



Closing Remarks

H.E. Dr. Kao Kim Hourn, Secretary-General of ASEAN,

At the Cambodia-ASEAN Business Summit 2026

under the theme

"Transforming ASEAN: Innovation, Integration, and Industrial Evolution"

4 March 2026 | Sofitel Phnom Penh Phokeethra

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- *Your Excellency Neak Oknha **Kith Meng**, President of Cambodia Chamber of Commerce and the Chair of ASEAN-BAC Cambodia;*
 - *Your Excellency **Heng Sour**, Minister of Labour and Vocational Training of Cambodia;*
 - *Excellencies, CEOs, Distinguished Participants, Ladies and Gentlemen.*

1. This closing ceremony marks the end of two days of genuinely substantive dialogue at the Cambodia-ASEAN Business Summit 2026. My thanks go to the Royal Government of Cambodia, ASEAN-BAC Cambodia, Cambodia Chamber of Commerce for building and sustaining this platform — one that brings government and business together to do the hard thinking about where ASEAN's economy goes next, especially in the current global economic environment.
2. To all speaker, panellist, and participant who contributed to the discussions and deliberations over the past two days: the quality of conversation has been evident in the ideas and recommendations that have been raised and proposed. The Summit's theme — ***"Transforming ASEAN: Innovation, Integration, and Industrial Evolution"*** — was well-chosen and highly relevant. In a period defined by economic uncertainty and accelerating technological

disruption, ASEAN's competitive advantage lies in its unity and our collective strength as a single market and production base, and in our ability to transform ASEAN into a global powerhouse of innovation, creativity and sustainable development.

3. What stood out in these discussions and deliberations — Cambodia's "Plus One" model, infrastructure investment, and digital advancement — was how clearly national initiatives can serve regional goals. These are not parallel tracks. They are mutually reinforcing and rebuilding blocks, and together they make ASEAN's economy more connected, more resilient, more dynamic and more responsive to businesses of every size, particularly MSMEs.

Excellencies, Ladies and Gentlemen,

4. ASEAN's economic track speaks for itself. In 2024, the region's combined GDP grew from USD 3.8 trillion to USD 3.9 trillion, sustaining ASEAN's position as the fifth-largest economy globally and delivering 4.8 per cent growth — outpacing global averages for the fifth consecutive year. Total trade in goods reached USD 3.8 trillion, services trade expanded to USD 1.29 trillion, and inward FDI inflows stood at approximately USD 230.8 billion.¹
5. Looking ahead, the endorsement of the ASEAN Community Vision 2045, alongside the ASEAN Economic Community Strategic Plan and other key Strategic Plans, gives the region a clear framework for converting current momentum, and transform challenges into opportunities, into long-term outcomes. The focus areas are deliberate: a rules-based environment for trade and investment, digital transformation, sustainability, and inclusive and people-centred integration. These are not aspirational add-ons but rather structural priorities for ASEAN.
6. With that backdrop in mind, let me draw out three threads that ran through the Summit's discussions and deliberations.
7. The first highlight is green industry. ASEAN's long-term competitiveness will increasingly depend on how effectively it transitions to sustainable production. The ASEAN Strategy for Carbon Neutrality positioned green industries at the heart of the

¹ Statistic Division

region's decarbonisation pathway — and the projected returns are substantial: USD 5.3 trillion in additional GDP, USD 6.7 trillion in investment, and 66 million new jobs by 2050.

8. Sustainability, in this context, is not a constraint but an economic strategy for long-term growth. The ASEAN Framework for Circular Economy for the AEC reinforces this by targeting high-impact sectors in particular— agriculture, transport, and energy — and by working to harmonise standards and facilitate the flow of circular goods and services, and promote the use of green technologies under the ASEAN Trade in Goods Agreement (ATIGA).
9. The ASEAN Power Grid (APG) remains a key regional priority to strengthen energy security, deepen regional integration, and support ASEAN's transition toward a more sustainable and low-carbon energy system. Realising the APG will require significant investment estimated at around USD 700–760 billion for power generation and transmission infrastructure across the entire ASEAN region through 2040. Building on the recently enhanced APG Memorandum of Understanding, ASEAN is now shifting toward implementation, including advancing the operationalisation plan and a framework for subsea power cable development under the Philippines' 2026 Priority Economic Deliverables. The ASEAN Power Grid Financing Initiative (APGF), with the Asian Development Bank and the World Bank as founding partners, can help catalyse financing and accelerate the preparation of priority cross-border interconnection projects, enabling greater integration of renewable energy across the entire ASEAN region. Recently, I just met with the new President of the AIIB and AIIB is interested to support the APG projects.
10. Cambodia is well-placed within this shift. With genuine strengths in green energy, agriculture, manufacturing, and tourism, it has the raw material to anchor a new wave of high-quality, sustainable investment across the region. That potential will only be realised, however, if Cambodian enterprises — especially MSMEs — actively align with sustainability requirements, deepen their integration into regional production networks, and work alongside

governments and the ASEAN partners to build the skills and access to climate finance that this transition demands.

11. The second key highlight I would like to underline is digital transformation which is a powerful enabler of innovation, productivity and competitiveness. It is shaping ASEAN's future and enabling our economies to leapfrog their traditional development models toward an innovative and technology-driven growth.
12. ASEAN has been building infrastructure for a regional digital economy for years — the ASEAN Single Window, the ASEAN Unique Business Identification Number, and the ASEAN Authorised Economic Operator Mutual Recognition Arrangement have already made measurable reductions to the time and cost of doing business across borders. This year adds a significant new chapter with this: the ASEAN Digital Economy Framework Agreement (DEFA), expected to conclude the negotiations by June and expected to sign DEFA by November this year. This will create the interoperable regulatory framework that a genuinely integrated digital economy requires. Its projected impact — doubling digital economy value from USD 1 trillion to USD 2 trillion by 2030 underscores how the digital integration is central to ASEAN's competitiveness in the next decade. On this note, I would like to commend on Cambodia's efforts in convening the Digital Government Forum in 2024 and 2025, which has provided an important platform for public-private dialogue as well as regional cooperation and encourage more ASEAN Digital Forums to be convened to build practical momentum and stakeholder alignment in supporting the ASEAN DEFA as well as to support the ADGMIN framework.
13. Cambodia has demonstrated this concretely. Bakong has redefined the national mobile payments landscape. Verify.gov.kh, the official document verification platform developed by the Ministry of Post and Telecommunications, earned the Gold Medal in the Public Sector category at the ASEAN Digital Awards 2024 — a recognition that reflects genuine innovation, not incremental improvement. These achievements deserve to be recognized and scaled. There is regional appetite for what Cambodia has built, and there is real value in sharing that expertise across ASEAN Member

States. I just met with H.E. Dr. Chea Vandeth this afternoon and understand that right now this platform has been supporting other ASEAN Member States like Lao PDR, the Philippines and Timor Leste. Cambodia has also shared with other countries in Asia like Sri Lanka and Bangladesh. This is the genuine achievement on the part of Cambodia.

14. The third key highlight that I would like to specifically underline is supply chain resilience. The case for deeper regional integration has never been more practically compelling. With 99 per cent of intra-ASEAN tariff lines now at zero under the ASEAN Trade in Goods Agreement, the cost structures for regional trade have fundamentally changed. The signing of the Protocol to Upgrade ATIGA in 2025 ensures this framework remains current and responsive.
15. Alongside the continued implementation of the Regional Comprehensive Economic Partnership and the upgrading of ASEAN's FTAs with dialogue partners with China, Japan, ROK, Australia, New Zealand, India and Hong Kong, China. We are now about to conclude a bilateral FTA between ASEAN and Canada, the first country in North America. At the same time, we are now undertaking a full feasibility study of a region-to-region FTA between ASEAN and GCC. The architecture for an ASEAN-centred regional value chain is increasingly solid. Economic Integration is ASEAN's strategic asset. Resilience is our collective responsibility.
16. Cambodia has significant opportunity to extract more value from these bilateral FTAs and RCEP frameworks. A more strategic approach to the "Plus One" model, deeper links between domestic production and regional manufacturing networks, and a concerted effort to move up the value chain through skills development, robust standards and technology adoption would all strengthen Cambodia's position. The discussions today also highlighted the importance of public-private partnerships which is the key in ASEAN. Better logistics, stronger trade facilitation, and actionable policy will determine whether Cambodian MSMEs can participate and be better integrate into regional and global supply chains consistently and sustainably.

Excellencies, Ladies and Gentlemen,

17. ASEAN's transformation is not a project for tomorrow. It is happening now, across policy tables, factory floors, digital platforms, and investment decisions being made across the region. What this Summit has shown us is that the direction is clear and the actors are actively engaged. The work is to keep that momentum deliberate and coordinated and being strategic.
18. Cambodia has been an outstanding host — the quality of the arrangements and the depth of engagement over these two days reflect well on ASEAN-BAC Cambodia and the Cambodia Chamber of Commerce under the leadership of **Neak Okhna Kith Meng**. This annual platform is worth sustaining, and I would like to encourage other ASEAN Member States to develop similar spaces for public-private dialogue, the sharing of good practices, and business network-building across the region.
19. The goal ahead is an ASEAN that is more innovative, better integrated, and more competitive — for businesses, workers, companies and communities across the region. I want to thank ABAC-Cambodia, Cambodia Chamber of Commerce and, in particular **Neak Okhna Kith Meng**, and his entire team for his leadership and for organizing another successful year of Cambodia-ASEAN Business Summit 2026.

Thank you very much!