

Draft Interventions at Seventh Session
UN ESCAP Committee on Trade and Investment
27-29 January 2021
Bangkok, Thailand

Item 2: Review of recent trends and developments in trade and investment in Asia and the Pacific including impact of rising protectionism and COVID-19 pandemic

Thank you, Chairperson, for convening this Committee meeting.

At the outset, on behalf of the delegation of Cambodia, I would like to echo with the Secretariat Note that international trade performance and investment activities including FDIs in Asia and the Pacific region have been significantly affected by the COVID-19 pandemic and the on-going trade tensions.

In the Secretariat Note, regional merchandise trade, commercial services and FDI declined in 2019 and 2020. Travel and tourism services will continue to remain depressed until 2021 and expect to return to new normal in 2023. Cambodia, as a small export-based economy where trade represents about 40% of the GDP, has also been impacted by global downturn caused by the pandemic. Cambodia's other important source of income, tourism, has also been severely affected. All these negative effects have forced the government to roll out major supporting measures to minimize the impact of the pandemic on socio-economic condition of the impacted industries and our people.

As rightly pointed out in the note, digital trade and e-commerce has been prominent during this difficult time. Cambodia is also attaching great importance to this sector by passing the e-commerce law in late 2019 and had moved quickly with the implementation of the law along with an e-commerce strategy to accelerate the adoption of e-commerce in Cambodia. However, with significant gap still remained in this sector between LDCs and other economies, Cambodia would like to call upon the Secretariat to provide support to smaller economies such as LDCs in terms of pragmatic policy development, capacity building, technology transfer and study on impact of the harmonization of digital trade rules and regulations to effectively participate in e-commerce and digital trade as these are still limited and unavailable which require further enhancing and strengthening of capacity.

In term of trade liberalization and investment promotion, although some countries have imposed trade restriction measures in this time of crisis, Cambodia, as an LDC, has kept our trade and investment liberalized and open to all trading partners without discrimination as we recognized that trade and investment is crucial for swift economic recovery post-pandemic. We do not have any trade restriction measures or non-tariff measures as we are always a strong believer in trade liberalization, multilateralism and rule-based trading system. It is therefore important that all Member States should maintain open and liberal trading regimes so that we can work together to achieve our shared objectives and SDGs through sharing best practices and experience in making trade work in this time of pandemic and recovery plan for post-pandemic. We fully agree that the signing of Regional Comprehensive Economic Partnership (RCEP) is a good move to the right direction in the region and we hope that trade and investment will perform better in coming years.

At regional level, Cambodia will join hands with ASEAN Member States to effectively implement the 12 recommendations under the Mid-Term Review of the ASEAN Economic Community Blueprint 2025, especially in the areas of industrial revolution 4.0 and digital transformation, green energy transition, human capacity development etc.

I thank you!