

Highlight News / July 01/2021



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Garment manufacturer releases 'dismal' report



Cambodia News | 30 June, 2021

Cambodia's only bourse-listed garment manufacturer, Grand Twins International (Cambodia) Plc (GTI), released a first quarter disclosure after market close on Monday, after a lengthy delay blamed on April's lockdowns. Pre-tax profit for the firm fell by 49.77 percent over the same period last year to \$97,646. Revenue increased by 6.73 percent to \$32.731 million, which was offset by a \$2.303 million increase in the cost of sales. "The decrease in operating profit (37.27 percent) and the decrease in net profit of 50 percent were due to an increase in raw material prices," GTI said in its filing to the Cambodia Securities Exchange (CSX). Materials accounted for 74 percent of the total cost of sales, amounting to more than \$23.273 million – an increase of \$2.611 million over the same period last year. Cost for labour increased by 6.96 percent to \$2.104 million. Other overheads fell by \$137,038 to \$5.773 million. The firm's total assets decreased by 2.81 percent to \$85.425 million as property, plant and equipment depreciated and receivables and cash decreased. Earnings per share fell by half from \$0.004 to \$0.002 over the same period last year. Shares of GTI traded well during the first quarter, registering an 80 riel per share increase by the end of Q12021 and increasing its market capitalisation by more than \$783,000 to approximately \$32.117 million. GTI kicked off the new year trading at 3,200

riels per share and reached a Q1 high of 3,550 riels a share on Jan 18. It paid out 50 riels per share in dividends, amounting to \$500,000 for shareholders, in February. Yesterday. GTI announced that it had resumed operations on June 24 after a three week production hiatus following the positive Covid-19 diagnosis of 200 workers. In a statement, the firm said that the suspension would have a "significant impact" on the company's abilities to meet orders and revenues. Shares of GTI held steady at 4,100 riels per share at the close of yesterday's CSX session.

Source: <https://www.khmertimeskh.com/50883983/garment-manufacturer-releases-dismal-report/>

Phnom Penh airport flyover plans run into Coronavirus turbulence



Cambodia News | 30 June, 2021

Plans to build an expressway linking Phnom Penh to a new international airport are being delayed by the Covid-19 pandemic. The General Director of local conglomerate Overseas Cambodia Investment Corporation (OCIC) said the project has not yet been finalised and would take some time. Touch Samnang said last week that because of 19 Coronavirus cases, the company's work activities have been cut in half, delaying the new flyover and plans to build a new development on Nora Island. OCIC President Neak Oknha Pung Kheav Se said recently that the company is studying the plans to build an expressway from the new airport in Kandal to Phnom

Penh, with the first phase scheduled to begin construction this year. “This expressway project is not a highway like the road to Kampong Som, but a flyover with a total length of 21.5 kilometres (km) and two phases,” he said. The first phase is about 10 km long passing through Hun Sen Boulevard and Street 271, all the way from the Kbal Thnal junction to National Road 2. The second 11 km stretch will connect National Road 2 to the new airport. The project will cost about \$400 million, with the first phase likely to begin this year. It is scheduled to be completed shortly after the airport is finished in 2023. The company says the new expressway will allow drivers to reach speeds of up to 100 kilometres per hour between the city and the airport. The Ministry of Public Works and Transport is also studying the feasibility of building a railway connecting Phnom Penh to the new airport. The new Phnom Penh International Airport project will cost more than \$1.5 billion, built on an area of 2,600 hectares. The airport will be able to accommodate 15 million passengers a year at the end of the first phase and 30 million after the second stage.

Source: <https://www.khmertimeskh.com/50883981/phnom-penh-airport-flyover-plans-run-into-coronavirus-turbulence/>

Germany provides an additional EUR 5.5 million for rural development



Laos News | 01 July, 2021

The government of the Federal Republic of Germany will continue to support the Lao government to improve and develop rural infrastructure in Huaphan province with a total amount of EUR 5.5 million (over 62 billion kip) under the Rural Development Programme phase III (RDP III), which is part of last year’s intergovernmental negotiations between Laos and Germany. A project official told Vientiane Times that phase III of the Rural Development Programme will begin at the end of this year and continue until 2024. More than one third of the Lao population lives in rural areas and these rural communities suffer from a high poverty rate due to isolation and limited accessibility, especially during the rainy season and particularly in the mountainous areas. This disconnection from basic infrastructure such as markets, hospitals, schools and clean water leads to heightened risks of poverty, according to a press release from RDP III. In the last few years, several long-distance corridors (national roads, railways) have been and are being planned and expanded in order to promote Laos’ regional economic integration. The catchment area of these corridors is relatively narrow due to the lack of links to surrounding rural areas, which means that positive effects on the population living not far from the corridors are still relatively small and are largely limited to urban areas. As a consequence, the

economic development of rural areas could deteriorate. Without economic prospects, increasing migration, especially of the younger population, to cities is to be expected. Since 1994 the German government has committed to support Laos in the field of rural development. Under Lao-German Development Cooperation, almost 100 million EUR has been invested in infrastructure through KfW. Initial support focused on the rehabilitation of national roads in central regions, while recent activities have concentrated on the extension, rehabilitation and repair of roads damaged by flooding in the south. Building on the previous phases of the programme, the sustainability of investments is supported by accompanying training to ensure appropriate road maintenance. This training supports the Public Works and Transport Training Institute (PTTI) as the national training institute, as well as providing technical skills for local provincial and district administrations of the Ministry of Public Works and Transport. As an important contribution to basic maintenance, Village Maintenance Committees in individual villages along the improved roads also received training. Additionally, smaller infrastructure investments near project roads have been included to improve the economic and social attractiveness of rural regions. Secure year-round access to markets, schools and health facilities provides development opportunities and creates new jobs, especially for the poor and young rural population. Last but not least, the investments also enable access to the higher-level

national transport network and new transport corridors and, overall, significantly improve the living conditions of poor communities.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Germany126.php

Natmauk residents run small-scale baby chick production



Myanmar News | 30 June, 2021

The people living in Kan Gyi Ward of Natmauk Township in the Magway Region operate manageable scale poultry farming. “We breed about 100 native chickens at our poultry farm. We put the eggs in the incubators for 21 days. Then, the newly born chicks receive the vaccine as soon as they are taken out of the machine. They are also placed in a room with the required temperature for 21 days and vaccinated against new castle disease. We get K1,800 per normal chicken and K8,000 per broiler chicken. We feed them broken rice, corn and bran three times a day. We also use watercress and Brachiaria grass as their feed. The poultry farming industry makes a profit for us,” said a poultry farmer from Kan Gyi Ward. Most of the customers of chicks are from Natmauk and Pyawbwe townships. —Thin Thin Myat (Natmauk)/GNLM

Source: <https://www.gnlm.com.mm/natmauk-residents-run-small-scale-baby-chick-production/#article-title>

International visitors to Vietnam drop 97.6 percent y-o-y in H1



Vietnam News | 30 June, 2021

Hanoi (VNA) – Vietnam recorded over 88,200 international visitors in the first half of 2021, plunging 97.6 percent year on year, the General Statistics Office (GSO) said on June 29. The GSO attributed the nosedive to the continuation of anti-COVID-19 measures, including the borders closed for international tourism, noting that most of the foreign arrivals are experts and technical workers performing duties at projects in Vietnam. During the period, the number of Asian visitors fell 97.2 percent year on year but still made up 88 percent of all international arrivals. Sharing the same trend, those from Europe plummeted 99 percent, the Americas 99 percent, Oceania 99.4 percent, and Africa 94.5 percent. The Politburo recently approved the consideration of welcoming foreign visitors with “vaccine passports” to some tourism hubs able to control COVID-19 transmission like the island city of Phu Quoc in Kien Giang province on a trial basis. At a recent meeting with Deputy Minister of Health Do Xuan Tuyen, the Kien Giang People’s Committee proposed a pilot “closed quarantine tourism” model for foreign travellers who already got inoculated against COVID-19. It also suggested vaccination for the entire population in Phu Quoc so as to ensure safety for local residents and staff at tourist sites. Tourism is a key industry of Phu Quoc, which has seen annual growth of 28 percent in the total

visitor number and over 45 percent in international arrivals. However, it has been hit hard since the COVID-19 pandemic broke out last year, with total tourists and foreign holidaymakers dropping 30.6 percent and 76.1 percent year on year in 2020, respectively./.

Source : <https://en.vietnamplus.vn/international-visitors-to-vietnam-drop-976-percent-yoy-in-h1/203848.vnp>

Vietnam Q2 GDP growth quickens to 6.61% y/y on robust exports



Vietnam News | 30 June, 2021

HANOI — Vietnam’s economic growth accelerated in the second quarter of the year, as robust exports and industrial production amid a global recovery helped offset the impact of the Southeast Asian country’s most serious COVID-19 outbreak so far. Gross domestic product grew 6.61% in the second quarter from a year earlier, faster than a revised expansion of 4.65% in the first quarter, the government’s General Statistics Office (GSO) said on Tuesday. “Global trade continued to recover,” the GSO said in a statement. “Domestically, macroeconomic stability has been maintained, while production and trade have seen decent results,” it said. Vietnam’s exports in the first half of this year rose 28.4% from a year earlier to \$157.63 billion, while industrial production increased 9.3%, according to the GSO. The GSO, however, said an ongoing COVID-19 outbreak is posing a threat to the

Southeast Asian country's economic recovery. After successfully containing the virus for most of last year, Vietnam is grappling with a rise in infections since late April that accounts for more than three quarters of the total 16,238 registered cases. So far, there have been 78 deaths. The outbreak is "evolving in a complicated manner, challenging the management and administration to develop the economy and ensure social security," the GSO said. The new outbreak, which forced global giants like Samsung Electronics and Foxconn to temporarily curb their production in northern Vietnam last month, is now spreading rapidly in the country's southern business hub Ho Chi Minh City and its neighbouring industrial provinces. The industrial and construction sector in the April-June period grew 10.28% from a year earlier, the GSO said. The services sector expanded 4.30%, while the agricultural sector grew by 4.11%. Vietnam's consumer prices in June rose 2.41% from a year earlier and were up 1.62% from December, the GSO said.

Source: <https://tienphongnews.com/vietnam-q2-gdp-growth-quickens-to-6-61-y-y-on-robust-exports-181429.html>