based at the Royal University of Phnom Penh (RUPP) and Center for Cambodian Studies at Beijing Foreign Studies University. The survey interviewed 342 Cambodian youths, undergraduates, and postgraduates from the RUPP and the Royal University of Law and Economics (RULE), involving researchers from the Royal

Academy of Cambodia (RAC), independent think tanks, and other social personalities. The study shows that 69.3% of the young Cambodians shared positive perceptions about Chinese roles and the contribution of Chinese assistance to Cambodian economic growth and development. The interviewees also provided a positive view regarding enterprises funded by China for national economic growth. Additionally, more than 70.0% of the interviewees wished to work with enterprises financed by China, and more than 60% of the interviewees had a positive comment on investment from China and wanted to welcome more Chinese companies to invest in Cambodia (Khmer Times, 20 August 2022).

In recent years, Cambodia has had different perceptions towards new Chinese comers. While some feel that their presence is very important, others feel uncomfortable due to social issues they have created and employment losses. Cambodian people don't have a good perception of new Chinese residents who recently settled in Cambodia as many were involved in call scams, crime, and forced detention, particularly in Preah Sihanoukville (Think-China, 03 October 2022). Frequent news reporting and social media exchanges have drawn the attention of Cambodian authorities and people regarding social issues caused by Chinese people, such as traffic accidents, human trafficking, and widespread forced labor and human trafficking (Think-China, 03 October 2022). As a result, both governments have worked together to improve the social conditions and the safety and security of new Chinese comers and local people (Think-China, 04 May 2022).

New Chinese comers have gained significant influence in Cambodia's economic and political activities. However, the finding shows that the level of social integration of the new Chinese comers is relatively low. They rate them low because of their lack of respect and mutual understanding with the local community, miscommunication due to the language barrier, and not-so-good behavior of some new Chinese people (Chheang, 2022).

For those Chinese who came to Cambodia after 2010, they were likely to settle down within their communities or circles. These newcomers were not closely associated with local people. Many newcomers are more mobile and have high education, bringing specific skills and capital for investment to Cambodia (Chheang, 2022). The majority of new newcomers traveled to Cambodia for their jobs appointed by their companies in China. They were mainly working for state-owned enterprises and sub-contractors in the textile sector and Chinese-language schools. Then they decided to settle down as they found new working opportunities in Cambodia (Think-China, 04 May 2022).

A survey on China in Young Eyes reveals that China has recently become one of the most desirable destinations for higher education among Cambodian youth. Cambodian youth are interested in furthering their education in science, technology, the economy, the Chinese language, and politics. Those fields are the priority professional directions

for Cambodian youth. Furthermore, studying in China has enabled more cultural exchanges and significantly enhanced the learning of the Chinese language (Khmer Times, 20 August 2022). Cambodian youth interviewed commonly believe that learning Chinese is conducive to employment. Most Cambodian youth also identify the importance of Chinese-style poverty alleviation involvement in assisting Cambodia to reduce poverty (Khmer Times, 20 August 2022).

To enhance social integration into Cambodian society, Cambodian people suggest that new Chinese newcomers must communicate well with local people and obey local regulations, laws, and norms (46%). It is also important for Chinese to follow the Cambodian tradition, culture, and customs (19%), and to integrate with local people (10%). The result of the study also calls for an enhancement of cultural and social interactions between new Chinese and Cambodians. Knowledge and awareness of Cambodian culture, tradition, customs, and norms are very useful for new Chinese arrivals as they help enhance social integration and reduce social differences (Chheang, 2022). Moreover, the implementation of local authorities' laws and regulations is necessary to support their business, working, and living environment in Cambodia.

IV. Conclusion and Policy Implications

The article aims to examine how the community of shared future for mankind is implemented in Cambodia. Based on a survey with 100 participants, Cambodians perceive positively China's aid and assistance for the country's development. The first finding shows that they had a positive perception of China's aid when it comes to Cambodia's economic growth and social development. They agree that China's aid contributes to the country's development in terms of tackling the financial crisis, supporting new development priorities, enhancing multilateral, regional and national trade policy changes. Since China launched its initiative to build a community of shared future for mankind in 2013, Cambodia has become one of its key strategic partners.

The second finding reveals that Cambodians have a moderate degree of perception regarding China's aid in contributing to Cambodia's development. China has assisted Cambodia in promoting peace, human rights, community development, climate change response, and international affairs. They assessed highly the degree of China aid in combatting infectious diseases like the COVID-19 outbreak. China was one of the main countries to have assisted Cambodia in its national vaccination program and in the post COVID-19 recovery period. Lastly, the third finding rated highly about China's aid for economic growth and social development in prioritized development areas where China's attention should be addressed.

This paper is one of Cambodia's empirical studies to draw local perspectives regarding the community of shared future for mankind. Its findings are important for both Cambodian and Chinese policymakers, planners, companies, and the people to ensure that the community of shared future for mankind is implemented effectively by both countries. At the national level, the governments of Cambodia and China should work together to ensure that China's aid contributes to economic growth and social development. Simultaneously, prioritized areas should be properly developed with participation from relevant institutions from national to sub-national levels. The involvement from local authorities at district and commune levels will be very useful in promoting a positive perception of local people towards aid, investment, and people from China. The awareness campaign at sub-national levels should be made to be made among Cambodians and Chinese to share a better appreciation of each other culture, tradition, and customs. Promoting mutual relationship and respect between the Cambodian and Chinese people are very important. Local authorities should work harder to ensure safety and security for both Cambodian and Chinese people.



About the Author

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He is an architect graduated his diploma degree in 1999 from the Faculty of Architecture and Urban Planning, Royal University of Fine Arts (RUFA), Phnom Penh. In 2009 he holds a doctoral degree in science at the Interdisciplinary Center for Scientific Computing (IWR), Heidelberg University, Germany, after a PhD research on “Computer Modeling, Simulation and Visualization of Angkor Wat Style Temples in Cambodia.” Since then, he has been focusing on computational engineering and digital solutions for the support culture and historic monument. As a dean of faculty of engineering in 2013 at the Royal University of Phnom Penh, and five-year experiences in application of computational methods and digital solutions for culture, he expended research projects in this area with relevant partner institutions including the IWR, Universities in Japan, South Korea, Thailand, UK, the Global Heritage Fund, Ministry of Culture and Fine Arts, RUFA, National Museum of Cambodia, EFEO, Angkor Conservation Center, etc. In 2019, he joined the Asian Vision Institute (AVI) as the director for Culture and Peace Studies together with a strong research team to promote culture and peace in Cambodia as well as in the region.

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PART V

CONCLUSION

Chapter 12

CONCLUSION

By Civil Society Alliance Forum

Cambodia and China have a long and rich history, dating back to at least the 13th century. The two countries have a long history of trade and cultural exchanges, and their relationship has been characterized by mutual respect and understanding. In recent years, their relationship has deepened significantly with the two countries becoming close partners in a wide range of areas.

One key factor contributing to their relationship's success is the shared values between these two nations. Cambodia and China share a deep respect for tradition, culture, and history which altogether form a solid foundation for their friendship. At the heart of this shared value system is a commitment to respect each other's sovereignty and territorial integrity. The trust and confidence between these two nations are two critical factors which undergird their bilateral relations.

Another shared value is a commitment to secure economic development. Both nations recognize the importance of economic growth and prosperity, generated through a strong promotion of trade and investment between their countries. China has been a key partner in Cambodia's economic development, providing much-needed investment in infrastructure, agriculture, and other key sectors. The Belt and Road Initiative (BRI) has provided many investment opportunities which have helped create jobs, boost economic growth, and improve the standard of living for Cambodian people.

They also share a commitment to boost cultural exchanges and people-to-people ties. Both nations recognize the importance of enhancing cultural understanding through language training, cultural performances, and educational exchanges which have helped building bridges between the two peoples.

It is also evident that Cambodia and China can benefit from each other's economic strengths and opportunities. Cambodia has a young and dynamic workforce, abundant natural resources, and a strategic location in Southeast Asia. China, on the other hand, has a large and growing market, advanced technology, and a strong manufacturing base as well as a major market for Cambodian exports. Cambodia's strategic location in Southeast Asia makes it an ideal hub for Chinese companies looking to expand their business in the region. This economic complementarity

was further strengthened by the Cambodia-China Free Trade Agreement (CCFTA), the ASEAN-China FTA (ACFTA) and the Regional Comprehensive Economic Partnership (RCEP), all of them have provided Cambodian entrepreneurs with ample market access and business opportunities in the Chinese markets.

Another key contributing factor to the success of their relationship lies in their shared geopolitical interests. Both nations recognize the importance of promoting peace and stability in the region. Their efforts to promote peace, stability, and prosperity in the region have laid the foundation for the close relationship that exists between Cambodia and China today.

In sum, Cambodia-China relationship is a testament to the power of mutual respect, understanding, and cooperation. The contributions of key figures, starting with Premier Zhou Enlai, the late King Father His Majesty Preah Bat Samdech Preah Norodom Sihanouk, Samdech Techo Hun Sen, and much more recently, Samdech Moha Bovor Thipadei Hun Manet, have been instrumental in the nurturing of this privileged relationship.

For his part, Samdech Techo Hun Sen has played a critical role in the development of the Cambodia-China relationship. His leadership has been instrumental in deepening political ties, promoting economic cooperation, and strengthening people-to-people exchanges between the two nations. Samdech Moha Bovor Thipadei Hun Manet's full support of the "Diamond Hexagonal Cooperation Framework" demonstrates the new government's unwavering commitment to continue Samdech Techo's legacy of enhancing cooperation and collaboration between the two countries for years to come for the purpose of promoting peace, stability, and prosperity in the region. Looking to the future, Samdech Hun Manet is poised to strengthen this bilateral relationship and to elevate it to a greater height.





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