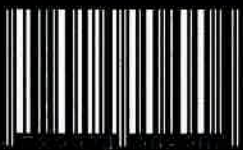


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Conversations on the World Economic Forum on ASEAN 2017 in Cambodia

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A portrait of H.E. Dr. Sok Siphana, a middle-aged man with dark hair, wearing glasses, a dark suit jacket, a blue and white striped shirt, and a blue bow tie. He is looking slightly to the right of the camera with a neutral expression.

H.E. Dr. Sok Siphana
Managing Partner
SokSiphana&associates

MATHEW BUKIT, Research Fellow, Cambodian Institute for Strategic Studies: Good morning, my name is Mathew Bukit, and I'm a research fellow for the Cambodian Institute for Strategic Studies. For our interview today, I'm joined by Dr. Sok Siphana, managing partner at Sok Siphana and Associates. The topic of the interview will be the World Economic Forum on ASEAN 2017, which will be hosted here in Cambodia in May. Thank you Dr. for taking your time today out of your busy schedule for this interview.

Dr. SOK SIPHANA, Managing Partner at Sok Siphana and Associates: My pleasure.

I want to start off by asking what you believe is the significance of Cambodia hosting this year's World Economic Forum on ASEAN? I think for most it is the recognition that Cambodia is quite a mature country that can take on its role as an active and full-fledged member of ASEAN. The whole hosting of this World Economic Forum on ASEAN is on a rotational basis. The fact that it was in Malaysia, Vietnam, and Cambodia, in a way, we feel that we are one among all the ASEAN countries and that we can take on the responsibility to highlight and to project, not just as Cambodia, but as ASEAN, that we are capable of as much as any other ASEAN country.

Specifically for Cambodia, how do you believe this year's World Economic Forum on ASEAN can play a role in helping Cambodia realize its potential as an investment destination? I think by default, the fact that the World Economic Forum comes to a particular country, they do bring their sort of captive membership and their captive audience. By default, it will raise the profile of the host country. Hopefully, through our efforts, through our various speeches and various promotions, we can promote Cambodia, not just as a host country, but as a host country that has economic potential for foreign companies to come and invest in.

Keeping with the theme of investment, as Cambodia continues to develop, what future areas of investment do you think will be important for foreign investors to consider? Cambodia is now in the process of moving towards the next level of industrialization.

The government has its own Industrial Development Policy 2015 – 2025, which is shortly called the IDP; it's a clear policy framework as to where Cambodia should be in the next ten to fifteen years. So in this sense here, I see the area of global supply chains playing a major role in bringing the various companies, whether they are multinational or local, to form part of the supply chain.

So here I see the areas of investment will be more into clusters. The development of industrial clusters; technological parks or industrial zones that are more specialized and more focused than before. For the last ten to fifteen years, Cambodia has still been at the level of garment, footwear, and light industry. I think anything of what I call the factory Asia, which is a one production chain of ASEAN products. If we can position ourselves as a country that can take part in the supply chain, that will be a good area for an investor to consider.

So what do you believe is the significance of the overall theme of this year's World Economic Forum on ASEAN, which is 'youth, technology and growth'? To me, the theme is very relevant for ASEAN as a whole and for Cambodia specifically because we have a very young population. This is what I call the demographic dividend. We have people that are young, meaning they are very capable to learn, to adapt, to adjust, and catch on to the latest technological advancements. So I would say technology will be a very good component that will match well with the younger generation. To be fair to the older generation, we grew up in a different technological era. The adjustment at certain ages is a bit difficult. So I see the linkage of youth and technology as a seamless approach. I would see the future of Cambodia to be focused on how Cambodia can nurture these young talents; how to motivate, how to inculcate the new love of science, technology, math, and engineering. That's the only area that I think will help Cambodia to catapult into the next level of development. So I am all on board for this theme of youth and technology.

Since 1999, the World Economic Forum has tried to shift to a more inclusive approach that focuses on inviting a more diverse group of stakeholders and aiming for policies that the founder, Klaus Schwab, termed "to have everybody in the boat".

How can this approach benefit both ASEAN and the World Economic Forum? I think the World Economic Forum has been presented as more a globalized body that tackles the larger macro issue with all the major leaders, and I think it is a big leap of faith to reach out down to the lowest strata of people who don't actually have a voice. So to me, it's a good effort. The UN and the world have always considered that without inclusiveness, development would not be just, in a way.

For ASEAN, it's the same thing because the bulk of our population in many different ASEAN member countries, we still have pockets of poverty, even in more advanced economies of ASEAN. In Cambodia of course we're at about fourteen to fifteen percent. There is still a good margin of people who are slightly above the poverty line. So in that sense, any development that is inclusive, can only but help.

For ASEAN as a whole, it's the same thing, we need to bring this inclusiveness, we need to bring that fruit of development, the fruit of economic integration, the fruit of globalization if, I can say, which should filter down to that level. It's not automatic. It requires a conscious effort at the national level of different countries, and to me, the effort of the World Economic Forum can only but help to raise the awareness of the issue, to raise the profile of the country, so that it can tackle more, allocate more resources, more focus, on policies that are pro-poor; whether in pro-poor trade policies or pro-poor development, these are the sort of things I think will benefit.

Given the context of major global challenges such as sluggish global demands, climate change, and increasing protectionism, how do you foresee the World Economic Forum on ASEAN addressing these challenges? I think that the World Economic Forum on ASEAN should continue to reiterate firmly and strongly, that economic liberalization matters; that reversing towards the inward-looking old protectionism is not helping the world economy, it's not helping the region. So ASEAN is an outward looking, regionalised,

open region, and we benefit. Our growth has been a result of our openness. We should continue to keep the message strong that, ASEAN, irrespective of where in Europe, or where in America, there are strong popular movements towards inward-looking. ASEAN should make it clear that we continue to believe in openness, we continue to believe in trade and economic liberalization, we continue to believe that development will not take place by having different countries looking inwards selfishly for their own benefit. So I think, having the World Economic Forum on ASEAN in Cambodia this time, where we have an economy that has been thriving for the last twenty some years, more than seven percent averaged over twenty years; it's clear testament, it's clear proof that this growth was, and is, and will continue to be, a result of economic openness, and of course, the world's openness.

Based on history and experience, how do you see the role of Cambodia in working with other countries within the framework of the world economic Forum to address challenges? Cambodia is a country that has emerged from conflict. We grew for the last twenty years mainly on that spirit of openness, on that spirit of partnership. We work very, very, closely with our development partners, whether they are multilateral, whether they're bilateral, whether they are civil society for that matter. The private sector has always been a driving force, a privilege partner of the Royal Government of Cambodia as well. So I would say that Cambodia, as a country that embraces that partnership spirit, should not see any issues nor difficulty, nor do we need to make extra effort because for the last twenty years, it has been part of our modus operandi already. So partnering with the World Economic Forum is just another partner to reinforce that particular spirit of partnership.

Those are all the questions I have. Thank you again Dr. Sok Siphana for taking the time today.
Thank you very much.