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Cambodia-Thailand 2020 trade down Jan-Nov



Cambodia News | 13 January, 2021

Cross-border trade between Cambodia and Thailand dropped 22 percent Jan-Nov (including transit trade) compared with year-to-date (YTD) figures for the same period in 2019. Bilateral trade for the period amounted to \$6.6 billion, down from \$8.6 billion in 2019 according to statistics from the Cambodian Embassy in Thailand. Cambodian exports to Thailand totalled \$1.1 billion for the period, a decline of 52 percent YTD from 2019's \$2.2 billion. Imports from Thailand, valued at \$6.3 billion, were down 12 percent YTD, from the \$5.6 billion recorded January to November in 2019. These numbers generated a Cambodian trade deficit with Thailand of \$4.5 billion. In November, Thailand's cross-border trade with Cambodia reached \$572 million. Cambodia's exports to Thailand in November totalled \$59 million, down 56 percent compared with the \$135 million recorded in November 2019. Imports from Thailand in November reached \$513 million, down 28 percent from the November 2019 total of \$710 million. Cambodian Ambassador to Thailand Ouk Sorphorn said that the Cambodian embassy to Thailand, through its commercial office, has provided Thai companies with up-to-date information on Cambodian investment opportunities, technical consultation and full support on the business registration process. "Recently, we also signed a memorandum of understanding (MoU) with

Bangkok-based law firm iLAWASIA, to provide legal advice and support to Cambodian and Thai business people. Moreover, we are now working with Thailand's Horeca Investment Co Ltd to set up the first-ever Cambodia Business Council Centre (CBCC), a one-stop business chamber for Cambodia in Thailand's capital." Sorphorn also said the CBCC, once operational, will help to promote Cambodian products by providing information and training programmes to entrepreneurs and facilitate bilateral trade and investment between the two countries in support of the \$15 billion trade goal targeted by the two nations' prime ministers for 2021. Chandara Chea, president of the Logistics Business Association, said the situation of imports and exports between Cambodia and Thailand is currently better than during the first COVID-19 outbreak in early 2020. However, because COVID-19 has hit Thailand so seriously, it has caused instability in Thai production lines, resulting in a decrease in exports from Thailand. "We found that daily commodity and food exports from Thailand to Cambodia proceed normally," he added. According to the Cambodian ambassador to Thailand, Cambodia's stable growth has created opportunities for Thai and other foreign firms to generate favourable returns on Cambodian investments. Although Thailand remains in lockdown, Thai investors still seek business and investment opportunities in Cambodia, in part because many are aware of the Thai plus-one strategy, the new investment law and deep reforms spearheaded by the Cambodian government to

improve the business climate for foreign investors, he added. On Monday, Khmer Times reported Cambodian exports to the US were 6.059 billion over the first 11 months of 2020, up 17 percent on results for the same period in 2019.

Source : <https://www.khmertimeskh.com/50803109/cambodia-thailand-2020-trade-down-jan-nov/>

Inthanin Coffee looks to add more coffee outlets in Cambodia



Cambodia News | 13 January, 2021

After its flagship store was opened in Phnom Penh in the first quarter of 2018, Inthanin Coffee, a popular Thai coffee franchise is seeking to add up to 100 outlets in Cambodia and Laos. The franchise held by Bangchak Corporation (BCP), a mostly state-owned energy firm, said it is planning to increase its Inthanin coffee houses overseas to grow its non-oil business after the pandemic calms down. BCP chief marketing officer and senior executive vice-president Somchai Tejavanija said the company will start with 3-5 new cafes in Laos. Inthanin Coffee claims to be environmentally friendly, with a total of 690 outlets in Thailand and eight overseas. The business is run by BCP's wholly-owned Bangchak Retail Co. Mr Somchai said the company plans to expand branches under a master franchise and details of the business direction should be unveiled once the outbreak is under control. Its business expansion has been delayed since the pandemic started last year, after granting a franchising contract to RCG Retail Group (Cambodia) to add coffee

shops in Cambodia and Laos. BCP previously set a target to add almost 100 outlets in Laos and Cambodia, with a total of 1,000 coffee shops in Thailand by 2025. As stringent safety measures are being enforced in dozens of Thai provinces to control the new outbreak, Mr Somchai said the company is selling coffee mostly via an online platform and home delivery, the same solutions it used from April to June 2020. BCP wants to achieve its branch expansion goal by 2025 before venturing into upstream coffee production, including planting and processing, he said. Inthanin Coffee launched at a Bangchak petrol station in 2006 as a means to increase non-oil retail revenue. The brand continued to grow and offer standalone cafes in malls, universities and hospitals. Mr Somchai said BCP plans to spend 1.5 billion baht this year for new projects, including adding 100 new petrol stations, aiming for a total of 1,400 stations by 2025, up from 1,240 last year.

Source : <https://www.khmertimeskh.com/50803172/inthanin-coffee-looks-to-add-more-coffee-outlets-in-cambodia/>

Six major socio-economic development targets discussed at XI Party Congress



Laos News | 14 January, 2021

Prime Minister Thongloun Sisoulith outlined six targets under the 9th Socio-economic Development Plan for 2021-2025 when speaking at the 11th Party Congress in Vientiane yesterday. The first goal is for

Laos to maintain steady economic growth with quality, stability and sustainability. Secondly, training will be stepped up to ensure people are better qualified to meet the demands of development, are able to conduct research, and know how to use science and technology to add value to goods and services. Third, it is essential to improve people's living conditions. Balancing environmental needs with a reduced risk of natural disasters is the fourth goal. Fifth, the government will work to strengthen infrastructure and effectively utilise potential, opportunities, locations and participating regional and international cooperation and integration. The sixth goal is to enhance the efficiency of state management and administration so that equality, justice and order prevail in society and people receive protection through the enforcement of laws. Mr Thongloun detailed each of the targets, especially the goal of quality, stable and sustainable economic growth. His report outlined various plans such as revenue collection and expenditure, and improvement of the business and investment environments and state-owned enterprises, SME promotion, management of foreign currencies, and money flow and exchange rates, including sourcing domestic and foreign investment. Under the plan, in the next five years economic growth is projected to grow at 4 percent annually. The value of Gross Domestic Product is targeted at 1,057,689 billion kip within five years and the goal for annual average per capita income is US\$2,887 in 2025. Average annual growth in the agriculture sector is expected to

account for 2.5 percent of GDP, with the industrial sector to contribute 4.1 percent and the service sector 6 percent. Up until 2025, agriculture and forestry are projected to contribute 15.3 percent of GDP, with industry comprising 33.3 percent and the service sector 41.3 percent. The target for revenue collection is at least 169,000 billion kip, accounting for 15.3 percent of GDP, with expenditure capped at 109,000 billion kip equal to 17.2 percent, including normal administration costs of 130,000 billion kip and 60,000 billion kip for joint-venture investments. The prime minister said the government also plans to encourage domestic and foreign investors to carry out large-scale projects. The deficit between income and expenditure is expected to be 21,000 billion kip or 2 percent of GDP. The government will place importance on stabilising foreign currency exchange rates and the management of inflation. The inflation rate will be kept at a maximum of 6 percent while fluctuations in currency exchange rates should not be more or less than 5 percent. The government will ensure that foreign currency reserves are sufficient to buy imports for a period of not less than 3 months and will do its best to maintain money flow at a rate not exceeding 20 percent per year. Investment will be obtained from various sources to support all forms of development and account for 19.6 percent of GDP. Of this, investment from budgetary sources will account for 10-11 percent, 11.7 percent will come from Official Development Assistance, at least 48 percent will come from Foreign Direct Investment,

and about 24 percent will come from other funding sources.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Six9.php

Covid-19 continues to impact Lao real estate businesses



Laos News | 13 January, 2021

The renting and sale of real estate property across Laos, especially in Vientiane, still faces challenges due to the continued impact of the Covid-19 pandemic. Target groups of tenants and buyers for condominiums and apartment mainly consist of expatriates from China and other countries. Following the launch of large investments projects by Chinese investors, there had been a boom in the construction of apartment blocks in recent years, before the coronavirus outbreak. RentsBuy.com managing director Houmphanh Saiyalath told Vientiane Times on January 6 that the renting and sales of apartments and condominiums in Vientiane continues to suffer after the exit of expatriates. "However, land and housing projects are still going on due to the affordable prices," he said, adding that the buyers are mainly local residents from different provinces who wish to move to Vientiane. He said most buyers wishing to acquire a plot of land or a housing project can make monthly payments to landlords or project developers within a certain period of signing an agreement. 'Plenty of options' Observers have said many land developers in Vientiane tend to offer affordable prices to their

clients, and this enables people to acquire a plot of land and to have a permanent house in the capital. A former tenant said: "To own a plot of land in Vientiane, buyers have plenty of options for payments. For instance, they may make a down payment of 10 per cent or 20 per cent of the total price, and then they can start building a house and continue to make monthly payments in accordance with the agreement signed by both sides." Prior to the Covid-19 crisis, Laos witnessed rapid economic growth and a surge in foreign investments in 12 special economic zones. The business sector is now hoping that the arrival of Covid-19 vaccines will help end the economic disruption and the regional and global economies will recover.

Source : <https://www.phnompenhpost.com/business/covid-19-continues-impact-lao-real-estate-businesses>

Sule Shangri-La Hotel, Yangon to close for nine months



Myanmar News | 13 January, 2021

Sule Shangri-La Hotel, Yangon will temporarily close for a period of nine months starting February 1, according to the Shangri-La Group in an announcement released today (January 13). However, Sule Square Mall & Office and Shangri-La Residences will remain open to tenants, guests and visitors. "Throughout the COVID-19 pandemic, we have implemented multiple cost management initiatives to mitigate the unprecedented financial impact, including the difficult decision to streamline

our workforce last December," it said. The company has nevertheless decided to close the hotel due to the prolonged period of "low business levels and after exploring all other viable options." It added that it intends to reopen the hotel in nine months' time, "when hopefully business conditions would have improved." Guests and clients with affected reservations at Sule Shangri-La Hotel will be contacted personally, and all cancellation charges will be waived. Besides a small core team to maintain and upkeep operations across the complex, most of the hotel's employees will be placed on extended leave-of-absence and will not have to return to work during the closure. However, they will continue to receive partial pay and full healthcare benefits. The hotel first opened in 1996 and was formerly known as Traders Hotel. It was the tallest building in Myanmar from 1996 to 1999. The 466-room hotel was rebranded as Sule Shangri-La Hotel, Yangon in 2014 by Shangri-La Hotels and Resorts, following a 2.5-year renovation. Shangri-La Hotels and Resorts is part of the Shangri-La group, which also operates hotels in South East Asia under the Shangri-La, Kerry, Jen and Traders brands. The Shangri-La group was founded by Hong Kong tycoon Robert Kuok in 1971.

Source : <https://www.mmTimes.com/news/sule-shangri-la-hotel-yangon-close-nine-months.html>

Vietnam GDP to grow by 8 per cent: Oxford Economics



Vietnam News | 13 January, 2021

HCM CITY — Southeast Asia's economic growth will rebound to 6.2 per cent in 2021 with Việt Nam achieving 8 per cent growth, according to the latest economic outlook report from Oxford Economics commissioned by chartered accountancy body ICAEW. GDP across the region contract by 4.1 per cent in 2020, with countries that had been successful in controlling the pandemic like Việt Nam and Singapore leading the recovery. Indeed, Việt Nam was expected to be the only economy to record positive growth in 2020. The rebound was in part due to the low-base effect of 2020, but policies were set to remain very accommodative with extensive fiscal support and low interest rates. Prolonged lockdowns and social distancing measures in the region were forecast to cap global GDP growth in 2021, making it unlikely that a return to pre-COVID GDP and trade activity would take place before late 2021. In Southeast Asia, growth would likely be constrained by social distancing measures, but restrictions would continue to be eased over this year, especially in economies that would be able to roll out vaccines relatively quickly. An economic rebound in 2021 remained contingent on the easing of lockdown restrictions, global recovery momentum and the successful roll-out of vaccines. Progress on

vaccination would be an important barometer for growth, with services likely to catch up faster in economies better placed with regard to vaccine procurement and distribution. Southeast Asia experienced a three-speed recovery, with differences primarily driven by the varying success of countries' ability to contain fresh waves of infection and implement lockdown exit strategies to safely reopen their economies and fiscal and monetary policy support. Mark Billington, ICAEW regional director, Greater China and South-East Asia, said: "The biggest concern for Southeast Asian economies is keeping additional waves of infection at bay while gradually bringing society and economic activities back to speed. "The interconnectedness of the global economy means that countries will have to work collectively to strengthen their pandemic response plans and address the dual challenges of resuming business activities while keeping their people safe." Despite the predictions of an economic rebound in 2021, there remain major uncertainties that could affect post-pandemic recovery, such as slow progress in the roll-out of mass vaccination programmes, a global second wave resulting in another global lockdown and a financial crisis leading to major economic damage. Optimistically, vaccine breakthroughs and post-election US stimulus could

also speed up near-term recovery and avoid long-term damage, the report said. — VNS

Source : <http://hanoitimes.vn/vietnam-exports-of-leather-footwear-down-10-to-us165-billion-in-2020-315749.html>

Vietnam kicks off US\$400 million hydropower project



Vietnam News | 13 January, 2021

The Hanoitimes - The plant will become one of two largest hydropower plants in Southeast Asia once put into operation by 2024. Vietnam Electricity (EVN) has begun construction of a VND 9.22 trillion (US\$400 million)-hydropower extension plant that is located on Da River or Black River. The investment for Hoa Binh Hydropower Extension Plant includes 30% of the investor and 70% from Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) and the Agence Française de Développement (AFD). A consortium of domestic contractors namely the Ministry of National Defence's Truong Son Construction Corporation, Construction Joint Stock Company 47, and Lilama 10 Joint Stock Company will build the extension plant capacity 480 megawatts (MW). Once put into operation in 2024, the extension will raise Hoa Binh Hydropower Plant to 2,400 MW, equal to Son La Hydropower Plant, the largest hydropower project in Southeast Asia. Upon completion, three hydropower plants on Da River namely Hoa Binh Hydropower Plant, Son La Hydropower Plant, and Lai Chau Hydropower Plant will have total capacity of 6,000

MW, contributing 30% of the country's electricity output. "We kick off Hoa Binh Extension Hydropower project as part of efforts to tap potential of the water resources to contribute to the country's development," Prime Minister Nguyen Xuan Phuc said at the ground-breaking ceremony early this week. Big hydropower projects on Da River symbolize Vietnam's industrialization and modernization, the PM said. The construction of Hoa Binh plant must be absolutely safe for the sustainable development, especially the downstream areas, PM Phuc emphasized. EVN's General Director Tran Dinh Nhan said the Hoa Binh plant is aimed to make full use of Da River and utilize abundant water in flood seasons to work at highest capacity and ensure safety for the national grid. Hoa Binh Hydropower Plant was built between November 1979 and December 1994 with design, equipment, and support by the USSR. It took the makers twice for river closure in 1983 and 1986. With storing capacity 9.8 billion cu.m of water, the plant helps regulate water and prevent floods for the Red River Basin and Hanoi. After more than 30 years of operations, the plant has supplied nearly 250 billion kWh.

Source : <http://hanoitimes.vn/vietnam-kicks-off-us400-million-hydropower-project-315865.html>
