



Updated October 23, 2024

Cambodia

Overview: U.S.-Cambodia Relations

U.S.-Cambodia relations have become strained during the past decade, after former Prime Minister Hun Sen banned the main opposition party in 2017 and as Cambodia's relationship with the People's Republic of China (PRC or China) has grown closer. The U.S. government has sought to remain engaged with Cambodia while calling on the Cambodian government to restore democratic rights and resist PRC influence. In 2017, the Cambodian government suspended Angkor Sentinel, the annual U.S.-Cambodia military exercise first held in 2010. In 2018, the U.S. government suspended military assistance to Cambodia in response to its government's suppression of the political opposition. In June 2024, U.S. Secretary of Defense Lloyd Austin traveled to Phnom Penh, where he met with Prime Minister Hun Manet and his father and predecessor, Hun Sen. The two sides discussed possible ways to strengthen U.S.-Cambodia defense relations, including through the resumption of military exchanges. Some observers contend that Cambodian civil society, independent journalists, and urban youth may be particularly receptive to continued U.S. engagement.

Politics and Human Rights

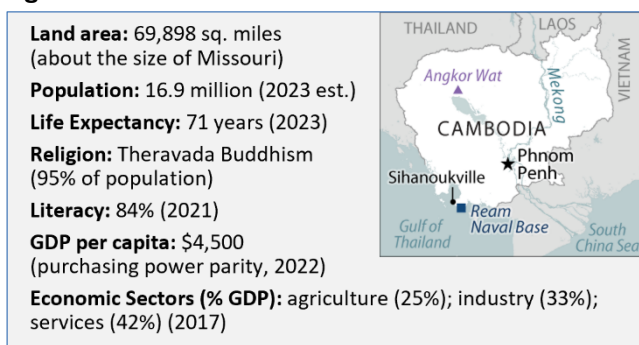
Hun Sen led Cambodia for 38 years (1985-2023), including as premier of the Vietnam-backed Republic of Kampuchea (1985-1993). He had been president of the ruling Cambodian People's Party (CPP) since 1993. In 2023, Hun Sen relinquished his position as prime minister while retaining his leadership of the CPP. In a widely expected move, Hun Sen transferred power to his eldest son, Hun Manet, who had been elected to the National Assembly for the first time and was endorsed by the body as the new prime minister. In 2024, the Cambodian Senate unanimously elected Senator Hun Sen as its president, a largely ceremonial position. The King of Cambodia, Norodom Sihamoni, is head of state and a largely symbolic figure. Observers do not expect Hun Manet, a graduate of West Point and New York University, to usher in major policy changes in the near term.

Between 1993, when the United Nations administered Cambodia's first national election following the end of the country's civil war, and 2017, democratic institutions and practices had gradually evolved to allow widespread civic and political participation. The opposition Cambodian National Rescue Party (CNRP) made significant gains in the 2013 parliamentary election and 2017 local elections. Meanwhile, Hun Sen employed a variety of means to stay in power, including electoral victories; legal and extralegal political maneuvers; and influence over the judiciary, broadcast media, and labor unions; as well as patronage, cronyism, violence, and intimidation.

In November 2017, the Supreme Court of Cambodia issued a ruling that dissolved the CNRP for "conspiring with the

United States to overthrow the government," which the CNRP and U.S. government denied. In the 2018 and 2023 National Assembly elections, the CPP won 125 seats and 120 seats (out of 125 total seats), respectively. The State Department released a statement declaring, "The United States is troubled that the [2023] Cambodian national elections were neither free nor fair."

Figure 1. Cambodia at a Glance



Sources: CRS (map) and Central Intelligence Agency, *The World Factbook*, 2024.

In what many observers view as politically motivated actions, Cambodian courts have convicted opposition leader and former CNRP President Sam Rainsy, who lives in self-imposed exile in France, of numerous crimes. In October 2022, Sam Rainsy was sentenced in absentia to life in prison, on top of previous sentences. In April 2023, former CNRP Vice President Kem Sokha was convicted of treason and sentenced to 27 years of house arrest. In 2021 and 2022, Cambodian courts tried over 115 former members of the CNRP and other political activists, convicting 67 of them and sentencing them to prison terms of five to 18 years. Many former CNRP members had fled abroad and were tried in absentia. Cambodian-American lawyer and democratic activist Theary Seng is serving a six-year sentence on the charge of treason.

The Cambodian government limits civil society, press freedom, and freedom of expression using means such as a restrictive 2017 law on nongovernmental organizations, harassment of journalists, control over permits and licenses, and defamation lawsuits.

Economy

The Cambodian economy—which was largely destroyed during the leadership of the Communist Party of Kampuchea, also known as the Khmer Rouge (1975-1979), and subsequent conflicts—achieved an average annual growth rate of 8% between 1998 and 2019. The national poverty rate dropped from 33.8% in 2009 to 17.8% in 2019, according to the World Bank, due in part to growth in the manufacturing and services sectors. Following a downturn in 2020-2021 due to the COVID-19 pandemic, the economy

has rebounded somewhat; GDP growth was 5% in 2023 and is forecast to expand by 5.8% in 2024, according to the Asian Development Bank.

The United States is Cambodia's second-largest trading partner after China, and its largest export market, purchasing 39.3% of Cambodia's exports in 2023. Cambodian exports to the United States totaled \$11.6 billion in 2023 (compared to \$12.2 billion in 2022), while imports from the United States amounted to \$305 million. The largest Cambodian export items to the United States are electrical machinery, apparel, and leather goods, and the largest U.S. export items to Cambodia are vehicles. The garment sector—which is largely run by companies from China, Hong Kong, and Taiwan—is a pillar of Cambodia's economy, employing over 750,000 workers, predominantly women. Garments, footwear, and travel accessories accounted for roughly half of Cambodian goods exports in 2023.

PRC Influence

China is a large economic benefactor to Cambodia, reducing the relative influence of other foreign aid providers. China is the kingdom's largest foreign investor and a major source of financing, holding 41% of its foreign debt in 2023. It is Cambodia's largest source of imports, including fabric for the country's garment industry.

PRC-backed infrastructure, hydropower projects, and business ventures have delivered some developmental benefits to Cambodia, but also have created or contributed to environmental problems, corruption, and disruptions and dislocation among some local communities. PRC investment has been particularly notable in the city of Sihanoukville and elsewhere along the Gulf of Thailand, with development projects including the construction of tourist and gambling resorts, industrial zones, an international airport at Dara Sakor, and a deep-water seaport in Kampot province. Some U.S. analysts express concern that the airport and seaport could be used for PRC military as well as civilian purposes. PRC investors reportedly have left over 500 unfinished and abandoned buildings in Sihanoukville following the halt of construction during the COVID-19 pandemic. With PRC assistance, Cambodia has begun construction on a \$1.7 billion, 111-mile canal connecting Phnom Penh to the Gulf of Thailand.

Ream Naval Base

U.S. concerns have grown regarding PRC construction activities at Ream Naval Base on the Gulf of Thailand. Since 2022, China has expanded and upgraded facilities on a section of the base, enabling it to accommodate larger vessels. Some observers say Cambodia may grant China at least semi-permanent access to Ream, allowing it to berth PRC military supply and warships. Cambodian officials emphasize that hosting a permanent foreign military facility would be unconstitutional. PRC officials reportedly have denied that Cambodia has given China exclusive rights to Ream, although China appears to have taken control over the portion of the base that it has upgraded, and has docked two naval vessels there since December 2023 (rotating them

with replacement ships in July 2024). China reportedly is preparing to hand over that section of Ream to Cambodia and to provide the Cambodian navy with two new warships.

Foreign Assistance and Sanctions

Cambodia is heavily dependent upon foreign aid. Official Development Assistance for Cambodia from Organization for Economic Cooperation and Development member countries and international financial institutions totaled nearly \$1.0 billion in 2022. The United States provided \$98 million in assistance to Cambodia in FY2023, mostly channeled through NGOs. Program areas include maternal and child health, combating infectious diseases, basic education, human rights and democracy, reducing human trafficking, economic growth, and natural resource management. Peace Corps volunteers teach English and train English teachers in Cambodian villages. The U.S. government provided \$208 million for unexploded ordnance (UXO) removal and related programs between 1993 and 2023. Cambodia is among the countries most heavily contaminated by UXO, which stems from U.S. bombing during the Vietnam War, the Vietnamese invasion of Cambodia in 1978, and civil wars during the 1970s and 1980s.

Between 2017 and 2023, State, Foreign Operations, and Related Programs (SFOPS) appropriations legislation placed conditions on U.S. assistance to the government of Cambodia in response to its human rights policies. Since 2018, the U.S. government has sanctioned five Cambodian officials, and in some cases their family members as well, for corruption and human rights abuses pursuant to Executive Order 13818, which implements the Global Magnitsky Human Rights Accountability Act (Title XII, Subtitle F of P.L. 114-328); three of the five Cambodian officials were also sanctioned under the SFOPS Section 7031(c) visa restrictions authority. In 2021, the Commerce and State Departments imposed export restrictions on U.S. national security-controlled items and a ban on arms sales to Cambodia due to human rights concerns.

SFOPS appropriations for 2024 (P.L. 118-47, Section 7043(b)) requires the Secretary of State to submit to Congress an assessment of the extent of PRC influence in Cambodia, including with respect to the purposes and operations of Ream Naval Base. In addition, P.L. 118-47 requires that the visa restrictions authority under Section 7031(c) of the act be applied to Cambodian officials about whom the Secretary of State has credible information of having “been involved in the unlawful and wrongful detention” of Theary Seng, and provides \$10 million for the Khmer Rouge genocide survivor program out of the Countering PRC Influence Fund (see the explanatory statement to P.L. 118-47, Division F).

For further information, see CRS Report R47311, *Cambodia: Background and U.S. Relations*.

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