DEEPENING BILATERAL TIES BETWEEN CHINA AND CAMBODIA: AN "IRONCLAD RELATIONSHIP" IN THE MAKING?

YU Hong

EAI Background Brief No. 1876

Cambodia has become one of China's closest partners in Southeast Asia, but that closeness now carries strategic risks. While Phnom Penh has deepened diplomatic, defence, and economic ties with Beijing, growing dependence on Chinese investment and financing is narrowing Cambodia's strategic autonomy and complicating its position in an increasingly contested region. Since 2013, China has emerged as Cambodia's largest trading partner and a critical source of foreign direct investment under the Belt-and-Road Initiative. Cambodian Prime Minister Hun Manet underscored this alignment by choosing China for his first overseas visit in September 2023. Beijing, in turn, views Cambodia as a flagship for its neighbourhood diplomacy and as a "pioneering model" for advancing the China–ASEAN Community of Common Destiny. Yet this deepening partnership comes with trade-offs. Cambodia's rising debt exposure to China and its heavy reliance on Chinese infrastructure financing risk constrains policy flexibility. At the same time, the United States remains Cambodia's largest single export market, forcing Phnom Penh to carefully balance between the two powers. Notably, China's growing presence has yet to translate into stronger public trust among Cambodians – both elite and regular people.

(Click on the link to read the above in Chinese, French, and Spanish)

Publication Date: 6 March 2026

Chinese:

中国和柬埔寨关系的深化：两国发展“牢不可破的关系”?

柬埔寨已成为中国在东南亚最紧密的伙伴之一。自2013年以来，中国已成为柬埔寨最大的贸易伙伴和日益重要的外国直接投资来源国。柬埔寨总理洪马奈就任以后于2023年9月首次出访中国，强调了与中国在 “一带一路” 倡议下的合作。北京视柬埔寨为其周边外交的优先方向和推动建立中国-亚细安命运共同体的 “典范”。然而，柬埔寨所欠中国债务的上升及其对中国投资的高度依赖限制了其政策灵活性。美国仍是柬埔寨最大的单一出口市场，迫使其在中美之间寻求谨慎地平衡。此外，中国在柬埔寨日益上升的影响力尚未转化为柬埔寨对中国更强的公众信任。

French:

LE RENFORCEMENT DES LIENS BILATÉRAUX ENTRE LA CHINE ET LE CAMBODGE : UNE RELATION A TOUTE EPREUVE?

Le Cambodge est devenu l’un des partenaires les plus proches de la Chine en Asie du Sud-Est, mais cette proximité comporte désormais des risques stratégiques. Alors que Phnom Penh a renforcé ses liens diplomatiques, militaires et économiques avec Pékin, la dépendance croissante aux investissements et aux financements chinois réduit l’autonomie stratégique du Cambodge et complique sa position dans une région de plus en plus disputée. Depuis 2013, la Chine est devenue le premier partenaire commercial du Cambodge et principal pourvoyeur d’investissements directs étrangers dans le cadre de l’initiative « la Ceinture et la Route ». Le Premier ministre Hun Manet a souligné cet alignement en choisissant la Chine pour son premier déplacement à l’étranger en septembre 2023. Pékin considère, pour sa part, le Cambodge comme un pilier de sa diplomatie de voisinage et un « modèle pionnier » pour mettre en œuvre la Communauté de destin commun Chine–ASEAN. Toutefois, ce partenariat accru implique des contreparties : l’endettement croissant vis-à-vis de la Chine et la forte dépendance au financement chinois pour les infrastructures risquent de limiter la flexibilité des politiques. Parallèlement, les États-Unis demeurent le premier marché d’exportation du Cambodge, obligeant Phnom Penh à un équilibre prudent. Enfin, le renforcement de la présence chinoise ne s’est pas encore traduit par une plus grande confiance, à la fois de la part des élites et du peuple.

Spanish:

PROFUNDIZANDO LOS LAZOS BILATERALES ENTRE CHINA Y CAMBOYA: UNA “RELACIÓN DE HIERRO” EN CONSTRUCCIÓN?

Camboya se ha convertido en uno de los socios más cercanos de China en el Sudeste Asiático, pero esa cercanía ahora conlleva riesgos estratégicos. Mientras Phnom Penh ha profundizado sus vínculos diplomáticos, de defensa y económicos con Pekín, la creciente dependencia de la inversión y la financiación chinas reduce la autonomía estratégica de Camboya y complica su posición en una región cada vez más disputada. Desde 2013, China

es el mayor socio comercial de Camboya y una fuente clave de inversión extranjera directa bajo la Iniciativa de la Franja y la Ruta. El primer ministro Hun Manet subrayó esta alineación al elegir China para su primer viaje al extranjero en septiembre de 2023. Pekín, por su parte, ve a Camboya como buque insignia de su diplomacia vecinal y un "modelo pionero" para impulsar la Comunidad de Destino Compartido China–ASEAN. Sin embargo, esta asociación implica costos: la mayor exposición de deuda a China y la dependencia de su financiación de infraestructuras pueden limitar la flexibilidad de políticas. A la vez, Estados Unidos sigue siendo el mayor mercado individual de exportación de Camboya, obligando a equilibrarse entre ambas potencias. La creciente presencia china aún no se traduce en mayor confianza pública entre los camboyanos.

DEEPENING BILATERAL TIES BETWEEN CHINA AND CAMBODIA: AN "IRONCLAD RELATIONSHIP" IN THE MAKING?

YU Hong*

Close Bilateral Political Relations and Their Challenges

1. China and Cambodia jointly signed a "Comprehensive Strategic Partnership" agreement in 2013, a first-of-its-kind strategic partnership agreement for Cambodia, reflecting the shared political and economic interests between Phnom Penh and Beijing. Leaders in both countries describe their bilateral relations as an "ironclad relationship". Yet this alignment now presents strategic challenges. As Phnom Penh has strengthened diplomatic, military, and economic connections with Beijing, its growing reliance on Chinese capital and credit is seen by some as worthy of more concern.

2. "China is Cambodia's most steadfast supporter and most reliable partner," said former Cambodian prime minister Hun Sen, in his current official capacity as President of the incumbent Cambodian People's Party and President of the Senate.[1] Hun Sen is regarded as Cambodia's "strongman", one of the longest-serving prime ministers in Southeast Asia, even after moving aside for his eldest son, Hun Manet. Although Hun Sen stepped down as prime minister in 2023, he is still the most influential political figure in Cambodia, and his party has dominated domestic politics for a long time. Further, Hun Sen wants to ensure a smooth transfer of political power to Hun Manet to prolong his son's premiership. Attracting Chinese investment and strengthening the relationship are thus important to shoring up the economy and enhancing the legitimacy of Hun Manet's leadership. In September 2023, Hun Manet chose China for his first bilateral visit after taking office.

3. Further affirming their strong bilateral political relations, the Chinese and Cambodian governments have newly established a "2+2" strategic dialogue

* Dr YU Hong is Senior Research Fellow at the East Asian Institute, National University of Singapore.

[1] https://www.fmprc.gov.cn/eng./zy/jj/xjpdynmlxyjpzjxgsfw/202504/t20250418_11596882.html, accessed 9 February 2026.

mechanism between their foreign and defence ministers to advance bilateral strategic partnership and strengthen high-level coordination on regional and global affairs. China and Cambodia have also developed close coordination through multilateral mechanisms such as the ASEAN–China Cooperation and Lancang–Mekong Cooperation.

4. China's President Xi Jinping has made two state visits to Cambodia, in October 2016 and in April 2025. Beijing wants Cambodia to showcase its Belt-and-Road Initiative (BRI) to Southeast Asia. China also sees Cambodia as an important recipient of its "neighbourhood diplomacy".

5. Cambodia has welcomed Chinese BRI-affiliated investments in infrastructure financing and construction. The transportation and other infrastructure projects financed and built by the Chinese have improved inter-provincial and cross-border connectivity, as well as boosted external trade and economic links for Cambodia.

6. During Xi's April 2025 visit, he and his Cambodian counterpart signed the "Joint Statement Between the People's Republic of China and the Kingdom of Cambodia on Building an All-Weather China–Cambodia Community with a Shared Future in the New Era and Implementing the Global Development Initiative, the Global Security Initiative, and the Global Civilisation Initiative". This joint statement reflects comprehensive and robust cooperation in various areas ranging from political, trade, economic, infrastructure investment to defence and cultural cooperation.

7. Unlike many other ASEAN countries, Cambodia has embraced and endorsed the three global initiatives proposed by President Xi, namely the Global Development Initiative, the Global Security Initiative, and the Global Civilisation Initiative. They are all widely perceived as a China-centred alternative to the West's rules-based global order.

8. China anticipates using Cambodia as the "pioneering model" for the realisation of the China–ASEAN Community of Common Destiny first proposed by President Xi in 2013. "China will, as always, support the Cambodian People's Party in leading

the Cambodian people to maintain national stability and economic development, and support Cambodia in playing a more important role in the regional and international arena", said Xi during his visit to Cambodia.[2]

9. The Cambodian authorities have provided diplomatic support and alignment with Beijing's position on its two core interests, namely the One-China Policy/Taiwan issue and the South China Sea (SCS) disputes. Cambodia has long taken a firm stance on the One-China Policy and outlawed establishment of Taiwanese representative offices in the country.

10. In the SCS disputes, Beijing has rejected outright any negotiation under multilateral platforms such as the ASEAN–China Summit. By doing so, China can gain dominance by leveraging its asymmetrical relations with the smaller Southeast Asian countries, economically as well as militarily.

11. Cambodia aligns with China's desire for bilateral negotiations with the individual claimant states involved in maritime/territorial disputes with Beijing in the South China Sea. In June 2016, for example, then-prime minister Hun Sen said maritime and territorial disputes in the SCS and surrounding areas are matters between the claimant states and China, but not between ASEAN as a grouping and China.[3] Unlike Southeast Asian countries such as the Philippines and Vietnam, Cambodia has no territorial or maritime disputes with China.

12. And yet, some ASEAN countries have criticised Cambodia's behaviour and stance on the SCS issue, including the Philippines, for "doing Beijing's bidding". In the eyes of its critics, Cambodia has taken a foreign policy stance that obstructs the long-standing ASEAN consensus by prioritising China's interests.[4]

13. Cambodia welcomes China's growing trade, infrastructure investments, and economic links as a credible alternative to Western partners and as a vital source of

[2] https://www.fmprc.gov.cn/eng/xw/zyxw/202504/t20250418_11596882.html, accessed 8 February 2026.

[3] https://www.xinhuanet.com//english/2016-06/20/c_135451425.htm, accessed 11 February 2026.

[4] https://www.iseas.edu.sg/wp-content/uploads/pdfs/ISEAS_Perspective_2017_59.pdf , accessed 11 February 2026.

external financing for its infrastructure development needs. Nevertheless, Cambodia must also carefully balance its relations with China and the United States, both important to it; the former as its largest foreign investor and the latter, its largest single export market.

14. At present, about 40% of Cambodia's exports go to the United States, primarily garments, footwear, and textile products, and China will not be able to replace the United States as Cambodia's largest export market anytime soon. According to the Office of the United States Trade Representative, bilateral trade volume between Cambodia and the United States was worth roughly US$13 billion in 2024 – Cambodia's exports to the United States totalled US$12.6 billion, whilst US goods exports to Cambodia amounted to around US$0.32 billion. The United States therefore had a substantial trade deficit with Cambodia of about US$12.3 billion. Since US President Donald Trump began his second term in office, Cambodia has accorded great importance to the evolving economic and trade policies of the United States.

15. The American market is crucial to Cambodia's economy and its export-oriented manufacturing industries. Cambodia is hence keen to reach a trade agreement with the United States. Indeed, Prime Minister Hun Manet has set the ambitious goal of transforming his country's economic status from that of "least developed" to "upper middle income" by 2030.

16. In October 2025, Cambodia and the United States signed a reciprocal bilateral trade agreement reducing a reciprocal tariff on Cambodian goods from 49% to 19%. Washington also agreed to apply duty-free reciprocal tariffs on 1,875 eight-digit tariff lines covering a range of Cambodian products, including agricultural goods. In return, Cambodia is committed to prohibiting imports of goods produced using forced labour[5] and to address the concern of trans-shipment to America via Cambodia, which is clearly targeted at China.

[5] https://www.khmertimeskh.com/501814731/us-remains-cambodias-largest-export-market-as-shipments-top-11b, accessed 7 January 2026.

The BRI and Cambodia

17. China and Cambodia have forged robust economic linkages under the BRI cooperation framework since 2013. Through bilateral agreements for cooperation in areas such as artificial intelligence, infrastructure, and manufacturing, both countries have vowed to advance bilateral collaboration by forging synergies between China's BRI and Cambodia's Diamond Hexagon cooperation framework. The latter focuses on six key areas: trade and economy, investment, infrastructure, industrial and supply chains, agriculture, and combating telecom fraud and online gambling.

18. As noted, China is the largest trading partner and crucial source of foreign direct investment for Cambodia, which has seen exponential growth in bilateral trade in recent years. According to statistics from China's Ministry of Commerce, China–Cambodia trade volume surged to US$17.83 billion in 2024 from US$3.77 billion in 2013. And China accounted for 32.6% of the total value of Cambodia's foreign trade in 2024, from 23.7% in 2013. China is also now Cambodia's second-largest export market and its largest source of imports. Nevertheless, bilateral trade has been unbalanced, and Cambodia recorded a growing trade deficit with China from 2013 to 2024.

19. Cambodia's fast economic growth, large youth population, and urbanisation drive have made it a star for foreign investors in Southeast Asia. Indeed, its strong economic and trade links with China, Japan, and other ASEAN countries have made it one of the fastest-growing economies in the region in recent years.

20. Meanwhile, Cambodia have welcomed China's BRI and investments. Cambodian authorities have designated infrastructure connectivity improvement as a priority for integrating the country's economy into the regional market and global economy. Infrastructure development priorities include better transport connectivity (such as road-, rail-, and bridge-building), expansion of energy supply, and development of digital connectivity (such as fibre-optic infrastructure).

21. Cambodian authorities thus view BRI implementation as potentially playing an important role in accelerating domestic infrastructure improvement, economic, and social development. Indeed, Hun Manet told the China-owned CGTN channel that Cambodia's support for the BRI is linked to its national development strategies, noting that his country has benefitted a lot from the "Siem Reap Angkor International Airport, a 'landmark project' under the BRI".[6]

22. Cambodia's pro-China stance on issues such as the South China Sea disputes and Taiwan, likewise, have also facilitated inflow of Chinese investment in the past decade. Chinese companies have made total direct investments of US$15.87 billion to Cambodia since 2013. In addition, China is Cambodia's biggest financier of infrastructure development and its largest foreign investor (see Table 1).

TABLE 1 MAJOR CHINESE-FINANCED BRI PROJECTS IN CAMBODIA

Project	Sector	Year of Completion	Estimated Investment Amount (US$ billion)	Chinese Company Involved
Sihanoukville Special Economic Zone	Industrial Park	2013	1.8	Hongdou Group
Stung Tatay Hydropower Project	Energy	2015	0.5	China National Heavy Machinery Corporation
Lower Sesan 2 Hydropower Dam (400 MW)	Energy	2017	0.9	Huaneng
The Phnom Penh-Sihanoukville Expressway	Transport	2022	2.0	China Road and Bridge Corporation
Siem Reap Angkor International Airport	Transport	2023	1.1	Yunnan Investment Group; Yunnan Overseas Investment; and Yunnan Aviation Industry Investment Group Co Ltd
Cambodia–China Mekong Kratie Friendship Bridge	Transport	Construction ongoing, scheduled to open in April 2026	0.1	Shanghai Construction Group
Funan Techo Canal	Transport	Construction ongoing; completion by 2028	1.7	China Road and Bridge Corporation

Source: Compiled by the author from various sources.

[6] https://content-static.cctvnews.cctv.com/snow-book/index.html?item_id=17035119961677917 89, accessed 9 February 2026.

23. Chinese investments and investors are highly visible in Cambodia. Chinese companies have made large investments in transportation construction, hydropower plants, telecommunication networks, agriculture, and service industries such as real estate, entertainment, and casinos. For the past decade, China's state-owned enterprises and private companies have been actively financing and constructing infrastructure projects such as roads, expressways, bridges, airports, seaports, special economic zones and hydropower stations, as well as building manufacturing plants and industrial parks. These include companies like China Road and Bridge Corporation, China National Machinery Industry, Power Construction Corp., State Construction Engineering, China Huadian Corporation, Huaneng Power, Hongdou Group and Sailun Tires.

24. The Funan Techo Canal project is a key BRI project in Cambodia. The 180-kilometre-long inland waterway development, a key national project of the country's infrastructure master plan,[7] will connect Phnom Penh to the Gulf of Thailand, bringing about better trade connectivity between the capital and the region. With an estimated cost of US$1.7 billion, the project is expected to boost trade and industrial development, reduce transport and logistics costs for the export-oriented manufacturing sector, as well as reduce shipping reliance on Vietnam and thus substantially boost economic sovereignty. In 2024, more than 13% of Cambodia's exports went to Vietnam, with lengthy transport times as well as high transit and port handling fees for Cambodian firms.

25. Vietnam has nonetheless raised concern about the Funan Techo Canal project due to its alleged potential to alter water flows in the Mekong River and a lack of transparency in social and environmental assessments. Moreover, the livelihoods of about 1.5 million Cambodians along the project's route could be affected by the canal construction, while many of them have yet to receive sufficient compensation from authorities.

[7] https://kiripost.com/stories/beijing-ensures-17-billion-funan-techo-canal-completion-by-2028, accessed 7 January 2026.

26. After the ground-breaking ceremony in August 2024, it was reported that the canal project had stalled due to a funding shortage and a lack of interest from Beijing.[8] However, President Xi's April 2025 visit demonstrated that China is still committed to the execution of the Funan Techo Canal Project. The China Road and Bridge Corporation will finance up to 49% of funding and build the canal. Such Chinese investment enables Cambodia to pursue national infrastructure improvement with a limited upfront fiscal burden. In return for the Chinese investment, under build–operate–transfer agreements, China will receive 40–50 years' exclusive operation rights to the Funan Techo Canal project, including the authority to collect tolls.

27. During the April 2025 visit, the Cambodian government signed a public–private partnership agreement with the Funan Techo Coastal–Inland Waterways Company Ltd. to construct the canal, witnessed by the chairman of China Communications Construction Company, the China Road and Bridge Corporation's parent company. The government of Cambodia announced that the land demarcation portion of the Funan Techo Canal project was already completed in July 2025.[9]

28. The BRI, with its readjustment and evolution towards focusing on "small and beautiful projects", digital and clean technology, and promotion of environmentally sustainable infrastructure projects and human resource development in the coming decade, aligns with PM Hun Manet's priorities for Cambodia's national development. In Beijing's continuing quest to promote China's geostrategic and geoeconomic interests in Cambodia, the BRI will remain an important tool of Beijing's economic statecraft.

29. Chinese investment to Cambodia has grown exponentially since BRI implementation started in 2013. According to China's Ministry of Commerce, the country's outbound direct investment to Cambodia increased more than 12-fold from US$0.28 billion to US$3.4 billion by 2024, accounting for nearly 50% of total

[8] https://www.reuters.com/world/asia-pacific/cambodias-flagship-canal-hot-water-china-funding-dries-up-2024-11-21/, accessed 7 January 2026.

[9] https://www.khmertimeskh.com/501726475/land-demarcation-of-ftc-project-completed-in-kep/, accessed 23 February 2026.

value of inflows of foreign investment to Cambodia in 2024.[10]

30. Nevertheless, Cambodia's external debt to China has been increasing for the past decade, with the total accumulated external debt at US$11.1 billion in the first quarter of 2024, 36% owed to China, 21% to the Asian Development Bank, 12% to the World Bank, 11% to Japan, and 5% to France.

31. And through the BRI implementation, Cambodia is becoming China's closest ally in Southeast Asia. Yet its overdependence on China for investment and infrastructure lending, asymmetric trade and economic relations, as well as accumulated debt burden owed to China could undermine Cambodia's strategic autonomy for national economic development and its foreign policy dynamics. Tellingly, China accounted for 41.7% of Cambodia's total foreign debt by 2022, which was estimated at US$9.47 billion, according to Cambodia's General Department of International Cooperation and Debt Management.[11]

The Thailand–Cambodia Border Clashes and China's Quiet Diplomacy

32. In July 2025, military clashes between Thailand and Cambodia erupted along their border areas due to long-running territorial disputes. It was reported that 38 military personnel from the two countries were killed and over 300,000 civilians were displaced due to the conflict. The Thailand–Cambodia border crisis was exacerbated by personal grievances between these countries' leaders.

33. Chinese authorities, meanwhile, considered the Thailand–Cambodia military clashes a risk to its geostrategic and economic interests in Southeast Asia and to BRI implementation, given the geographical positions and strategic significance of the two countries. Thailand and Cambodia are important members of the BRI and the China-led Lancang–Mekong Cooperation mechanism, which Beijing launched in 2016 to promote close regional economic cooperation and to ensure sustainable water governance of the Mekong River.

[10] https://www.khmertimeskh.com/501623797/chinese-investment-drops-by-16-2-cdc-report-says/, accessed 23 February 2026.

[11] https://gdicdm.mef.gov.kh/en/2022/11/23/10987.html, accessed 9 February 2026.

34. On the 50th anniversary of diplomatic ties between China and Thailand in November 2025, Thailand's King Maha Vajiralongkorn made a historic five-day state visit to China to reinforce bilateral political, economic, cultural, and people-to-people ties.[12] This marks the first time a reigning Thai monarch visited China since the establishment of diplomatic relationships between the two countries in 1975. King Vajiralongkorn's visit symbolised a deep friendship and strategic partnership between the Thai royal family and the Chinese leadership, as well as between the two countries. By positioning itself as a reliable partner for Thailand, China anticipates building on this momentum to advance bilateral cooperation.

35. Against this backdrop, China values the importance of its relations with Thailand and does not side with Cambodia on the Thailand–Cambodia border clashes. It is in China's interest to stabilise the situation by bringing the military clashes to an end and seeking an eventual and permanent solution to the long-held territorial disputes.

36. As such, and given Beijing's close relations with both Bangkok and Phnom Penh as well as its substantial economic and trade leverage over both parties, China has adopted a neutral approach and low-profile role in restoring bilateral negotiation and dialogues between them. Since July 2025, China's Special Envoy for Asian Affairs, Deng Xijun, has conducted multiple rounds of shuttle diplomacy between Thailand and Cambodia to seek a path to resolve differences and to reinforce commitment to the Thailand–Cambodia ceasefire. In December 2025, a trilateral meeting of foreign ministers of China, Cambodia, and Thailand in Yunnan, China, was attended by China's Foreign Minister Wang Yi, Cambodian Minister of Foreign Affairs and International Cooperation Prak Sokhonn, Thai Foreign Minister Sihasak Phuangketkeow, and senior military officials from these three countries.[13]

37. After the trilateral meeting, a press release was issued in which both Cambodia and Thailand agreed to strengthen communication and enhance understanding. The two country's militaries recently agreed to consolidate the ceasefire agreement. China is committed to providing ceasefire monitoring, humanitarian aid, and de-mining

[12] https://www.scmp.com/news/china/science/article/3333360/astronauts-orbit-greet-first-thai-king-visit-china-mainland-800-years, accessed 7 January 2026.

[13] https://www.fmprc.gov.cn/mfa_eng/wjbzhd/202512/t20251229_11789862.html, accessed 4 January 2026.

technological and equipment assistance for both parties involved. However, the situation on the ground is still tense and the ceasefire agreement is fragile.

38. In contrast to China's perceived quiet diplomacy in the region, the United States has adopted a much higher profile approach of high-level political and economic pressure. During the ASEAN Summit in Malaysia in October 2025, Malaysia in its capacity as the ASEAN chair brokered the Kuala Lumpur Peace Accord with mediation support from US President Trump to halt the Thailand–Cambodia military clashes. At any rate, the mediation efforts of both the United States and China were crucial to the cessation of hostilities, and it should be kept in mind that the long-standing territorial disputes have yet to be resolved.

Bilateral Defence Cooperation and Ream Naval Base

39. Meanwhile, Phnom Penh and Beijing have been developing close defence cooperation for the past several years. Amongst the Southeast Asian nations, Cambodia arguably has been most receptive towards forging such close defence cooperation with China. China is significantly involved in the modernisation of the Royal Cambodian Armed Forces (RCAF), and is its largest supplier of equipment, including warships, drones, artillery, tanks, and other armed vehicles. Beijing is also involved in training Cambodian military personnel. China accounted for about 93% of the RCAF's imports of military equipment between 2018 and 2023, estimated at US$117 million out of a total of US$126 million.[14]

40. The two countries have been conducting regular military training and annual joint military drills, such as the annual Golden Dragon joint military exercises held since 2017.

41. The Ream Naval Base cements the close Sino-Cambodian defence ties. The base, about 30 kilometres from the coastal city of Sihanoukville on the Gulf of Thailand and near the South China Sea, is geostrategically significant.

[14] https://www.lowyinstitute.org/publications/partnership-convenience-ream-naval-base-cambodia-china-convergence, accessed 9 February 2026.

42. Since June 2022, Chinese companies (such as China Metallurgical Group Corporation) have been involved in upgrading the Ream Naval Base. After the completion of upgrading and expansion in early April 2025, the RCAF and the People's Liberation Army Navy (PLAN) jointly held the official opening of the refurbished Ream Naval Base, renaming it officially as the China–Cambodia Ream Naval Base Joint Support and Training Centre. Senior PLA officials such as the Deputy Chief of Staff of China's Central Military Commission, Cao Qingfeng, and China's Ambassador to Cambodia, Wang Wenbin, as well as Cambodian Prime Minister Hun Manet, and senior Cambodian military officials attended the opening ceremony.

43. Ream Naval Base is geostrategically significant for the PLAN's power projection. It is not only the second military base for Chinese forces after Djibouti, but also the first of such kind in Southeast Asia. The base will allow China to gain a foothold in the South China Sea area and to expand the PLAN's reach in the Southeast Asian region. Chinese warships have been docked and stationed continuously at the base since December 2023.

44. Leveraging the Ream Naval Base allows China to boost its global maritime trade and regional influence in Southeast Asia. Nevertheless, Cambodian authorities reiterate that, according to the country's constitution, the base is open to all friendly countries and is not for China's exclusive use. Tellingly, Japanese and Vietnamese navy warships docked in the base within a few weeks of the completion of its upgrade in April 2025 – the first visits there by foreign navies. That said, while Cambodia is receptive to such visits by other militaries, its constitution does not permit the establishment of a foreign military base on its territory.

45. Nevertheless, China has secured the right for joint operation of the Ream Naval Base and routinely stations its military officials there. The PLAN will retain a presence at the base, having been granted preferential access and use of certain newly built facilities such as piers capable of handling larger warships. These are de facto permanent military facilities for the PLAN abroad. This has raised suspicions in regional and Western countries over China's military presence in Cambodia and

future use of the base by the PLAN vessels.[15]

Scam Centres in Cambodia and Chinese Involvement

46. Cambodia has emerged as a major hotspot for online scam centres in Southeast Asia. Some estimate that scam business could account for around 50% of Cambodia's economy.[16] The United Nations estimates that hundreds of thousands of people have been trafficked to Southeast Asian countries, a very large number of which to Cambodia.[17] These people, many of them Chinese nationals, have been lured by the empty promise of well-paid jobs and then forced to work as online scammers under the threat of punishment and torture.[18]

47. Against the backdrop of China's economic slowdown and high youth unemployment, many Chinese were lured into these scams by lucrative job offers. Their families and relatives in China are still looking for their loved ones who have disappeared into scam centres in Cambodia and elsewhere in Southeast Asia. As anxieties and anger rise at home, Chinese authorities are under pressure to crack down on these massive cross-border scam networks and transnational crimes by collaborating with Cambodia and other Southeast Asian countries.

48. In a high-profile case unveiled at the request of Chinese authorities on 8 January 2026, the Cambodian authorities extradited Chen Zhi (also known as Vincent Chen) and two other Chinese nationals to China amid scam, fraud, and money-laundering allegations. China's Ministry of Public Security described Chen Zhi as "the head of a major cross-border gambling and fraud syndicate… suspected of multiple crimes, including operating casinos, fraud and concealing criminal proceeds".[19]

[15] https://foreignpolicy.com/2022/12/05/us-china-cambodia-ream-naval-base/, accessed 9 February 2026.

[16] https://www.csis.org/analysis/fraud-frontlines-scam-centers-caught-cambodia-thailand-conflict, accessed 23 February 2026.

[17] https://www.bbc.com/news/articles/cy4q8e88n2vo, accessed 9 January 2026.

[18] https://www.bbc.com/news/articles/c1lq95j1yp9o, accessed 9 January 2026.

[19] https://www.bbc.com/news/articles/cy4q8e88n2vo, accessed 9 January 2026.

49. Chen Zhi, a billionaire businessman, is accused of masterminding a vast transnational scam crime network where trafficked workers were forced to defraud victims in China and globally. Chen was indicted by the United States on fraud and money-laundering charges in October 2025. His global business empire Prince Group covered for his scam network, and has already been sanctioned by both the United States and the United Kingdom. Hun Sen and many others among Cambodia's ruling elites were close to Chen Zhi for many years. However, the Cambodian government has come under tremendous pressure from China and the international community in recent months to act against the scam crime network operating inside the kingdom. In response, the Cambodian authorities ordered the suspension of the operations of Prince Bank, a subsidiary of Prince Group.

Cambodians' Mixed Feelings toward Chinese Investments

50. Although the Cambodian authorities and major businesspeople affiliated with the government are very supportive of the Belt-and-Road Initiative, many ordinary Cambodians have mixed or even resentful attitudes and perceptions towards the Chinese and Chinese-financed projects. The popular criticism and concerns could pose serious issues and challenges to Beijing's push for the BRI in Cambodia, and raise questions over the long-term sustainability and effectiveness of China's economic statecraft in the kingdom.

51. Chinese investors' business practices in Cambodia remain an issue, with many Cambodians believing Chinese investments benefit solely the minority ruling elites at the expense of financial, environmental, and social impact on locals.[20] For example, Chinese presence in Sihanoukville city is becoming a hot topic for debate in Cambodia. The rising numbers of criminal networks and associated violent crimes and other social issues brought about by the Chinese investment and influx of Chinese nationals to Sihanoukville have sparked criticism from Cambodia's civil society organisations and fuelled local resentment against the Chinese.[21]

[20] https://www.kas.de/documents/264850/8651571/Chapter%203.pdf, accessed 9 February 2026.

[21] https://www.tandfonline.com/doi/full/10.1080/10670564.2025.2484205, accessed 9 February 2026.

52. China's rising clout in Cambodia has thus not yet been translated into higher popular trust and public confidence in China among Cambodians, some of whom reflect a "love-hate" or "rewards-risk" relationship with Chinese investment and Chinese nationals in their country, in particular in Sihanoukville. The inflow of massive Chinese investment has created an urban construction boom in the city, whilst its skyrocketing property prices and the rising crime rate associated with the Chinese investment have generated much dissatisfaction among locals.

53. Likewise, the Cambodian elites' favourable perception of China has faded quite significantly over the past few years. To the surprise of the President Xi, in contrast to the ruling elite and Hun Sen himself, China thus finds itself struggling with much distrust and scepticism among Cambodian elites as well as ordinary citizens. This high distrust and dissatisfaction could have arisen from the combination of various factors, from social and environmental damage caused by the Chinese-owned casinos and some BRI projects and the massive trade deficit with China to accusations that China is intervening in Cambodian foreign affairs and strategic autonomy and the rising debt burden partially owed to China.

54. According to the "State of Southeast Asia 2025 Survey Report",[22] only 8.7% of respondents from Cambodia expressed utmost confidence that China would seek to maintain the rules-based order and uphold international law, down from 9.5% in the 2024 Survey Report. Over 60% of Cambodian respondents were worried about China's growing regional political and strategic influence in their country, compared to only 39.3% of respondents who welcomed it. According to the 2025 Survey Report, if ASEAN were forced to align itself with the United States or China, 57.0% of Cambodian respondents would choose the United States and only 43.0% would pick China. However, when asked the same question in the 2022 survey, 81.5% of the Cambodian respondents voted for China.[23]

55. This raises a red flag for the Chinese government about the significant shift in public

[22] https://www.iseas.edu.sg/wp-content/uploads/2025/03/The-State-of-SEA-2025-1.pdf, accessed 10 February 2026.

[23] https://www.iseas.edu.sg/wp-content/uploads/2025/07/The-State-of-SEA-2023-Final-Digital-V4-09-Feb-2023.pdf, accessed 10 February 2026.

perceptions towards China among both Cambodia's elite class and ordinary people, and growing demand for Beijing to make concrete readjustments in its outreach to Cambodia. If left unchecked, this not only could alter Cambodians' perceptions of the Chinese and image of China permanently but also create toxicity in future bilateral relations between Cambodia and China.

EAI values your feedback and input ...
We would appreciate it if you could take a few minutes to share your comments on EAI Background Brief No. **1876**, which you have just read.
Please visit https://forms.office.com/r/gS1fmpL6mR to complete a short survey. Your feedback will be tremendously helpful in improving this series.
Thank you once again for your continued support.

Best regards,
East Asian Institute,
National University of Singapore