

# Introduction of Sihanoukville Port SEZ

Sihanoukville Autonomous Port (PAS)



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## Overview of Sihanoukville Port SEZ

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# Overview of Sihanoukville Port SEZ (SPSEZ)



Zone Developer

## Sihanoukville Autonomous Port (PAS)

Built under ODA Loan from the Government of Japan



Established in

**Jan 2012**



Area

**Total 63.21ha**

Total Leasing area 45ha



Access



## Sihanoukville Port

Adjacent across a public road



## National Road 4

Approx. 230 km from Phnom Penh



## Phnom Penh - Sihanoukville Expressway

The first expressway in Cambodia with 187km since Oct 2022



## Railway station

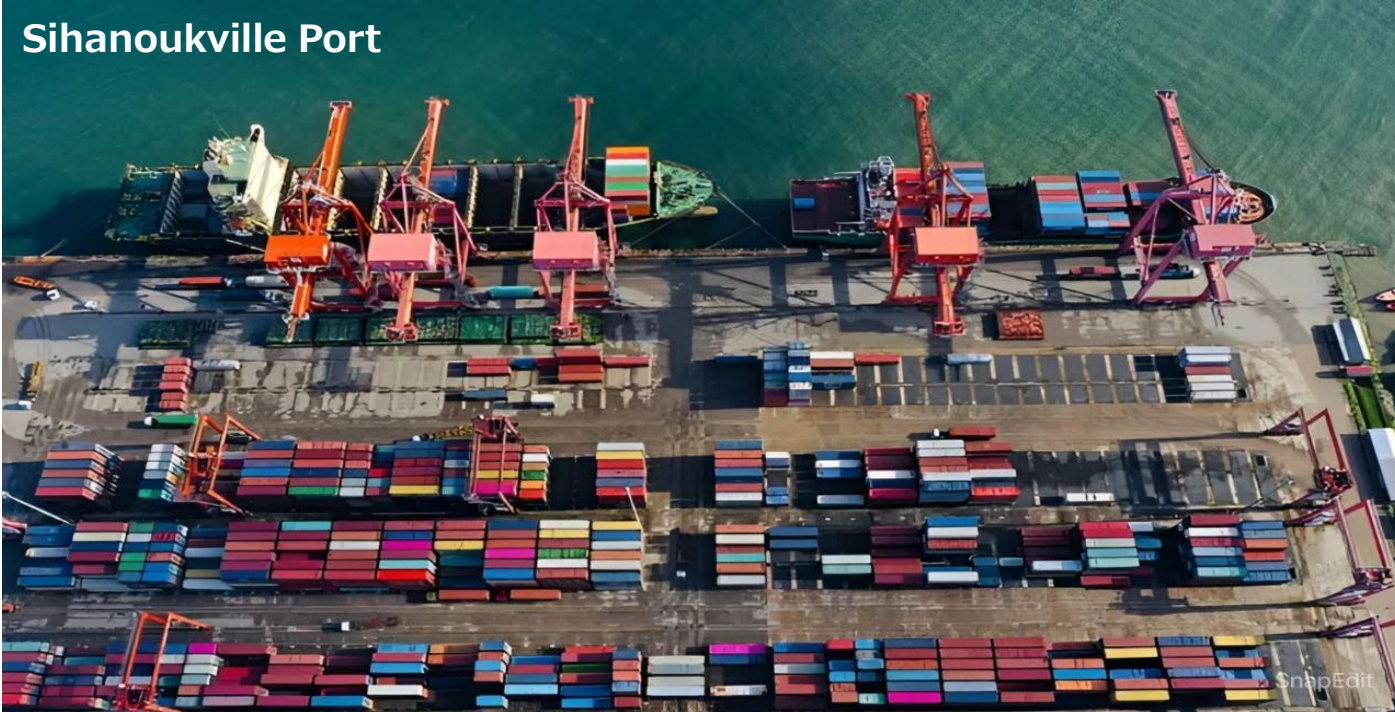
Cargo: in port,  
Passenger: approx. 1km



## Sihanouk International Airport

Approx. 18km





Sihanoukville Port



Express way



Sihanoukville Railway Station



National Road4



Sihanouk International Airport

Resort Hotel



City Center



Shopping Mall



Sea Beach



Resort Islands



Various Cuisine  
including Japanese Restaurant

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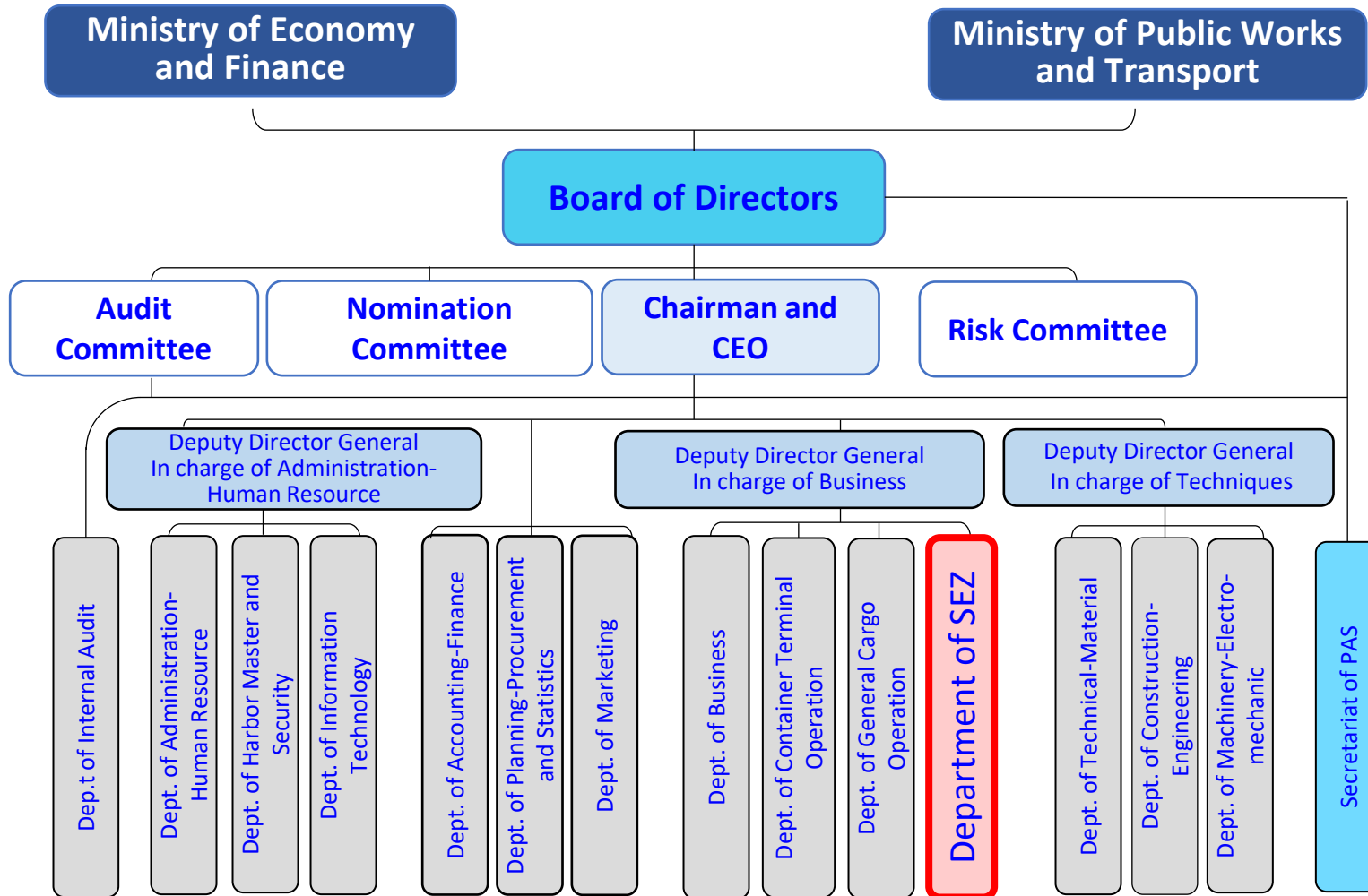
## Sihanoukville Autonomous Port (PAS)

# Logistics of Sihanoukville Port

- Sihanoukville Port is Cambodia's sole deep-sea port and can accommodate 1,500 TEUs-class feeder ships.
- The Port handles nearly 70% of total import/export container cargo in Cambodia. (The volume of containerized cargo handled in 2023 was about 798 thousand TEUs).
- The port has 15 weekly regular lines calling most of the regional ports in South-East Asia and East Asia, and connecting to USA & EU countries through Singapore and Laem Chabang port.



# Organizational Structure of PAS



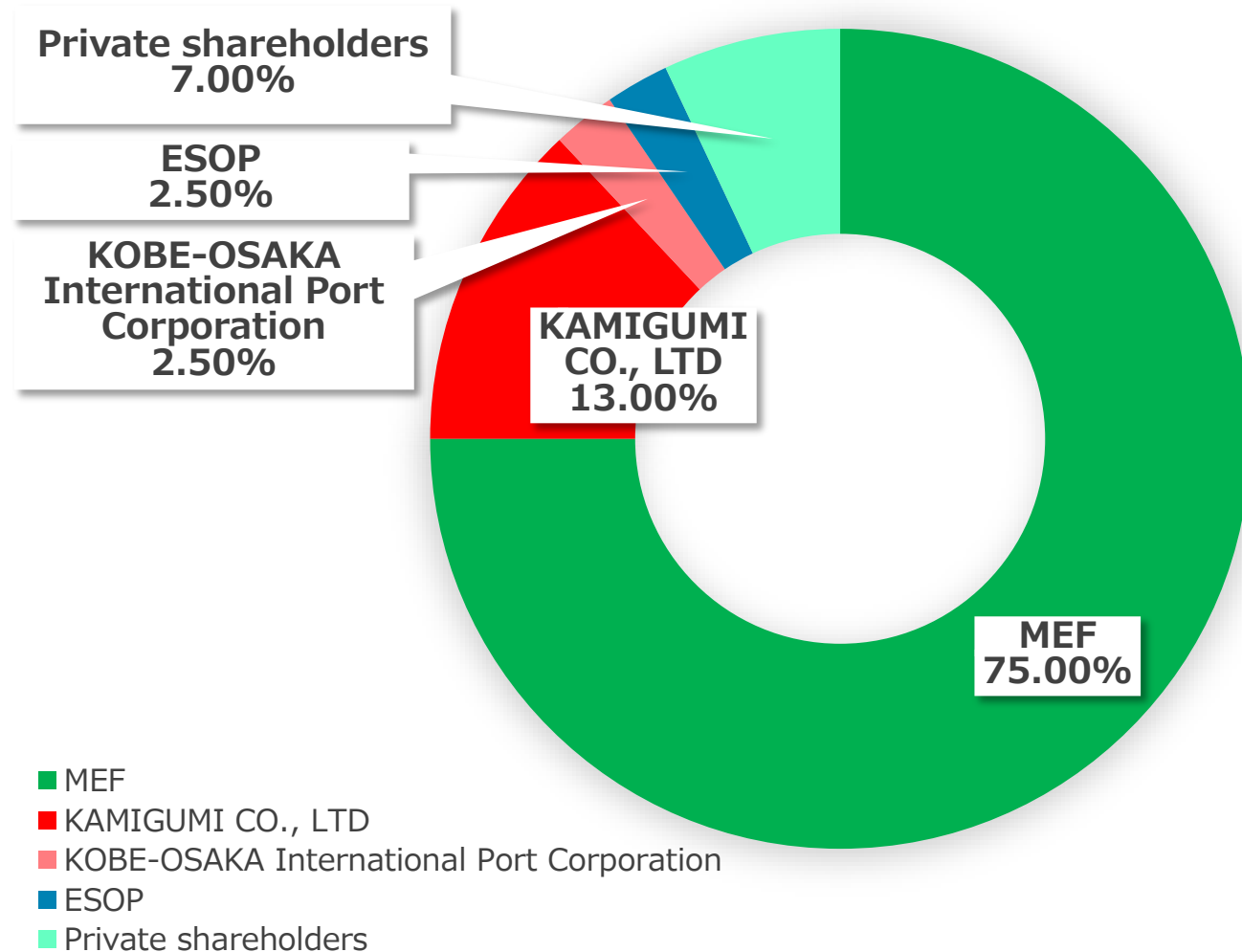
- ◆ PAS is a public enterprise, which has two functions:  
1- **terminal operator** and  
2- **port authority**.
- ◆ PAS policy & operation are supervised by two parent ministries.
- ◆ PAS has about **1,400 employees/workers\***.  
\*in 2024
- ◆ **Department of SEZ** manages SPSEZ.

# Ownership Status of PAS

Supported by the shareholders, PAS maintains a stable financial situation.

- PAS has been officially listed in **Cambodia Securities Exchange (CSX)** since Jun 2017.
- 75% of PAS's share are held by **Ministry of Economy and Finance**.
- **Japanese companies** also own the share, including Kamigumi (13%) and Kobe-Osaka International Port (2.5%).

## Voting right shares



# Development of Port and Service

To incorporate growing cargo demand, PAS continues to develop port facilities and services with Japanese Assistance.

- The **modern port facilities** were developed with Japanese assistance since late 1990's.
- Construction of the **New Container Terminals** is planned.
- PAS continues to improve the **operation services** utilizing Japanese technical cooperation.

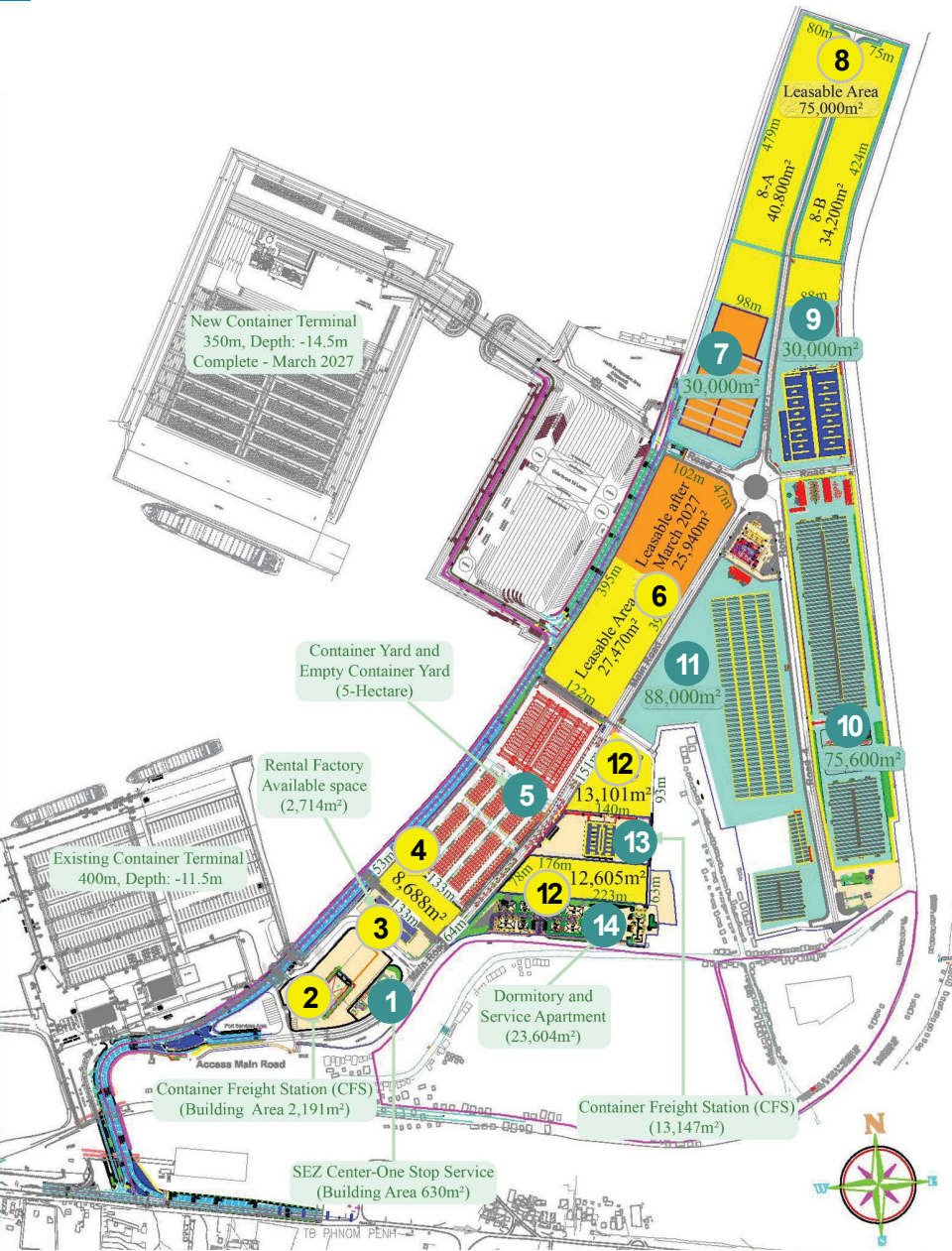


# 3 Sihanoukville Port SEZ (SPSEZ)

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# Layout of SPSEZ

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## Space Available for Lease

- 2** Rental Factory / CFS
- 3** Rental Factory
- 4 6 8 12** Land Available for Lease

## Tenant Companies

- 7** AEON MALL LOGI PLUS  
(Logistics Center)



- 9** OJITEX  
(Corrugated cardboard)



- 10** Huale Steel  
**11** (Steel Processing)



- 1** SPSEZ Administration Office
- 5** Empty Container Yard
- 13** Container Freight Station
- 14** Service Apartment & Dormitory

# Advantages of SPSEZ



- Located adjacent to the international deep seaport in Cambodia
- Easier customs procedure



- Information sharing and feedback system



- Well-maintained infrastructure built with Japanese assistance
- Low disaster risk



- Competitive price for doing business
- Rental factory



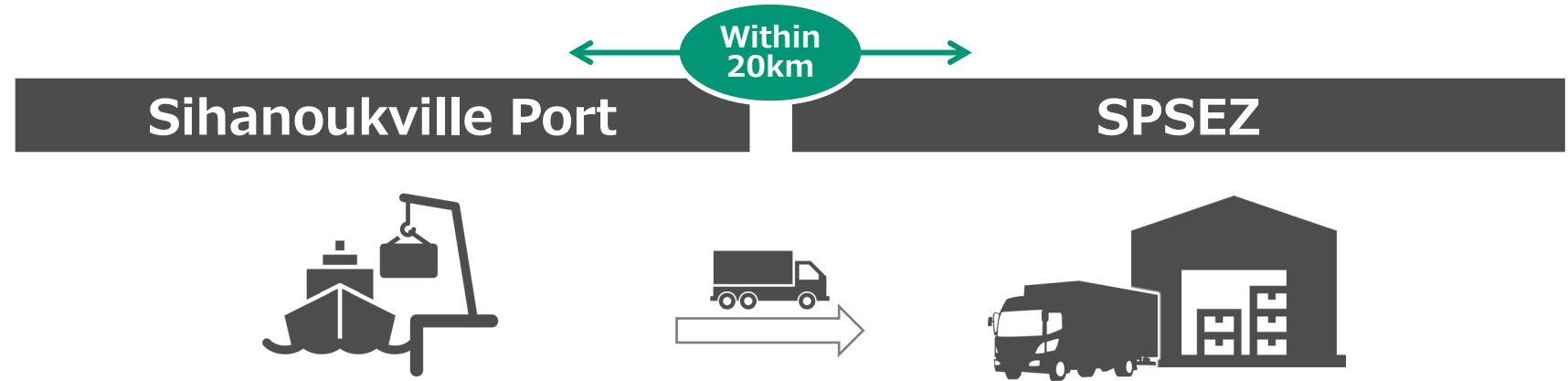
- Free Port Concept
- Others in response to the needs

# Easier Customs Procedure



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Easier customs procedures for import are allowed for companies in SPSEZ, because it's located within 20km from border of Customs Zone.



## Special points of procedures for importers in SPSEZ

(Located within 20km from the port)

- ✓ Importers only **show a copy of documents** related to goods to transit to SEZ.

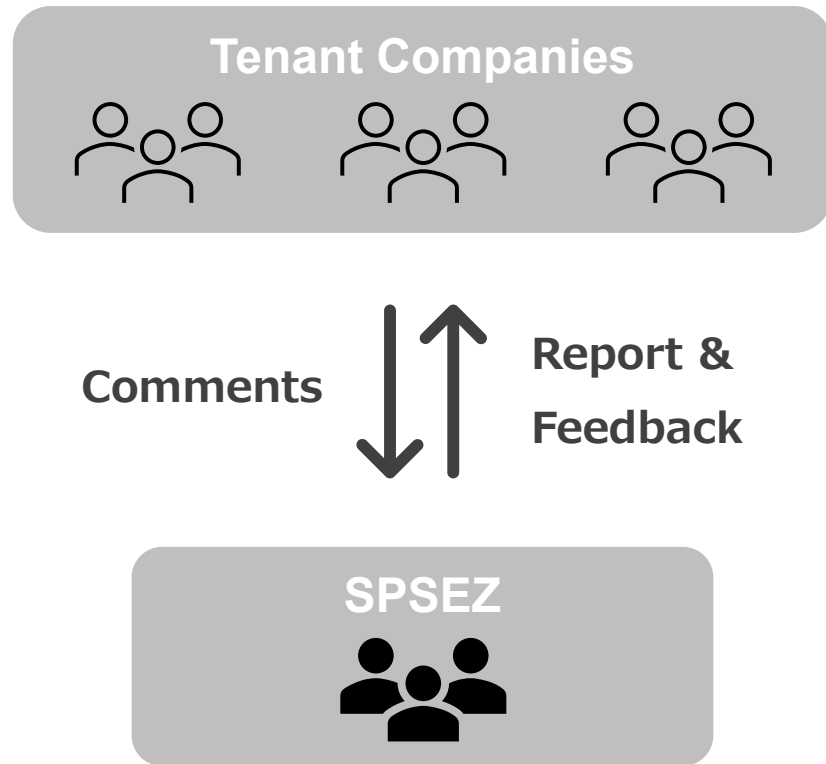
- ✓ The importers can unload their goods for using or processing according to their need **without the presence of Customs officer.**  
(As soon as unloading their goods, importers shall lodge Customs declaration in ASYCUDA)

# Information Sharing and Feedback System



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SPSEZ has system to report and get feedback for tenant companies to support their operation.

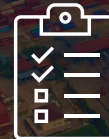


## Approach at SPSEZ



### Tenant Meeting

Tenant companies are invited to monthly meeting at SPSEZ Center. Participated tenant companies raises requests and PAS staff reports on the results of the response and relevant information.



### Customer Service Survey

SPSEZ implements questionnaire survey regularly to get evaluation of their service from tenant companies and suggestions to improve.

# Well-maintained Infrastructures

## Operational Support Facilities

Several support facilities and staff are available to meet the operational needs of companies.



- SPSEZ Administration Office
- Service Apartment & Dormitory
- Rental Factory/CFS
- New CFS (Container Freight Station) for imported LCL cargo from the Sihanoukville Port



SPSEZ Administration Office



Rental Factory / CFS



Service Apartment & Dormitory



New CFS

# Well-maintained Infrastructures

## Infrastructures

Well-maintained infrastructure with substantial capacity is available.

- Water supply
  - 1,500 m<sup>3</sup>/day
- Wastewater treatment
  - 2,000 m<sup>3</sup>/day
- Electricity
  - Directly connected to electricity line from City EDC\* of 7 MW (22KV)
  - Possible to switch to another line from Grid Station of 17 MW (22KV) in case of power failure



Elevated Water Tank & Maintenance Office



Wastewater Treatment Plant



Electricity Control Room



Main Road



\*EDC: Electricité du Cambodge (EDC) is a state-owned and vertically integrated monopoly responsible for generation, transmission, and distribution.

# Well-maintained Infrastructures

## Recent Improvement

SPSEZ has improved the infrastructures according to changes in needs of tenant companies.



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### Electricity Back-up Line (since Mar 2024)

In case of power cut off from the main transmission line to SPSEZ, Sihanoukville EDC (City Line), the power source is automatically switched to Grid Station (National Line) as a backup.



### Enhancement of Security (since Nov 2023)

Security has been enhanced to prepare safe operation circumstances for companies by increasing security staff. In addition, new fence surrounding SPSEZ is under constructing .



### Update of Traffic Signs (since Nov 2023)

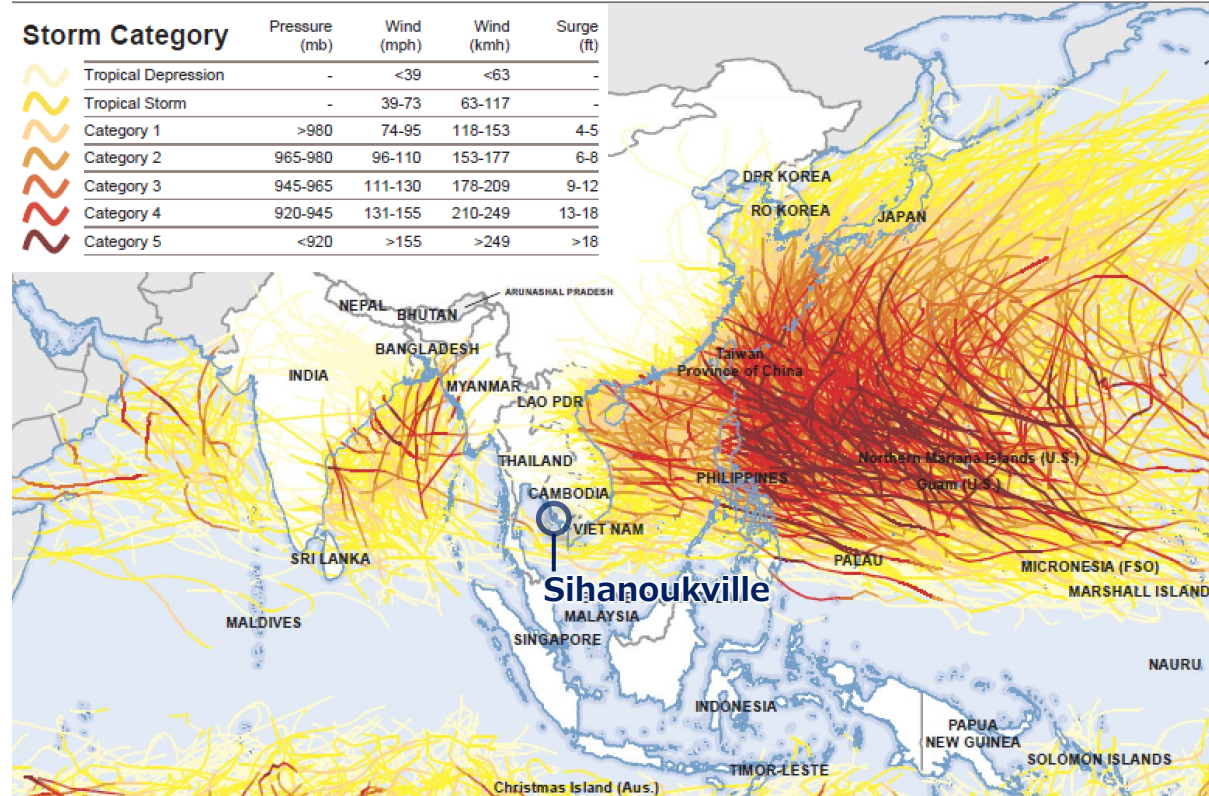
Traffic signs were updated to ensure the safety of drivers and passengers entering in SPSEZ.

# Low Disaster Risk

## No natural disaster since developed

Located in an area with few tropical storms and earthquakes, SPSEZ has not experienced natural disasters since it was developed.

### Last 50 Years Tropical Storms in Asia-Pacific: 1968 - 2018



Source: UN OCHA (March 2019)



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## Emergency rescue support

PAS has a rescue system for emergency by preparing own fire trucks and ambulances.



# Competitive Price for Doing Business



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No	Item	Cost	Note
1	Land lease fee	55–65 USD/m <sup>2</sup> for 50-year lease	<ul style="list-style-type: none"> <li>Varies depending on space and period (10-50 years)</li> <li>VAT10% is subject to condition</li> </ul>
2	Rental factory	4.2 USD/m <sup>2</sup> /month	<ul style="list-style-type: none"> <li>Rental space with 1,125m<sup>2</sup> is available.</li> <li>Excluding VAT10%, renewable 2-year contract (negotiable)</li> </ul>
3	Management service	1 USD/m <sup>2</sup> /year	<ul style="list-style-type: none"> <li>Excluding VAT10%</li> </ul>
4	Electricity	0.158 USD/kWh	<ul style="list-style-type: none"> <li>+10% overhead cost for voltage lose and maintenance</li> <li>It may change according to EDC tariff</li> </ul>
5	Water supply	0.50 USD/m <sup>3</sup>	-
6	Wastewater treatment	0.50 USD/m <sup>3</sup>	<ul style="list-style-type: none"> <li>80% of the supplied water volume (No.5 above) is applied to the calculation of the wastewater treatment charges.</li> <li>Excluding VAT10%</li> </ul>
7	Waste disposal	-	<ul style="list-style-type: none"> <li>Varies according to contents and capacity</li> </ul>
8	Telecommunication	-	<ul style="list-style-type: none"> <li>Depend on tariff of telecommunication company</li> </ul>
9	Rental CFS	4.2 USD/m <sup>2</sup> /month	<ul style="list-style-type: none"> <li>2,100 m<sup>2</sup> floor area is available.</li> <li>Excluding VAT10%, renewable 2-year contract (negotiable)</li> </ul>
10	Rental office	20 USD/m <sup>2</sup> /month	<ul style="list-style-type: none"> <li>In SPSEZ Administration Office</li> <li>Excluding VAT10%</li> </ul>
11	Service apartment	650 USD/month/unit	<ul style="list-style-type: none"> <li>Terrace house (4 buildings, 16 units), Excluding VAT10%</li> </ul>
		950 USD/month/building	<ul style="list-style-type: none"> <li>Detached house (4 buildings, 4 units), Excluding VAT10%</li> </ul>
12	Dormitory	90 USD/month/room	<ul style="list-style-type: none"> <li>Two buildings of 92 rooms, Excluding VAT10%</li> </ul>

Note: As of Nov 2024

# Rental Factory

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Three rental factories are available to quickly launch business.

## Rental Factory -1

- **Size of the Building:**
  - 1,125m<sup>2</sup> (30m x 38m): Possible to be combined with Rental Factory (2)
  - Height of floor: same with the ground level
  - Height of ceiling fan: 7.8m
- **Price:**
  - 4.2 USD/m<sup>2</sup>/month (excluding tax)



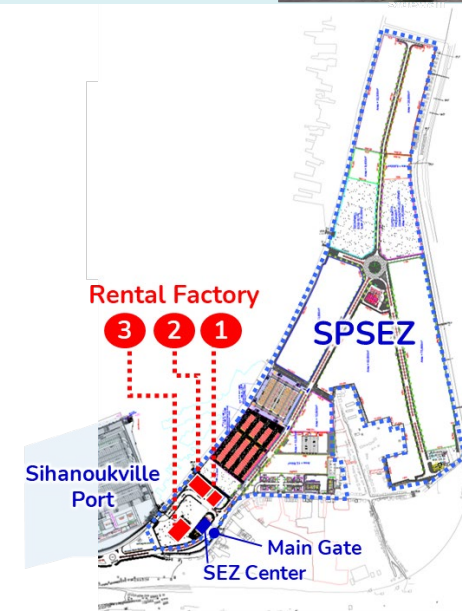
## Rental Factory -2

- **Size of the Building:**
  - About 1,600m<sup>2</sup> (30m x 53m): Possible to be combined with Rental Factory (1)
  - Height of floor: same with the ground level
  - Height of ceiling fan: 7.8m
- **Price:**
  - 4.2 USD/m<sup>2</sup>/month (excluding tax)



## Rental Factory -3 / CFS

- **Size of the Building:**
  - About 2,100m<sup>2</sup> (70m x 30m)
  - Height of floor: 1.2m
  - Height of ceiling: 2.6m (can be remodeled)
- **Price:**
  - 4.2 USD/m<sup>2</sup>/month (excluding tax)



Note: As of Nov 2024

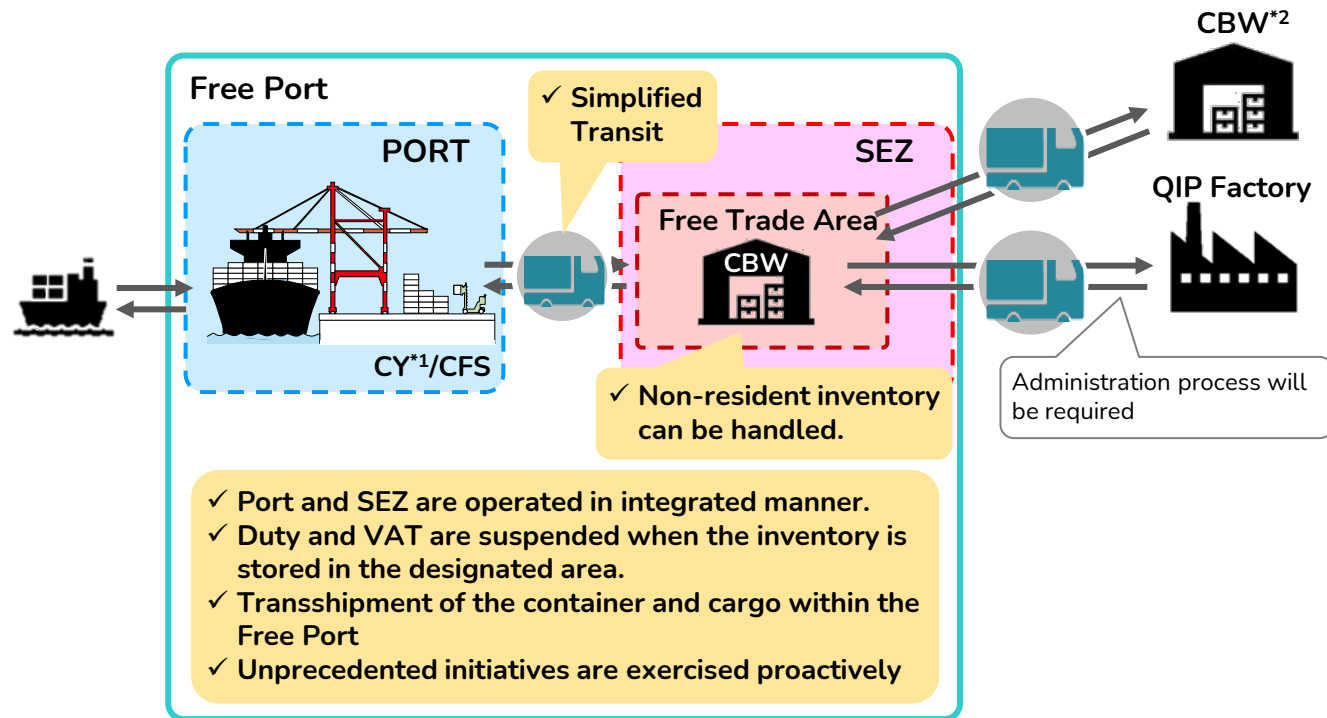
# Free Port Concept - Outline -



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**Free Port Concept** is proposed by PAS to accommodate new businesses in Cambodia through inviting more tenant companies to SPSEZ and cargo to the port.

## Key Incentives of Free Port Concept



## Pilot Project Partner : AEON MALL LOGI PLUS

AEON MALL LOGI PLUS is entitled to handle Vender Managed Inventory (VMI, handling of non-resident inventory) for the first time in Cambodia as a pilot project under the Free Port Concept to verify the effectiveness of the new business.



Sihanoukville FTZ Logistics Center (Opened in Jul 2023)

Company Name	AEON MALL (CAMBODIA) LOGI PLUS CO., LTD.
Date Established	February 2022
Location	Village 3, Sangkat No. 3, Preah Sihanouk City, Preah Sihanouk Province, Cambodia
Business Function	Bonded Warehouse operation/ 3PL/ Customs clearance/ Delivery arrangement
Warehouse	Site area: 30,000 sqm Warehouse area : 18,212 sqm
Number of Employees	24 [as of June 2024]

(as of 2022)

\*1 Container Yard

\*2 Customs Bonded Warehouse

# Free Port Concept - Pilot Project -



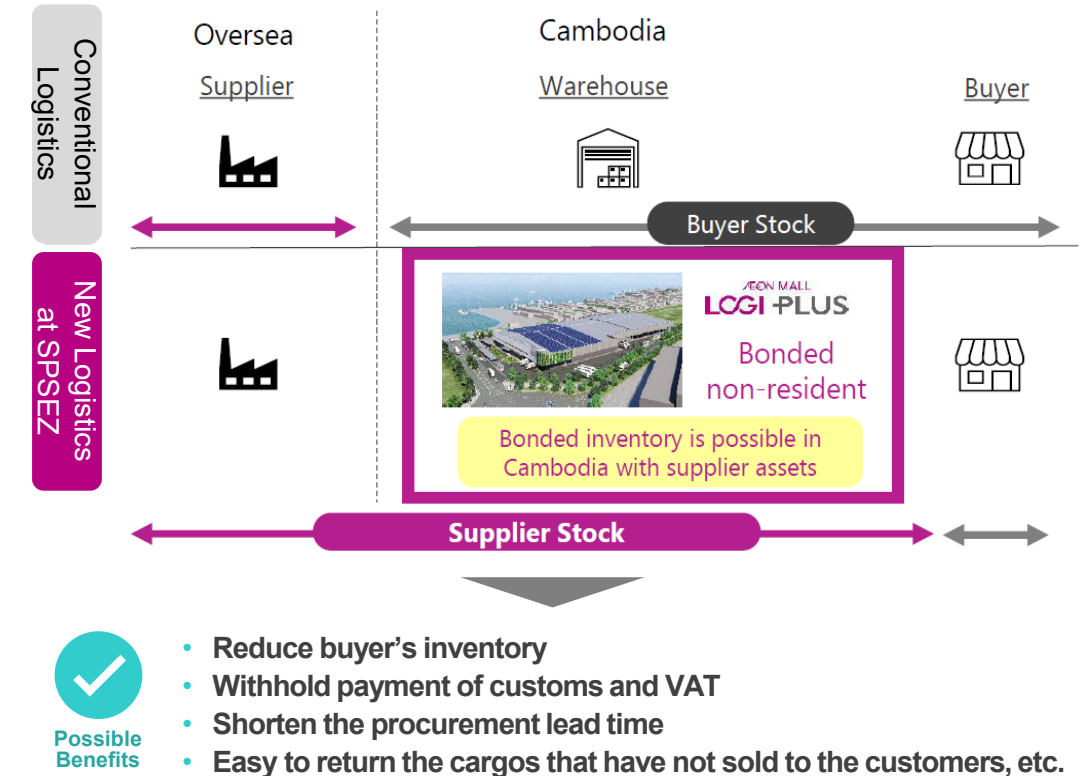
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AMLP provides new services including **VMI** and **Non-resident inventory** that contribute to improving the supply chain in Cambodia in the pilot project approved by the Cambodia Government.

## ■ Key Services of AMLP

- **VMI\* for Manufacturing Factories** \*Vender Managed Inventory  
Raw materials and parts can be stored under bonded status and under the name of supplier or trading company, and can be transfer under bonded status to factories in SEZ based on their needs.
- **Non-resident Inventory**  
Even non-residents can store inventory in Cambodia which is making it possible for foreign companies that have not yet expanded into the country to store overseas inventory.
- **Re-Export/Transshipment**  
Cargo from suppliers in each country is collected in Cambodia as an ASEAN gateway. Shipments can be made based on production lines and schedules of the production sites.
- **Long-term Bonded Storage**  
Bonded storage is possible as AMLP's warehouse acquired a bonded warehouse license. The warehouse is the only one that can provide long-term storage (unlimited bonded period).
- **TAPA Standard Security Management**  
Storage is possible in a storage environment that complies with the global security standard TAPA. Eliminate risks with security guard and surveillance cameras 24 hours a day, 365 days a year.
- **Air-Conditioned Storage**  
It is possible to store the products at constant temperature and humidity in air-conditioned rooms for storing electronic components, food, and medical equipment.
- **Assortment, Assembly and Logistics Processing**  
It is possible to carry out sorting, assembly, and logistics processing (quality inspection, tagging, sticker attachment, etc.) within the bonded warehouse before products are shipped out.

## ■ Model of VMI and Non-resident Inventory



For more details (AMLP) :

Mr.Norihito Ono – General manager of Logistics department  
+855(0)10-511-304, onon@aeonmall.com

# Incentives for Investors (QIP: Qualified Investment Project)

- Investment Projects: a Qualified Investment Project, an Expanded Qualified Investment Project or a Guaranteed Investment Project.
- The Cambodian government operates **QIP** (Qualified Investment Project) to promote foreign investment.
- If approved as a qualified investment project, the investment project can enjoy the following tax incentives.



## Basic Incentives

### 1. Option1: Income Tax<sup>\*1</sup> Exemption

For 3 to 9 years depending on investment sectors and activities, considering as of their first incomes generated.



### Option2: Special Depreciation (if investors don't choose the option1)

- Deduction of capital expenditure
- Deducting up to 200% of specific expenses incurred for up to 9 years
- Prepayment tax exemption for a specific period of time
- Minimum tax exemption
- Export tax exemption

### 2. Tax exemption for customs duty, special tax and VAT<sup>\*2</sup> (imports)

- For ①Export QIP and ②Supporting Industry QIP: construction material, construction equipment, production equipment and production inputs (except fuels)
- For ③Domestically Oriented QIP: import of construction material, construction equipment, production equipment, and production inputs, which are determined by Financial Management Law and /or Sub-Decree.

### 3. VAT exemption

- Purchase of domestic-made production inputs

### 4. Deduction of 150% from the tax base<sup>\*3</sup> for the following activities

- **Research, development and innovation**
- **Human resource development** for Cambodian workers or employees
- Constructions of **facilities** (dormitories, canteens, nurseries) **for comfort** of workers or employees
- **Upgrade** of machinery to support production lines
- Provision of **welfare** for Cambodian workers or employees, e.g. transportation to factories; dormitories, canteens, nurseries.

### 5. Income Tax Exemption for the Expansion of QIP



## Additional Incentives

<sup>\*1</sup> Normal Corporate Income Tax rate is 20%. <sup>\*2</sup> VAT: Value-added tax. <sup>\*3</sup> Tax base is a total values of all assets, income, and economic activity that can be taxed by the Gov-t.

# Investment Guarantees (Protective measures)

- Non-discrimination in certain cases of loss of investment  
i.e. equal treatment of all investors regardless of their nationalities
- No nationalization adversely affecting investors' properties and expropriation
- No requirement of local equity participation
- No price controls on investors' products or services
- No restriction on foreign exchange
- Free purchase and repatriation or remittance of foreign currencies abroad
- Intellectuals property protection

# Contact of SPSEZ Operators

## SEZ Department of PAS

### Administration

Email: [spsez@pas.gov.kh](mailto:spsez@pas.gov.kh)

Tel: +855-(0)34-933-511

<https://www.pas.gov.kh>

### Person in Charge

1) Mr. Heng Sokhsan (Administration & Operation)

Email: [hsokhsan@gmail.com](mailto:hsokhsan@gmail.com)

2) Mr. Kong Sophea (Logistics & Research Development)

Email: [kongsophea999@gmail.com](mailto:kongsophea999@gmail.com)

# List of Relevant Government Authorities

1. **Council for the Development of Cambodia (CDC) [EN]**  
<https://www.cdc.gov.kh/>
2. **General Department of Customs and Excise (GDCE) [EN]**  
[https://v1.customs.gov.kh/en\\_gb/](https://v1.customs.gov.kh/en_gb/)
3. **General Department of Taxation (GDT) [EN]**  
<https://www.tax.gov.kh/km>
4. **Ministry of Economy and Finance (MEF) [KH]**  
<https://www.mef.gov.kh/>
5. **Ministry of Industry, Science, Technology and Innovation (MISTI) [EN]**  
<https://www.misti.gov.kh/>
6. **Ministry of Land Management, Urban Planning and Construction (MLMUPC) [EN]**  
<https://www.mlmupc.gov.kh>
7. **Ministry of Commerce (MOC) [KH]**  
<https://www.moc.gov.kh/>
8. **Ministry of Public Works and Transport (MPWT) [EN]**  
<https://www.mpwt.gov.kh/en/home>
9. **Ministry of Labor and Vocational Training (MVLTV) [EN]**  
<https://www.mlvtr.gov.kh/index.php/en/>

# Thank you for your Attention!

PAS welcomes all investors including manufacturing and logistics companies considering to invest in SPSEZ.



**Sihanoukville Autonomous Port (PAS)**

Cooperated by JICA 