

Highlight News | August 22/2019



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)



Ministry highlights EU's impact on local agriculture sector



Cambodia News | 21 August, 2019

In a brief report released yesterday, the Ministry of Agriculture said that financial aid from the European Union has had a huge impact on the development of the Cambodian agriculture and fisheries sectors. Following the Paris Peace Agreements of 1991, the EU became a major development partner that has supported the Kingdom in multiple sectors, the report said. The agriculture sector alone will benefit from 258 million euros (about \$285 million) in aid from 1995 to 2023, according to the report. The report notes that financial assistance has targeted a myriad of areas, from smallholder livestock production to the economic and social re-launch of provinces in the country's northwest. Yesterday, the Delegation of the European Union to Cambodia issued a statement announcing the closing ceremony for the 'Promotion of Inclusive and Sustainable Growth in the Agriculture Sector: Fisheries and Livestock' programme. The programme run from 2013 to 2018 with a budget of 20 million euros (about \$22 million), the EU said. It aimed to promote the equitable, inclusive, environmentally responsible and sustainable growth of the fisheries and livestock sectors, according to the EU statement. During the programme's six-year lifespan, yearly aquaculture production rose by 160,000 tonnes, with total fish production reaching 600,000 tonnes last year, the EU said. In the same

statement, the EU announced the launch of a new EU-funded project, the 'Cambodia Program for Sustainable and Inclusive Growth in the Fisheries Sector' or 'Capfish'. The launch will be held at the Ministry of Agriculture today. The Capfish project has a budget of 112 million euros (about \$124 million) and will run from 2019 to 2023. "This new EU-funded fisheries programme aims to increase food security, improve nutrition and foster further economic development in the country." Minister of Agriculture Veng Sakhon said the Capfish programme is expected to produce satisfactory short-term and long-term results for farmers, the private sector and consumers. "The government recognises the role of the fisheries sector in contributing to Cambodia's national development, and works hard to ensure that all Cambodian people enjoy better livelihoods and can continue to enjoy the unique taste of fish, squid, shrimp, and crab from our water resources," he was quoted as saying in the statement. Minister Sakhon thanked the EU for its contribution to the fisheries and livestock sectors and praised the bloc's role in reducing poverty and promoting economic development in the Kingdom. George Edgar, EU Ambassador to Cambodia, said the EU is delighted to see that its assistance has contributed to the progress of the fisheries and livestock sectors in Cambodia, benefiting scores of people around the country. "The EU believes that with additional financial support to the fisheries sector, it will enable the Ministry of Agriculture, development partners and relevant actors, including the fishing

communities, to manage Cambodia's freshwater and marine fisheries more efficiently in the interest of the entire Cambodian population and future generations," the outgoing ambassador said.

Source:<https://www.khmertimeskh.com/50635424/ministry-highlights-eus-impact-on-local-agriculture-sector/>

Bidding on major artery renovation to begin next month



Cambodia News | 21 August, 2019

The Ministry of Public Works and Transport yesterday announced that the renovation of National Road 4, which connects the capital with Sihanoukville in the south, will begin early next year. The ministry said bidding for the project will start in September. National Road 4 is one of the main thoroughfares in the Kingdom, connecting Phnom Penh to Cambodia's only deep-sea port, located in Sihanoukville. National Road 4 will be upgraded to ease traffic problems, Sun Chanthol, the Minister of Public Works and Transport, said yesterday during a visit to Preah Sihanouk. The road endures heavy traffic as it links to several economic zones and rich agricultural areas, including large-scale farms. The renovation project has a budget of \$110 million, provided by the World Bank in the form of a loan. "The feasibility study on the project has concluded and we are now ready for public bidding to begin," Minister Chanthol said. "We expect construction work to begin in early 2020," the minister said. The World Bank's interest-free loan will be used to

improve the condition, safety and climate resilience of the road, the government said, adding that it is also expected to provide immediate and effective access for emergency vehicles. The money will be used to upgrade 200 kilometres of road with an overlay of asphalt. Shoulders will be replaced, and drains and bridges will be built in flood-prone areas, the government said. "Whoever wins the bidding for the project will be expected to follow international quality standards. If the work is not good, the Ministry of Public Works and Transport will not accept it and the company will be asked to do it again," the minister said. "The companies responsible for the construction, renovation and maintenance of the roads must follow stringent quality standards to ensure the roads have a long life." In March, construction of a \$2-billion expressway connecting Phnom Penh and Preah Sihanoukville province began. According to the government, the expressway will be ready for use before the end of 2022, when the coastal province is scheduled to host the Asean Summit. Vasim Sorya, the ministry's spokesman, told Khmer Times that work on the expressway is developing according to plan, with China Road and Bridge Corporation, who was awarded the project, having achieved significant progress since March's groundbreaking.

Source:<https://www.khmertimeskh.com/50635502/bidding-on-major-artery-renovation-to-begin-next-month/>

Laos hoping to spark use of electric vehicles next year



Laos News | 22 August, 2019

VIENTIANE (Vientiane Times/ANN) - Laos expects to import electric vehicles next year to support the government's move to minimise the use of fossil fuels. The import of electric vehicles will follow the government's order for a pilot project, EV Lao Company Limited Deputy Managing Director, Mr Thongchanh Santhasith, told Vientiane Times on Wednesday. He said the project would be run with full government support and hoped it would progress smoothly. Electricite du Laos (EDL) and the EV Lao Company Limited are currently testing the installation of charging stations at EDL, EV Lao Company Limited and the Ministry of Energy and Mines. They hope to install 20 stations in Vientiane this year. Other priority locations include Wattay International Airport, bus stations, the first Lao-Thai Friendship Bridge and various government organisations. Tests are being run to compare operating costs between electric and fossil fuel vehicles as well as safety measures, and to ascertain the quality of the vehicles. "We are also discussing charging a special price for electricity at charging stations as well as tax benefits and other incentives to encourage the use of electric vehicles. We hope to finalise everything this year," said Mr Thongchanh. He was confident that electric vehicles would cut running costs by up to five times compared to the cost of fossil fuel, but said

consumers would have to pay more to purchase electric vehicles. The use of electric vehicles would also help decrease the country's reliance on imported fossil fuels, he said. Laos imports a large volume of fuel annually, which has caused a large trade deficit over the years. In 2016, Laos imported almost 2,000 million litres of fuel, worth more than US\$1 billion, and this shot up to nearly US\$2 billion last year. The testing of the charging systems for electric vehicles is a vital part of long-term preparations for changing over to clean energy. Laos is promoting the use of clean energy in the transport sector as part of its measures to translate into action the government's policy until 2025, the strategy for 2030, and vision for 2050. Laos has abundant potential to generate energy from natural resources such as water, solar power, wind and waste. These could be used to create 26,000MW. So far, about 20 percent of this potential has been utilised. Countries around the world are promoting the use of clean energy. European nations are using electric vehicles after their governments supported moves to reduce air pollution and carbon emissions.

Source: <http://annx.asianews.network/content/laos-hoping-spark-use-electric-vehicles-next-year-102441>

Yangon has around 5,300 luxury hotel rooms, rental rate falls by 40%



Myanmar News | 22 August, 2019

Yangon city has around 5,300 luxury hotel rooms with rental rate falling by about 40 percent and price rate falling by US\$85, according to a second-quarter

market review report in 2019. Over 30 hotels of international standard have been opened, around 20 hotels under construction and around 20 hotel projects have received permits in Yangon. In the coming three years, 10 advanced hotels projects are due to be finished providing 2,040 rooms. It is expected to have around 5,700 luxury hotel rooms by 2019 and around 7,000 by 2021. Price rate for renting luxury hotel rooms in the city has reduced to less than 50 percent since 2016, falling by 43 percent in the fourth-quarter of 2018 and 40 percent in the first-quarter of 2019. Since October in 2018, the beginning of the tourism season, visa restrictions have been reduced for ordinary passport holders from China, Japan and South Korea. However, Myanmar saw just over 3.5 million international tourists in 2018 exceeding just 3.15 percent compared to 2017. Of the 14 regions and states in Myanmar, Yangon Region, Mandalay Region and Shan State see most international tourists. According to yearly official data, the country received 4.6 million foreign tourists in 2015, 2.91 million in 2016, 3.44 million in 2017, 3.55 million in 2018 and 2.47 million up to July in 2019.

Source: <https://elevenmyanmar.com/news/yangon-has-around-5300-luxury-hotel-rooms-rental-rate-falls-by-40>

Vietnam's import-export revenue hits US\$311 billion in eight months



Vietnam News | 21 August, 2019

NDO – The total import-export revenue of Vietnam was estimated to reach approximately US\$311 billion by August 15 and the country also enjoyed a trade surplus of nearly US\$3 billion, according to the General Department of Vietnam Customs. Since early this year to mid-August, Vietnam's export revenue was posted at US\$157.3 billion, up 8.4% over the same period in 2018. During the eight-month period, the commerce of phones and components, computers, and electronic products and components reported the highest export revenue among exporting products with a revenue of US\$30.33 billion, US\$20.2 billion and US\$19.9 billion respectively. In the first 15 days of August, the commerce of phones and components, computers, and electronic products and components also recorded export revenues of over US\$1 billion each. Meanwhile, the total import revenue during the eight-month period was estimated at US\$154.4 billion, up 8.1% over the same period in 2018. Computers and electronic products and components posted the highest import revenue in the first eight months of this year. The export results of Vietnam is considered positive compared with other countries in the region and the world as their export revenues were reported to decrease or stay similar to the same period last year.

Source:[https://en.nhandan.com.vn/business/item/7832402-vietnam%E2%80%99s-import-export-revenue-hits-us\\$311-billion-in-eight-months.html](https://en.nhandan.com.vn/business/item/7832402-vietnam%E2%80%99s-import-export-revenue-hits-us$311-billion-in-eight-months.html)

Shrimp exports recover in July



Vietnam News | 21 August, 2019

HA NOI Viet Nam's export of aquatic products in July showed positive signs with an increase of 9 per cent year-on-year, particularly with exports of shrimp and other products rising, except for pangasius. As a result, the country's total seafood export turnover in the first seven months of 2019 reached US\$4.7 billion, nearly equal to the same period last year, reported the Viet Nam Association of Seafood Exporters and Producers (VASEP). Shrimp exports up, After continuous declines in the first months of the year, shrimp exports began to recover in July with an increase of 13.4 per cent and reached \$334 million. Enterprises boosted sales to all major markets. Exports to the US increased by 37 per cent, China 48 per cent, and Australia 56 per cent. In particular, the average export price to the US decreased by \$1.1 per kilo over the same period last year. For China, the Government is tightening trade and increasing food safety control, so cross-border exports are not acceptable. However, official exports by sea tended to increase. From June, the white-leg shrimp exported by sea to China increased by 1.5 times compared to the previous month. VASEP forecasts that this trend will continue to bring positive

results in the last months of the year. In contrast, shrimp exports to the EU fell by 21 per cent. Of which, the main consumption countries such as the UK, Germany and the Netherlands recorded a decrease of 5 per cent, 9 per cent and 45 per cent, respectively. Average selling price decreased by \$1 per kilo against the same period last year. In Japan, export volume remained stable and market demand did not increase. However, the average price decreased by \$1 per kilo, from \$12 to \$11, causing the total turnover to drop by nearly 3 per cent to \$329 million in July. Pangasius exports down, According to VASEP, pangasius exports continued to fall by nearly 13 per cent in July, pushing the total export turnover in the first seven months down by 5.5 per cent to \$1.13 billion. In the US, after falling nearly 28 per cent in the second quarter due to the impact of the 14th administrative anti-dumping review, sales to this market in July decreased by 56 per cent. Exports to other markets also reversed, of which sales to the EU decreased by 16 per cent, to ASEAN by 14 per cent, Mexico by 28 per cent and Brazil by nearly 30 per cent. However, exports to China recovered remarkably, rising by 71 per cent in July. Tuna exports positive, In July, tuna exports maintained a growth of 16 per cent thanks to demand from the US and Japan but decreased by 2.5 per cent with squid and octopus. The illegal, unreported and unregulated (IUU) yellow card continues to affect

seafood exports to the EU market. In addition, the issue of inadequate confirmation and certification of exploited and imported materials causes exports to stall. As a result, tuna exports to EU decreased by 20 per cent while octopus and squid exports increased by 12 per cent. For the US, tuna exports increased by 61 per cent, and octopus and squid increased by 60 per cent. The US is also the largest market of Vietnamese tuna, accounting for 43 per cent of total export turnover to other markets. For Japan, tuna exports also recovered with an increase of 85 per cent in July. VASEP forecasts that shrimp exports are more positive in the US, China, and Japan markets in the last months of the year when inventories decrease, demand increases and shrimp quantity in India may drop by 20-30 per cent due to the weather and falling prices. With pangasius, the association predicts that exports will increase strongly in the last months, because export enterprises have caught up with the requirements of Chinese product quality safety regulations. Export of tuna is also forecast to continue growing well in the second half of the year in the US and China markets. However, the EU market will be difficult to predict because it depends on the results of EU inspections at the end of October regarding the implementation of recommendations against IUU exploitation. According to VASEP, in the next few months, businesses may continue to boost sales to this

market. If there are positive results after the inspection, exports will improve. Businesses can also boost sales to markets outside the EU. Exports are expected to maintain positive growth in the last months of the year. VNS

Source:<https://vietnamnews.vn/economy/524298/shrimp-exports-recover-in-july.html#ITqBZcrMk35uvisl.97>
