





INDONESIA - CAMBODIA 60 YEARS OF FRIENDSHIP:

MOVING FORWARD

The book will discuss the achievement that already established between the two countries, as well as to find new platforms and measures in enhancing the friendship, cooperation, collaboration, and relations in the field of politics, defense and security; economy; and socio-culture.

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INDONESIA - CAMBODIA 60 YEARS OF FRIENDSHIP: MOVING FORWARD



EMBASSY
OF THE REPUBLIC OF INDONESIA
IN PHNOM PENH

IN COOPERATION WITH



Kingdom of Cambodia
Ministry of Foreign Affairs
& International Cooperation

INDONESIA - CAMBODIA 60 YEARS OF FRIENDSHIP

MOVING FORWARD



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**MOVING
FORWARD**



INDONESIA – CAMBODIA
60 YEARS OF FRIENDSHIP:
MOVING
FORWARD



Indonesia-Cambodia 60 Years of Friendship: Moving Forward

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President Sukarno and King Norodom Sihanouk, in 1964.
Doc: MKAA (Museum Konferensi Asia-Afrika)



มหาวิทยาลัย
ศิลปกรรมศาสตร์



Deputy Prime Minister, Minister Prak Sokhonn and Minister Retno L.P. Marsudi during the 4th JCBC of Indonesia and Cambodia, Jakarta, 4 December 2018. Doc: Dit. Infomed - Kemlu RI



OUTLINE

The book will discuss the achievement that already established between the two countries, as well as to find new platforms and measures in enhancing the friendship, cooperation, collaboration, and relation in the field of politics, defense and security; economy; and socio-culture.

CONTENTS

FOREWORD

H.E. Retno L.P. Marsudi
Minister for Foreign Affairs of
the Republic of Indonesia

1

H.E. Prak Sokhonn
Deputy Prime Minister, Minister of Foreign Affairs and
International Cooperation of the Kingdom of Cambodia

4

PREFACE

H.E. Sudirman Haseng
Ambassador of the Republic of Indonesia
to the Kingdom of Cambodia

7

vii



WRITERS

PART 01

FRIENDSHIP

- A Snapshot of 60 Years of Cambodia-Indonesia Formal Ties ————— 12
H.E. Eat Sophea
- Bilateral Perspective: Cambodia and Indonesia to
Celebrate the 60th Anniversary of the Establishment of
Diplomatic Relations ————— 16
H.E. Hor Nambora
- A Snapshot of Cambodia - Indonesia Relations ————— 27
H.E. Pou Sothirak
- The Paris Agreements and Peace in Cambodia ————— 31
H.E. Wiryono Sastrohandoyo

PART 02

SUSTAINABLE ECONOMIC RELATIONS

- Strengthening Indonesia - Cambodia Economic Ties:
Testimonials from Business Community ————— 36
Dr. Siswo Pramono, Indra Noer, Nelson Simorangkir



Indonesia – Cambodia Bilateral Cooperation for
Sustainable Archaeotourism Destination ————— 42
Rino Wicaksono, Ph.D, Noam Lazuardy

Tapping Air Connectivity to Boost Bilateral Relations
Between Cambodia and Indonesia ————— 50
H.E. Dr. Sok Siphana

Coffeplomacy as a Tool to Reconnect the Cooperation
Between Indonesia and Cambodia ————— 54
Dr. Diah Ayu Permatasari

Enhancing the Partnership of Indonesian State-Owned
Enterprises and Cambodian Business Entities for
Achieving Long-Term Visions ————— 59
Sitta Izza Rosdaniah, Ph.D.

PART 03

CONNECTING PEOPLE AND SOCIETY

Strengthening the Cultural Ties and Cross Cultural Exchange
Between Indonesia and Cambodia ————— 72
Prof. Dr. Wardiman Djojonegoro

INDONESIA - CAMBODIA
60 YEARS OF FRIENDSHIP:
MOVING
FORWARD



- Advancing Cooperation Based on Mutual Interests — 76
H.E. Kan Pharidh
- Cultural Relation Between Cambodia and Indonesia — 81
Prof. Keo Chhea, Mr. Chourn Visal
- Rowing Between Quality Management and Excellent Services
for Consular and Indonesian Citizen Protection in Cambodia — 86
Hermawan Janu Wibowo, Robert Edwien Wattimena

PART 04
MOVING FORWARD

- Delivering the Viable Cooperation in Enhancing Bilateral Relations — 94
H.E. Dr. Desra Percaya
- Short Journey to Contribute to Indonesia - Cambodia
Enhanced Friendship — 99
H.E. Ngurah Swajaya
- Way Forward for Indonesia & Cambodia — 105
Dinna Wisnu, Ph.D

FOREWORD

MINISTER FOR FOREIGN AFFAIRS OF THE REPUBLIC OF INDONESIA

H.E. Retno L.P. Marsudi



The relationship between Indonesia and Cambodia can be traced back from the ancient era. The relationship flourished during the Kingdom of Medang in Java and Srivijaya in Sumatera ruled by the Sailendra Dynasty with the Kingdom of Chenla and then the Khmer Empire. The rise of the Kingdom of Champa in the center and south of Viet Nam and some parts of present-day Cambodia also play an important role, especially the spread of Islam and its influence throughout territories of what is now Indonesia.

Indonesia recognized Cambodia as a sovereign nation in April 1955 during the first Asia Africa Conference (Bandung Conference), where Prince Norodom Sihanouk led the Cambodian delegation. On the 13th of February

1959, Indonesia and Cambodia formalized the diplomatic relations. Since then, Indonesia has been a strong supporter of peace, stability and development in the Kingdom of Cambodia. Indonesia's initiatives included the Jakarta Informal Meeting (JIM) 1 & 2 in 1988 and 1989, troops contribution for United Nations Transitional Authority in Cambodia (UNTAC) in 1992, support for Cambodia's membership in ASEAN in 1996, as well as consistently providing capacity building for Cambodia's development.

These special bonds form the foundation of Cambodia and Indonesia bilateral relationship. The relationship has now grown stronger and covers every aspect of cooperation and partnership. Indonesia and Cambodia

also work closely on a range of common strategic interests in regional and global fora.

Through the Joint Commission for Bilateral Cooperation mechanism, Indonesia and Cambodia work to strengthen economic cooperation, in particular trade and investment. Indonesia and Cambodia has enjoyed more than seven percent trade growth in the last five years and there are ample opportunities to increase that volume in the next five years, including through increased and concrete economic cooperation between Indonesia and Cambodian private sectors and cooperation between its State-Owned Enterprises (SOEs).

Indonesia and Cambodia also work together to advance socio-cultural cooperation and people-to-people contact. On the 60th anniversary of the bilateral relationship, an Indonesian air carrier, Citilink Airline opened a direct flight from Jakarta to Phnom Penh, furthering the lines of communication, business and people-to-people contact between Indonesia and Cambodia.

An equally important element of our cooperation is on development. We

have to walk and grow together and never leave anyone behind. Indonesia reiterates its commitment to become Cambodia's development partner under the framework of the South-South and Triangular Cooperation.

Regionally, Indonesia and Cambodia work together to build and maintain Southeast Asia as a region of peace and prosperity through the development of the ASEAN Outlook on the Indo-Pacific. This concept, agreed by leaders of ASEAN in Bangkok last November 2019, promotes the principles of openness, inclusivity, transparency by respecting the international law and ASEAN centrality.

The 60th Anniversary of Diplomatic Relations will be an important momentum to accelerate bilateral cooperation. The spirit of friendship and cooperation between Indonesia and Cambodia is a strong platform to unleash the potentials. The strong support from stakeholders is a key component in advancing our common interests. These are all reflected in this book "Indonesia – Cambodia 60th Years of Friendship: Moving Forward".

I would like to thank the Embassy of the Republic of Indonesia in Phnom

Penh in collaboration with the Ministry of Foreign Affairs and International Cooperation of the Kingdom of Cambodia for the publication of this book. A good reference for Indonesia – Cambodia bilateral relations.

Happy Indonesia-Cambodia 60th Anniversary. ■



Retno L.P. Marsudi



DEPUTY PRIME MINISTER, MINISTER OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION OF THE KINGDOM OF CAMBODIA

H.E. PRAK Sokhonn

It gives me great honor to write this Foreword for this commemorative publication to mark this year the 60th Anniversary of Cambodia-Indonesia diplomatic ties. Even though the diplomatic relations between Cambodia and Indonesia was officially established only since the 13th February of 1959, the interaction between our two peoples actually goes back centuries. The close similarities between the first Angkor-period temple Bakong of Cambodia and Indonesia's Borobudur temple attest to much earlier time the cultural linkage between the two nations.

As we ponder on the contemporary history of our foreign policy it is worth recalling that the modern-day diplomatic relations between Cambodia and Indonesia was initiated by two great Statemen, His Majesty Preah Bat Samdech PREAH BOROM

RATANAK KAUDH NORODOM SIHANOUK, our late King-Father of Cambodia, and His Excellency SUKARNO, the first President of the Republic of Indonesia. Three years after the two leaders' initial encounter in 1955 at the historic Afro-Asian Nations' Conference in Bandung, the Treaty of Friendship between Cambodia and Indonesia was concluded on 13 February 1959, providing firm ground for the two nations to further nurture and enrich the friendship and cooperation in both bilateral and multilateral frameworks till the present days.

Indonesia played an important role as host of the peace negotiation process leading up to the Paris Peace Accord in 1991, and it has contributed nearly 2000 peacekeepers to Cambodia as part of the UNTAC operations in the early 1990s. I could say that peace and development that the Cambodian

people enjoy today owes a great deal to Indonesia's contribution, for which we remain grateful.

Over the past 60 years, through the thick and thin of national, regional and global politics, the close friendship between the two countries have endured the test of time and thrive with frequent exchanges of high level leadership and senior officials. The cordial relationship between Samdech Techo Prime Minister HUN Sen and President JOKO Widodo have stimulated further people-to-people linkages and boosted bilateral cooperation between the two countries across many fields. The resumption of the 4th Meeting of the Joint Commission for Bilateral Relations between the two countries and my official visit to Indonesia last year have added greater momentum to the enduring ties of friendship.

As members of the ASEAN family, Cambodia and Indonesia have worked very closely to safeguard our common interests, address regional and global challenges of today and jointly contribute to peace, stability, security and prosperity in our region and the world beyond. This common endeavor was reflected in the recently adopted

ASEAN Outlook on the Indo-Pacific (AOIP), which was inspired by the initiative of Indonesia to address the rapid evolution of the geo-political and economic regional architecture.

I highly commend the efforts to bring out this special publication. I believe that it would contribute to the larger efforts to raise public awareness on the excellent relationship between Cambodia and Indonesia over the last 60 years inasmuch as to share the two peoples' aspiration for the many years to come. ■



PRAK Sokhonn



AMBASSADOR OF THE REPUBLIC OF INDONESIA TO THE KINGDOM OF CAMBODIA

H.E. Sudirman Haseng

On the occasion of Indonesia – Cambodia’s 60th year’s anniversary of diplomatic relations in 2019, the Embassy of the Republic of Indonesia in Phnom Penh organize a book consisting of writings and articles regarding the relations between the two countries respectively in collaboration with the Ministry of Foreign Affairs and International Cooperation of the Kingdom of Cambodia. The Embassy and the Ministry invite the respected writers to contribute using a very light and easily digested language to target the new generations or the millennials as the future stakeholders in advancing Indonesia – Cambodia relationship.

The title of the book is “Indonesia – Cambodia 60 Years of Friendship: Moving Forward”, highlights and discuss the achievement that already established between the

two countries, as well as to find new platforms and measures in enhancing the friendship, cooperation, collaboration, and relation in the field of politics, defence and security; economy; as well as socio-culture.

The book consists of 4 (four) parts, such as: The Friendship, which is to highlight the importance of Indonesia and Cambodia historical bond from the 7th century to President Sukarno and Prince Norodom Sihanouk era, up until present days. This part will also discuss in how this friendship shape the relations politically between both nations and how to keep on maintaining the good relations in navigating the global challenges. This has been written comprehensively by H.E. Eat Sophea, my dear friend Ambassador Hor Nambora, Ambassador Wiryono Sastrohandoyo as well as Ambassador Pou Sothirak.

The second part is about Sustainable Economic Relations to emphasize the ups and downs of the economic relations between Indonesia and Cambodia in every sector, and different kind of methods, platforms, innovations, and creative ideas that could be used to boost the cooperation and can mutually benefit the people of both country, which were well define by Dr. Siswo Pramono, Head of Policy Analysis and Development Agency of Ministry of Foreign Affairs of the Republic of Indonesia and his colleagues, Dr. Sok Siphana, Rino Wicaksono, Ph.D, Dr. Diah Ayu Permatasari, and Sitta Izza Rosdaniah, Ph.D.

The third part is Connecting People and Society in discussing ways in enhancing people to people contact between Indonesia and Cambodia through cultures, education, religion, youth exchanges, and other social activities involved, hoping to enrich the mutual understanding that already flourished centuries ago up until the present days. This part is excellently described by the expert such as Prof. Dr. Wardiman Djojonegoro, Indonesia Minister of Education Culture in 1993 – 1998, H.E. Kan Pharidh, Prof. Dr. Keo Chea and his colleague, as well as staff

members from the Embassy.

The last part is Moving Forward as to discuss the past, present, and future relations of both countries as well as in finding new solutions and platform for advancing mutually benefitted cooperation by Dr. Desra Percaya, Director General for Asia-Pacific and African Affairs, Ministry of Foreign Affairs of the Republic of Indonesia, Ambassador Ngurah Swajaya, former Indonesian Ambassador to the Kingdom of Cambodia and now as Indonesian Ambassador to the Republic of Singapore, and Dinna Wisnu Ph.D.

Of course, the foreword from the Minister for Foreign Affairs of the Republic of Indonesia, Ibu Retno L.P. Marsudi, and Deputy Prime Minister, Minister of Foreign Affairs and International Cooperation of the Kingdom of Cambodia, H.E. Prak Sokhonn give the glimmer for the substantial contents come to life.

Last but not least, I would like to convey my sincere thanks and appreciation to the team from the Embassy of the Republic of Indonesia for the realization of this book.

PREFACE

I hope that this book will be useful references for diplomats, officials, scholars, and all relevant stakeholders in enhancing the relationship between Indonesia and Cambodia.

Thank you ■



Ambassador Sudirman Haseng presenting letter of credence to King Norodom Sihamoni, Phnom Penh, May 2018. Doc: KBRI Phnom Penh

INDONESIA - CAMBODIA
60 YEARS OF FRIENDSHIP:
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Candi Borobudur and Angkor Wat, UNESCO Two World Heritage, symbol of friendship between Indonesia and Cambodia. Illustration: @ipzstar

PART 01

FRIENDSHIP





A SNAPSHOT OF 60 YEARS OF CAMBODIA-INDONESIA FORMAL TIES

H.E. Eat Sophea

Secretary of State of the Ministry of Foreign Affairs
and International Cooperation of the Kingdom of
Cambodia

The year 2019 is a momentous historical milestone for both Cambodia and Indonesia, as formal relations between the two countries turn 60 years old. The cordial ties between the two nations have not only withstood the test of time, but are growing and thriving. If one looks back into history, Cambodia and Indonesia are actually age-old friends, with links dating back centuries. One historical accounts states that the founder and god king of the Khmer Empire (present Cambodia), Jayavarman II, studied in Java, before returning to his homeland to unite two feuding kingdoms into one realm. This historical link is supported by the striking similarities between the 9th century Bakong Temple in Siem Reap, and the 9th century Borobodur Temple in Central Java.

In modern history, Cambodia and Indonesia established diplomatic

relations on 13 February 1959, when H.M. King Norodom Sihanouk of Cambodia and H.E. President Sukarno of Indonesia signed the Treaty of Friendship between the two nations. Prior to this historical milestone, the two leaders had met during the First Afro-Asian Conference, hosted by Indonesia at Bandung in April 1955, a conference that would later influence the core principles and framework of both nation's foreign policies even till today. Between 1959 and 1965, H.E. President Sukarno visited Cambodia 5 times, and H.M. King Norodom Sihanouk, accompanied by H.M. Queen Monineath Sihanouk also made return visits, including one on 26 January 1964. Relations between the two leaders were very significant that a chapter of H.M. King Norodom Sihanouk's book "Sihanouk Reminisces" is devoted to President Sukarno. As a special guest of honour at the inauguration

of the new Sukarno Centre in Bali, on 14 November 2008, HRH Princess Arun Rasmy, the youngest daughter of HM Norodom Sihanouk, read out some of His Majesty's fond memory of President Sukarno written in this book.

Friendship and good relations nurtured by the two nations' forefathers have been cherished and further developed, with Indonesia actively supporting efforts to bring peace and stability to Cambodia. Jakarta was host to the Cambodian peace negotiations, so called Jakarta Informal Meetings (JIM) in the late 1980s that led to the signing of the Paris Peace Accord in 1991. Subsequently, Indonesia contributed nearly 4,000 peacekeepers for the operation of the United Nations Transitional Authority in Cambodia (UNTAC) during the year 1992-1993. The Indonesia-Cambodia-Friendship Monument in Kampong Thom province, where the Garuda XII-B contingent was stationed during the UNTAC period stands as a testimony to this fact. Retired General Ryamizard Ryacudu, who was then the contingent's commander and now Indonesia's Minister of Defense, attended the inauguration of this monument at its newly relocated site,

during his official visit to Cambodia, On 13 July 2019.

Following the United Nation supervised general elections in Cambodia in 1993, His Majesty King Norodom Sihanouk accompanied by H.M. the Queen paid a three-day state visit to Indonesia from 31 August 1995 which coincided with the celebration of the 50th Anniversary of Indonesia's Independence. Not long after Cambodia became the 10th ASEAN member on 30 April 1999, newly elected President Abdurrahman Wahid made a five-day visit to Cambodia in November that year. The introductory visit to Cambodia in August 2001 by President Megawati Sukarnoputri, the daughter of President Sukarno, following her election the previous month, rekindled H.M. Norodom Sihanouk's fond memories of his friendship with his old friend late President Sukarno.

Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of Cambodia, recalls Indonesia's important contribution to Cambodia's peace process and close friendship with Cambodia, every time he meets Indonesian leaders and senior officials. The same was expressed in his meeting with H.E. Muhammad

Jusuf Kalla, Indonesian Vice President and co-chairman of Asian Cultural Council, in Siem Reap on 16 January 2019 and during a courtesy call by Her Excellency Puan Maharani, Indonesian Coordinating Minister for Human Development and Cultural Affairs. She together with His Excellency Deputy Prime Minister Prak Sokhonn, Minister of Foreign Affairs and International Cooperation of Cambodia jointly opened a joint cultural performance to celebrate the 60th Anniversary of Cambodia-Indonesia relations in Phnom Penh on 13 February 2019, with the esteemed presence of His Majesty King Norodom Sihamoni of Cambodia.

Her Excellency Retno L.P. Marsudi, Indonesian Foreign Minister, agreed with Foreign Minister Prak Sokhonn during his official visit to Indonesia on 1-3 February 2018 that the two countries should revitalize effort to expand cooperation in various sectors including trade and investment, tourism and cultural exchange, human resources development and agriculture, and that the two countries celebrate 60 years of diplomatic ties to kick start the momentum. Several activities have already been organized, and as part of this auspicious commemoration, Indonesia's low-cost carrier Citilink made its inaugural flight

from Jakarta to Phnom Penh on 21 June 2019. The Ministry of Commerce of Cambodia and the Embassy of Indonesia in Phnom Penh organized Cambodia-Indonesia Friendship Trade Fair in Siem Reap on 19-21 July 2019.

Frequent diplomatic, cultural, and economic exchanges in recent years have strengthened mutual trust, understanding and cooperation between the leaders and people of the two nations. In October 2017, Indonesia and Cambodia concluded the Agreement on Defense Cooperation which allows both states to effectively collaborate on capacity building for security protection and contribution to regional and global peace and security. Each year, scholars, workers and tourists constantly travel between the two nations, bringing flows of knowledge, skills and income to the hosting nation. The two countries have also enjoyed substantial economic cooperation, with two-way trade increased from around US \$444 million in 2016, to more than US\$542 million in 2017. In addition, the two economic partners have also signed an Agreement on Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, with intent to increase

bilateral trade and investment. These exchanges and relations in other areas continue to grow each year, and further facilitated by both countries' common membership in ASEAN.

As Member States of the ASEAN Community, Cambodia and Indonesia have collaborated closely to address numerous challenges to peace, stability, and the growing prosperity of the region and the world at large. In the face of these challenges, both countries have resolved to intensify their strong cooperation and collaboration in the ASEAN region, strengthening ASEAN Centrality, and increasing friendly and constructive engagement between ASEAN and external partners. The two nations also aim to enhance mutual trust, respect and benefits among themselves and others within and beyond the region, in their support of the ASEAN Collective Concept, a strategic vision that embraces the principles of complementarity and rule-based approach to reclaim the geopolitical narrative for the Indo-Pacific region, in response to recent global shift in power balance.

Looking back to the past 60 years, the relations and cooperation between Cambodia and Indonesia are indeed

advancing on the right course, and the two nations are reaping benefits from it for their growing prosperity. From this point onward, both nations must work more proactively through exiting bilateral and multilateral frameworks so as to safely navigate through the present global complexity marked by uncertainty, volatility and increasing geopolitical rivalries, and further promote sustainable development, harmony and common socio-economic progress. For instance, the biennial Joint Commission for Bilateral Cooperation (JCBC) is an ideal platform for reviewing progress, improving policy coordination, deepening and expanding cooperation in all areas, including trade, investment, culture and tourism, and people-to-people exchange. Building on the noble spirit of cordial friendship and close partnership cultivated by our past leaders, Cambodia and Indonesia should stand shoulder-to-shoulder in realizing our common aspiration to build a resilient, cohesive and caring ASEAN Community, and contributing to peace, stability and sustainable development for all to share. ■



BILATERAL PERSPECTIVE: CAMBODIA AND INDONESIA TO CELEBRATE THE 60TH ANNIVERSARY OF THE ESTABLISHMENT OF DIPLOMATIC RELATIONS

H.E. Hor Nambora

Ambassador of the Kingdom of Cambodia to the Republic of Indonesia

This year will mark the 60th anniversary of the establishment of diplomatic relations between Cambodia and Indonesia in 1959, the two countries will work together explored new possibilities to unlock the potentials for shared interests and to further deepen the bonds of friendship and cooperation which have been promoted for over many years by the leaders and the people of Cambodia and Indonesia.

1. OUTLOOK ON THE EVOLUTION OF CAMBODIAN-INDONESIAN RELATIONS

The Kingdom of Cambodia and the Republic of Indonesia have active diplomatic relations for almost six decades. Cambodia has an embassy in Jakarta while Indonesia keeps likewise one in the capital city of Cambodia, Phnom Penh. Ever since the establishment of our

bilateral and diplomatic relations in 1959, Indonesia has been a strong supporter of peace, development and stability in Cambodia. In 1992, Indonesia stationed peace-keeping troops for the United Nations Transitional Authority in Cambodia, and supporting in strongest terms the Kingdom's membership to the ASEAN in 1999. Cambodia greatly appreciates Indonesia's untiring support and productive collaboration to Cambodia, especially in the areas of technical assistance and human resource capacity building. Both nations are committed members of the Non-Aligned Movement and ASEAN.

Since the commencement of our diplomatic relations, Cambodia and Indonesia continue to maintain and sustain healthy rapport in their bilateral engagements as well as enjoy fruitful cooperation in different areas of development. In the past,

we have exchanged official visits at various levels with positive and bright outcomes. Presently, we coordinate closely and cautiously on strategic issues of common interests in regional and international arenas.

2. MAJOR PARTNERSHIPS AND COLLABORATIONS LINKED TO BUSINESS AND TRADE

The Royal Government of Cambodia's decision to be amalgamated with ASEAN, other economic endeavors as well as the International Trade Organization is, indeed, noteworthy, far-reaching, strategic and visionary. With an emerging small-scale economy, Cambodia needs to economically integrate both regionally and globally so that the country's manufacturers can compete in global markets and avail much of foreign direct investments as well. Generally, a national consortium is always investing and doing business in a country that can produce and export goods at comparative prices to the global market and, thus, make the economy fatter.

As can be gleaned, Cambodia is among the most attractive countries in the region. Remarkably, it has favorable location, low labor cost, safe and secure conditions for export

to markets in Europe, North America and countries in the ASIAN and ASEAN regions plus encouraging trade agreements with China, Japan, South Korea, Australia, New Zealand, and India.

Cambodia together with other ASEAN countries have been negotiating a regional Comprehensive Economic Partnership Agreement (RCEP), an enriching trade consensus with Australia, China, India, Japan, South Korea and New Zealand.

Cambodia's attractiveness rests solely in the country's good investment laws and policies with the Ministry of Commerce's issuance of easy guidelines to facilitate trade, such as, online registration. Overall, Cambodia's satisfactory governance, strategic policies, and good practices have polarized greater attractiveness for foreign investments to Cambodia.

3. VIEWS ON THE AREAS OF GROWTH AND WAYS TO IMPROVE MUTUAL EXCHANGES

A. Views on the Areas of Growth

1. Foreign Affairs Consultation

We conducted successfully 1st, 2nd and 3rd meetings of Joint Commission for Bilateral Cooperation (JCBC).

Cambodia and Indonesia are going to use the JCBC session outputs to enhance improved relations for potential growth areas of partnership. The 4th JCBC caucus was taken place in Jakarta on December 3-4, 2018, and the visit of Samdech Techo Prime Minister Hun Sen in Bali on October 12, 2018.

2. Defence Cooperation

Indonesia has provided assistance in military logistics and training courses to Cambodia's armed defense forces. From 2010 to 2017, 167 military personnel profited refreshing training courses in Indonesia. In 2018, 3 Cambodian soldiers attended 2 training courses, including assault climbers, and military free fall in Indonesia. Apart from in-country trainings in Indonesia, Indonesia commissioned trainers to capacitate Cambodia's Prime Minister close-in security forces who have been enabled during 2004 to 2016.

3. Trade and Investment

Trade relation between Cambodia and Indonesia has shown a steady increase. In the field of economy, the two countries have experienced a positive growth in bilateral trade that was valued at USD 452 million in 2016,

USD 542.2 million in 2017 and USD509 million the last figures during the January-November 2018 period, an increase of 3.3 percent from the trade value USD492.75 million recorded during the same period in 2017.

4. Tourism and Air Connectivity:

An estimated 50,000 Indonesian tourists visit Cambodia each year while only 5,000 Cambodian visitors travel to the largest archipelago of the world. The cooperation in the tourism sector can best be further harnessed through the following interventions:

- a) Pro-actively and jointly implement the stipulations on activities under the MOU between Siem Reap and Central Java concerning Sister Temple Province Cooperation signed in 2007
- b) The establishment of Sister City-hoods between Phnom Penh and Bogor, as agreed upon during the 2nd JCBC in 2004
- c) Tourism links between Siem Reap, Central Java and Bali and direct flights between the two countries, as agreed upon during the 3rd JCBC, in 2006.

5. Cultural Cooperation

We have significant and unique cultural commonalities, as particularly evidenced in historical antiquated Borobudur and Angkor Wat temples. Cambodia and Indonesia signed a MoU on Cultural Cooperation in 2009 to foster in-depth cultural relations.

6. Education and Human Resources

385 Cambodian students had received scholarships from 2016 to 2018. Cambodia expects that the Indonesian government will continue to provide more study grants for deserving Khmer students.

7. Human Trafficking Issue

Cambodia and Indonesia have been working closely under regional, international and United Nations frameworks to quell human trafficking and other related pressing issues. Indonesia rescued hundreds of Cambodian migrant workers, many of whom had been trafficked to work on fishing boats from 2014 to 2017.

8. Regional and International Cooperation

Both countries greatly acknowledge the fervent need for more dynamic

and interactive cooperation among ASEAN members. Cambodia has supported Indonesia's candidature as a non-permanent member of the UN Security Council (UNSC) for the term 2019-2020 at the election last year in New York and Indonesia had grant its support to Cambodia as a membership of the ECOSOC in 2018, and to host ASEM meeting in 2020.

B. Views on the Ways to Improve Mutual Exchange

We need to cement more effectively bilateral relations between the two countries, particularly on strengthening mutual exchange mechanisms, including trade and investment, tourism and regional cooperation. We need to reinvigorate bilateral relations, particularly the thorough implementation of commitments, MOUs, and agreements of both countries.

4. AMBITIONS RELATED TO THE GROWING ROLE OF CAMBODIA WITHIN ASEAN

In ASEAN and as an ASEAN Member State, Cambodia has its priorities or ambitions relative to its nascent role within the region, as follows:

A. Policy-Oriented

Integration into the regional and international community has always been the key priority of Cambodia's foreign policy and national development strategy. Cambodia commits to its collective responsibility to ensure peace, stability and prosperity, based on the principles of respect for the independence, sovereignty, equality, territorial integrity, national identity, and non-interference in the international state-of-affairs of ASEAN Member States.

B. Regional Peace and Stability

Cambodia always attaches great importance on the maintenance of regional peace, security, stability, and prosperity by proactively engaging in both regional and international activities and initiatives. Cambodia fully and firmly upholds the ASEAN Way of "dialogue, consultation and consensus" with full respect of the non-interference principle in each other's internal affairs serving as the core ASEAN values to preserve ASEAN centrality and unity.

C. People-Oriented and People-Centered

Cambodia places more impetus on the significance of investing in the youth

sector oriented programs which will, in the long run, bring about enormous positive outcomes.

D. Initiative for ASEAN Integration (IAI)

One of Cambodia's priorities in ASEAN is narrowing the development gap within a fully integrated ASEAN Community by way of enhancing capacity building and promoting human resource development. Cambodia assumes the Chair of the IAI Task Force in 2018 and remains committed to ensuring the successful implementation of the IAI Work Plan III. Cambodia works closely with ASEAN Member States and further engages with all ASEAN Dialogue Partners, other external parties and relevant stakeholders to mobilize funding support and assistance in order to ensure the effective and timely work plan implementation.

E. ASEAN Connectivity

Cambodia places a strong emphasis on the implementation of the Master Plan on ASEAN Connectivity 2025 with aim of building physical, institutional and people-to-people connectivity within ASEAN and beyond. Cambodia has seriously challenged the ASEAN Connectivity Coordinating Committee

(ACCC), the relevant senior officials and the ASEAN Secretariat, to engage with all ASEAN Dialogue Partners, external partners and other stakeholders to lend further support in the implementation of the three initiatives. Cambodia is in the process to prepare internal procedures to establish the National Mechanism for Implementation of the MPAC 2025.

F. External Engagement of ASEAN

In the face of global uncertainties and Asia's evolving landscape, ASEAN must continue enabling its central role in driving the regional process, including strengthening those ASEAN-led mechanisms to ensure a well-balanced interaction with all Dialogue Partners. Faced with different priorities and interests within ASEAN, Cambodia's preventive diplomacy, anchored on a non-aligned approach, has the initiative and forte to play a constructive role to preserve, protect and reinforce the ASEAN common ground. Cambodia reserves its rights not to indulge in any activity that could jeopardize or aggravate the situation in the region.

G. ASEAN Regional Mine Action Centre (ARMAC)

Cambodia is also focusing more on the full and effective operationalization of ARMAC, including securing sufficient financial resources, to support both the implementation of its programs/activities and its operations, particularly from 2019. A Host Country Agreement between the Cambodian Government and ARMAC was signed by H.E. Prak Sokhonn as Chair of ARMAC SC on 27 February 2018. The Cambodian Government has made a commitment to provide 2-year operational budget for ARMAC Secretariat for 2017-2018, amounting to USD321, 803 per year.

5. CAMBODIA OFFERS POTENTIAL INVESTMENT OPPORTUNITIES

Cambodia has a beautiful landscape and is recognized world-wide as one of the must-see destinations for tourism. In recent years, tourists have continued to grow by 10%-20%. In 2016, Cambodia received more than 5 million international visitors and won the "World's Best Tourism Destination Award" of the year. And the last year Cambodia received more than 6.2 million visitors, of which 55,753 were from Indonesia up 11.8 percent on 2017.

With its unique charm, Cambodia is attracting tourists from all over the world, Indonesia tourists included. The booming tourism industry has driven the rapid development of Cambodian real estate. A number of Indonesia investors have gone to Cambodia to make a fortune, and have lived a life of self-sufficiency.

In addition to the booming tourism industry, there are other reasons to invest in Cambodia.

A. ASEAN center location, global market essentials

Cambodia is strategically located in the heart of ASEAN and is also the gateway to important markets around the world. In 1999, Cambodia joined ASEAN as the tenth member. Foreign investments in the Cambodian market directly radiated to the entire ASEAN region. At the same time, Cambodia has a number of foreign trade ports, creating relatively smooth and convenient export channels, as well as low logistics costs. In addition, the AIIB will further promote the development of Cambodian real estate.

B. Taking advantage of “One Belt and One Road” for optimistic investments

Cambodia is an important node of the “Belt and Road” in Southeast Asia. It has been rapidly emerging in recent years and has become an “emerging market” in Southeast Asia. The 2015-2025 Industrial Development Plan proposed by Cambodia and China’s “Belt and Road Initiative” are the best win-win proposition for China and Cambodia, which greatly enhances the confidence of Chinese companies in Cambodia.

C. Increasingly friendly cooperation between Indonesia and Cambodia

Indonesia is progressing in all sectors, especially in the industrial and agricultural sectors. Indonesia has also invested some USD350 million in the field of culinary arts, housing, transportation, and infrastructure in Cambodia. And in the field of pharmacy has some companies invested in Cambodia such as Dexa Medica, Sanbe and Kalbe Farma, Sanbe Farma and Indo Farma have been popular products in the Cambodian market. Indonesia’s pharmaceutical products are now known to Cambodians as middle-

level products and are widely trusted by the public. In addition, beside to pharmaceutical products, Indonesia's quite successful products in Cambodia are packaged food and beverage products, with trademarks like Milkita, Kopiko and Nutri C quite popular in the Cambodian market. Oil and Gas Companies have been doing business in Cambodia e.g: IGS (INDO Global Success Co., Ltd and PT. Sulzer Indonesia.

As Cambodian consumers are keen to receive high-quality treatment offered by foreign medical products, there is a great potential for increasing market share with local pharmaceutical importers or manufacturers.

Cambodia's Law on Commercial Enterprise provides a comprehensive legal framework for the establishment and operation of businesses. The forms of business organization include a limited liability company, branch office, representative office, partnership, and sole proprietorship, which registered with the Ministry of Commerce and ask the License from Ministry of Health Cambodia.

D. Political democracy and stability

Cambodia is a constitutional monarchy with King Norodom Sihamoni reigning

as Head of State since 2004. The King stands above politics, and day to day government is run by Prime Minister Hun Sen and the Council of Ministers, with is made up of representatives from ruling Cambodia People's Party (CCP). Prime Minister Hun Sen has a leadership position since 1985 up to present.

E. The economic growth rate is the sixth in the world, and the investment prospect is considerable

Cambodia is one of the countries with the highest degree of economic freedom in the world, with its free market economy and trade liberalization policy, the economic growth is very rapid. In the past 15 years, the Cambodian economy has maintained an average growth rate of more than 7%, and its growth rate ranks sixth in the world.

F. Cambodia has a young population and a huge demographic dividend

The labour force population rate 82.6% (87.9% male and 77.5% female). According to official statistics, as of December 2017, Cambodia had a total population of 15.8 million, 30.11% of which was under 14-year-old, 15-19 years old accounted for 11.43%;

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15-29-year-old accounted 31.76% and 25-54 years old accounted for 37.33% of the population; only 5.69% of the population was over 65 years old. The young population constitutes a huge demographic dividend.

G. Enhanced local purchasing power during rapid urbanization

In recent years, Cambodia is in the process of rapid urbanization, 16.2% of the population leaves the countryside to find job every year. A large number of rural young people and returning students settles in Phnom Penh to look for opportunities. This population constitutes a prospective group of real estate buyers, which led to a high investment and growth in the Cambodian economy. With the development of the Cambodian economy, local purchasing power is also gradually increasing, and the real estate investment market has a promising future.

H. Real estate is denominated in US dollars and in a reserved state

Cambodia uses English to communicate in general, dollars are circulating, and most of the assets here are denominated and traded in dollars, bank deposits and loans are available in US dollars as well. The US

dollar continues to strengthen. As the only country in the Asian region that uses the US dollar as the currency for trading, Cambodia has become the choice of many investors. Cambodia's dollar-dominated currency market keeps investors' money in value, which is an advantage that many countries cannot match.

I. Completely open with no exchange control

Cambodia's foreign exchange policy is 100% open with no exchange control. You can carry as much money as you wish in and out of the country with no restrictions. Moreover, Cambodia gives equal before the law, the approved investment does not regulate the price of its products and services, allowing investors to buy foreign exchange from the banking system, transfer it abroad to liquidate its financial obligations related to investment activities.

J. Freehold property, no inheritance tax

In 2010, Cambodia passed the Foreigners Holding Property Rights Act, which opened up foreigners to buy and sell real estate. As long as they are 18 years old, they can freely buy and sell a 2-storey condominiums

and apartment buildings with merely their passports, and have permanent residence rights, without an inheritance tax, this is undoubtedly a huge asset left to future generations.

K. Market Opportunities

Cambodia offers potential investment opportunities in agribusiness and food processing; tourism infrastructure and resorts; education; architecture; construction; and engineering services; household goods and appliances; used cars and automotive parts; power generation equipment and power transmission infrastructure; fast food and beverage franchises; pharmaceuticals; and medical supplies and equipment; Transportation and logistics, ICT, Energy, Oil, gas and mining.

L. Market Entry Strategy

Working with a local partner, such as an agent or distributor, is the most effective way to reach Cambodia Consumers. A local partner can facilitate and expedite market entry through market knowledge and established networks. In Cambodia, personal relationships can be the key to successful business transactions. In 2018, Cambodia is ranked 22nd among 43 countries in the Asia-Pacific

region, and its overall the combined value of export and imports is equal to 124.9 percent of GDP. The average applied tariff rate is 9.8 percent. As of June 30, 2018, according to the WTO, Cambodia had one nontariff measure by the government. Privatization has gradually become more market-oriented, with credit increasingly available to the private sector.

6. 2019: AGENDA OF THE MAJOR EVENTS INVOLVING CAMBODIA AND INDONESIA (ECONOMIC, SOCIAL, CULTURAL)

In order to increase the penetration of Indonesian products in Cambodia, every year Cambodian and Indonesian entrepreneurs have been encouraged to participate in various exhibition forums in Indonesia and Cambodia to business people gathered at trade fair.

- 1) Cambodia - Indonesia Friendship Trade and Tourism Fair 2019 is penciled down on July 2019 at Preah Reach Damnak Park, Siem Reap, Cambodia
- 2) Trade and private sectors to join the 34th Trade Expo Indonesia in Indonesia about Indonesia Exhibition, stated on October 2019 in ICE-BSD City, Indonesia.

- 3) The 14th Cambodia Import-Export Products Exhibition to be held on 15-18th December 2019, at Diamond Island Convention and Exhibition Center (Koh Pich Exhibition Center) in Phnom Penh, Cambodia.

Sixty years is a long time in relationship. Given the mutual convergence between Cambodia and Indonesia and the maturity of bilateral relations, it is time to look beyond the normal relationship and reshape it with a new direction. Both countries should think about establishing a special strategic partnership in the future. ■



A SNAPSHOT OF CAMBODIA – INDONESIA RELATIONS

H.E. Pou Sothirak

Executive Director of the Cambodian Institute
for Cooperation and Peace



As Cambodia and Indonesia celebrate their 60th anniversary of diplomatic relations this year, I would like to take this opportunity to express my most sincere congratulations to both countries and wish to share some of my thoughts on this enduring relationship which has transpired vigorously over the span of time.

As noted well by H.E. Benny Widyono (Former United Nations Secretary-General's Representative in Cambodia, 1994-97), although Indonesia and Cambodia formed their modern-day diplomatic relations some decades ago, but the bond that exist between the peoples of Indonesia and Cambodia date back centuries ago, at the time the concept of Deva Raja, or God King, a royal title applied to many of the great Khmer Kings, such as the 9th-century king of Cambodia King

Jayavarman II who known to be the founder the Khmer Empire.

According to the legend, King Jayavarman II had resided for some time in Java during the reign of the mighty Sailendras, or Lords of the Mountains. History also reveals that there are remarkable similarities between 9th century Bakong temple and Borobudur temple, which suggests that Borobudur was served as the prototype of Bakong. Ancient tails also suggested that there must had been exchanges of travelers, if not missions, between Khmer Kingdom and the Sailendras in Java, transmitting to Cambodia not only ideas, but also technical and architectural details.

In modern times, Indonesia and Cambodia have fostered deep friendship between President Sukarno

and Prince Norodom Sihanouk, the first leaders of the two countries since independence: Indonesia in 1945 and Cambodia in 1953. The two leaders met for the first time at the Asia-African conference in Bandung Indonesia in 1955 and during the period 1959 to 1965 they visited each other's country a total of five times. They called each other brothers. In 1960 the two leaders signed a Treaty of Amity which called for permanent peace and friendship between the two countries. During the 1960s both Sukarno of Indonesia and Prince Sihanouk of Cambodia expressed neutrality in the cold war while trying to maintain a political balance amidst rising communism in their respective countries.

During early 1970, Indonesia – Cambodia relations experience some set back as President Suharto recognized Lon Nol's Khmer Republic which deeply disappointed Prince Sihanouk. Although the two countries relations drifted apart due to Cambodia's internal turmoil between 1970 to early 1990s, Indonesia as a founding member of the then anti-communist Association of Southeast Asian Nations (ASEAN) in 1967, played an active and pivotal role in

the Association's search for a just and comprehensive settlement of the Cambodia conflict during 1982-92.

Indonesia is well-known to have made invaluable contributions and a strong supporter of peace and stability in Cambodia. In 1992, Indonesia provided troops for the United Nations Transitional Authority in Cambodia, and supported Cambodian membership to ASEAN in 1999. Cambodia appreciated that Indonesia has consistently helped Cambodia especially in capacity building. Both nations are members of Non-Aligned Movement and ASEAN.

As we commemorate the continuing sixty years of excellent relationship between Indonesia and Cambodia, it would be memorable to trace some important aspects of Indonesia's involvement in the search of lasting peace to the so-called Cambodian protracted conflicts.

Exemplifying the successful peace efforts to try to end the long Cambodian armed conflict, Indonesia cordially hosted the Jakarta Informal Meeting I in Bogor in July 1988 and the Jakarta Informal Meeting II in Jakarta in October 1989. During these two meetings, attendances comprised of

the six ASEAN countries, and the three Indochinese countries including all four of the Cambodian factions. These meetings were a major breakthrough in that for the first time, all four Cambodian factions, who were not talking to each other, met in a neutral setting. Working within the framework of ASEAN and as interlocutor for ASEAN, former Foreign Minister Ali Alatas, Indonesia exercise exceptional diplomatic skill through the two informal meetings as Indonesia sought to facilitate dialogue, first among the four Cambodian factions, and second among those factions and Indonesia, Viet Nam and other concerned countries.

ASEAN, including Indonesia, worked hard to keep international attention on the Cambodian conflict and to end Viet Nam's occupation in Cambodia. Ultimately changing international circumstances at the end of the Cold War led Viet Nam to withdraw its forces in April 1989. Indonesia's role as a mediator, facilitator and observer has been well recorded and as such Indonesia was highly regarded and praised for its active role in the Cambodian peace process, not only by Cambodia but also by the international community at large.

Build upon the positive momentum after the two JIMs, Indonesia co-hosted with France in capacity as the Paris Conference Co-Chairmen in Jakarta on 9-10 September 1990 where the four Cambodian parties accepted the UN Permanent Five framework document, reached in New York 27-28 August 1990, in its entirety as a basis for settling the Cambodian conflict. They agreed to establish a Supreme National Council (SNC), which was part of the original Australian proposal, and called for in the framework with key component of a comprehensive political settlement based on an enhanced UN role, and a sensible balance of the various interests involved.

The framework also called for the SNC to occupy the Cambodian seat in the United Nations. The framework document became the Paris Agreements which were signed in the reconvened Paris conference co-chaired by Foreign Ministers Ali Alatas of Indonesia and Roland Dumas of France on 23 October 1991. The United Nation Transitional Authority in Cambodia (UNTAC) was created to implement the agreements.

Another moment of Indonesia's remarkable effort in helping Cambodia

to be remembered was when the country experiencing the political and military disturbances between the two main political parties with factional fighting erupted around Phnom Penh on 5-6 July, 1997 resulting in the delaying of Cambodia's ASEAN Membership. Following a decision adopted in a Special ASEAN Meetings in Kuala Lumpur in July and in Phnom Penh in August, an ASEAN troika consisting of Ali Alatas from Indonesia and foreign ministers of the Philippines and Thailand undertook extremely delicate diplomatic activity to mediate a political breakthrough with the Cambodian government which lead to a peaceful election in 1998 with full participation of all political parties in Cambodia. The ASEAN Summit in Hanoi 1998 had agreed to include Cambodia as a full member of ASEAN. Subsequently, Cambodia was officially admitted into ASEAN in March 1999, fulfilling the dream of the ASEAN ten of the founders of the organization.

CONCLUSION

From cocktail party to Paris Peace Agreements, from UNTAC operation to the process of rebuilding Cambodia, and on with the search for a diplomatic solution to the

border conflict between Cambodia and Thailand, Indonesia has played a crucial role in the search for lasting peaceful solution to the Cambodia's prolonged problem. After stability returned to Cambodia in 1998, and especially during the decade of the 2000s, Indonesia remains a trustworthy partner and help Cambodia fully move in the ranks of the Southeast Asian economic miracle and the economy grew at an average rate of 8 to 9 percent until the global recession of 2008.

Indonesia's footprint in investments, tourism, and excellent diplomatic relations with Cambodia have continued to develop progressively. With this deep cultural, social, economic, political and historical ties, I have no doubt that cordial relations between the two countries will withstand the test of time and manifest amicably through their resilience for the common benefits of the people of both countries as well as in the context of ASEAN and beyond. ■

THE PARIS AGREEMENTS AND PEACE IN CAMBODIA

H.E. Wiryono Sastrohandoyo

Former Indonesian Ambassador
to Austria, France and Australia



In 1991, the world witnessed historical moment of the signing of The Paris Peace Agreements that marked the end of the Cambodia-Viet Nam War. The Agreements symbolized the aspiration of the Cambodian people who yearned for peace, justice and better life, and to also end the tragedy of a war ridden country. It also became a start to heal the wound and achieve natural reconciliation to rebuild their nation.

Indonesia was among the nineteen countries who signed the agreement. During the 25th Commemoration of the Paris Peace Agreements, Indonesia – together with France – were driven by the same basic purpose of giving negotiation for peaceful settlement of dispute of chance. Although with challenges, combined efforts made by the disputing parties and also

concerned countries, both regional and international, made its success.

The late Indonesian Foreign Minister (1988 – 1999), Ali Alatas attributed this success towards the leadership and guidance as well as his methodical approach to problem solving, clear thinking, incisive analysis and ability to express the views, is always has been an example for career diplomats. Meanwhile, his patience, meticulous attention to detail and ability to foster a healthy team environment under difficult circumstances are qualities that have inspired everyone involved in the process of negotiation.

Furthermore, Ali Alatas always stressed that Indonesian diplomacy should be principled, not to pressure while trying to reason with the counterparts and at the same time keeping an open mind. The goal is a

fair, mutually agreeable outcome, but the emphasis is that every nation's highest national interest is peace. Building this peace is the essence of the diplomat's job.

“When a diplomat is negotiating a political settlement, promoting trade and investment, arguing for transfer of technology, proposing for culture exchange or even just attending a diplomatic reception, he is chipping into shape one little brick for the edifice of peace.”

With his frame of thinking, it led to Jakarta Informal Meetings (JIM) that culminated to the settlement of Cambodia at the Paris Conference in 1991. The opportunity to negotiate emerged with the understanding reached between the Indonesian Foreign Minister, acting as ASEAN's interlocutor, and the Foreign Minister of Viet Nam on 29 July 1987, at Ho Chi Minh City, Viet Nam. Ali Alatas explained that an “informal meeting” would be held on the basis of equal footing, without preconditions, and without labels among the political factions of the Cambodian people.

A year later, the Indonesian Government decided that Bogor, the city that hosted the preparatory

meetings for the historic Bandung Asia Africa Conference, was most appropriate to be the venue for Jakarta Informal Meeting. The first meeting took place on 25 to 28 July 1988. The issues to be negotiated and achieved were the withdrawal of foreign forces from Cambodia; the formation of a provisional quadripartite government to arrange for general elections; the need for creating an international body to supervise the processes of withdrawal and general elections; and the most important of all the establishment of an independent non-aligned and neutral Kampuchea.

The JIM process took place under favorable international climate which is shown by relaxation of the tensions between the two major powers and also regionally, Southeast Asian nations realized that they need to be able to solve their own problems among themselves in their own way.

After the success of JIM in the regional level, another process in the international level is required. France initiated the convening of the International Conference on Cambodia and asked Ali Alatas to act as Co-chairman in his capacity as Chairman of the Jakarta Informal Meeting. The

first Paris Meeting could not make headway and had to be suspended for many reasons. However, the two Co-Chairmen were given the mandate to continue consulting all the parties and countries concerned with the view to facilitating.

The second and final Paris International Conference took place on 23rd October 1991 and the text of the Agreements on the Comprehensive Political Settlement of the Cambodian conflict was agreed and signed. This marked the culmination of years of concerted efforts to put an end to the Cambodian conflict that had brought tragedy and agony in Cambodia disturbed the regional security and stability.

It is viewed on what can be learned from the process is that balance is needed everywhere in the region. The regional geopolitical environment is fluid and also increasingly difficult to manage. Thus, Indonesia must therefore bring balance as it pursues its diplomacy. ASEAN is also needed to ensure such balance is achievable by maintaining centrality in the processes of the region and engaging in preventive diplomacy.

ASEAN must continue to play central role and pursue a balanced diplomacy that engages all the key players, while taking a principled approach all the time. ASEAN centrality in the long term can be assured through a firmer and more coherent regional architecture, where soft power would be pervasive. The regional countries should all be partners for the future, rather than prisoners of the past. ■



Water salute at the landing of Citilink inaugural flight from Jakarta-Phnom Penh, 21 June 2019. Doc: KBRI Phnom Penh

PART 02 SUSTAINABLE ECONOMIC RELATIONS





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STRENGTHENING INDONESIA – CAMBODIA ECONOMIC TIES: TESTIMONIALS FROM BUSINESS COMMUNITY

Cambodia is an attractive investment destination for businesses looking for expansion in ASEAN. Cambodia has recovered from the turmoil of civil wars, genocide and prolonged conflicts until the turn of 21st century. It now aims to secure its place on the global economy. With a steady economic growth of over 7 percent in recent years, which is forecasted to continue in 2019, Cambodia is on a steady path of economic development.

Cambodia is now among the world's fastest growing economies. The political stability of the country contributed mostly to the enhancement of economic activities. Currently, China is the largest investor in Cambodia by a wide margin, pumping in US\$12.6 billion since 1994, with the bulk of it coming in the last few years. China invested US\$3.6 billion in 2016, according to the Council for the Development

of Cambodia, a figure that nearly doubled to US\$6.3 billion a year later.

The country adopts an open investment regime supported by a very “pro-investor” policy which is outlined in the 1994 Law on Investment. According to this law, almost all economic sectors are open to foreign investment. The government allows foreign investor ownership to 100 percent in almost all sectors. Some sectors require the inclusion of local partners or require special permission from the authorities for foreign investment.

Garment, tourism, construction, and agriculture sectors have contributed to economic growth. Around 700,000 people, the majority of whom are women, are employed in the garment and footwear industry. An additional 500,000 Cambodians are employed in the tourism sector and a further 200,000 people in construction. Tourism has continued to grow rapidly with foreign arrivals exceeding 2 million per year in 2007 and reaching over 6.2 million visitors in 2018. Textile, which accounted for 68% of total exports in 2017, have driven much of Cambodia’s growth over the past several years. The textile sector relies on exports to the United States

and European Union in the framework of the Everything But Arm (EBA) trade facilitation, and Cambodia’s dependence on its comparative advantage in textile production.

The World Bank in 2016 formally reclassified Cambodia as a lower middle-income country. The country also has succeeded in its efforts to reduce poverty in the framework of the Millennium Development Goals. But still Cambodia remains one of the low-income countries in Asia and long-term economic development remains a daunting challenge such as limited human resources and high-income inequality.

Indonesia sees Cambodia as real and potential markets. Cambodia is relatively open for import of foreign products. The main export products of Indonesia to Cambodia are cigarettes, tobacco, coal, paper, automotive, pharmacy, processed foods, textile, clothing (apparel), rubber, CPO, building materials, and electric equipment. Based on data from the Ministry of Trade, the total of bilateral trade per December 2018 reached US\$ 558,619,500 , increased 3% from last year, with the surplus for Indonesia of US\$ 492,574,900. The total trade of the two countries in the last 5 years

SUSTAINABLE ECONOMIC RELATIONS

(2014-2018) showed a positive trend of 7.11%, in favor to Indonesia.

Some of Indonesia's products are quite popular in Cambodia such as medicines, fresh fruit, processed food and beverages, personal care, and automotive vehicles. Companies like Kalbe Farma and Dexa Medica are well known in Cambodia. PT. Dexa Medica has penetrated Cambodia market since 2000, which currently has around 60 items of high quality products with local partners as distributors. The company at the time has yet to face rather strict conditions in obtaining the license, including registering pharmaceutical products. Kalbe International entered Cambodia in 2001 by opening its representative office in partnership with local distributor. The products offered to the public are generic and low cost. The company bears promotional costs in the form of advertisements in various local media.

Same challenges currently in the pharmaceutical business include the number of foreign NGOs offering cooperation with the Cambodian Government, one of which is to assess pharmaceutical ingredients related to sub-standard product issues. According to some companies,

sometimes, the methods and criteria used are unclear. As such the results of laboratory test are detrimental to some companies whose products are already on the market, but somehow fail to pass the test. In this case, the products must be withdrawn from the market. Another challenge is the process for documenting the importation of goods at Cambodian seaports, which system is different from any other ASEAN countries. As the goods arrive at the Cambodia port, then the clearance documents can be arranged. This process burdened the importers or exporters with warehouse rent costs for 2 weeks, until they get the clearance.

There were also concerns by business persons in Cambodia, on the relatively expensive rent of office buildings and the process to obtain the new certificate. Fake pharmaceutical products are bedevil the businesses, due to suspected illegal trade from neighboring countries. The situation, however, has been better from time to time. The pharmaceutical market in Cambodia worth US\$ 370 million and the sum will continue to increase. The big players in pharmaceutical business are India, France, Thailand and Indonesia.

Cambodia offered various opportunities of investment. According to the data from Cambodia Development Council, the amount of Indonesia's investment in Cambodia was 22 projects of US\$ 55.9 million during 1994-2013, particularly of garment factories and hotels.

The Cambodia Government welcomed PT. Ciputra's investments by providing convenience licensing processes. In 2006, the company, in partnership with the local company, YLP Group, established Grand Phnom Penh International City (GPPIC). GPPIC was the first and biggest township development in Phnom Penh, located at northwest part of the city. This 260-ha project was initiated in mid-2006 and will be the first integrated city development in Cambodia, that offers residential low-rises and high-rises, commercial complex and an international standard 18-hole golf course. PT. Ciputra formed a joint venture company with 50:50 ownership.

At the earlier stage, PT. Ciputra has to face some challenges. Among these challenges were the difficulty of obtaining quality local human resources and construction materials. PT. Ciputra then recruited

human resource from Indonesia and expatriates. Construction material had to be imported from Viet Nam and other neighboring countries. Currently, along with increasing people's purchasing power, availability of local labors and materials, and relatively strong demand for property, the sale of GPPIC property units is very prospective.

PT. Citilink Indonesia, a low-cost carrier, began operating its Jakarta-Phnom Penh (return) direct route on June 21, 2019, using its Airbus A320 aircraft with the capacity of 180 passengers. PT. Citilink serves this new route three times a week. The opening of this direct flight is expected to encourage an increase in the tourism, trade and people to people contact between the two countries. In 2018, around 2 million Cambodians traveled abroad and more than 8,000 visited Indonesia, while over 55,000 Indonesians flew to Cambodia. Additionally, the new air route will be able to facilitate the more than 4,000 Indonesians currently living in Cambodia. With the improved connectivity, the type of tourism that are potential to be bilaterally developed by Indonesia and Cambodia, includes family tourism, eco-tourism, entertaining tourism,

SUSTAINABLE ECONOMIC RELATIONS

culinary tourism, honeymoon package, shopping tourism, and health tourism.

Currently, the load factor rate of passengers is at an average of 70 passengers or about 40%. In this case, PT. Citilink will carry out active promotions relating to pricing strategies and new approaches to Cambodians, Indonesians, and Indonesian businesses operating in Cambodia, including utilizing cargo for fresh fruit as well as other possible strategies. Citilink currently plans to serve air routes of Phnom Penh-Siem Reap to serve Indonesian tourists and the locals as well.

Generally, the Cambodian market is widely open for imports of fresh fruits from abroad, including Indonesia. PT. Serena Sejahtera started exporting skin-snake fruit “Pondoh” to Cambodia in 2016 by partnering with local importer. The fruit originates from farms in Sleman, Yogyakarta and exported to Cambodia using Air-Asia airlines with an average of 8 – 16 tons per shipment per week. In 2018 exports were recorded at 405 tons, an increase of more than three times since the business began. Along with the high demand for skin-snake fruit in Cambodia, more companies from Indonesia currently become new

competitors in this business. With the opening of direct flights by Citilink Indonesia to Phnom Penh, the company is expected to be able to cooperate in shipment, in a bid to reduce the logistic cost.

There is a need to make a real observation about Cambodia’s market prospects by mapping out the opportunities and challenges. Recent years, both Indonesian and Cambodian promote exhibitions, business matching and trade expos. These efforts also include promoting Indonesia’s tourism destinations in Cambodia which was conducted rather frequently by the Ministry of Tourism of Indonesia.

Investment and business opportunities in Cambodia are prospective, due to the well acceptance of Indonesian products by Cambodians. Regulations, including the one on investment, import licensing, and foreign labor, are still relatively comfortable. Government is expected to intensively disseminate information to the business community in Indonesia.

Regional economic integration leads to closer interdependence within the Mekong Sub-cooperation, especially for trade and mobility of people. Cambodia and neighboring countries,



such as Viet Nam, Thailand and Lao PDR, are well connected. Indonesian airline and business community could optimize the rapid increase of economic opportunities in the region, including inter cities connectivities. Further economic potential can also be developed specially during the chairmanship of Viet Nam in ASEAN, in 2020, which is expected to increase the number of ASEAN meetings in various cities in Viet Nam.

Indeed, the key success of Indonesian companies operating in Cambodia is the good trust with local partners, whether through joint ventures, distributor schemes or importing partners. With the operation of direct flights by Citilink, it is expected to reduce logistics or transportation costs, and thus support competitiveness of Indonesian products in Cambodia. Indonesian companies should be more observant in working in the Mekong Subregion. The increasing access of land and air connectivity will help the companies reach markets in the region. ■

SUSTAINABLE ECONOMIC RELATIONS



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INDONESIA – CAMBODIA BILATERAL COOPERATION FOR SUSTAINABLE ARCHAEO TOURISM DESTINATION

Tourism is vital to the economies of most countries worldwide (Abrahams, 2006). As more and more people try to explore their curiosity about certain places and enable them to travel easily, tourism industry has become more and more highly competitive market. The success of destination is increasingly defined by its competitiveness compared with other destinations (Dwyer et al, 2000) thereby how tourism destinations develop, maintain, protect, or strengthen their competitive in the global marketplace is become a challenge (WEF, 2007).

Destinations are at the heart of travel decisions, and destination image has a significant influence on tourists' decision making (Dickinger et al, 2005). Any destination that does not maintain its competitiveness will be difficult to stand in the global market (Khin et al, 2014). Therefore, to achieve competitive advantage for its tourism industry, any destination must ensure that its overall appeal, and the tourist experience offered, must be superior to that of the alternative destinations open to potential visitors (Dwyer et al, 2011).

Tourists destinations competitiveness has become increasingly important for the policymakers as they attempt for bigger market share of the very fast-growing industry of travel and industry. This issue is extremely crucial for tourism dependent countries, in which is rely heavily on travel and tourism (Gooroochurn and Sugiyarto, 2004), and the countries that are benefited from travel and tourism as one of the main sectors for the economic growth. Indonesia and Cambodia are amongst these categories.

Situated in Southeast Asia, a region that has been transformed by a combination of economic expansion, globalization, universal connectivity, and social adaptation (Bhosale & Gupta, 2006), Indonesia and Cambodia are the home of UNESCO World Heritage archeological sites namely Candi Borobudur and Angkor Wat. These sites have attracted large number of tourists from all over the world and due their uniqueness man made structural has been categorized as archaeological tourism destination or labelled as “archaeotourism”.

The competitiveness of the tourism industry in a specific destination depends on its ability to attract

tourists through products and experiences that are superior to those of competitors (Choi, Li, Kim, & Cai, 2011). Since the global economic downturn has become a big problem for the world’s economic growth, tourism, especially archaeotourism in Indonesia and Cambodia with their characteristic had generate revenue and contributed for high and stable economic growth. With lots of similar archaeotourism destination outside Southeast Asia such as India, Egypt, Greece, Italy, and countries in the Southern America, competitive advantage must be achieved for its tourism industry. Any destination must ensure that its overall attractiveness, and the tourists experiences, must be superior to that of the many alternative destinations open to potential visitors (Dwyer et all, 2004). Creating, maintaining and reinforcing competitiveness in the market is critical to tourism industry and destination success (Ritchie & Crouch, 2003).

Tourism is made up of experiences achieved from the combination of a diverse range of products and services that are created by numerous providers across several industries and economic sectors (Gursoy, Saayman & Sotiriadis, 2015). Tourist destinations

SUSTAINABLE ECONOMIC RELATIONS

comprise networks of relationships among various parties (Bălan, Balaure, & Veghes, 2009) “where the action of each actor influences those of the others” (Manente & Minghetti, 2006, p. 23). Competitiveness of a destination essentially depends on how effectively the constituent units work together to produce the tourism product (Buultjens, White, & Neale, 2012). Collaborative strategies and integration of resources are necessary to maximise benefits and add value (Saxena, 2005). Therefore, in achieving and sustaining archaeotourism competitiveness in the cases of Candi Borobudur and Angkor Wat, activities collaboration plays an important role in managing sustainable archaeotourism destination.

The Cambodian Government is seriously committed to restoring UNESCO’s Heritage located in the Angkor Wat site. This triggered the Cambodian government to implement all suggestions from UNESCO to establish an international body to improve the management of the Angkor site. This body has a function to conduct zoning plan, making an umbrella law to support the management of the Angkor Wat site,

as well as establishing an authority body for the management of the Angkor Wat Site.

To realize this international body, the Cambodian government carried out various collaborations with several countries such as China, Italy, Japan, France, Australia and UNESCO for the management of the Angkor Wat site. All decisions regarding conservation are based on the opinions of various experts brought to Cambodia. The Cambodian government then see the site of Angkor Wat as the golden egg for the new generation, where this perspective embodied in the government slogan “Conserve for better development and develop for better conservation”. This shows that the development carried out is not solely concerned with development and economic interests, but also the preservation of the Angkor area.

The Indonesian Government has also carried out international cooperation at the time of the renovation of the Borobudur. Small-scale restoration of Borobudur was conducted in the period of colonialism from 1907 to 1911, however, this restoration

The Indonesian Government cooperates with UNESCO involving 28

countries and 8 private parties. The action of restoration of Borobudur is not only to preserve cultural and natural heritage, but also intent as a politics manifesto of a peace government of the Republic of Indonesia who want to strengthen friendship among nations worldwide.

The Government of the Republic of Indonesia in the year 2011 to 2017 was also working with the Government of the Federal Republic of Germany, which was facilitated by UNESCO in conservation projects for world cultural heritage and environment issues such as the eruption of Mount Merapi, Mount Kelud, earthquakes, and so on. These events have a serious impact on Borobudur. This cooperation has a significant impact for the cultural heritage, in Indonesia, Southeast Asia, and the world.

The need for managing structures and the impact of the complexity of tourism are heightened in an international tourism cooperation context. Therefore, strategies towards managing the risks and challenges as well as to seek the opportunities that the global tourism industry presents is essential to ensure the development of a competitive tourism industry for the long term.

Therefore, each of Destination Management Organization (DMO) responsible for the two archaeotourism site such as PT. Taman Wisata Candi Borobudur, Prambanan, Ratu Boko (Persero) or known as TWC, and APSARA National Authority must work together in enhancing the competitiveness of their respected destination.

The concept of DMOS refers to coalition of public and private partners who are acting together to achieve mutual goals (Beritelli, Bieger, Laesser, 2007, UNWTO 2007). The main role of a DMOS refers to the coordination of long-term destination marketing and management, since the consumer perceives and buys a destination as one integrated product (Bieger, Beritelli & Leasser 2009).

Bilateral cooperation can be developed between the two DMOs among others are:

- 1) Capacity Building for Human Resources in Heritage Tourism, especially human resources who do work in scouting, arts and hotel services. It is the consideration that the forward area of Borobudur will

SUSTAINABLE ECONOMIC RELATIONS

increasingly receive foreign tourists so its need international capabilities to serve tourists from abroad.

- 2) Join Research, In the field of urban planning, rural planning, tourism planning, urban design, building conservation and preservation, archaeology, anthropology, languages, tourism souvenirs industry, architecture, environment, infrastructures and socio culture.
- 3) Joint Promotion, Angkor Wat and Candi Borobudur as international tourists attractions have similarities in several respects. In fact, it has had cooperation especially in the field of temple preservation. Cooperation in the form of sister province between the Province Siem Reap and Central Java Province was signed a few years ago. Southeast Asian countries' cooperation in the form of a Trail of Civilization was signed by the Ministry of Culture and the Ministry of Tourism from ASEAN countries a few years ago in Borobudur. For those reasons, it is appropriate to develop a join tourism promotion between Indonesia and Cambodia to increase the number of foreign tourists.

Archaeotourism destination in the context of Angkor Wat and Candi Borobudur may include visits to museums, places of historical significance, historically and archaeologically focused parks, and even attendance at traditional dances, festivals, and other events. While archaeotourism is not new, its scale and scope have grown dramatically in recent years, with hundreds of thousands or millions of tourists now visit archaeological sites annually and archaeotourism has become a lucrative business. Archaeotourism is often incorporated into the larger fields of ecological tourism, geotourism, and heritage tourism.

To this matter, TWC and Apsara Authority offer combinations that allow the visitor to enjoy a regions natural and cultural wonders. Archaeotourism raises awareness of the shared cultural heritage and encourages people to visit archaeological sites and historical places, but also subjects these precious resources to increased stress. The need for collaborative structures and the impact of the complexity of tourism are heightened in an international tourism cooperation context.

Therefore, strategies towards managing the risks and challenges as well as to seek the opportunities that the global tourism industry presents is essential to ensure the development of a competitive tourism industry for the long term. Developing effective long-term tourism strategies through DMOs collaboration requires a deeper understanding and knowledge about how they can work together through agreed program in the MoU of Tourism Collaboration for “Twin World Heritage” Program Between PT. Taman Wisata Candi Borobudur, Prambanan, dan Ratu Boko (Persero) and APSARA National Authority in 2019.

The MoU outlines the need to develop and promote tourism that will benefit both parties. To support the aim, both parties, TWC and Apsara Authority agreed to collaborate on: a) Tourism Administration and Management; b) Human Resource Development; c) Product Development; d) Tourism Information Technology; and e) Community Based Tourism (CBT), especially in enhancing Candi Borobudur and Angkor Wat archaeotourism destination competitiveness. There are needs to develop cooperation in order to increase the number of tourists/

visitors as one of the source of revenue for each country economic growth. Archaeological and historical tourism let visitors experience the past and allows them to share the thrill of discovery. But, the increasing popularity of archaeotourism means that underdeveloped archaeological sites may be at risk from tourists or even tourism entrepreneurs who lack conservation skills (Wurz and ven der Merwe, 2005).

Understanding how easy or difficult it is to engage in collaborative activities in the tourism industry is key to learning the reasons behind the existing level of collaborative activity through MoU between TWC and Apsara Authority. Once the obstacles that stand in the way of working collaboratively are identified, the ways to overcome these challenges can be determined. Identifying the different factors that facilitate collaborative practices is of great value in providing suggestions on how to progress with collaborative engagements. Bringing into focus the importance of collaboration for achieving the strategic goals, understanding the challenges involved in collaborating under the MoU will be valuable for Borobudur Temple and

SUSTAINABLE ECONOMIC RELATIONS

Angkor Wat to get more visitors as well as sustainable archaeotourism destination.

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SUSTAINABLE ECONOMIC RELATIONS



TAPPING AIR CONNECTIVITY TO BOOST BILATERAL RELATIONS BETWEEN CAMBODIA AND INDONESIA

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Last February 2018, Cambodian Foreign Minister Prak Sokhonn paid an official visit to Indonesia and within that same year, he led a delegation to Jakarta to attend and co-chair the 4th Meeting of Cambodia-Indonesia Joint Commission for Bilateral Cooperation with his Indonesian Counterpart Foreign Minister Retno L.P. Marsudi. In the same year, Samdech Techo Prime Minister Hun Sen also attended the ASEAN Leaders' Gathering in Bali. This year 2019 marks the 60th Anniversary of the establishment of the diplomatic relations between Cambodia and Indonesia with both countries feverishly organizing joint activities to commemorate this auspicious year. All these high-level exchanges and celebrations bode well for the future relations between both countries.

A glimpse to the past reveals a very slow pace of relationship building.

Cambodia and Indonesia established diplomatic relations through the Treaty of Friendship signed on 13 February 1959. The diplomatic relations were cut off in 1979 and reinstated in 1992. Cambodia's trade with ASEAN's largest economy is still relatively small although the trend points to a positive increase. Tourism is also small, with less than 60,000 Indonesians visiting Cambodia last year, and less than 10,000 Cambodians traveling to the island nation. Investment is also negligible. But all this is about to change for the better... thanks to new "Air Connectivity" when Citilink launched the first direct flight daily between Jakarta and Phnom Penh last June.

This direct flight is a serious "game changer" for boosting the relationship between the two countries. I recalled the meeting between Samdech Techo Hun Sen with the Japanese Prime

Minister during his meeting on the margin of the ASEM Summit in 2012 in Vientiane at which time he asked Japan to consider opening a direct air route between Tokyo-Phnom Penh. It took the Japanese airlines ANA a few years to do a feasibility study and a few years later the inaugural flight took place. Fast forward to the present days, we can see how a daily direct flight between Japan and Cambodia has brought enormous economic benefits for the two countries: increase of two-way tourism flow, increase of Japanese investment into Cambodia, mostly Japanese entrepreneurs, better fresh supply chains for Japanese retailers in Cambodia, more Japanese restaurants sprucing up in the Capital city of Phnom Penh with fresh supply of sashimi, etc.

I do expect similar effects, perhaps slightly less than Japan of course, with Citilink air services. Prime Minister Techo Hun Sen said “the launch of the direct flight between Cambodia and Indonesia will spur growth in tourism, trade and investment between the two ASEAN member states”. Éric Delobel, CEO of Cambodia Airports, commented, “It is a breakthrough to both welcome a new carrier and to open a new route”.

The Indonesian inaugural flight marks a new milestone in connecting Cambodia and Indonesia for the first time since 1969, when the two countries first signed a Bilateral Air Transport Agreement on 10 February 1969. It took some 37 years before an MOU on the Implementation of Bilateral Air Services Agreement was signed in Surakarta, Indonesia, on 20 September 2006, to improve air connectivity and economic activities including tourism industry between the two countries. Better late than never, may I say! The timing is also symbolic with the commemoration of the 60th Anniversary of Indonesian-Cambodian diplomatic relations.

So, what do we expect will happen in the next several years with this new air connectivity? For sure, the flight service will boost air traffic between the two countries by offering direct flights that reduce travel time and increase travel options. No need to transit in Singapore or Kuala Lumpur, another incentive for travelers! Indonesia and Cambodia has already signed a free visa agreement since June 2010 in the hope of facilitating people-to-people interactions between the two countries. The two governments have also entered into a Tourism Cooperation since 1999 to

SUSTAINABLE ECONOMIC RELATIONS

further enhance the cooperation in the tourism sector. So, the institutional framework is already in place.

Moreover, let's not forget that both nations have similar archaeological heritages that are registered as UNESCO World Heritage Sites: the temple of Borobudur and Angkor Wat. Both are proclaimed as sister sites in January 2012 during the ASEAN Tourism Forum in Manado, North Sulawesi. In fact, Indonesia has lots of experience on Borobudur restoration projects and it has lent its expertise to Cambodia on Angkor restoration and preservation efforts, especially with the three main gopura gates at the Phimeanakas archaeological site. According to some historical records, it is good to note that Indonesia and Cambodia have historically shared cultural ties since the Syailendra Dynasty in the days of the Mataram Kingdom in Java and the Jayavarman II Dynasty, ruling the Angkor Kingdom in Cambodia.

These interesting facts should spice up the interest of Indonesians and Cambodians to travel to these historical sites and rediscover their ancient connections. The more they understand and appreciate the history of the two countries the more they can

strengthen their bilateral socio-cultural links. For sure, a direct flight and a free visa should be good convincing incentives. With an increase of air traffic, more destinations could be envisaged, i.e. Siem Reap, Central Java, Bogor and Bali and more airline operators could be interested in servicing these routes.

Aside from the tourism and culture exchanges, I see great potential in economic relations between the two countries, particularly in the areas of trade and investment. The role of the respective private sector of the two countries is important to make all these economic prospects happen. To my understanding there is an old trade agreement signed in 1997, which needs to be updated for sure, to govern the cooperation in trade. There was an arrangement signed in August 2012 for Indonesia to import as much as 100,000 metric tons of rice annually from Cambodia. The deal did not materialize somehow for commercial reasons. But this deal could be revisited. Cambodia now has better logistics and more excess rice to export and as such Cambodian rice traders should be able to offer more competitive prices to their Indonesian counterparts.

Moreover, there is the possibility of agricultural investments in rice milling, which is another avenue to control production cost and maintain competitiveness. Again, this direct daily flight should make regular travels more convenient for Indonesian investors. Vice versa, more Cambodian rice traders could connect more easily with their potential distributors in Jakarta and beyond. Indonesia has a population of more than 240 million: that is a lot of mouths to feed, a lot of potential rice consumers, a great market for Cambodian aromatic rice. Did you know that Cambodia's rice has won the top prize in rice competitions for so many years in a row?

Aside from agriculture export potentials, Cambodia too has a growing middle class who is very conscious of their health and wellbeing. This is an investment area that Indonesian pharmaceutical companies could step in. Cambodia's population would surely benefit from better access to good and affordable medicine.

My last point on air connectivity is more about bringing the entrepreneurs and the small and medium enterprises into the picture. For sure Indonesia has a lot of big

companies, but big companies' executives are not worried so much about direct flights. They have the human and financial resources to go wherever and whenever they see business and investment opportunities. Air connectivity matters more for smaller companies. After all Indonesia and Cambodia are two ASEAN Member States now cohabitating in the ASEAN Community, sharing the same destiny. The more common people have access to air travel the more opportunities they will be exposed to and if we look at the total aggregate the more prosperity they can share.

In sum, I am upbeat about the prospect for more bilateral cooperation between our two countries. And air connectivity can surely claim its rightful credit in this process. ■

SUSTAINABLE ECONOMIC RELATIONS



COFFEEPLOMACY AS A TOOL TO RECONNECT THE COOPERATION BETWEEN INDONESIA AND CAMBODIA

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Standing in front of the Independence Monument in Phnom Penh, breath in most of the development in Phnom Penh recently towards the metropolitan city want to be. Sparkling lights in every corner of the city arouse the view of a country that has an average growth rate of 7 percent over the past 10 years. As a city with a growing number of middle class makes Phnom Penh not to be considered as an old city and still makes some Indonesians unable to leave in their perspective of Cambodia in the past despite its development and new appearance. Not seeing it doesn't mean that could believe it.

Nearly two kilometers at the end of the monument stands a reclamation area that has developed into a city of its own with structures and concepts according to international standards. Reclamation in which until now the people of the capital city of Indonesia

are allergic to the use of this term. The reclamation island development began in the year 2014 and currently it is still progressing the development and raising the picture and color of Phnom Penh without reducing its uniqueness, the reclamation itself has also been developed by Jakarta since 2014 and until now its construction has stalled.

Arriving from the Phnom Penh International Airport (Pochentong) people should realize that the city which from its inception has a close relationship with Indonesia is not an ordinary city anymore. Luxurious cars and certainly not cheap considering the price of cars in Cambodia is more expensive than Indonesia, making the belief that the development of this city is unusual.

A historical moment that cannot be forgotten for some societies



in Cambodia was during the Asia Africa Conference in Bandung 1955, President Sukarno and Prince Norodom Sihanouk has become a very close friend. This collaboration was even tighter when Indonesia provided assistance in restoring peace in Cambodia from the civil war, proving that Indonesian National Armed Forces (TNI) respected the Cambodian government and society, and showed recognition that the TNI was the spearhead not only for our nation in maintaining peace but also worldwide.

Phnom Penh and Jakarta currently have similarities in metropolitan and contemporary styles that have been woven into individual personalities, especially for millennials and young professionals. Well renowned brands such as Yoshinoya, Kintan Buffet, Hard Rock Cafe, Burger King, KFC, Sushi Tei and others that have approached most parts of the mall in two capital cities making the differentiation between these two big cities become increasingly imperceptible.

One of the big highlights is the proliferation of coffee shops that has become a trend around the city even in the suburbs. Big names such as Starbucks, Coffee Beans and even Korean-style Café Benne

mushrooming in every corner of Phnom Penh. Countless local brands such as Brown Coffee, Park Café and dozens of other local brands dominate every area. This coffee lifestyle is a development of enthusiasm among millennials and young families in carrying out daily activities. As is the case of Jakarta, ngafe not only spends time to drink coffee, have a conversation, do assignments, but also conduct important meeting activities and even take selfies for social media. According to data, there are 6.8 millions of Facebook users and it is one of the most significant social media used by Cambodians, where Telegram occupies the next position in carrying out daily communication.

Discussing about coffee, the lifestyles of the two cities can be aligned, not looking at religion, ethnicity or politics but it unites the notion that coffee is a weapon capable of penetrating the world globalization. The number of cafes in Cambodia is currently at growing fast where their local coffee production is very small, the processing constraints of the coffee industry including other supporters such as raw milk, syrup or mixed in variative coffee drinks still rely on imported raw materials especially from Thailand and Viet Nam.

SUSTAINABLE ECONOMIC RELATIONS

Indonesia as one of the producers of coffee where the variants of the type of coffee that is extraordinary makes the coffee shop and even the cafe has an advantage in processing the specialty of each coffee.

Coffee choices that are varied and extraordinary make a unique taste in each region and every coffee shop owned.

The limited raw materials and human resources in Cambodia cannot prevent coffee as a lifestyle for the people. With the price of Starbucks Latte coffee \$3.20 (regular) and the price of Latte coffee in brown coffee \$2.40 (regular) a little more expensive than the price of Indonesia, it still puts the occupancy level of cafe visitors unstoppable.

Of all the menus listed in Cambodian cafes, the composition of Indonesian coffee is very small in the list of menus served even though in several exhibitions shows the enthusiasm of Cambodians in enjoying coffee from Indonesia. Indonesia's potential, especially in the field of coffee, is very large, with a total production of 660,000-690,000 tonnes in 2018 (11.1 million bags) and export around 6,939 million bags in 2018 where major markets include the EU, U.S., Malaysia

and Japan, and very small numbers to Cambodia. It is a sign that Indonesia and Cambodia are close to the eyes but far from the trade balance, therefore it has extraordinary potential to be developed.

In the people to people diplomacy, historical ties including education have tremendous added value. The number of Cambodian executives from universities in Indonesia means modalities of promotion that has an extraordinary influence in Cambodia in promoting Indonesia. The scholarship and education assistance provided by Indonesia in the 1980s and 1990s was a down payment in accelerating relations between Indonesia and Cambodia especially in the field of economy.

This economic opportunity has been exploited by large countries such as China, Japan and Korea in undertaking massive expansion in economic development and investing in Cambodia. Even though Indonesian companies have started to appear in Cambodia, they still have very little value compared to the world economy giants.

As a close friend who has many similarities including the shape and

figure of Indonesians and Cambodians as well as in the form of culture and tradition, both countries resemble as siblings that has a memorable history and shared memory, it is very unfortunate if Indonesia is not able to enhance the economic potentials for example coffee as potential commodity mentioned above as well as others, it is too bad to be left out.

Indonesia-Cambodia's economic trade is still very small, whereas the market and potentials are still wide open. Compared to the balance of cooperation with other countries, Indonesia already has a very strong foundation of brotherhood and compassion, in which are very deprived to be missed in establishing a much tighter collaboration.

This opportunity can also be started with a cultural approach. The wonders of the world owned by Indonesia such as Candi Borobudur and Cambodia with Angkor Wat can be a bridging for a very close tie. The cooperation which is currently being accelerated by the Indonesian Embassy in Phnom Penh is expected to bring the culture much closer together while simultaneously increasing the number of foreign tourists to visit both places. The foothold of Candi Borobudur

and Angkor Wat could be the strong foundation as well as modalities in cooperation to increase tourism and culture.

There are so many things that can be done together, not only history but Indonesia's current trends are also becoming a trend for Cambodia. With the Asian Games, the song performed by Via Valen as well as the song titled Syantik by Siti Badriah was and still favorite for several music venues, cafés and bars in Cambodia, adding the playlist of Indonesian songs in Cambodia including Bengawan Solo, Madu dan Racun as well as Si Jantung Hati that already wins the heart and minds of Cambodians. This assures the two countries that a lot of opportunities have been missed and can still be refilled by starting to advance the economy, culture and joint education cooperation. Introducing coffee could be one of them, to adding and filling the lifestyle and minds of people in Cambodia that the taste of Indonesia can still penetrate the heart and mind through coffee.

It is unfortunate to consider that Cambodia is only a close friend in the heart and near in the eyes but very distance and far in the trade

SUSTAINABLE ECONOMIC RELATIONS

balance and will fade if it does not begin to creative development. A very large opportunity can be started from coffee and it is possible that there are huge opportunities for other Indonesian contemporary industries, including digital economy which may have enormous opportunities for the development of Cambodia's Indonesia relations. Thus, the establishment of direct flight from Jakarta to Phnom Penh conducted by Citilink Airlines starting at the end of June 2019 marked an important stepping stone in enhancing the cooperation.

Between Indonesia and Cambodia there will be coffee, or what we can call as coffeplomacy as a symbol of hope that trade for Indonesia and Cambodia has a huge opportunity to be utilized as an expansion of the Indonesian market. The superiority of the creative economy, especially digital, also has a huge opportunity to penetrate a country like Cambodia, which currently cannot be seen from one eye, the future of the Indonesian market can be started from close friends who look very far for us. The momentum of Cambodia's 60-year Indonesian relationship is a guarantee that what is left by a sense and trust cannot be forgotten and should be closer together. ■

ENHANCING THE PARTNERSHIP OF INDONESIAN STATE-OWNED ENTERPRISES AND CAMBODIAN BUSINESS ENTITIES FOR ACHIEVING LONG-TERM VISIONS

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Indonesia and Cambodia have had a strong historical ties since centuries ago, dated back from the kingdom of Chenla and Javan Sailendra also Srivijaya before the 9th century. Both Indonesia and Cambodia were among countries attended the Asia-Africa Conference in 1955. In 1956 Indonesia recognised Cambodia as a sovereign nation and formalised the treaty of friendship with Kingdom of Cambodia through the Law No 8/1960.¹ To date, the relationship between Indonesia and Cambodia has been broadened and enhanced to prominent areas including economic and cultural relations. In their economic developments, Indonesia and Cambodia have indeed similarities as well as differences; both countries have driven state-owned enterprises (SOEs) as necessary tools

for development, but Indonesia's SOEs will continue to do this function while the Cambodian economy has been more supported by private entities.

SOEs have had significant roles in developing national economies across Asia, from Japan to the recently industrialised China as well as the lesser extent ones. Like in most ASEAN economies, state-owned companies commonly operate in multi sectors, providing the backbone of an economy to encourage economic growth and development. SOEs have performed considerable strength in fulfilling the development needs of the country. Large SOEs are globally engaged in trade, under the circumstances of increased global competition for finance, talent, and resources. The top eight countries with the highest SOE shares (China, United Arab Emirates, Russia, Indonesia,

¹ http://hukum.unsrat.ac.id/uu/uu_8_1960.htm

SUSTAINABLE ECONOMIC RELATIONS

Malaysia, Saudi Arabia, India and Brazil) collectively accounted for more than 20% of world trade.²

Recently in Indonesia, SOEs have boosted the mega-infrastructure projects, such as for toll roads, railways, ports, airports and electricity, including the trans-Sumatra toll road, Greater Jakarta light rail transit, and Jakarta-Bandung high-speed rail. In Cambodia, SOEs have provided key public goods and services, for example, the Phnom Penh Water Supply Authority, established in 1895, has supplied clean water so as to improve the health and sanitary conditions to 30,000 households since 1993 (Sturesson, McIntyre, and Jones 2015). Interestingly in Cambodia, unlike in Indonesia, SOEs have been massively privatised in 1990s. Only 10 fully SOEs run businesses in Cambodia in 2015.³

2 Sturesson, Jan, Scott McIntyre, and Nick C. Jones. (2015). State-Owned Enterprises: Catalysts for Public Value Creation? PwC, Public Sector Research Centre. <https://www.pwc.com/gx/en/psrc/publications/assets/pwc-state-owned-enterprise-psrc.pdf>

3 OECD (2017), "What is the corporate governance landscape in Cambodia? Issues Paper, Presented at 4th Meeting of the OECD-Southeast Asia Corporate Governance Initiative, Phnom Penh

As can be learned, SOEs have driven the national economic performance to generate stable and rapid growth. Hence from time to time, various reform and transformation agendas have been taken to boost the performance and competitiveness of both SOEs and business entities in Asia. For this reason, it will be beneficial for SOEs in Indonesia and Cambodian SOEs as well as business entities to create more future potential partnerships in gaining mutual benefit particularly in today's competitive volatile, uncertain, complex, and ambiguous (VUCA) environment.

1. SOEs' Roles and Reform in Indonesia

As has been the case with many newly independent countries, Indonesia sought to assert its authority in nationalised firms (SOEs) which had formerly belonged to the Dutch colonial government in order to promote economic development. The involvement of the state in the Indonesian economy is closely related to Article 33, paragraphs 2 and 3 of the Constitution, which require that "sectors of production that are important for the country and affect the life of the people shall be under the powers of the state",

and that “the land, the waters and the natural resources within shall be under the powers of the state and shall be used to the greatest benefit of the people” (Rosdaniah, 2015).⁴ SOEs in Indonesia are established for special purposes, from national security, engine of growth and as the pioneer of technology, advancing competitiveness and welfare. They have played important roles in the national economy, particularly those in upstream industries and basic infrastructures on which the performance of other industries depends. Accordingly, the performances of SOEs have had significant effects not only for the SOEs themselves but also on the entire economy.

By the 1980s, the country had over 200 SOEs that operated in a wide range of key industries and the number of SOEs declined to 141 by 2010. In 2013, there were about 141 SOEs, with 40 listed in the Indonesia Stock Exchange. As we can see, SOEs are operating in a wide range of industrial sectors, from financial activities to agriculture and trade. In

2019, SOEs comprise 143 companies and US\$ 568 billion in combined assets. Acting as the Government’s arm in economic development, SOEs spent a total of US\$34 billion in 2018 in capital expenditure in various sectors, such as energy & utilities, construction, seaports, airports, housing, manufacturing, financial services, agriculture and fisheries, as well as tourism. SOEs are in the process of transforming themselves to become excellent companies with a balance sheet currently worth approximately of US\$579.75 billion.⁵

SOEs’ portfolio enables risk mitigation and great opportunity of synergy, so that the reform of SOEs in fact has started from the very beginning of Indonesian national economic development. The governments in all periods in Indonesia have initiated robust policies to promote the development of SOEs. The journey of SOE transformation has been started since 1990s. SOE reforms have long been implemented to improve their performance, since 1990. The systems of performance measurement have always been improved from solely measuring financial performance

4 Rosdaniah, SI (2015), “Nominal and Actual Objectives of Economic Policy Making in Indonesia”, a PhD thesis at Australian National University, Canberra

5 All data are based on the Ministry of State-Owned Enterprises database system.

SUSTAINABLE ECONOMIC RELATIONS

to a holistic system including Good Corporate Governance (GCG) implementation and a Performance evaluation system in the areas of both financial and non-financial, in quantitative and qualitative methods.

In the Forbes Global 2000, Indonesian SOEs (including PT Bank BRI Tbk, PT Bank Mandiri Tbk, PT Bank BNI Tbk and PT Telkom Tbk) have been listed in the world's largest public companies. Pertamina becomes the only SOE from Indonesia in the list of Fortune's 500 in 2019. A number of SOEs have successfully established worldwide businesses in 30 countries, including PT Pertamina, PT Bank Mandiri Tbk, PT Bank BNI Tbk, PT Telkom Indonesia Tbk and PT Wijaya Karya Tbk (Hidayat, 2019).⁶

2. A glance of Business Entities in Cambodia

Cambodia has been experiencing solid economic growth and becoming one of the 10 fastest-growing economies in the world over the past 20 years, GDP growth has hovered around 7% per year in recent years (OECD, 2017).

6 Hidayat, W (2019), "Strengthening the business sustainability of state owned Enterprises by implementing Business Excellence concept", a keynote speech at 2019 GPEA Conference, Bali

In the late 1980s, Cambodia made a history of reform policy by shifting the economic system from a command economy to an open market one. Becoming member of the World Trade Organisation in 2004, Cambodia was stated as lower-middle income economy in 2016. During 1975-78, all assets were nationalised by the state, but in line with the economic reform in 1989, private property rights were introduced and state-owned enterprises were massively privatised. In 1989, there were 187 fully state-owned enterprises in Cambodia. By the end of 2000, 160 had been privatised, of which 139 were leased to the private sector, 12 transformed into joint-ventures, 8 sold and 8 liquidated (UNCTAD, 2003).⁷

Based on the Law on General Statute of Public Enterprises, two different types of commercial SOEs are known in Cambodia. First, state company (SOE) is an enterprise that all capital (100%) owned by the State and it has financial Autonomy and subject to commercial rules. In 2016, these 10 SOEs include Electricité du Cambodge,

7 UNCTAD (2003), An Investment Guide to Cambodia: Opportunities and Conditions, United Nations Conference on Trade and Development, New York and Geneva

Sihanoukville Autonomous Port, Telecom Cambodia, Cambodia Shipping Agency, Cambodia Postal Services, Rural Development Bank, Green Trade Company, Printing House, Siem Reap Water Supply Authority and Construction and Public Works Lab. Second, a joint-venture is a company in which a majority of capital is owned by the state and a minority by private investors. These JV Companies are resulted from the SOE reform programme, in which SOEs with sound financial performance are encouraged to list on the Cambodia stock market (CSX) or attract private investors, like Phnom Penh Water Supply Authority in 2012 and Cambodia Life Insurance in 2015 (OECD, 2017).⁸

As an important impact of the economic reform, the number of private enterprises has increased significantly. The reduction of the role of state-owned enterprises led the industrial sector to become dominated by micro establishments. In 1999, the number of small and medium enterprises (SMEs) was estimated

at 25 000, and this reached 36 000 in 2009. In 2011, about 505,134 enterprises had been established in Cambodia. Approximately 23,302 multinational business enterprises operated in 2011 (Kong, 2014).⁹

3. Partnership Initiatives between Indonesian SOEs and Cambodian business entities to date

The partnership of Indonesia and Cambodia, especially in cultural area and activities, has been apparently strong due to the historical similarities. The Central Java and Siem Reap provincial governments in 2007 signed the Memorandum of Understanding (MoU) on Sister Temple Province Cooperation for managing the Borobudur and Angkor Wat temples. The Seminar on the Establishment of Sister Sites of Borobudur and Angkor Wat World Cultural Heritages held in Siem Reap in 2009 resulted in an agreement between the authorities of both temples to conduct joint promotions, including the idea of selling Borobudur-Angkor Wat tour packages at various international events. This plan was intensively

8 OECD (2017), "What is the corporate governance landscape in Cambodia? Issues Paper, Presented at 4th Meeting of the OECD-Southeast Asia Corporate Governance Initiative, Phnom Penh

9 Kong, Phallack (2014), "Cambodia - Business and Human Rights in ASEAN: A Baseline Study", Human Rights Resource Centre, University of Indonesia, April 2014, Jakarta.

SUSTAINABLE ECONOMIC RELATIONS

strengthened by the Indonesian Embassy in Phnom Penh, which facilitated a co-operation idea of “Two World Heritage between Borobudur-Angkor Wat”.¹⁰

Apart from cultural partnership, other business and industrial cooperation actually has been explored, including infrastructure, pharmaceutical and aviation areas. In 2006, PT Wijaya Karya Tbk, a prominent construction SOE, initiated to set up a co-operation in infrastructure development with business entities in Cambodia, by signing an MoU with Royal Corp, an association of Cambodian business group, at the time the SOE gained a hospital development project in Phnom Penh.¹¹ In pharmaceutical sector, PT Phapros (a subsidiary of an SOE PT Kimia Farma Tbk) has been supplying medicines to Cambodian market since 2014.¹² As a result of rigorous efforts in encouraging the partnership in trade, investment and

tourism by both the Indonesian and the Cambodian government, a direct connectivity between two capital cities has been realised by the launch of direct flight from Jakarta to Phnom Penh by Citilink Indonesia, a subsidiary of an airline SOE Garuda Indonesia Tbk, in June 2019.¹³

4. Comprehensive Opportunities for future partnership & collaboration

In early April 2019, Prime Minister Hun Sen introduced the large-scale reform package for improving the business and investment environment.¹⁴ The reform has been introduced under the motto of “reform internally and make friends externally based on a spirit of independence” with a 17-point strategy including a number of initiatives for instance reducing costs associated with shipping, port service fees and electricity, as well as a reform of railway operation management.

In May 2019, Indonesia has also drawn up a long-term development blueprint, “Indonesia 2045” that Indonesia will become the world’s

10 <https://en.tempoco.com/read/1183646/strengthening-indonesia-cambodia-relations-through-culture>

11 <https://www.wika.co.id/detailpost/wika-buka-country-manager-di-kamboja>

12 <http://www.rni.co.id/id/ekspor-perdana-produk-pt-phapros-tbk-ke-kamboja>

13 <https://en.antaranews.com/news/127499/citilink-indonesia-makes-first-flight-to-cambodia>

14 <https://www.phnompenhpost.com/business/pm-announces-major-reforms>

fourth or fifth largest economy by 2045.¹⁵ Despite huge opportunities to be captured for realising their visions, there will be many challenges both Indonesia and Cambodia should overcome, and that is not easy. To accelerate structural transformation and attain their targets, both countries could strengthen their partnership and collaboration in these following priorities, including building the infrastructure to support the next stage of development, diversifying the economy, advancing financial inclusion, upgrading and creating a skilled and productive human capital, advancing good governance, and fostering green and sustainable development.

Infrastructure development

In September 2019, the Cambodian Public Works and Transport Minister visited a train manufacturing SOE - PT Industri Kereta Api (INKA), and he asked the SOE to come and to invest in Cambodia's railway system.¹⁶ The Minister also visited PT PAL Indonesia,

a ship developer SOE, and asked PT PAL to have partnership with the Sihanoukville Autonomous Port in building tugboats and other types of ships. Just before his second term inauguration, President Joko Widodo met Prime Minister Hun Sen, who attended the swearing-in ceremony for him. President Joko Widodo promoted the partnership of PT INKA and Cambodian business or government entities in railway development in Cambodia. Other collaboration and partnership in key infrastructure development can be initiated in the future, for example in electricity generation, ports, airports, constructions and ICT projects. A productive collaboration in sharing lessons, for instance, on what to do—and what not to do—for the effective and efficient implementation of Public Private Partnerships would be beneficial as well.

Financial Inclusion

Financial inclusion is a key to the future of raising the living standard of low-income group. Most ultra-micro businesses do not have access to financial services, while small and medium-sized enterprises face serious constraints due to high transaction costs, limited services, and poor

15 <https://en.tempo.co/read/1203633/jokowis-vision-for-indonesia-worlds-largest-economy-by-2045>

16 <https://www.khmertimeskh.com/50646169/indonesian-firm-urged-to-invest-in-cambodian-railroads/>

SUSTAINABLE ECONOMIC RELATIONS

financial literacy. In Indonesia, a number of Indonesian SOEs have focused their businesses in the microfinance ecosystem, including banks, microfinance providers, and microcredit insurance. A micro-finance SOE-PT Permodalan Nasional Madani has initiated a unique peer-lending Grameen-like model with Indonesian culture and market adjustment, *Mekaar*, which has successfully reached about five millions ultra-micro businesses in 2018. A collaborative program in financial inclusion efforts expands the possibilities of financial development which can increase growth and strengthen both countries' resilience in the face of dynamic international economic forces.

Moreover, in recent *Internet of Things* era, Fintech has become a pivot point which can be translated into many things, including high tech online transactions in the advanced economies, however in many developing countries, like Indonesia and Cambodia, Fintech is often simply defined as mobile banking, resulting from rapid growth in mobile accounts and internet users.¹⁷ Ample

17 Indonesia is a country with the fifth highest number of internet users in the world, with annual growth of about 10%. The internet users were

opportunities certainly can be created through collaboration to generate and to nurture new ideas from the spark of creativity, Fintech hence can mean big business by designing apps, platforms and building new businesses.

Improvement in human capital quality and productivity

As known, investing in people has had a track record of creating better employment conditions in economies throughout the world. Indonesia and Cambodia business communities can initiate strong collaboration in programs for improving the skills and competencies of human capital, as both countries are facing a similar condition of welcoming demographic bonus in next few years which also offers great market potential. A number of Indonesian SOEs have established prominent training centres and corporate universities

about 65% of total population in 2017. <https://www.thejakartapost.com/life/2019/05/18/indonesia-has-171-million-internet-users-study.html>

Internet users in Cambodia stood at 15.8 million, which equals about 98.5% of the population in July 2019. <https://www.bangkokpost.com/business/1719527/internet-users-in-cambodia-near-16m>

with global quality level, for instance, PT Telkom Tbk and Indonesia Port Corporation, hence joint trainings and other skill improvement programs can be elaborated for future cooperation between Indonesia and Cambodia.

Advancing good governance

Good governance is essential for enhancing the country's global competitiveness. Both Indonesia and Cambodia have made important steps towards establishing the legal and regulatory frameworks for corporate governance. The real challenges, however, are the enforcement and implementation of these frameworks. Since 2002, a regulation of an obligation to implement GCG in SOEs for improving SOEs performance has been enacted. Hence Indonesia and Cambodia can establish collaboration towards the good corporate governance implementation, including the ASEAN Corporate Governance Scorecard.

Fostering green and sustainable development.

Anticipating the fast changing environment, the traditional measure of corporate profit—the “bottom line” of the profit and loss account—has been enriched into “the triple bottom

line”, or popularly known as 3Ps—People, Profit and Planet. Essentially, it is about ensuring the longevity of a business in a way that benefits the business, its stakeholders and the environment. Inclusive growth has to be a joint commitment of business, civil society, the national and local governments, and—international partnerships. The successful implementation of the three pillars—people, planet, profits—expectedly centres on communities or societies that want to pursue sustainability. For raising the people's awareness in this area, Indonesia has conducted persuasive program through collaboration of relevant actors/ institutions and by using multimedia tools in various industries, such as in creative industry through films, literatures, artpreneurship and social entrepreneurship.

Partnership initiatives as mentioned above like the sister city and twin heritage schemes should be optimally implemented including by joint-marketing, collaborative programme and activities, and networking among communities. As an example, since 2017, the *Balai Ekonomi Desa* (*Balkondes*) or “Village Economy Hall” has been introduced to be an economic system that is implemented

SUSTAINABLE ECONOMIC RELATIONS

to boost tourism-based economic potential of those living around the Borobudur temple, which is managed by an SOE-PT Taman Wisata Candi Borobudur, Prambanan & Ratu Boko.¹⁸ The area around Borobudur is indeed full of tourist attractions, from coffee plantations and volcano adventures to art & cultural creative spots, as well as a hub to other tourist destinations around Indonesia like Bali & Lombok, which are managed also by an SOE, Indonesian Tourism Development Corporation. Therefore, both Indonesia and Cambodia should create and capture values by collaborating both destinations to collectively package their tourism products, efficiently and in appealing way to the regional and International market.

Indonesia and Cambodia indeed are believed to have a common interest in creating more future investment opportunities and potential partnerships for those willing to explore and to take calculated risks since the rewards would be worth the effort. Further cooperation in better trade ties, investments, business partnerships between Cambodia

and Indonesia can make a symbiotic solution for commercial benefits to firms and people who run businesses as well as to environment in both countries. ■



18 <https://www.thejakartapost.com/travel/2017/04/22/state-owned-enterprises-ministry-seeks-to-boost-yogyakartas-tourism-potential.html>



H.E. Sun Chanthol and H.E. Lou Kim Chhun, during working visit to PT INKA, the first fully integrated rolling stock manufacturer in Southeast Asia, in Madiun, Indonesia. Doc: PT INKA (Persero)



Indonesian dancers greeting His Majesty King Norodom Sihamoni at the Joint Cultural Performance Indonesia-Cambodia, Phnom Penh, 13 February 2019.
Doc: KBRI Phnom Penh

PART 03 CONNECTING PEOPLE AND SOCIETY





STRENGTHENING THE CULTURAL TIES AND CROSS CULTURAL EXCHANGE BETWEEN INDONESIA AND CAMBODIA

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The historical relations between Indonesia and Cambodia according to historians dates back to the Sailendra Kingdoms in Java (7th - 11th century) the Sriwijaya Empire (5th - 11th century), which bonds our two countries through Buddhism. Sriwijaya at that time was one of the leading centers of Buddhism in the area.

It was mentioned that king Jayavarman II had resided for some time in Java during the reign of Sailendras, and in 802 the King declare sovereignty of Cambodia from Java and proclaimed himself as universal monarch, which started the Angkor period. The Sailendra dynasty built the magnificent Buddhist Temple Borobudur in the 9th century.

The 9th century temple of Bakong (in Prasat Bakong) and Borobudur temple has striking similarities

between them, which historians deduced that Borobudur was served as the prototype of Bakong. There must be, at that time an exchange of travelers, if not missions, between Khmer kingdom and the Sailendras in Java, and also transfer of ideas and most probably a transfer of technical and architectural knowledge to Cambodia.

At the Asia-Africa Conference held in April 1955 in Bandung, the Cambodian delegation led by Prince Norodom Sihanouk attended as one of the 29 Asia and Africa participant countries.

In 1956 Indonesia recognized Cambodia as a sovereign nation, and in 1959, both nations establishes diplomatic relations. Leaders of both countries: President Sukarno and Prince Norodom Sihanouk, strengthen the country relations with frequent official visits, in 1992 Indonesia is

among countries that provided troops for United Nations Transitional Authority in Cambodia (UNTAC) to assist Cambodia in security and peace effort.

Indonesia also welcomed and supported Cambodia membership in ASEAN in 1999. Bilateral relations grew on in all aspects, like politics, trade, social, culture, and security. There were frequent contacts and exchange between the country leaders, which foster and strengthen understanding between the two nations. In ASEAN and other regional grouping both our countries worked together to make the grouping a success and prosperous.

1. CONNECTING PEOPLE AND COMMUNITY

A. Education Exchange

Education Exchange was spearheaded by the education institutions of both countries. The National Polytechnic Institute of Cambodia (NPIC) made 33 MoU's with Indonesian educational Institutions, while Cambodia-India Entrepreneurship Development Institute (CIEDI) cooperate with 14 educational institutes, and Regional Polytechnic Institute Techo San Take (RPITST) had 8 cooperations.

B. Scholarships

In 2018, there are 133 Cambodian students studying for short or long term in Indonesia, with scholarship provided by various Institutions like the Embassy, Indonesia Government, the university or other sponsors. This is a rise from 102 students in 2017. It is interesting to know that the study of Bahasa Indonesia is in demand in Cambodia, PUSBUDI, Indonesian Cultural Center in Cambodia with support from the Indonesian Embassy, promoted the learning of Indonesian language in Cambodia. In 2018, 269 students joined the course (a rise from 103 students in 2017). Interesting is the opening of Indonesian language class at the Cambodian Special Force 911. Several Bahasa Indonesia Teachers from Indonesia are also stationed in Cambodia.

C. Cultural Relations

Cultural relations between Java and Sumatera kingdoms with the kingdoms in India and Southeast Asia, especially the Kingdom of Khmer dated back into the 8th century. The relations in the religious field are the strongest which bind these Kingdoms together. At that time the Mahayana Buddhism was in the overhand. Around 860 the Sriwijaya Empire in

Palembang even support a meditation place at the Nalandra buddhist education complex in India. As mentioned before: "There are striking similarities between 9th century Bakong and Borobudur temple, which suggests that Borobudur has served as the prototype of Bakong. This fact also suggests, that at that must had been exchanges of travelers, if not missions, between Khmer kingdom and the Sailendras in Java. Transmitting to Cambodia not only ideas, but also technical and architectural knowledge.

D. Indonesia participate in the ICC-Angkor

International Coordinating Committee for the Safeguarding and Development of the historic site of Angkor is created on 13 October 1993. This committee, ensures the coordination of the successive scientific, restoration and conservation related projects, executed by the Royal Cambodian Government and its international partners. Indonesia provided in 1993-1994 training in restoration techniques based on experience of the rehabilitation of Borobudur (1973-1983). Three gates in Angkor (Royal Palace, Angkor Thom) was chosen as training site of the restoration.

E. Common Heritage Panji/Inoue

Little is known about cultural relations which is a shared heritage in the SE Asian countries, namely the Panji/Inao literature and culture. The stories of Javanese cultural hero, Prince Panji Inu Kertapati, dating from the 13th century, mark the development of a truly Javanese literature that was no longer overshadowed by the great Indian epics, the Ramayana and Mahabharata. Set among the eastern Javanese kingdoms, the stories tell of Panji's search for his beloved Princess Candra Kirana, before the two lovers are happy-endingly reunited. During the Majapahit empire from the 14th to 15th centuries, the Panji stories became extremely popular, spreading from Java to Bali, Lombok, Sulawesi, Kalimantan and Sumatra.

In the 19th century Panji spread by sea merchants, crossed the ocean to Malaysia and subsequently to Myanmar, Thailand, Cambodia and probably the Philippines. The Panji literature and culture become popular in the SE Asia region. The regions developed and adopted the literature and culture to their local traditions. The name of the Hero Prince became in Khmer: Inao and the Princess name became Bussaba.

The Inao/Bossaba literature and cultural performances became significant contributing to the Khmer culture tradition ever since. In the select repertoire of the Royal Cambodian Ballet which is registered as “Intangible Cultural Heritage by UNESCO, one of the dances listed is Inao (ឥណ្ឌាវ) Recognition as MoW by UNESCO.

The Panji literature is recognized as a World Heritage by UNESCO in October 2017, and the manuscripts is inscribed in the Register of Memory of the World (MoW) of UNESCO. The nomination was initiated by Indonesia, together with Cambodia, Malaysia, Holland and the UK. The cultural relation between Southeast Asian countries in this common heritage was revived by SPAFA/SEAMEO which in 2013 organized a Panji/Inao cultural event and a Seminar, participated by SE Asia countries, like Myanmar, Cambodia, Malaysia, and Indonesia.

Subsequently in June-July Indonesia hosted an International Panji/Inao Festival and Seminar. Participated by dance troupe from Thailand and Cambodia, and the Festival was celebrated in Bali, East Java, Yogyakarta and Jakarta.

CONCLUSION

The Khmer- Indonesia relations began since the 8th century, which at that time has a strong religious basis. The cultural relations also encompass exchange of ideas, as shown by the architecture Bakong temple in Cambodia which has a striking resemblance with the Borobudur temple in Java. In the 19th century the Panji literature came in SE Asia. Under the patronship of the King flourished in Khmer and have an influence in the Khmer art and culture. The Panji manuscripts gained international recognition and accepted as World Heritage or Memory of the World of UNESCO. It would be ideal if this common heritage could be one of the program of strengthening the cultural ties and cross-cultural exchange between the ASEAN countries, especially with Cambodia, and enhance “people to people” contacts.



ADVANCING COOPERATION BASED ON MUTUAL INTERESTS

H.E. Kan Pharidh

Secretary of State of the Ministry of Foreign Affairs and
International Cooperation of the Kingdom of Cambodia

2019 marks the 60th anniversary of the diplomatic relations between Cambodia and Indonesia. In the past 6 decades, we have witnessed the growing strength of our long-standing engagement and the commitment to elevate this partnership to a new level. To that end, we need to explore more opportunities and chart new paths toward advancing our cooperation based on mutual interests. One particular aspect that holds great promises is in socio-cultural cooperation. There are four main focuses- cultures, education, religion, and youth exchanges.

1. CULTURES

Through cultural lens, we can see that Cambodia and Indonesia share similarities in cultural and architectural heritage. Burobudur temple in Indonesia and Bakong

temple in Cambodia. These similarities serve as a good stepping stone for strengthening our cultural relations. In 2009, the two countries signed an MoU to further promote cooperation in the field of culture and art. It was aimed to strengthen the relations in area of historic preservation and artistic cultural architectures which are considered of great values to peoples of both countries.

Furthermore, the two countries agreed to establish sister city partnership between Siem Reap and Yogyakarta in 2012. Cambodia also appreciates Indonesia for contributing significantly to the Angkor restoration projects, especially the three main gopura gates which were originally part of the Phimeanakas archeological site.

The two countries have also undertaken many cultural initiatives together in order to deepen cultural

ties. Recently, Cambodia and Indonesia initiated the Joint Cultural Performance to Commemorate the 60th anniversary of Diplomatic Relations on 13 February 2019, at Chaktomuk Convention Hall, Phnom Penh, Cambodia. The event was presided over by His Majesty Preah Bat Preah Boromneath Norodom Sihamoni, King of Cambodia, with remarks by H.E. Prak Sokhonn, Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation.

The cooperation in this field also contribute to the growth of the tourism sector. Cambodia and Indonesia are committed to sustainable tourism development which will help the economic growth of both countries.

2. EDUCATION

The Royal Government of Cambodia has recognized the importance of higher education and has taken a number of steps to address the two pressing issues in the education system, access and quality. The RGC has work relentlessly to ensure greater access to higher education for all through building more schools and employing more qualified teachers. Additionally, there is also a growing awareness on the importance of

improving education quality. The RGC has continued to upgrade the curriculum to keep pace with other educational institutions in the region. However, we need to recognize that the issues of funding and administrative management continue to hinder our education institutions from delivering at their best.

The 4th Meeting Cambodia-Indonesia Joint Commission for Bilateral Cooperation (JCBC) on 3-4 December 2018, between His Excellency PRAK Sokhonn, Deputy Prime Minister, Minister of Foreign Affairs and International Cooperation of the Kingdom of Cambodia and Her Excellency Retno L.P. MARSUDI, Minister of Foreign Affairs of the Republic of Indonesia, was a great opportunity for Cambodia to seek further support from Indonesia in the field of education. So far, the Indonesian Government have provided scholarships for 285 Cambodian students from 2016 to 2018. Furthermore, there are some remarkable progress in the education cooperation between the two countries.

At University level, Indonesia and Cambodia has signed MOUs and adopted projects as follows:

CONNECTING PEOPLE AND SOCIETY

- 1) University of Jederal Achmad Yani with Memorandum of Understand (MOU) valid from 2010 to 2015, Cooperation field: Management and Faculty Exchange - understanding the development of both Universities and seek possible cooperated activities in the future.
- 2) Human rights and Resource Centre: with MOU started from 22 September 2015 and Open (still valid; Field of Cooperation i) Organize Public Lecture Series; and ii) Attend Workshops in Phnom Penh and Provinces in Cambodia on Human Rights and law related issues.
- 3) President University with MOU 23/09/2016 to 23/09/2021 Field of cooperation: Students Exchange Visit both from UC and from the President University. (First Visit was in Oct. 2016)
- 4) National Polytechnic Institute of Cambodia (NPIC) has signed MOU with Polytechnic Consortium of Indonesia in 2011 for students in Faculty of Computer Science in order to provide the double degree. It meant that they can get two bachelor degrees: one from NPIC and another one from Polytechnic Consortium of Indonesia at the same time.
- 5) President University, Indonesia has been signed MOU in December 2016 with Paragon International University. The cooperation will include the exchange of faculty members, exchange of students, joint conferences, joint cultural programs, internship or job training program and more.
- 6) Pannasastra University of Cambodia (PUC) has signed Agreement of Cooperation (AOC) with Pasundan University, Bandung, Indonesia.

3. RELIGION

According to the Constitution, Buddhism is the state's religion for Cambodia. However, the Constitution also grants the full right of belief to Khmer citizens. Freedom of belief and religious practice shall be guaranteed by the state, provided that such freedom and religious practice do not impinge on other beliefs or religions, on public order and security. Thearavada Buddhism is the main religion in Cambodia which is practiced by a majority of

the population. In 2009, 93% of the population are Buddhist. While most Cambodian practice Thearavada Buddhism, a majority of Indonesian practice Muslim. However, Cambodia and Indonesia have made efforts to promote religious cooperation through a number of important meetings and activities.

On 4th February 2019, Dr. Mohammad Najib, Director of Foreign Affairs of the Indonesia Association of Muslim Intellectuals (ICMI) met His Excellency Othsmann Hassan, Senior Minister in charge of Special Mission and Chairman of the Cambodian Muslim Intellectual Union (CMIU) in Cambodia. Dr. Mohammad Najib said that the establishing of the Association of Muslim Intellectual in Southeast Asian (ICMA) was not only for promoting the Muslim community, but it was also to promoting human resource, economics and development and also strengthening the relationship between all Association of Muslim Intellectual in Southeast Asian (ICMA) members state.

On 19th January 2019, His Excellency Othsmann Hassan met with His Excellency Pak Pak Agung Laksono, Delegations from the Senate and the Government of Republic of

Indonesia, to discuss and promote closed friendship between Cambodian and Indonesian Delegations and as well as the Cambodian Muslim Community. Buddhist citizens in Indonesia celebrate Visak Bochea at the Borobudur Temple in Central Java. Cambodian monks also joined the celebration in Central Java. They had seen many similarities in decoration of festival and they also had seen the differences between both countries especially the participation of people during Visak Bochea festival.

On 3 February 2017, the International Institute of Islamic Thought East and Southeast Asia coordination meeting was held at Phnom Penh Hotel, Cambodia. There are many representatives from IIIT Cambodia and also the Cambodia Muslim Intellectual Alliance (CMIA). The representative International Institute of Islamic Thought (IIIT) of Indonesia also participated. On 5th February 2017, the representative from the head office in United State of America IIIT signed MOU with Cambodia Muslim Intellectual Alliance (CMIA) on education development projects, Islamic teacher training, Book translation, philosophy and collaboration of community of development.

CONNECTING PEOPLE AND SOCIETY

4. YOUTH EXCHANGES

Another similarity between Cambodia and Indonesia is in the population structures. Both are made up of relatively young population. Thus, Cambodia and Indonesia are working to strengthen youth connectivity and exchanges on the basis of mutual trust and common identity of ASEAN.

Cambodia has always given priority to youth empowerment and safeguards their hopes, dreams and their potentials. Over time, Cambodia has become a nation with vibrant young entrepreneurs. The two countries need to work hard to strengthen youth partnership, build human resources, and diversify its economy within the wider context of international community. For this reason, youth exchange has become a mean to establish people to people connectivity to create pathways to prosperity.

Since 2016, 385 Cambodian students had received scholarships from Indonesia within the framework of Indonesian Arts and Culture Scholarship program to study in public and private universities in Indonesia. In this regard, the Cambodian government is working to offer similar opportunities for Indonesian

youth to study in Cambodia through various scholarships provided by the Cambodian Government and private universities to strengthen and enhance the educational and cultural ties among the two countries.

The active role of the youth plays an important role in making changes to the social- economic processes. In this regard, the role of Cambodia and Indonesia youth is undeniably important. Youth exchange have long been fruitful, friendly, and constructive. It has become an important mean for these two nations engage and intensify bilateral cooperation in the fields of trade and investment, tourism, defense, agriculture, and connectivity as well as boost regional cooperation. Cambodian and Indonesian youth need more exchange programs to create a strong network with other young people and provide more opportunities to share their experiences, knowledge, and lessons learned in all fields. ■



Prof. Keo Chhea



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CULTURAL RELATION BETWEEN CAMBODIA AND INDONESIA

Cambodia and Indonesia have historically shared cultural ties since the Syailendra Dynasty in the days of Mataram Kingdom in Java and King Jayavarman II days, during the Khmer Empire (aka Angkor era) in Cambodia. God King Jayavarman II, in accordance with history and Khmer legend), a son of a wealthy Khmer trader in O Keo (now Oc Eo near Ho Chi Minh City, Viet Nam) of the Funan Kingdom who went over to study in Yogyakarta, Java and returned to the Kingdom to unify the divided small kingdoms of Funan and Chenla together, thus created the Khmer Kingdom in 802.

Indonesia has many cultural similarities with Cambodia, in the form of historical relics, such as the Borobudur and Prambanan temples in Central Java and Angkor Wat temples complex in Cambodia as well as the existence of Buddhist communities in each country. Indonesia`s Borobudur temple, built in the early ninth century, has similar feature and religious value with Cambodia`s Bapourn Temple built during the Jayavarman II Dynasty at the same period, and both sites have been designated by the UNESCO as world heritage.

CONNECTING PEOPLE AND SOCIETY

The temples were built initially in the Hindu period in both countries, and due to the dynasty changes, they were converted into a Buddhist temple. Due to the many shared cultural values, Indonesia has lent its expertise in helping Cambodia conserve the Angkor Wat with assistance in restoration projects. There are many MOUs signed by the two countries to cooperate in the fields of tourism, culture, education, investment, industry and trade. Drawing on the successful cultural cooperation, we can expect a higher inflow of tourists in both countries and more opportunities for people to people connectivity.

There are also other important achievements to note that both the countries share. With the establishment of diplomatic ties in 1959, Indonesia formalize the treaty of friendship with Kingdom of Cambodia through the law UU 8/ 1960. Indonesia has been a good supporter of Cambodia's membership in ASEAN and has assisted Cambodia in many political capacities such as troops provision for UNTAC in Cambodia, in 1992, furthering security and peace efforts. President Sukarno had visited Phnom Penh, and in vice versa Prince Norodom Sihanouk had visited

Indonesia. As a result of a fruitful relationship between the two nations, both Cambodia and Indonesia joined the Non-Aligned Movement which has implications in its stance in consensus-decision making in ASEAN.

1. RELIGION

The transmitting of people between the two nations allow for an exchange of religions ideas. In the past both the Khmer Empire and Java practice Hinduism, but as time changed and trades developed in the region, both countries evolved themselves to embrace Buddhism and then Islam. Nowadays, the main religion in Cambodia is Buddhism while in Indonesia is Islam, but this does not translate into how the people in different areas of the countries practice their religiosity.

The state religion of Cambodia is Buddhism with the majority practicing Theravada Buddhism. The Buddhist doctrine is founded upon two main pillars, the wat (Buddhist monastery) and the Sangha (monkhood), together they form beliefs in the reincarnation of the next life, animism, worshipping of ancestors and spirits. Today among the Cambodian population there

are 97% Buddhist practicing people, 2% Islam, 0.5% folk religion, 0.4% Christianity, and 0.2% non-religion. Similarly, the Cambodian Constitution respects the rights and beliefs of all its citizens and it is guaranteed by the State.

On the other hand, Islam is the main religion in Indonesia, the Indonesian Constitution guarantees all its citizens the freedom of worship, according to his or her religious beliefs. Moreover, it specifies that the state should be based upon the belief of 'the one and only god, a condition that forms the principle of Pancasila, Indonesian state philosophy introduced by Soekarno in 1945 and was launched as Bandung principles in 1955. Originally derived from Sanskrit, Panca means five and sila means pillars or principles.

Together, they form the basis for foundational philosophical theory of Indonesian politics, as well as Cambodia's after the Bandung Conference. Today among the Indonesian population, there are 87.2% practicing Islam, 7% Protestant Christianity, 2.9% Catholic Christianity, 1.7% Hinduism, 0.7% Buddhism, and 0.05% Confucianism.

2. LANGUAGE

Due to an enormous amount of Hindu influence between the two countries around the year 617, we can see the striking resemblance in their languages. Sanskrit and Pali are the main source of linguistic derivation in Cambodian language, Khmer, and is heavily scripted, while Bahasa Indonesia borrows many of its letters from Malaya, which itself is sub-class of the Austronesian family of languages making it more romanticized similarly to Tagalog. Today, Khmer is spoken by 90% of the population, while many other dialects include Cham, Vietnamese, Tumpoon, Lao, Jarai, Yue Chinese, and many small Mon-Khmer languages. Indonesia, on the other hand, boasts about 700 living languages spoken today, with 270 non-Austronesia languages included. Examples of these similarities between Khmer and Bahasa Indonesia are such as: Bunga in Bahasa Indonesia means Bopha in Khmer; Jalan (go) in Bahasa Indonesia as in Chalna (move) in Khmer; etc.

CONNECTING PEOPLE AND SOCIETY

3. TRADITION

With a rich cultural history, Cambodia and Indonesia enjoy similar sets of traditions and lifestyles. Indonesia is amongst the most populated countries in the world, with a vast number of archipelagos and a diverse demographic of almost 300 ethnic groups. Indonesia has the largest Muslim population in the world and adopts certain etiquettes similar to Cambodia's. Hierarchical relationships are respected, emphasized and maintained. Younger folks have to show sign of respect to the elderly by bowing with the hands folded together and social status should be recognized. Shoes and hats shall be removed when enter other's house, etc.

There are also unique cultural traditions in both culture, ones that gain many tourist attraction, such as the Apsara dance and the Balinese dance, both of which derived from Hinduism deva dance. The dances emphasize on a specific way of gestures and movements that only trained specialists can perform correctly. The hands must be extremely flexible and certain clothing are selected for the occasion. These

are just amongst the many traditions that both the countries share similarly.

4. LIFESTYLE

Cambodians and Indonesians have similar lifestyles, although one slight difference can be noted in the pace of life in the country as Indonesia is a highly populated country. Nonetheless, lifestyle is very much similar. People share similar food, values, social norms, and institutions are similar. We are both very hospitable people and smiling has always been a tradition. The lifestyle of rural people is different from urban areas, and similarly Indonesia adopts very much so the same habits as Cambodians but on a much larger scale of population. National dishes are also of similarity, for example the Indonesia's most popular Gado-Gado is the same as the well-liked Toek Kroeung in Cambodia as well as many similar or almost the same sweet dishes.

CONCLUSION

Cambodia and Indonesia's cultural relations have started long time ago during Syailendra Dynasty and Angkor Kingdom days. As time has evolved, there is increasingly good cultural

relations between the two nations in terms of religion, language, traditions and lifestyle. In conclusion, due to Cambodia and Indonesia's shared similarities in almost virtually every aspect of culture, the two countries have enjoyed good diplomatic relations, political-security and economic cooperation, and cultural prosperity. ■



Enhancing cooperation in the field of religion affairs between Indonesian Ulema Council and High Council for Islamic Affairs Cambodia. Doc: KBRI Phnom Penh



Hermawan Janu
Wibowo



Robert Edwien
Wattimena

Embassy of the Republic of Indonesia in Phnom Penh

ROWING BETWEEN QUALITY MANAGEMENT AND EXCELLENT SERVICES FOR CONSULAR AND INDONESIAN CITIZEN PROTECTION IN CAMBODIA

Not many people know, providing public services by government offices is a tremendous challenge, such as consular services and citizen protection including the Embassy of the Republic of Indonesia in Phnom Penh.

In the last five years (2014 - 2018), the provision of consular services has increased tremendously by 117.8%. The increase was contributed by two

main services, namely passport and visa services, which continue to grow rapidly. This shows the increasingly significant bilateral relations between Indonesia and Cambodia, which is indicated by the increasing number of Indonesian citizens residing in Cambodia and conversely more and more Cambodian citizen and others foreign nationals are visiting Indonesia.

Indonesian citizens living in Cambodia also increased to more than 4000 people for short or long term. It has increased three times compared to 2014. Their presence is scattered in various regions of Cambodia including Phnom Penh, Poipet, Bavet, Chrey Thom, Siem Riep, and Sihanoukville. Indonesian citizens in Cambodia are skilled workers and generally work as employees or managers of companies such as property, hospitality/entertainment, telecommunications, pharmaceutical, automotive, entrepreneurs, international NGOs, and international financial institutions. This shows that Cambodia is increasingly looked at by Indonesians as a country with good potential for livelihoods, work and business.

To encourage close relations between Indonesia and Cambodia in the consular field, various ways have been carried out. The provision of visa services is one of the valuable assets in establishing bilateral relations between the Indonesian government and Cambodia. The Indonesian government provides visa-free visit facilities to Cambodian citizens who wish to visit Indonesia for tourism, family visits, social and cultural visits, give lectures and teach, meetings for up to 30 days.

In addition, for Cambodians who wish to travel in Indonesia for leisure or tourism for more than 30 days up to 60 days, the Indonesian government provides Tourist Visa facilities. The socio-cultural visit visa facility is given to Cambodians who wish to visit Indonesia for the purpose of family visits, lectures, short internship program, short courses, arts, meetings, volunteer programs, sports activities, training and research for up to 60 days.

Cambodian nationals who wish to visit Indonesia for work, business, and/or family reunification purposes shall apply for a business/limited stay visa. A business/limited stay visa can only be issued once the applicant is granted authorization from the Immigration Authority of Indonesia.

Of course, in carrying out this task, there are two important aspects that must be maintained by the consular service manager of the Embassy of the Republic of Indonesian in Phnom Penh, namely: internal management and external services.

Internally, the consular services of the Embassy of the Republic of Indonesian in Phnom Penh are expected to have the ability to carry

CONNECTING PEOPLE AND SOCIETY

out quality management. What is meant by quality management is an action to maintain the desired level of excellence, including the determination of consular service quality policies, planning, assurance, control, and improving the consular services business process. Quality management of consular services in the Embassy of the Republic of Indonesia in Phnom Penh must have an accountable benchmark. For this reason, a quality management system is needed.

There are seven important aspects in the quality management system that are implemented in the consular services of the Indonesian Embassy in Phnom Penh, namely: customer focus, leadership, everyone's involvement, process approach, continuous improvement, data-driven decision making process, and relationship management.

In an external context, the consular services of the Embassy of the Republic of Indonesia in Phnom Penh are also expected by applicants to be able to provide excellent service to all customers in which the Embassy have to provide the best possible service to meet applicant's satisfaction.

The purpose of implementing excellent service in the consular services of the Embassy of the Republic of Indonesia in Phnom Penh is to provide quality services to applicants, foster applicants confidence in institutions, to avoid various kinds of demands or complaints from applicants about the provision of consular services. In providing excellent service, the consular services of the Embassy of the Republic of Indonesia in Phnom Penh provide friendly, appropriate and fast, and informative services so that applicants are satisfied.

1. ATTITUDE

In providing services, The Embassy come with the approaches of friendliness, and attentiveness and. Of course, consular officers must have knowledge about the services provided, have the ability and skills to provide consular services, and be able to communicate well. And to note also, consular officers must look attractive and polite to maintain the good image of the Embassy of the Republic of Indonesia in Phnom Penh.

2. ATTENTION

In providing services to applicants, consular officers pay attention to

applicant's desires. Understanding applicant's desires is a challenge and language barriers are often the main obstacles in providing consular services, especially visa services.

3. ACTION

Consular officers must be able to provide appropriate services, therefore in order to make the right decision, applicants are expected to fill out an application form so that consular officers can easily understand customer orders and complete the consular service process as desired.

It doesn't mean that excellent services provide by missions abroad will not have obstacle and problems. The political and security stability has contributed positively to the consistency of Cambodia's economic development in recent decades. Development, conducive security stability and relatively loose rules are the main attraction for the entry of foreign direct investment, foreign workers, including skilled workers from Indonesia.

Common problems that are often experienced by the Indonesian people in Cambodia, namely immigration and labor violations, especially work / residence permits. This is due to

the lack of understanding of the Indonesian people regarding these two regulations which resulted in some Indonesian people experiencing cases of overstayer, illegal entry, and illegal working permit. In addition, the problems of the Indonesian people in Cambodia include: disputes over work contracts, death and loss of travel documents.

Therefore in the spirit of friendship and common understanding in handling these cases, the Indonesian Embassy in Phnom Penh has good relations and cooperation with the Law Authorities in Cambodia which includes the National Police, Immigration, Prosecutors and Courts, including the companies where most of Indonesian citizens are employed.

The Indonesian Embassy in Phnom Penh provides protection to all Indonesian citizens in the work area and respond as fast, efficient and carefully observed and managed, responsive manner, and prioritizes service qualities to accompany Indonesian citizens that had faced problems in accordance with applicable regulations. The Indonesian Embassy in Phnom Penh also continues to actively approaches of Indonesian society in Cambodia

CONNECTING PEOPLE AND SOCIETY

in order to provide an explanation and understanding of immigration and labor regulations / provisions that apply in Cambodia. Moreover, the Indonesian Embassy in Phnom Penh also encouraged the Indonesian people to comply with various provisions / regulations in force in Cambodia, and to respect the local culture and traditions prevailing in Indonesian society.

To provide excellent service, the Indonesian Embassy in Phnom Penh opened a direct report for Indonesian citizens through the hotline number: +855 12 813 282. Meanwhile, the *Safe Travel* application that was launched by the Indonesian Minister for Foreign Affairs, H.E. Retno L.P. Marsudi added an excellent value and efforts to protect Indonesian citizens all over the world including Cambodia in terms of providing complete information on the condition of a country and other relevant and up to date information needed by the Indonesian people such as: lost passport reporting, addresses of Indonesian Representatives Abroad (Indonesian Embassy in Phnom Penh), restaurant recommendations, places of worship, attractions, currency rates, online self-report, as well as information on the Indonesian community.

In the last five years, the enthusiasm of the Indonesian people to conduct self-reports has increased, which is reflected in the successful implementation of the Indonesian Simultaneous General Election in Cambodia, April 17, 2019 which ran safely, smoothly and in an orderly manner. This success is inseparable from the active role of the Indonesian people in Cambodia who supported the 5-year Indonesia national program. The number of voters participating in the 2019 Elections in Cambodia was 3,251 (three thousand two hundred and fifty-one) people or 98.2% of the total DPT + 2% namely 3,310 people.

In conclusion, the provision of consular services and Indonesian citizen protection at the Embassy of the Republic of Indonesia in Phnom Penh has experienced a significant increase in performance due to Indonesia's excellent bilateral relations with Cambodia. With this significant performance increase, it must be accompanied by improvements in internal quality management and external excellent service delivery. ■



A very close relationship and cooperation between Indonesia - Cambodia Armed Forces
Doc: KBRI Phnom Penh



Cambodian students at Indonesia-Cambodia Friendship School, Prey Veng
Doc: KBRI Phnom Penh

PART 04

MOVING FORWARD





ELEVATING INDONESIA-CAMBODIA BILATERAL RELATIONS

H.E. Dr. Desra Percaya

Director General for Asia-Pacific and African Affairs
Ministry of Foreign Affairs of the Republic of Indonesia

For over six decades, Indonesia has enjoyed a long-standing cooperation in various sectors with Cambodia. Indeed, the ties of friendship between the two countries can be traced back to as early as the 8th-9th century AD. This year, as Indonesia and Cambodia commemorate 60 years of bilateral relations, it is therefore pertinent to translate this positive opportunity into a more concrete cooperation, for the mutual benefit of the two peoples. This also becomes more relevant against the background of a dynamic and increasingly complex regional and global environment.

In 2018, during the *4th Indonesia-Cambodia Joint Commission for Bilateral Cooperation*, Foreign Ministers of both countries reaffirmed their personal friendship and shared commitments to enhance bilateral

cooperation in political, defense and security, economic, socio-cultural and tourism sectors, as well as collaboration in regional and multilateral fora. Such multi-faceted cooperation will not only benefit both countries, but also contribute to peace, stability and prosperity in the region and beyond.

Indonesia and Cambodia enjoy good **political cooperation**, marked among others by intensive exchange of high-level visits throughout 2018-2019. On 20 October 2019, at the Inauguration Ceremony of President Joko Widodo and Vice President K. H. Ma'ruf Amin for the period of 2019-2024, Prime Minister Hun Sen attended the event, and had a productive meeting with President Joko Widodo. Parliamentarians of the two countries regularly met and collaborated in various international fora.

In the field of **defense**, Indonesia and Cambodia signed a defense cooperation agreement in October 2017 as a basis for broader partnership in this area. Among others, it allows Indonesia to continue providing full support and assistance in the peace process after the civil war in Cambodia, including through trainings for Cambodia's military officials.

To elevate this partnership into a higher level, the two countries need to consider expanding collaboration to science and technology in defense industry. Indonesia is home to several prominent defense industries managed by state-owned enterprises such as PT PINDAD, PT Dirgantara Indonesia, PT PAL and a number of private companies, with businesses ranging from producing main equipment and components, supplying raw materials, to conducting maintenance and repair. Indonesia has already established good collaboration with several European and African countries in this sector. Cambodia could therefore make use of this opportunity to further scale up its defense capacities.

In the **economic realm**, Indonesia and Cambodia enjoy strong bilateral trade cooperation, recorded at USD 558.4

million in 2018 with positive average annual growth of 7.1% between 2014 and 2018. There remains further potential to be tapped and to this end, the two countries need to carry out breakthrough initiatives such as amending the trade cooperation signed in 1997 to incorporate new development of trade, as well as finalizing their respective internal procedures for double taxation agreement for its entry into force.

Indonesia's investment in Cambodia is increasing. This has opened up wider cooperation in the fields of agriculture, direct shipping lines, industry, micro and small medium size enterprises, metrology, energy, creative industry as well as sharing of best practices in Intellectual Property Rights, as new platforms of economic growth.

Infrastructure development and connectivity are two key areas of cooperation that the two countries need to further strengthen. In this regard, the establishment of direct flight by Citilink from Jakarta to Phnom Penh in June 2019 was an important milestone to boost cooperation in this sector. Cambodia's Minister of Public Works and Transport also visited to Indonesia in September 2019 to visit some of Indonesian

prominent strategic industries such as PT INKA Southeast Asia's biggest rolling stock company, PT PAL (shipping industry and micro power plant) as well as PELINDO III (port management company). This positive momentum needs to be followed up by intensive contacts between businessmen of both countries.

Indonesia and Cambodia also need to regularly convene business forums, seminars, and discussions as well as updates on trade, tax, customs regulation bilaterally and within ASEAN, to exchange information and better understand existing business opportunities in their respective countries.

On **socio-cultural cooperation**, Indonesia and Cambodia have been able to preserve the long-established tradition of friendly contacts through among others continued exchange of scholars as well as two-way tourist visits. In 2019, as part of the commemoration of 60 years of bilateral cooperation, an MoU was signed by *PT Taman Wisata Candi (TWC) Borobudur, Prambanan and Ratu Boko* and the *APSARA National Authority*, establishing the "two World Heritage" program.

This program, supported by the two countries' Ministries of Tourism, is aimed to promote tourism cooperation by relinking the past as well as conducting capacity building for sustainable tourism, among others through pilgrimage and rendezvous. To optimize its implementation, further engagement and support are needed from travel agents, associations, travel writers, journalists, as well as influencers.

Education is one important tool to deepen mutual understanding between the two peoples. Cambodian youths can participate in various scholarship programs for international participants to study in Indonesian universities as well as experience the country's vibrant cultures. This will also allow more cooperation such as joint research or projects. Similarly, films and songs are useful media to establish greater people-to-people contact. Today, several Indonesian movies are regularly played in Cambodian movie theatres. Further cooperation in this sector can be promoted, particularly given the two countries' cultural similarities.

Indonesia and Cambodia are also active supporters of ASEAN, United



Nations as well as close collaborators in various **regional and multilateral fora**.

In the spirit of delivering concrete cooperation, both countries should work closer together to realize concrete implementation of various cooperative projects proposed in the *ASEAN Outlook on the Indo-Pacific* for the mutual benefit of the peoples of the two countries.

In conclusion, the commemoration of 60 years of Indonesia-Cambodia bilateral relations in 2019 is an important occasion to be celebrated by both countries. It provides a positive momentum to reflect, reconnect and shape a brighter future for the two peoples. Indonesia and Cambodia therefore need to focus on concrete cooperation to turn this noble aspiration into a mutually beneficial bilateral relations. ■



SHORT JOURNEY TO CONTRIBUTE TO INDONESIA – CAMBODIA ENHANCED FRIENDSHIP

H.E. Ngurah Swajaya

Ambassador of the Republic of Indonesia
to the Republic of Singapore

The journey started with a surprising, but a humbling news that I have a great privilege in my diplomatic career to be assigned as the Ambassador Extraordinary and Plenipotentiary of the Republic of Indonesia to the Kingdom of Cambodia, a country I often visited to attend ASEAN meetings. It was my first assignment as Ambassador and it was a great honor to be entrusted by the government of Indonesia to serve as the chief representative for more than 250 million Indonesians to a country that is not only fellow members of ASEAN, but also shares many historical footprints.

In addition to rich historical ties, Indonesia has also been deeply involved in helping to develop peace process that had led to a lasting peace in the Kingdom. The signing of the Paris Peace Agreement on Cambodia was preceded by Indonesia's initiative

of the Jakarta Informal Meeting (JIM). Championed by Former Indonesia's Minister of Foreign Affairs, H.E. Ali Alatas, the Jakarta Informal Meetings brought about different factions in the Cambodian civil war to a cocktail party followed by series of meetings. Coincidentally, I was also involved as junior diplomat in a very minor role in the note taking team for the deliberations in the Jakarta Informal Meetings.

This assignment has led me to dig more information about Cambodia, its history and the peoples, including its struggle during colonial era and particularly, on how it has been brutally impacted from the devastating regional conflicts, often referred to as "proxy wars", at the height of the cold war between the two opposing global powers. I have also found many interesting new information on Cambodia's transition

process toward peace and its membership in ASEAN.

Arriving in Phnom Penh, the Cambodia Capital, I have seen not only signs of progress and development that could be easily noticed in many construction process, but also the charm and friendly faces in warmly welcoming their visitors. Towers construction along the main roads, new small but nice hotels and restaurants catering international tourists could also be easily found combined with traffic jams. It was indeed a startling experience to learn and to witness how the Cambodians that had been devastated by the world's worst human tragedy and killing fields caused by the most violent and brutal conflict and civil war, have reemerged as thriving developing country.

Transformation processes that has led to the country's peace and stability brought about development. Thus, the country has not only progressing, but also actively contributing toward ASEAN's endeavors to maintain peace and stability in the region and beyond. The history of conflicts and its transformation to peace and stability has thought humanity an important lesson that such tragedy should not be

experienced ever again in the history of humanity everywhere. A lesson on how devastating a conflict impacting human race, a story about hatred and cruelty beyond imagination. It was not only about killing innocent people, but also a long lasting sufferings that had left a deep scar in the hearts and minds of Cambodians that could not be easily forgotten for many generations to come.

It was also a lesson on how importance it is to maintain peace and stability. It's about the need for international community to work together in harmony, including through the collective works of ASEAN to continue waging for a lasting peace and stability by, among others, enhancing the habits of constructive dialogues and promoting the culture of peace.

The deep impression I have had in this short journey could also be traced back to the early days of both countries' history. The interaction between the Indonesia's Kingdom of Sriwijaya and Majapahit and the Cambodian Kingdom Angkor or Khmer. The historical links could be seen through the architectural and artifacts designs of the World's Wonder of

Borobudur and Prambanan Temples and the majestic Angkor Wat.

The rich historical footprints were reinforced in the current history of good personal relationship between the first President of Indonesia, H.E. Soekarno and the late King of Cambodia, H.M. Norodom Sihanouk, including Indonesia's active roles in the peace process led by the former Minister of Foreign Affairs Ali Alatas through the Jakarta Informal Meeting and Paris Conference as well as in the active participation in the United Nations Transitional Authority in Cambodia (UNTAC) and the reconstruction process. Indonesia was also involved in the admission of Cambodia as the member of ASEAN in April 30, 1999.

In my interactions during my assignment, the name of Former Minister Ali Alatas was often mentioned and very much remains in the hearts and minds of many Cambodians. This sentiment could also be immediately felt when I landed at Phnom Penh international airport. The name of Foreign Affairs Ali Alatas had been mentioned only in my formal engagements with government officials, but also by many people I met. This was really make me proud

on how Indonesia continuously play active roles in promoting world's peace.

The friendship between the two countries continue to flourish in many different areas of cooperation. When Cambodian government started to restore some of the Temples in Angkor Wat, Indonesia also took part in the restoration project of the "Gopura of the Royal Palace of Angkor Thom" that I have the opportunity to visit a couple of times during my trim to Angkor Wat. This cooperation was unique in nature because Indonesia did not only assissting to restore the gate, but also to transfer knowledge and technologies to undertake restoration process to the Cambodian experts. This is very importance and appreciated when I had the opportunity to chat with the one member of the Cambodian restoration team.

Learning from its own restoration process of the Borobudur Temple in Yogyakarta, Indonesia had extended its assistance in restoring the three gate (Gopura) of the Royal Palace of Angkor Thom in the Angkor Wat complex through the project known as "The Indonesian Technical Assistance to Safeguarding Angkor" or ITASA. The

project was completed over the period of five-year period from 1995 to 2000. Although the scale of restoration may not as big as those undertaken by other countries restoring different temples in Angkor Wat, but the process was quite unique, particularly in context of transfer of technology and knowledge with the hope that such process could help providing the skills to the Cambodian experts in the restoration and maintenance of the remaining temples. Indonesia's expertise involved in the restoration of Borobudur temple had worked together with their Cambodian counterparts to restore the "Gopura" in phases with the final work totally undertaken by Cambodian team supervised by their Indonesian counterparts.

Another experience I have learned from my short journey was also the personal friendship of the leaders of the two countries that have been developed over the years, particularly between President Soekarno and H.M. Norodom Sihanouk, the former King of Cambodia. They have not only paid a visit to each other countries, but also contributed significantly to the success of the Bandung Conference of Asia Africa Summit back in 1955. In his remarks at the conference, he

made a reference on the important of Pancasila and how he wanted to adopt it for Cambodia.

From this friendship, it was not surprising to know that the Indonesian folk songs like "Bengawan Solo", a story telling about the importance function of the river of Bengawan solo in Central Java for the people and another Indonesia heroic song about the city of Surabaya "Rek Ayo Rek". Those two songs have been made popular by King Norodom Sihanouk and they were even translated in Cambodian language. This implies the shared values enjoyed by the people of Indonesia and Cambodia. Another famous Indonesian folk song "Poco Poco" and its line dance has also been very popular among the Cambodians and I have witnessed the familiar sight and sound when people enjoying their outing in the afternoon at the public park in Phnom Penh.

The presence of Indonesia's peace keeping contingents in Cambodia, once led by the former President of Indonesia, Dr. Soesilo Bambang Yudhoyono, has not only left a good impression to the people but also a long-term collaboration in the arm forces cooperation between the two countries. Cooperation in developing

the Cambodian Special Force, known as “911 Brigade” by Indonesia special force “KOPASUS” and the special training where I have the honor to inaugurate a couple of times, of the Cambodian Prime Minister Bodyguard Unit by the Indonesia’s Presidential Security Division known as “PASPAMPRES”. It was a rewarding to witness the pride of young Cambodians receiving special trainings from Indonesia’s PASPAMPRES for many years.

In the modern development of Cambodia, we have witnessed the presence of Indonesia’s foreign direct investment in Cambodia on many sectors, including the presence of Indonesia’s professionals in tourism industries in Cambodia. Ciputra is one of Indonesia’s property developer investing in Cambodia and contributed to the development of Cambodia property sector. The efforts to promote more economic cooperation have been resulted in an enhanced economic cooperation, particularly on many other industries. The efforts to establish air connectivity between the two countries was also been tried to enable both countries to unlock the economic potentials.

When I left Cambodia, the

development continues to progress and the signs of modernity have been felt with the presence of high towers around Phnom Penh. Certainly, traffic has become more congested, particularly in in the main roads during busy hours. Nevertheless, similar to Indonesia, modernity has not abandoned the need to maintain the local cultural tradition and local wisdom that had helped in making the country continue to flourish. The friendly faces, warm hospitality and the beautiful dances such as “Apsara Dance” and the famous “ramvong” dance that keep collective unity in the harmony of traditional music to the famous dishes like “fish amok” had left beautiful memories for me and my family in our short journey to the Kingdom of Wonder.

Many lessons we could learn in bringing a continued friendship to flourish in the decades to come. Some of my take away, are among others, first, peace and stability in the country and the region are essential ingredients to development and prosperity of the people and as such waging peace and stability, including to strengthen the crucial roles that ASEAN could play in promoting constructive dialogues and developing a culture of peace, strengthening

unity, cohesion and centrality are key important. Thus, bilateral partnership should also be utilized to help strengthening the attainment of ASEAN goals and objectives. Therefore, it incumbent upon us all to prevent any possibility to the return of another proxy wars to take place in our region, and therefore, the proactive roles ASEAN is critical.

Second, long-term historical values could still be cultivated to strengthen further the friendship and partnership for present and future generations. The long-standing friendship between the two nations since many centuries and over the past decades of modern history should serve as a solid foundation to promote cooperation and collaborations to a higher plane for mutual benefits of the two countries and the peoples. The 60th anniversary of bilateral friendship should, therefore, serves as significant impetus to work more closely on many sectors and in many international fora. Continues exchanges, including research on historical footprints should be promoted for the benefits of present and future generations.

Third, people to people exchanges is also essentials to enhance better mutual understanding between the

two nations. Indonesia's cultural center at the Indonesian Embassy in Phnom Penh serves as an ideal platform to bring the people closer through cultural exchanges and language trainings. Many Cambodian are interested to learn Bahasa Indonesia and this has been one of the most important programs of the cultural center for many years. Youth exchanges and dialogues on many subject of their interests should also be promoted.

Last but not the least, it has been a distinct privilege to contribute in the smallest part of the long-term partnership and cooperation of the two countries in my short journey in the "Kingdom of Wonder". I wish to extend my best wishes to both countries and the peoples for celebrating the 60th Anniversary of Bilateral Friendship of Indonesia and Cambodia. ■



WAY FORWARD FOR INDONESIA & CAMBODIA

Dinna Wisnu, Ph.D

Associate Professor of International Relations

If there is a simple way of predicting the future of anyone's relations, especially between countries, there may not be attempts for cooperation in the first place. A predictable world would be a boring one where governments would only work with the ones that they feel comfortable working with. No trials, no errors, no exploration.

Fortunately, the world is not as straightforward as such. The world that Indonesia and Cambodia live in is nuanced with possibilities and opportunities where desires and imagination determine the future of relations and efforts to work together would always leave some marks useful for future paths. There may be power search in the world, and it does have some impacts to how Indonesia and Cambodia relate to each other. Yet there is something about Indonesia

and Cambodia that would continue to bind the two together, even if the future is less straightforward as expected.

For this reason, this chapter offers three aspects for assessing the future relations for Indonesia and Cambodia: the geopolitics of the world and how it affects the region in which Indonesia and Cambodia lives, the dynamic of ASEAN (the Association of Southeast Asian Nations) where the two countries are members, and the national development within Indonesia and Cambodia. The start of review at the macro level, particularly those as experienced by Cambodia, shall help broaden our perspectives on factors affecting the relationship between Indonesia and Cambodia given that these two countries may not have any ambition to confront each other or to belittle each other but

the international and regional contexts may push them, at times, to voice disagreements.

The assumptions used include the following. First, foreign policy is the extension of domestic politics. Foreign policy is driven by needs at the domestic levels, which most of the time is very practical and technical. Second, economic growth is key to maintaining the legitimacy of any leader but in practice there is no single legitimate way to enhance economic growth. Third, the use of force is relatively less appealing than the use of soft power through cooperation. This last assumption is a rule of thumb that applies in transnational cooperation knowing that peace is key to nurturing any beneficial outputs of international cooperation.

1. THE GEOPOLITICS OF THE WORLD

Cambodia is a country of forested mountains and well-watered plains which is importantly located in the central area of the Mekong river that is also linked with the Tonle Sap (or the Great Lake, which is the largest freshwater lake in Southeast Asia that is designated as a UNESCO biosphere in 1997) that flows from Laos to the southern border with Viet Nam.

Cambodia is also known as the land of temples, a country where cultures of the world, namely Theravada Buddhism and Hinduism meet.

In several of its temples one can find remains of its Kingdom glorious time where the royals and traders from all over the world have met. In the northern part of Cambodia, in the Preah Vihear temple, one can also see the remains from the cultural crossing that unfortunately also witnessed war for many years between Cambodia and Thailand. Given such topography and history, not only Cambodia hinges its economy on agriculture, inland fishery, and tourism, Cambodia naturally also attracts the attention of major powers and the surrounding countries who share water and mountains with it. Cambodia's choice to practice liberal market economy opens the chance for most countries to partner in economic development as well as in defense and security.

Visiting the border areas in Cambodia, both the land borders and the water borders, one can see how imposing proximity to neighboring countries can be to the political stability of a nation. As a post-conflict nation, Cambodia carries with it the history of aggression and infiltration. The most

vivid one is the Hindu temple of Preah Vihear whose construction began in the 9th century AD under the reigns of Khmer kings Suryavarman I and Suryavarman II.

Although in 1962 the International Court of Justice ruled that the Preah Vihear temple lies within the Cambodian territory, the status surrounding the temple, that is approximately 4.6 square kilometres, remained unclear that talks alone between Cambodia and Thailand was not enough. Situated at the edge of a mountain in Cambodia, across from another mountain that belongs to Thailand and separated by a small creek, exchanged of fire regularly happened that both countries built military base at the steep mountains until the conflict subsided. Being announced as one of the UNESCO's world heritage center in 2008 didn't help mediation from Indonesia as the then 2011 chair of ASEAN which both Cambodia and Thailand are members didn't work, that it was only in November 2013, when again the International Court of Justice awarded the entire area surrounding the temple to Cambodia, that conflict subsided. But until 2018 the Cambodian Mine Action Center still in search for and removing unexploded bombs in the

temple complex in the range of three kilometers.¹ The people of Preah Vihear province remains alert for its neighbor.

With Lao PDR, disagreements over border demarcation may not be as fiery given that dialogs between foreign ministers had been chosen as a means to settle the differences, but in February 2017 hundreds of Lao PDR troops reportedly halted military engineers who were constructing a road that they claimed to be Laotian territory, causing the shutdown of border crossing in the area.² Cambodia then responded also militarily, dispatching troops with ultimatum and refused to leave the border. Since then the border tension between Lao PDR and Cambodia is alive in the Cambodian province of Stung Treng, which under the French colonial authorities the Laotians reminisced as theirs given that some substantive number of ethnic Lao language speakers are living there. By the end of 2018, Prime Minister Hun Sen visited Laos, reaching areas of cooperation including that of ending the border disputes with Lao PDR with

1 Khmer Times , Preah Vihear Temple bombs being removed, August 7, 2018.

2 The ASEAN Post, Behind the Cambodia-Lao PDR border dispute, 23 May 2018.

“three-point consensus” that includes: no armed forces being present, no business or trading activities, and all patrols being done together.³

With Viet Nam, Cambodia shares water and land borders. Visiting the border areas today one can see that the remains of tension from the past where Viet Nam launched a full-scale invasion and occupied Cambodia did leave some marks, particularly to how the locals perceive the Vietnamese authorities. The fishermen delivering goods to the water border near Takeo said that if misunderstood the Cambodian people may be detained as trespassing the border because permit is required to pass on the river border. This despite the facts that the Cambodian people living by the border areas with Viet Nam are relatively much poorer and are often recruited to work nearby in factories and casinos owned by Vietnamese people. And indeed, the tension between Cambodia and Viet Nam has not really subsided. At the government level the Vietnamese Army reportedly planted in unilateral ways some pillars along a contested stretch of border off the Cambodian

coast near Koh Ses, which ended by the Vietnamese government seeking “to legalize 84% of the border demarcation and marker planting related work”.⁴

The situation and updates above show the geopolitical importance of Cambodia and the sensitivity it brings to many countries, which incidentally all are hinged to the military relationship and tension between the Cambodian Army and the armies of Thailand, Lao PDR and Viet Nam. One important factor is of course the presence, choices and perception of General Hun Sen who has served as Cambodian Prime Minister since 1985, who also leads the ruling Cambodian People’s Party (CPP), now the one and only performing political party in Cambodia.

Inside of Cambodia, there is a strong perception that legitimacy to power is highly critical to the survival of the country. And to them non-intervention is non-negotiable. The reason is quite clear. The country is yet to feel over of its vulnerability as a nation whose identity was once suppressed to the

3 Prashanth Parameswaran, What’s Next for the Cambodia-Laos Border Dispute? The Diplomat, 12 December 2018.

4 Aun Chhengpor, Border Spat Shows Cambodia-Vietnam Relations Tested, while Chinese Influence Grows, Voice of America, 23 January 2019.

point of being erased during the Cold War. One still remembers when King Sihanouk, who was seen as pro-China in his support of the Indochinese Communist Party, was overthrown. The mark of pro-China brought bitter divide inside of Cambodia. The then Cambodian leader Lon Nol who was anti-communist and pro-American slaughtered and dumped all Vietnamese people in Cambodia on the count of the past history of the Vietnamese erasing Khmer culture (which is known to be inspired by India lineage rather than Chinese).

Unfortunately, this did not save the culture of Cambodia. Instead there was the tragic history of Khmer Rouge faction in the Kampuchean Communist Party led by Pol Pot, Ieng Sary and Khieu Samphan imitating Lon Nol's actions and killed an entire generation of millions of Cambodians who was perceived as pro-America in the late 1970s. Men as well as women, children and babies were exterminated in cold blooded style killing in the name of protecting the society from foreign intervention.

Against this backdrop, we see how critiques coming from the United States (US) and the Western countries are treated like a passing wind by the

Cambodian authority, which almost all are either in the military or cadres of the CPP that today is ruling the country. In return, the US and its Western allies are tough to Cambodia, at least in the political dimension of the relationship. In the Congressional Research Service Report dated 28 January 2019, the US is depicted as unhappy with Prime Minister Hun Sen's suppression of the political opposition and his growing embrace of the People's Republic of China (PRC).⁵

The US is weary that China is now growing its foreign aid and endorsement to Hun Sen and his requests. The impact to this can be felt at the people-to-people level where hundreds of Cambodian nationals who were permanent US residents coming to the US as refugee children were deported due to their records of felony charges. In the 1990s the US applied embargo to aid and trade and today it is the European Union (EU) threatening Cambodia to lose its special access to EU market due to violation of human rights.⁶

5 Congressional Research Service, Cambodia: Background and US Relations, 28 January 2019.

6 Reuters, EU to hit Cambodia with trade sanctions, says Myanmar may follow, 5

Interestingly, China pledges help for Cambodia if EU implements trade sanctions to Cambodia.⁷

At the economic dimension, however, Cambodia does not give up and the US allies are not just the Western countries. Cambodia is exploring the deepening of bilateral relationships with EU member states such as France, Denmark, Sweden also those of former Eastern Europe countries, Canada and Australia. Cambodia is also known to have a unique relationship with Russia. There are Cambodian business operating in Russia and military trainings for Cambodian army in Russia. In his statement in June 2019, the Russian Ambassador to Cambodia Dmitry Tsvetkov called Cambodia as reliable partner with common ground against the unhealthy trends of “certain powers are trying to push conceptions detrimental to the established international order for own benefit, when violent extremism and terrorism are rising, when ill-minded groups are seeking to topple legitimate governments via color

revolutions under the banners of good intentions.”⁸

Other US allies who has been working closely with Cambodia on the economic front is Japan and South Korea. Japan is the largest aid donor to Cambodia, alone and under the auspices of the Asian Development Bank. Japan benefits from the many infrastructure and technical assistance projects that they initiated for Cambodia because Cambodia continues to maintain good relationship with Japan despite Japan’s increasing pressure for Cambodia to forget working with China. South Korea, on the other hand, wants to “the third” most important economic partner to Cambodia after China and Japan. The gesture of President Moon Jae-in to Cambodia this year showed how South Korea wants to earn trust from Cambodia that more economic exchanges could happen between the two countries.⁹

Against this backdrop lies the future of Indonesia and Cambodia relationship.

October 2018; *Bloomberg*, Cambodia Faces Next Trade-Sanctions Move by the European Union, 22 January 2019.

7 *Aljazeera*, China “to help” Cambodia if EU implements trade sanctions, 30 April 2019.

8 Dmitry Tsvetkov, Russia and Cambodia: Crescendo of Cooperation, *Khmer Times*, 12 June 2019.

9 Chheang Vannarith, Cambodia, South Korea eye strategic partnership, *Khmer Times*, 18 March 2019.

Indonesia has what other partnering countries to Cambodia may lack, that is empathy. Indonesia understood the challenge of being in the middle of power fights that one has little control of, where only by balancing and building relationships with others whom you can trust could grow the nation's self-identity. Indonesia faced very challenging circumstances of being the largest archipelagic country where people are separated by waters and that foreign powers continuously tried to divide power. Rich in natural resources may be a great blessing but during the struggle of independence and throughout the Cold War, the management of natural resources could be tricky. And for slightly over three decades Indonesia was also led by bureaucratic militarism regime. In the end, however, Indonesia benefits from its archipelagic posture.

It can maintain a comfortable distance with the neighboring countries and whichever power pressure that comes along with the border proximity. The size of Indonesian population, which is a tough count to manage under a struggling authority turns out to be a blessing when the populace is inspired to contribute to the nation. Bureaucratic militarism somehow reminds both the military and the

civilians that using force would endanger Indonesia's unity. Even the series of intimidating demonstrations that Indonesia witnessed post 1999 ended up being treated with peace for that particular reason. And when the Indonesian military stepped aside in politics in the spirit of embracing the perspectives of popular participation for inclusive growth and stronger Indonesia, the nation's identity is even blessed with the secured feeling of being protected against foreign aggression.

In the geopolitical sphere, Indonesia may not offer what China, Japan, South Korea or the US and its Western allies offer, but Indonesia offer what Cambodia need most, which is the skill to remain independent and internationally recognized and respected. In general, there is a feeling among some authority figures in Cambodia that what Indonesia offers is precious. After all, history has shown that the engagement that Indonesia offers has no intent of destabilizing Cambodia. But the challenge is in convincing the broader segments of Cambodia to feel the same about Indonesia.

To date, the sense of caution is high that one can see the model of

local government that is connected directly (formally or informally) with the ruling political party (CPP - the Cambodian People's Party) and the Cambodian Armed Forces (RCAF – Royal Cambodian Armed Forces). Across Cambodia we can see that the head of villages, his/her deputy, the secretary of the village and the head of communes are CPP cadres, active RCAF or retired RCAF, or the wives of active or retired RCAF. One may understand this model of governance as the consequence of being a post-conflict country where active military and retired military are abundant and they all need to be “paid back” with jobs and land, and in return these individuals would submit dedication and monitoring support for the central government. On the other hand, one may understand this as the logic of power in Cambodia where power is centralized and traceable to one point: the commander-in-chief.

To the Cambodian this may be logical but the challenge to this model is that in the longer run there is great dependence of the country upon what the commander-in-chief is doing and how he is being perceived, both internally and externally. If the commander-in-chief suddenly

become the sole target of “attacks”, then the entire model of governance could crumble. Just like the logic of a wise businessman to never put all eggs in one basket, for the politicians it is a bad idea to leave the destiny of a nation in one hand. Naturally there would always be new generation wanting to give better lives for the Cambodians, and so long as they are Cambodians or people from friendly countries to Cambodia, then they should also be seen as partner and deserve engagement.

Cambodia could witness the determination of Indonesia to offer alternative new order in the world that is not based on militaristic or economic domination but rather on friendship and sharing of ideas in multilateral and peaceful way. Indonesia always disagrees on imposing foreign values with whatever excuse. Even if economic growth is sought after, Indonesia is always sensitive about whether the partner, at the people-to-people level would benefit from the engagement. This is what Indonesia dreams of. And through the various concepts such as the Indo-Pacific, also the many cooperation engagements in ASEAN, Indonesia is voicing this vision. This is

what Cambodia apparently still need time to ponder. This is yet another test for the authority and the politicians in Cambodia that vision needs consistent collaborative work.

2. THE DYNAMIC OF ASEAN

ASEAN has been committed to good neighboring policy with respect to sovereignty, the principle of non-intervention, equality, and the spirit of sharing and caring. All reflect the inner desire of ASEAN member states although in practice many factors may come in the way given that relationships of ASEAN member states span beyond ASEAN.

In 2019 we are witnessing a time where doubts and lack of confidence and lack of trust grow in various societies in across the world about the paths that their political leader must take to win their hearts. The quick spread of information technology, the easy and cheaper cost to travel across border, improved living standards and the growing (and no stopping yet!) trend of consumerism and craving for instantaneous everything had sent politicians and authorities across the world under pressures. People have becoming less patient to wait for results. More and more politicians and authorities are inspired to take greater

risks for greater win. Cooperative behavior, therefore, is considered weak unless the short-term wins are defined and clearly attainable.

But not everyone in any country could keep up with such fast pace trend. Studies have suggested that across the world unemployment, especially among the youth, has been increasing and sticky, not easy to solve.¹⁰ Marginalized and vulnerable groups such as women, persons with disabilities, the minorities, and those with lack of matching competence are having hard time to adjust their livelihood pattern with the limited resources and opportunities in their hands. When such inequality grows in relatively well-off economies, the consequence would include pressure to their political leader and authority to reconsider treatment (even pressures) to other countries so that their economies could emerge as winner instead of loser in international relations.

Indeed, the sense of competition and quick impact has been high and there

¹⁰ Angana Banerji, Sergejs Saksonovs, Huidan Lin and Rodolphe Blavy, Youth Unemployment in Advanced Economies in Europe: Searching for Solutions, *IMF Staff Discussion Note SDN/14/11*, December 2014.

is no sign yet for it to subside. Globally people still believe that investment in technology, innovation, thus freedom of thinking is key to making their country agile and competitive. With technology many economies allow their people to express thoughts anytime anywhere through Twitter, Instagram, Facebook and blogs. Start-ups are facilitated. Mini-scale businesses grow like mushroom in the rainy season. Standards of wage, treatment to minority, and other dimensions of human rights become “second-class priority” in the name of pushing for competitiveness.

This is interesting, because “normally” in the past the tendency whenever doubts, lack of confidence and lack of trust emerge is to resort to confidence building measures with authorities and politicians of other countries, organizing dialogues with the countries they have doubts with and search for common ground that could avoid instability of the relationship. The sense of pairing with peer at the government-to-government level was higher in the past. Now, the US is leading a different tendency. The US prefers to add pressures to those authorities and politicians that it doesn't trust in order to test its power and potential, to earn more

than when they act in cooperative manner. Instability is no longer seen (hopefully temporarily) as sign of doom but instead of opportunity to get into a new equilibrium. The main target of US campaign on getting new equilibrium is China, the country which in the past two decades have grown ever so significantly surpassing the national gross domestic products of the US and loaning so much to the US that the US felt fooled.

The question for all of us, Indonesia, Cambodia, ASEAN and the world is whether this trend is bearable. Can we withstand this test of pressures? How many victims should emerge until we'd say enough to emphasizing competition over cooperation?

In ASEAN, Indonesia has been demonstrating commitment to support Cambodia in its economic and socio-cultural dimension. In its own history, Indonesia saw the tough time a developing country must face when trying to grow its industries while caring for the people. The country is made up of people, and most of them is typically not equipped to compete in under-pressure setting. The more people are left behind, the bigger the divide in the society that would question the legitimacy of a country's

political leadership. Indeed, getting into the fast-paced competitive circle of world politics do have dire consequences to domestic stability.

ASEAN is the regional cooperation that could slow down this competitive trend; reminding member states and ASEAN dialogue partners (which also include the US and China) that testing new ways to relate with other countries have negative consequences. This is why Indonesia offers various frameworks of cooperation that also promise economic growth but, in a manner, where the spirit of cooperation is key.¹¹ At the ASEAN level, this is a tough job for Indonesia. A lot more diplomacy strategy must be done to make Indonesia's initiative convincing and appealing, but for the sake of Indonesia-Cambodia relationship it should be clear that the spirit of Indonesia remains to the cooperation that would create shared benefits.

ASEAN is widely regarded as an important building block for global governance and multilateral order.¹²

11 *The Jakarta Post*, ASEAN Leaders adopt Indonesia-led Indo-Pacific Outlook, 23 June 2019.

12 UN Resolution 60/1, World Summit Outcome 2005, 16 September 2005.

But at the same time ASEAN member states do not have much intent to integrate actions to respond to global developments. Actions of ASEAN are taken in piecemeal, on case-by-case basis involving a great number of ministries and hundreds of meetings for all sectoral bodies. Making strategic decision in swift manner, therefore, is putting ASEAN beyond its capability. The most strategic aim of ASEAN that all member states must value is the preservation of sovereignty and respect to a nation-state, even if the country has more things to critiques that one could possibly imagine. Others also suggest that the strategic preference of ASEAN to grow economic interdependence and channeling the dynamic of domestic factors to the regional engagement level.¹³

Judging by the way the global politics have grown, there would continuously be great demand from external powers to make ASEAN more decisive and swifter in making action. But since this is more like asking a chicken to fly, critiques to ASEAN would likely also grow over time. Issues such as the South China Sea, ASEAN connectivity,

13 Min-hyung Kim, *Theorizing ASEAN Integration*, *Asian Perspective* 35 (2011), 407-435.

Indo-Pacific, human rights, Myanmar, transnational crime, extremism and terrorism are among the few that would continue to be central in next years to come. And to that ASEAN may grow its approach of making the role of ASEAN Chair even more central in driving the agenda of the cooperation forward.

Choices of member states, therefore, becomes more important than ever. Does ASEAN continue to be torn between the agenda of competing US and China, or other major economies who donate funds for ASEAN projects? Some member states are indeed challenged in that matter. Part of it is the geopolitical factors that are mentioned in the earlier segment of this chapter.

At this point Cambodia is still torn with its own inner confidence: weighing between growing Cambodia's own potential and growing what the major economies, that have contributed directly to their economy, wants them to do. Indeed, this is a tough decision knowing that major economies that have "given" aid, loans, investments and projects would want something back. Let us humbly remind Cambodia that the most precious tangible asset to any developing country is not what

the external country "gives" but what their people, their citizens, could process for greater growth.

3. THE NATIONAL DEVELOPMENT WITHIN INDONESIA AND CAMBODIA

Indonesia is by nature a pluralistic nation, a country of thousands ethnic groups, a place where six major religion and some local religious beliefs are recognized, home for people of any background, sex, disabilities and competence grow hope for better future. Nothing can be made uniform in Indonesia. Every different element in Indonesia is free to compete their ideas in the democratic multi-party system. Rule of law is central to guarding democracy that nurture the diversity of Indonesia. History have shown that during electoral season, a coalition may be formed, but inside the coalition there is never only "one color". To Indonesia, being colorful is an identity to pride.

This is what remains to be seen from Cambodia. As a post-conflict country, a lot of energy in Cambodia is spent on creating predictability. In the world as explained in the earlier section, this would exhaust Cambodia.

Predictability should be seen from a different angle: not by pegging who to partner with or who gives most protection but how the asset inside the country, which is the people, grow the same instinct to give the best for Cambodia.

A lot of aspects in Indonesia's and Cambodia's national development can be synergized. In the second term of President Joko Widodo, the national development of Indonesia would emphasize on human resource development, healthcare, education and using technology for e-government and e-commerce to complete the infrastructure developments that have expanded significantly in his first term of presidency. For one thing it would mean building even more at the village level.

Both Indonesia and Cambodia depend on agriculture, forestry and fishery for livelihood of millions of people. These are jobs that require greater understanding about sharing, not only with other people in the community but also with the nature that gives live to the harvests. Learning together and building together standards for better livelihood in this sector is critical. And because Indonesian villages

share similar characteristics with the Cambodian villages, especially in their earlier years of development, the orientation would be less about getting more money from the central government but more on empowering the communities. A lot of social problems that people face on daily basis, such as disease, debt bondage, drinking and womanizing, human trafficking, getting jobs or promotion, sanitation, access to water cannot be immediately solved at the national level. This is what Indonesia is champion in; a lesson that the two countries could learn from: nurturing and bridging needs from society with what the society is capable of. On top of it, both Indonesia and Cambodia cherished the history of being cultural corridors in ancient time. Nurturing and exploring the values of temples, unique architecture, and fusion tradition could be an endless blessing for the two countries to explore, build skills on, and share to the world.

Indonesia continues to develop its own model of being active and independent in the turbulent world. To that Cambodia would see the many initiatives coming from Indonesia to have a space for developing countries to show its true color. The potential for developing common interests is



great, but of course the two countries' leaders must engage as many politicians and experts to materialize the interests into actions. ■

**INDONESIA - CAMBODIA
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