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SIEM REAP'S INVESTMENT

"Timeless yet modern Siem Reap, the second economic hub of Cambodia, is a magical place drawing millions of tourists and a thriving marketplace for ideas & innovation"

Siem Reap province is situated at the advantageous geographic location in the center of northwestern Cambodia with well-developed infrastructure and the abundant tourism resources. In addition, Siem Reap is known as the second economic hub of Cambodia and is positioned to be the innovation hub for events, hospitality, travel & tourism.

WHY SIEM REAP?

Opportunities

2th

Hottest startup hub in Cambodia

Becoming the innovation hub for events, agriculture, travel & tourism

Diversified tourism destinations potential remains untapped (beyond the temples & China Ready initiative)

Other key facts

240,648
POPULATION

50.92% female, 23% of the total population in the whole province, 50,266 family (2017 Data)

5,680

Registered Businesses (up to 2018)

Total business establishments 14,555 in Krong Seam Reap (based on 2011 Economic Census)

290k
FACEBOOK USERS

in Siem Reap (4% of the total Facebook users in Cambodia)

16%

BUSINESS TECHNOLOGY ADOPTION (3.23% are using accounting software)

Based on primary data collection in November 2018. It was conducted in Krong Siem Reap with 558 businesses.

\$10-15
PER SQUARE METER

The average rental price for typical office.

There are 6 co-working spaces in Siem Reap

\$210 million

Total 3 years investment plan in Siem Reap Province

88.59%

Of this total budget is allocated for Economic Development

Connections & Infrastructure

Well developed infrastructure and connections for business and innovation to thrive

- **AIR** - One International Airport with 4.2 million passengers going through this airport in 2017
- **WATER** - Four water ports
- **LAND** - National Road #6 from Phnom Penh and National Road 5 from Thai boarder
- **INTERNET** - 11 ISPs and 4G connections
- **FINANCIAL SERVICES** - 88 Financial institutions with USD 571.86 million outstanding loan balance in 2016. Both online, cards and offline payment and disbursement are available.
- **PROFESSIONAL SUPPORT SERVICES** - regional and local legal, financial, and other professional support services are available in Siem Reap

Economic Momentum

...the second economic hub of Cambodia & the recovery of tourism sector from 2017

2.46 M

Foreign visitors' arrivals to Siem Reap in 2017, 38.3% of the total foreign visitors

32.4%

Total Contribution of Travel & Tourism to Cambodian GDP in 2017. The direct contribution of Travel & Tourism to GDP of the same year is 14.1%. With more than 38% of tourist were from Siem Reap and >40% of tourist arrival by air and land to this province, Siem Reap has contributed significantly in just travel & tourism to the growth of Cambodian GDP.

3.134 B

Travel & Tourism Market size in 2017 and expected to rise to 5.794 billion in 2028. ~>1 billion USD was the market size of Travel & Tourism in Siem Reap due to its impressive share of tourist arrival in the provinces. In addition, there were 4.07 billion market that was indirectly and induced by Travel & Tourism in 2017.

Livability - Quality of Life

19

HOSPITALS & CLINICS

One International Standard Hospital and two flagship children hospital.

16

INTERNATIONAL SCHOOLS

5

MAJOR SHOPPING CENTERS & SUPPERMARKETS

13

UNIVERSITIES & INSTITUTES

2

INTERNATIONAL STANDARD CINEMAS

174

RESTAURANTS (4,515 tables), excluding hundreds of vibrant street food vendors

This brief report summary is part of a larger investment guide prepared by:



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CORE SECTORS

There are three core sectors that currently have a significant presence in the Siem Reap economy, in term of employment, and/or GDP contribution, and, as such, should be supported and enhanced.

Travel & Tourism

Travel & Tourism is the strongest sector and has substantially contribute to the province and the national GDP. It provides the platform for other sectors to thrive.

The recovery of the tourism sector, started in 2017, continued unabated. However, tourism potential remains untapped. Diversifying tourist destinations remains to be realized.

825

Hotels & Accommodations

(457 hotels, 14 of which are part of the world leading hotel chain), 71 guest hours) – Nov 2018 Data

174
Restaurants
(4,515 tables)

288 Tour
Operators &
Agencies)

4,619
Tour Guides
(662 female)

>30

Booking Platforms

(three of the world largest booking platforms have physical offices in Siem Reap)

>1b

Market Size

(out of the 3.134 billion total market size in Travel & Tourism)



Retail & Wholesale

28%

NO. OF ESTABLISHMENT

of the total business establishments in Siem Reap and 61.9% of the business establishment in Krong Siem Reap

18.8%

JOB CONTRIBUTION OF (94,326 EMPLOYMENT IN 2011)

\$308.5 M

ANNUAL TURNOVER (36.81% of the total turnovers) 2011 DATA

Manufacturing

Manufacturing is the third highest business establishment in Krong Siem Reap as it is the key supporting sector. This manufacturing also includes handicraft and art related productions.

2.9%

NO. OF ESTABLISHMENT

of the total business establishment in Siem Reap and 6.4% of the business establishment in Krong Siem Reap

3.34%

JOB CONTRIBUTION OF (94,326 EMPLOYMENT IN 2011)

\$27.67M

ANNUAL TURNOVER (2.04% of the total turnovers) 2011 DATA

THE OPPORTUNITY AREAS

There are three opportunity areas that offer high potential for employment and industry development. These are poised for growth due to their strong existing activity, growth potential, ability to play to SR's comparative strengths and workforce assets.

1. NEW TOURISM

Diversified types of tourism moving beyond the temples. The recommended new tourism includes (but not limited to):

- Adventure Tourism
- Cultural Tourism
- Education Tourism
- Wedding Tourism
- Ecotourism
- Communities based tourism

2. INNOVATIVE TRAVEL & TOURISM PLATFORM

Innovations, including technology, services and entrepreneurship that augment or disrupt the travel and tourism sector has huge untapped potential. Leveraging the power of international companies such as CTrip, Fliggy, Booking.com, Agoda, and Expedia is key for any new innovative platforms in this province.

3. AGRICULTURE TECHNOLOGY (AGRITECH)

With the success story of Agribuddy and geolocation of Siem Reap supported with well-developed infrastructure, Siem Reap can become the AgriTech hub to attract local and international startups to validate their business models.

WHAT SHAPED THIS INVESTMENT GUIDE?

Scope of the Guidebook

- Only focus on Krong Siem Reap
- Outside Inspiration & Data
- Inclusive Development
- Focus & Connections to other plans

Objectives

- Assist local entrepreneur to make better business decision (growth decision)
- Attract investors from outside Siem Reap
- Provide the baseline for future policy recommendations & provincial economy strategy
- Showcase the best public-private partnership

FURTHER READING & REFERENCE

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