

Highlight News / March 17/2021



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## Mixed-use buildings forecast to drive construction growth



*Cambodia News | 16 March, 2021*

The construction sector is projected to see growth this year, according to official forecasts. Data indicates the growth is being driven by increased demand for mixed-use buildings. The construction sector contracted last year – registering negative 5.3 percent of the Kingdom’s gross domestic product (GDP) growth, according to Ministry of Foreign Affairs and International Cooperation figures. With construction being a major pillar in the Kingdom’s economic growth, retraction has not been seen since the 2008 subprime mortgage crisis. The ministry projects the sector will rebound in 2021 and contribute to positive growth of 3.3 percent – an encouraging development, but substantially less than the 20.8 percent that the construction sector provided in 2019. Last year, Prime Minister Hun Sen ordered that all government construction projects be delayed until 2021 to help contain the pandemic. Infrastructure projects, including their maintenance, cost about \$400 million per annum, according to the Centre for Policy Studies. However, with vaccine developments and their rollout to the community, the construction sector has begun to rebound in earnest. According to real estate agency CBRE’s annual Fearless Forecast, there were 279 projects under construction, partially completed or on hold. The bulk of the projects on hold were still under core construction, while slightly more than 10 percent

were in the final stages of being topped off, the report said. About 15 percent of construction projects in the capital are located in Phnom Penh’s Boeung Keng Kang (BKK) district with 5 percent or so strictly dedicated to hospitality. Nearly half of construction projects in Phnom Penh are mixed-use buildings. The Novotel Hotel in BKK was announced to great fanfare in 2017. France-based AccorHotels, which is responsible for the project and operates the higher-end Sofitel and Raffles Hotel, is behind it. The group had planned to welcome its first guests by the end of 2018. However, the hotel, which is also to include eateries and retail outlets, has been plagued with delays. “The project is on course for topping off by the end of March and the opening date of the hotel will be determined at a later stage,” a representative from AccorHotels said. Meinhardt (Thailand) – the firm charged with providing civil, structural, as well as mechanical, electrical and plumbing services for the project – says on its website that the hotel will have 254 rooms and include food and beverage outlets. A visit to the site at noon confirmed that construction was in full swing. Cabling, and materials were being delivered and collected at a frenzy with work audible from more than a block away.

Source : <https://www.khmertimeskh.com/50825395/mixed-use-buildings-forecast-to-drive-construction-growth/>

## \$200m loan for Cambodia's leading commercial bank ACLEDA in the works



*Cambodia News | 16 March, 2021*

A \$200 million investment in Cambodia's leading bank, ACLEDA, is being considered by The International Finance Corporation (IFC), a member of the World Bank Group. The IFC has proposed this investment to enable the bank to expand its lending programme to small and medium enterprises (SMEs) and women-owned SMEs, according to a disclosure. The proposed investment consists of an IFC A Loan of up to \$100 million and a syndicated loan of up to \$100 million. Headquartered in Phnom Penh, ACLEDA is one of Cambodia's biggest lenders by gross loan portfolio. As of last September 2020, it had a total loan portfolio of \$3.6 billion and held \$4.2 billion in deposits. The commercial bank, which has 263 branches and district offices across Cambodia to date, has been a long-term strategic partner for IFC in the Mekong region. Its female borrowers account for 55.92% of total active borrowers. ACLEDA is listed in the Cambodian stock exchange since May 25, 2020. Its main shareholders include ACLEDA Financial Trust (25.73 %), ACLEDA Staff Association Plc. (24.74%), Sumitomo Mitsui Banking Corporation (18.06%), COFIBRED S.A (12.12%) and ORIX Corporation (12.12%). The remaining stake is held by Triodos Sustainable Finance Foundation, Triodos Fair Share Fund, and Triodos Microfinance Fund, and public shareholders. The international

lender said that the project's development impact is anchored on increased access to finance for underserved SME segments, including women-owned SMEs. "Beyond the project, and along with other World Bank Group efforts in the SME segment, the investment will foster greater inclusiveness of the SME financing market via innovation and competition," IFC said in the disclosure. IFC has previously invested in ACLEDA as well. In 2019, IFC proposed to offer a loan of up to \$90 million to ACLEDA. Earlier, in 2016, it offered an additional loan of \$50 million to the Cambodian bank. Its other investments in Cambodia include a senior loan proposal of up to \$50 million for Amret Plc, a microfinance deposit-taking institution in Cambodia in June 2020. Earlier, the international firm proposed a three-year senior financing package to Angkor Mikroheranhvatho (Kampuchea) Co, also known as AMK, a registered microfinance institution. Cambodia's \$8-billion microfinance industry is touted by foreign investors as bringing financial opportunities to the country's poor. According to a Nikkei Asia report last year, the sector continues to grow, expanding by about 30% in 2018. IFC

Source : <https://www.khmertimeskh.com>

[/50825298/200m-loan-for-cambodias-leading-commercial-bank-acleda-in-the-works/](https://www.khmertimeskh.com/50825298/200m-loan-for-cambodias-leading-commercial-bank-acleda-in-the-works/)

## New projects launched to develop green industry policy



*Laos News | 17 March, 2021*

The authorities have launched new projects to accelerate the adoption of sustainable practices across the industry sector in Laos. The Global Green Growth Institute (GGGI) is supporting the 'Laos Green Industry Policy' project to develop this policy and enable work to be carried out in the field of industrial energy efficiency by government officials and the private sector. In parallel, the Green Climate Fund has provided a readiness grant for 'Market Preparation for Industrial Energy Efficiency in Laos', an 18-month programme with GGGI as the delivery partner. Under the project, policy gaps for a greener and more efficient energy industrial sector will be addressed, an action plan for private investments in the industrial energy sector will be developed, sectoral expertise will be improved, and stakeholders including the private sector will be engaged and effectively coordinated. In the medium term, the project will scale-up private sector investments in industrial energy efficiency. Longer-term impacts include lower energy intensity of industries, reduced emissions from industries, and a shift of the industry sector to a low emission sustainable development pathway. The Ministry of Industry and Commerce and the Global Green Growth Institute signed an agreement to officially launch the project on Tuesday. It was inked by GGGI Laos Deputy Country Representative, Mr Christophe Assicot, and the Deputy Director General of the ministry's Industry and Handicraft Department, Mr Somphong Soulivanh. The first Steering Committee Meeting of the project for the planning and

programming of energy efficiency investments in the industrial sector also took place. Deputy Minister of Industry and Commerce, Mr Somchit Inthamit, co-chaired the meeting. Mr Assicot said "These projects will accelerate the adoption of sustainable practices across the industry sector in Laos and, as such, they are also important steps towards a green and resilient recovery from the Covid-19 pandemic." The industrial sector is the largest consumer of electricity in Laos and the only consumer of coal. Coal consumption grew at an average rate of 9.8 percent per year during the past 20 years. The sector also generates increasing amounts of liquid and solid waste, a trend that is not environmentally sustainable, Mr Assicot said. Through ambitious policies, innovative business models and financial mechanisms combined with existing cost-effective technologies, the International Energy Agency believes that energy intensity could be improved globally at a rate of 3 percent per year, which will generate cost savings. The Global Green Growth Institute is thus glad to support the Lao government in the design of the National Green Industry Policy and to have helped the Ministry of Industry and Commerce and the Ministry of Natural Resources and Environment to secure a grant from the Green Climate Fund, to prepare the domestic market for investments in industrial energy efficiency.

Source : [https://www.vientianetimes.org/la/freeContent/FreeConten\\_New\\_53.php](https://www.vientianetimes.org/la/freeContent/FreeConten_New_53.php)

## 'Troubling' signs of Myanmar food price rises since military coup: UN agency



*Myanmar News / 16 March, 2021*

YANGON (REUTERS) - The UN food agency said on Tuesday (March 16) rising food and fuel prices in Myanmar since a Feb 1 military coup risk undermining the ability of poor families to feed themselves. Myanmar has been in turmoil since the military ousted the elected government and detained its leader, Ms Aung San Suu Kyi, with protests and a civil disobedience campaign of strikes paralysing parts of the economy. The World Food Programme (WFP) said food prices were rising, with palm oil 20 per cent higher in some places around the main city of Yangon since the beginning of February and rice prices up 4 per cent in the Yangon and Mandalay areas since the end of February. In some parts of Kachin State in the north, the price of rice was up as much as 35 per cent, while prices of cooking oil and pulses were sharply higher in parts of Rakhine State in the west, the WFP said in a statement. The cost of fuel had risen by 15 per cent nationwide since Feb 1, raising concern about further food price increases, it said. "These rising food and fuel prices are compounded by the near paralysis of the banking sector, slowdowns in remittances, and widespread limits on cash availability," the WFP said. The agency's country director, Mr Stephen Anderson, said the signs were troubling: "Coming on top of the Covid-19 pandemic, if these price trends

continue they will severely undermine the ability of the poorest and most vulnerable to put enough food on the family table." A spokesman for the ruling military council did not respond to telephone calls seeking comment. State media has this week reported farmers expecting good prices for their crops of onions and chickpeas. The WFP is helping to support more than 360,000 people in Myanmar, most of them displaced by conflict over the past decade. The agency reiterated a call from the UN secretary-general for the will of the Myanmar people expressed in November elections to be respected, Mr Anderson said, adding: "At WFP we know all too well how hunger can quickly follow when peace and dialogue are sidelined." The military defended its coup saying its complaints of fraud in a November election won by Ms Suu Kyi's party had been ignored. The election commission said the vote was fair. A total of 183 people have been killed by security forces in protests against the coup, a rights monitoring group said. Myanmar, once Asia's main rice basket, was among the region's poorest countries after the military seized power in a 1962 coup and imposed an autarchic "way to socialism". The economy boomed after the military began to withdraw from politics a decade ago.

Source : <https://www.straitstimes.com/asia/se-asia/troubling-signs-of-myanmar-food-price-rises-since-coup-un-agency>

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**Vietnamese economy continues to reboot during first months of 2021**

*Vietnam News | 16 March, 2021*

Vietnam's development indicators can be seen in areas such as agricultural production, forestry, industry, and business development indexes. The Vietnamese economy continued its recovery during the opening two months of the year, with signs of robust growth in certain sectors coupled with the COVID-19 pandemic gradually being brought under control, according to the General Statistics Office (GSO). Some development indicators can be seen in areas such as agricultural production, forestry, industry, and business development indexes. Elsewhere, private investment attraction as well as import-export activities have also bounced back, the VOV reported. Most notably, seafood output during February recorded an estimated increase of 0.5 percent to over 570,000 tonnes compared to the same period from last year, while industrial production also witnessed a year-on-year increase of 7.4 percent. February witnessed over 8,000 new enterprises established nationwide, with registered capital reaching over VND179.000 billion, while the disbursement of FDI capital during the reviewed period rose by 2 percent to US\$2.5 billion from the same period last year. Tran Toan Thang, head of the National Centre for Socio-Economic Information and Forecast (NCIF) under the Ministry of Planning and Investment said the national economy is on track to recover, with positive economic signs being recorded during the third quarter and fourth quarter of last year. These signals serve to provide fresh impetus to growth in January, especially in the fields

of import-export, investment, agriculture, and production, he noted. Despite these positives, over 33,000 local firms have been temporarily suspended in the initial two months of the year, representing an increase of 18.6 percent against the same period last year. Economists believe there should be drastic measures implemented in an effort to stimulate growth for potential businesses and sectors. This should be carried out with the aim of enhancing local businesses' competitiveness and creating momentum for high economic growth ahead during the remainder of the year. Nguyen Kim Hung, acting director of the Vietnam Institute of Business Administration and Digital Economy, said that the effective implementation of the COVID-19 vaccination campaign is expected to make positive contributions to the country's economic recovery moving forward. Hung expressed his optimism that the local economy will record a strong recovery in March and April, with positive expectations for the containment of the COVID-19 pandemic, GDP growth reaching 6 percent, and the effective rollout of the COVID-19 vaccine. The mass vaccination began on March 8, and so far 11,605 medical staff and other frontline workers in 12 localities have received their first shot, according to VnExpress. Vietnam has ordered 30 million doses, and 117,600 arrived late last month. The country will receive another 4.1 million AstraZeneca doses through Covax by April. It is also negotiating with the U.S.'s Pfizer and Moderna and other vaccine manufacturers in Russia and China. In the latest

outbreak beginning on January 28 Vietnam has had 901 cases./.

Source : <https://vietnamtimes.org.vn/vietnamese-economy-continues-to-reboot-during-first-months-of-2021-29289.html>

## Viet Nam needs to open borders for tourism recovery: experts



*Vietnam News | 16 March, 2021*

HA NOI — Viet Nam needs to research solutions and prepare all necessary conditions to open border for foreign tourists from July 2021, according to Nguyen Huu Tho, chairman of the Viet Nam Tourism Association. About 95 per cent of domestic tour operators providing tours for foreign visitors had to stop operating since the beginning of 2020 due to the COVID-19 pandemic. Thousands of hotels were closed and millions of workers in the tourism industry were put out of work. Therefore, the tourism industry needs new solutions to overcome the current crisis, Tho said. Opening borders to foreign tourists is the only solution to recover the tourism sector that contributed 9.2 per cent of total GDP in 2019, Tho said. The effective control of COVID-19 is an advantage for the domestic tourism industry to be able to welcome foreign tourists from the beginning of the third quarter of 2021. Now, regional countries with developed tourism sectors have plans to open borders to welcome back international visitors, reported the Dau tu (Investment)

newspaper. Specifically, Thailand has announced it would reopen the tourism market for foreign visitors from July 2021, Singapore welcomes international visitors who have negative COVID-19 test certificates and Indonesia will open its doors to Bali. Meanwhile, the European Union is planning to provide a "vaccine passport" to help people travel freely. This also helps the tourism and aviation industries resume operations, according to Tho. Nguyen Thi Thanh Huong, deputy director of the Viet Nam National Administration of Tourism, said the administration is studying a plan to reopen the tourism market for international visitors. Viet Nam cannot receive massive numbers of foreign tourists, but it cannot be slow due to competition from other regional countries. The domestic travel companies can choose key markets with high demand visiting Viet Nam, build tour packages and choose a convenient airport destination and an independent resort to receive the international visitors, Huong said. Many localities want to welcome international and domestic tourists but they are afraid of the pandemic, so they do not dare do that, she said. Luong Hoai Nam, member of the Viet Nam Tourism Advisory Council (TAB), said the vaccine is a basic measure and the only way for the world to get rid of COVID-19. The population that gets vaccinations becomes a safe community. This group has about 200 million people and this figure is

growing rapidly, especially in developed countries. Many foreigners are beginning to think about finding an attractive tourism destination after getting vaccinated. That is a good opportunity for Viet Nam to recover plans on economic development, including tourism and aviation sectors. It should not wait for the pandemic to end to plan re-opening its tourism market for foreign visitors. It needs to have this plan now for vaccinated visitors, Nam said. He said before having the COVID-19 vaccine, a safe area is a well-controlled place like Viet Nam, but when this vaccine is available, the safe area is a place with high vaccination rates like Israel. There will be more countries with high vaccination rates including the US and Europe. Therefore, Viet Nam should not be slow to receive visitors from safe areas as well as building up tours for Vietnamese tourists to those safe areas. Vu The Binh, permanent vice president of the Viet Nam Tourism Association, said the opening of the tourism market for foreigners may face opposition from many, but Viet Nam needs to prepare plans to recover the tourism sector. The association will have a plan to welcome foreign visitors back from the third or fourth quarter of 2021. In the first days of March, a lot of travel agencies in HCM City welcomed guests on tours. Some companies also have departures after the Lunar New Year, according to Dai Doan Ket newspaper. Nguyen Minh Man, head of the

TSTtourist Company's Communications Department, said that in March, the company organised many tours from HCM City to domestic tourist destinations such as Phu Quoc, Sa Pa - Ha Noi - Ninh Binh, Da Nang, Buon Ma Thuot, Phan Thiet, Da Lat and Hue. It will increase the tours in April. Other companies also welcomed many groups of tourists in HCM City and to neighbouring provinces such as Dong Nai, Binh Duong and Ba Ria-Vung Tau. Most travel companies hope that the tourism market will recover in the second quarter of 2021. According to them, in 2021, small groups of tourists is a new trend. That means a group of 10-15 tourists instead of a group of 30-50 people. To ensure a safe trip for guests, travel companies affirm that they implement anti-pandemic regulations of the Ministry of Health for the tourism sector. However, the travel businesses want to have affiliate programmes between parties, including aviation, railway, road, service providers, travel agencies and hotels to create attractive tour packages. — VNS

Source : <https://vietnamnews.vn/economy/904845/vietnam-needs-to-open-borders-for-tourism-recovery-experts.html>

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