

Highlight News | February 13/2020



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Cambodia's power supply up nearly 30 percent as demand increases



Cambodia News | 12 February, 2020

Because of the increasing demand for power consumption and a rise in development activities, power supply in the Kingdom has increased sharply, according to a report by the Ministry of Mines and Energy. The report states that the power supply generated has increased from 2,635 megawatts (mW) in 2018 to 3,382 mW in 2019, a 28 percent year-on-year increase. The power was generated from several sources that included; dams, coal-fired plants, diesel-fired plants and solar panels. As of 2019, the main operating power source for the Kingdom was seven hydropower dams which generated cumulatively 1,328 mW of energy, accounting for 33.5 percent of the nation's total power supply. The report stated that the power supply from other sources included a 675 mW from coal-fired power plants, 627 mW from diesel-fired power plants and 123 mW from renewable power. Cambodia imported 626 mW from neighbouring; Thailand, Vietnam and Laos in 2019, a 41 percent increase over from the previous year. Minister of Mines and Energy Suy Sem stated the continuing upward trend of power consumption in Cambodia means the government must continue to find other sources of reliable energy to ensure demand is met to build infrastructure projects, give stability to

businesses and provide electricity to the people. "The development of power sources and increasing the capacity of power generation, transmission, distribution and electrification to businesses and consumers are our main tasks. We have been constantly developing new power sources and increasing the supply to meet the nation's power demands," Suy said at the ministry's annual meeting yesterday. "At the same time, improving the supply of electric services to consumers and decreasing power tariffs have also been benefiting people nationwide," Suy said. As of last year, 364 licences were given to power distributors, covering 3,131 out of 4,168 villages listed in the Kingdom, a 92.68 percent coverage rate. Household electrification was recorded at 2.68 million out of 3.57 million households across the country, a 74.78 percent coverage rate. The government's target to provide electricity to all villages throughout the country by 2020 will most likely not be reached. There are more than 200 villages located in remote areas and islands where it is not deemed possible for current infrastructure development.

Source: <https://www.khmertimeskh.com/50690046/cambodias-power-supply-up-nearly-30-percent-as-demand-increases>

Over 58,000 tonnes of Cambodian mangoes exported in 2019



Cambodia News / 12 February, 2020

Cambodia exported more than 58,000 tonnes of mangos to various international markets in 2019 and is mulling the expansion and diversification of the exports. The export figure – 58,161.16 tonnes of mangos to be exact – was shared recently by Penn Sovicheat, Under Secretary of State and Spokesperson at Ministry of Commerce. The market for 2019 mango export, he continued, included China, France, Thailand, Vietnam, Malaysia, and Japan. United Kingdom, New Zealand, the Czech Republic, Belgium, Australia, Switzerland, Canada, Kazakhstan and Russia are also potential mango markets of Cambodia. According to the spokesperson, the mangos were exported both directly and through neighbouring countries, and Cambodia exported fresh mangos as well as mango jams. The Ministry of Commerce is also considering to broaden international markets for Cambodia's mangos and to further diversifying the products for exports. *AKP*

Source: <https://www.khmertimeskh.com/50690166/over-58000-tonnes-of-cambodian-mangoes-exported-in-2019>

Macroeconomic growth projected at 6.3 percent in 2020



Laos News / 12 February, 2020

Macroeconomic growth is projected to improve moderately this year, with growth of 6.3 to 6.4 percent forecast by the Centre for Macroeconomic Policy Research and Economic Restructuring under the National Institute for Economic Research. This figure was revealed on Tuesday at a meeting to present the Assessment Report on Macroeconomic Performance in Laos and the key issues to be addressed, which was presided over by the institute's Acting President Dr Leeber Leebouapao. The report identifies several key drivers of growth including electricity generation by the Xayaboury hydropower plant, which became operational in December. The other main players in economic growth are small and medium-sized enterprises and agriculture. Alongside the contribution of the Xayaboury hydropower plant, more hydro plants will continue to support economic growth through the sale of electricity, the report noted. But economic growth will also face challenges. Extreme weather events in 2019 and low river levels posed a significant threat to agriculture in 2019 and will continue to affect electricity generation in the first five months of 2020. Last year, economic growth was recorded at 6 percent as the economy was affected by various factors, of which the effect of natural disasters on agriculture was significant. In addition,

electricity generation by some existing hydropower plants has not reached expected targets. Output in the mining sector has dropped slightly, there have been fewer government-funded projects, and there has been no increase in Foreign Direct Investment, according to the report. In contrast, the tourism industry experienced growth of 14 percent in 2019, with about 4.7 million people visiting Laos. The Centre's Director General, Dr Sthabandith Insiengmay, said the government will need to make the most of its capacity to resolve economic problems and other challenges. "The burgeoning tourism and agriculture sectors will enable the government to benefit more from regional and international integration," he said, adding that success in agriculture would require prioritisation of livestock and crop farming within existing market segments. The production of clean and processed agricultural products should also be prioritised to meet the needs of domestic consumption as well as export to regional markets in the near future. Senior economists, economics specialists and researchers from government departments and international organisations based in Laos attended the meeting. They gave constructive comments on the assessment report on past economic performance and the outlook for 2020

Source:http://www.vientianetimes.org.la/freeContent/FreeContent_Macroeconomic.php

Pork vendors flout price ceiling to bring home the bacon



Laos News | 12 February, 2020

Many vendors in the capital are selling pork to consumers without price labels in the hope of retailing their product above the ceiling set by the Vientiane Industry and Commerce Department. The department announced on January 30 that Grade A pork in markets should be retailed at 40,000 kip per kg and 38,000 kip per kg for Grade B. However, meat vendors continue to sell pork for more than these prices, hoping to evade detection by authorities. "Since we issued the notice on pork sales, we have regularly carried out checks on pork prices in markets in the capital's nine districts," a representative of the Vientiane Industry and Commerce Department, who wished to remain anonymous, said. "Our focus is on pork prices in the large markets. We recently inspected Phonsavang market and found two meat vendors selling pork over the set price," he added. "A market representative and the department recorded the incidents. The vendors were fined 500,000 kip and 1 million kip, as stipulated in the regulations," he said. "We will continue to carry out regular checks and anyone found selling pork above the set price will be fined and prosecuted under the law." Consumers in Vientiane have complained they are still paying

45,000 to 48,000 kip a kg for Grade A pork, well above the 40,000 kip ceiling. According to the announcement issued on January 30, pigs should cost 23,500 kip per kg at the farm gate and 28,500 kip per kg at the slaughterhouse. Pork is a key ingredient of Lao and international dishes and in Vientiane daily demand is 9.5 tonnes or about 700-750 pigs. On special occasions, this can increase to 800-900 pigs per day. Large producers can supply 450-500 pigs a day, or over 77 percent of the total, with the remainder coming from smallholder farmers.

Source: <http://annx.asianews.network/content/pork-vendors-flout-price-ceiling-bring-home-bacon-113703>

Grab says it pumped \$100M into Myanmar in four years



Myanmar News | 12 February, 2020

Ride-sharing company Grab has invested over US\$100 million (K143.5 billion) in Myanmar in the past four years to strengthen its position on the local taxi market, a senior company official said Tuesday. Cindy Toh, country manager for Grab, said the company will continue investing to further improve the quality of its service in Myanmar. "Grab will emphasise service quality and safety, not only technology," she told a briefing. "We will continue investing in expansion and partnerships to better the platform and expand the ecosystem." Grab

launched its service in Myanmar in July 2017, and has since introduced Grab Taxi Call service, Premium Rentals (Beat), and Grab Food. The company's taxi service is popular and experiencing an increase of 10 percent in daily rides in 2019 from the previous year, and adding more than 196,000 more precise location points in the Grab application. The number of businesses using Grab for Business doubled in 2019, and the most popular destinations for rides were Myanmar Plaza, Junction City, and Yangon Airport. Grab will expand its services to other key cities across the country this year, Toh said. GrabFood will be launched for local restaurants and transportation partners in Mandalay this year. "Although food delivery is increasing locally, it still lags behind other countries. We have many opportunities," said U Myat Kaung Min, head of GrabFood Myanmar. Grab For Good will be launched in Myanmar soon. In 2018, Grab launched its Grab Thone Bane (three-wheeler) service in Bagan and Mandalay city, and Grab TaxiPlus service. More than 166 million people in 339 cities in Myanmar, Vietnam, the Philippines, Thailand, Cambodia, Malaysia, Singapore and Indonesia have downloaded the Grab app on their mobile phones.

Source: <https://www.mmtimes.com/news/grab-says-it-pumped-100m-myanmar-four-years.html>

Seafood export value down in January



Vietnam News | 12 February, 2020

HÀ NỘI – Việt Nam's total seafood export value in January fell by 12.5 per cent to US\$644 million year-on-year due to the impacts of the novel coronavirus epidemic, according to the Việt Nam Association and Seafood Exporters and Producers (VASEP). The epidemic is greatly impacting China, one of Việt Nam's main seafood export markets, and causing a strong reduction in seafood exports from Việt Nam to China. VASEP Deputy General Secretary Nguyễn Hoài Nam said several enterprises exporting tra fish (pangasius), tuna and shrimp had faced suspension of payment for export contracts because Chinese banks were not open due to the coronavirus epidemic. It was expected that from February 16 when banks are set to reopen, Chinese partners would be able to pay Vietnamese export contracts for goods shipped by sea. In addition, some large shipping firms had not agreed to ship goods to China while some large seafood importers had proposed ships not go past ports in China. VASEP has predicted that seafood exporters will still be able to receive new contracts but the number of contracts will decrease. Chinese restaurants reducing seafood consumption will affect Việt Nam's seafood exports. Some local seafood exporters have had seafood

products sent to China that have had to be stockpiled, racking up large fees to freeze the seafood in stock, according to Nam. However, Trương Đình Hòa, VASEP General Secretary, said the epidemic was likely to not have a great impact on Việt Nam's seafood exports this year because usually, demand for imported seafood from Việt Nam to China increases in March and April, reported **Đầu tư** (Investment) newspaper. **Hồ Quốc Lực**, Chairman of the board of the Sao Ta Food Joint Stock Company - a large shrimp exporter, said nobody knew when the epidemic would end so it was hard to evaluate its impact on the domestic shrimp industry. "If it is controlled in the next few months, Việt Nam's shrimp industry may not face a big impact, because the shrimp harvest season begins in October," he said. China is one of Việt Nam's four largest seafood export markets, accounting for 16-17 per cent of total seafood export value. On the other hand, Hòa said VASEP saw many opportunities for local businesses to increase the production of frozen and canned seafood because during and after the epidemic, customers would favour processed seafood. Hòa also said that large global events like the Tokyo 2020 Olympics and Euro 2020 football tournament would boost seafood consumption, especially of shrimp. The scale of the outbreak in China would cause many markets to reduce seafood imports from China. Việt Nam's

seafood enterprises could take those opportunities to increase exports to the US, Japan, South Korea and Europe, Hòe said. In addition, businesses should also focus on increasing their market shares domestically, said the VASEP representative.

Dương Nghĩa Quốc, Chairman of the Việt Nam Pangasius Association, said besides export strategies to key markets, businesses needed to enhance marketing activities and expand distribution channels at home. According to **Đặng Kim Sơn**, former Director of the Institute of Policy and Strategy for Agricultural and Rural Development, together with State support in terms of capital, tax and distribution, enterprises must have long-term development strategies, such as expansion of markets, development of value chains from production to consumption, and development of large-scale production. – VNS

Source: <https://vietnamnews.vn/economy/592130/seafood-export-value-down-in-january.html>

Opportunities to boost consumer goods exports to the US market: seminar



Vietnam News | 12 February, 2020

HCM CITY – Vietnamese consumer goods are expected to find ways to make it to the US market as trade between the two countries increases. In a

seminar about boosting exports to the US in HCM City on Tuesday, Erik Frankel, CEO of Vietsway, an online platform selling Vietnamese products in the US, said many countries, including Việt Nam, identified the US as the main export market. Vietnamese exports increased constantly in recent years with a focus on smartphones, electronic components, textiles and footwear and furniture, in which foreign-invested enterprises are leading production. Meanwhile, products manufactured by Vietnamese companies have barely scratched the surface of the market, according to Frankel. The US is a hard-to-please market and has stringent standards for imported goods but also a market with diverse demand from high-tech products to affordable consumers goods, which are strengths of Vietnamese businesses. While electronic products are dominated by multinational brands and corporations, opportunities are huge for Vietnamese enterprises in the field of consumer goods and handmade products, according to Frankel. Vietnamese consumer goods sold in the US market would have a very high profit margin due to low raw material and labour costs, he said but recommended that businesses should carefully study customer tastes, price factor and competitive ability to choose direct or indirect exports. "Factors that impact export results are delivery time, relationship with the distributors and marketing strategy," Frankel said. Oanh Kimberly, director of forwarding operations at Indo-Trans Logistic Corporation, pointed out most of Vietnamese consumer goods producers are micro and small-sized enterprises with limited technology and market information, affecting their competitiveness in product quality and design. Meanwhile, the application process for imported products into the US is complicated, requiring many different procedures and certifications that

hamper exports of small companies. “The cost of warehouse services in the US is very expensive, so before exporting, Vietnamese businesses need to understand requirements for import customs, complete documents, shipping method and specify liability of each party to avoid additional costs,” Oanh said. The US has also a strict policy of origin fraud and trade evasion, so Vietnamese businesses need to be cautious and transparent with traceability information as well as accurately classify their goods when exporting to the US, according to the director. Cao Thị Phi Vân, deputy director of the HCM City’s Investment & Trade Promotion Centre (ITPC), said the United States was a huge market with diverse demand for goods that Vietnamese enterprise could explore to increase exports. The US is currently the largest export market of Việt Nam while Việt Nam has become the 13th biggest supplier of goods to the US. Ending January 2020, exports to the US topped US\$4.8 billion, down 7.6 per cent on-year, while imports from this market rose 5.4 per cent to \$1.2 billion. Vân said besides seeking new markets in 2020, ITPC would continue promoting activities to introduce Vietnamese products to the US. — VN

Source:<https://vietnamnews.vn/economy/592126/opportunities-to-boost-consumer-goods-exports-to-the-us-market-seminar.html>
