

Media

Mobile phone systems are extensive in urban cities and continuously expanding in the rural areas. The Ministry of Posts and Telecommunications regulates most of the broadcast media and while traditional platforms often offer a biased state-supported coverage, social media has been instrumental in political mobilization and public discourse. As young consumers make up a bulk of the 3 million Internet users, the once robust influence of mainstream media such as radios, TV and newspapers have paved the way for a more pluralistic media landscape. Figure 7 presents the Internet consumption of media users in Cambodia.

Comments and Analysis

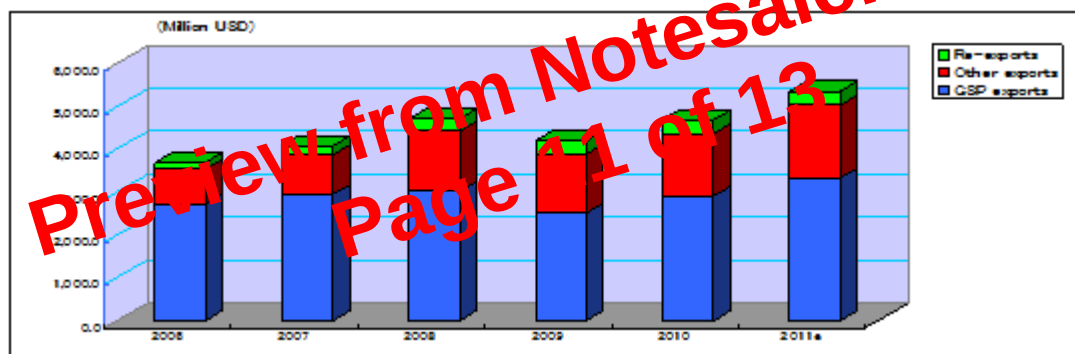
Even prior to the costly occupation of the Khmer Rouge, Cambodia's economy may have been one of the relatively slower growing nations within the fast booming Southeast Asian region. Nonetheless, it is also notably one of the swiftest to reduce poverty in such a narrow span of time. Its unprecedented growth spurt, young population and endowment of natural resources warrants two points of evaluation. Firstly, what is the next step? With all the abovementioned economic indicators, how can Cambodia essentially grow out of the development trap and truly progress? Fundamental changes are necessary in this macroeconomic situation. Right now, some of the challenges faced by businesses are questionable infrastructure, lack of law and regulatory enforcement, prevalence of corruption, and human resources that are under-developed. Cambodia needs to capitalize on its existing capabilities and competencies (i.e. rice cultivation, land resources and cheap labor costs) by further strengthening the structural developments that have been incrementally integrated. While regulatory frameworks are in place now, it is crucial to keep up with the rest of its neighboring countries' pace by continually upgrading itself. It is a strategic government and private sector partnership that will keep the economic rehabilitation going in what is already considered a favorably open economy. In business terms, working side by side with a local is the most appropriate way of tapping into the Cambodian consumers. Take for example an opportunity in agribusiness. Partnership with a local distributor, can ease market access since channels for distribution are still very tightly knit in Cambodia, especially in the rural provinces where apprehension to

Figure 3: Foreign Direct Investment

	2012	2013	2014
FDI Inward Flow (million USD)	1,835	1,872	1,730
FDI Stock (million USD)	9,361	11,222.7	13,035.0
Number of Greenfield Investments***	38.0	35.0	38.0
FDI Inwards (in % of GFCF****)	58.0	54.2	47.1
FDI Stock (in % of GDP)	66.6	73.1	78.8

Source: UNCTAD, 2014.

Figure 4: Cambodia Exports Trend



Source: Ministry of Economics and Finance, Cambodia, 2011.

Figure 5: Cambodia Imports Trend