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Highlight News / December 15/2021

- Phnom Penh Autonomous Port earns $30 million in 11 months
- SME Co-financing scheme II's budget increased to $140 million
- Public, private sectors gear up for return of tourists
- Myanmar yearly ships over 600 tonnes of soft-shell crab to external market
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Phnom Penh Autonomous Port earns $30 million in 11 months

Cambodia News I 14 December, 2021

The Phnom Penh Autonomous Port, listed on the Cambodia Securities Exchange (CSX), earned some $30 million as of the first 11 months this year, an increase by 14 percent compared to the same period in 2020. Data from Phnom Penh Autonomous Port released recently shows that of the total revenue, $24.37 million was from port operations, up 16 percent; $3.23 million from port authority, down 3 percent; $300,000 from services, up 89 percent, and $2.47 million from other revenues, up 12 percent. In November alone, the total revenue of Phnom Penh Autonomous Port was $2.76 million, a year-on-year increase of 19 percent, of which $2.29 million from port operations, up 24 percent. Chea Vannak – AKP

Source : https://www.khmertimeskh.com/50987953/phnom-penh-autonomous-port-earns-30-million-in-11-months/

Fabric imports for garment industry rises to $3.5 billion in first nine months of the year

Cambodia News I 14 December, 2021

The garment sector in Cambodia has shown good performance in terms of production, exports and growth in orders, while the import of fabrics for garment production increased by more than 25%. According to the latest World Bank Economic Update for Cambodia, in the first nine months of this year, Cambodia imported about $3.5 billion worth of garments, an increase of more than 25%. Kaing Monica, Deputy Secretary General of the Garment Manufacturers Association of Cambodia, was quoted by local media as stating that the increase in imports of raw materials for garment production this year was in line with the growth of exports of garments and travel products. He said that the growth in each sector differs slightly with clothing seeing the lowest growth of about 5% in the first 9 months of this year, but footwear sector increased by approximately 15% and for travel products, there is a very strong growth of more than 30%, compared to last year. In general, garments are low-growth products and we need to be very competitive with other countries, especially Bangladesh and Vietnam. He added that compared to last year in 2021, the situation of the garment sector in Cambodia has improved due to stable production, leading to an increase in exports, while orders for this year increased more than last year. Imports to the United States have continued to grow, although the GSP has not yet been validated. At the same time, the factory that had suspended production at the beginning of the year has resumed normal production. According to the latest World Bank report, Cambodia's garment exports to the United States increased by 31.9% to $ 3.4 billion in September 2021, although GSP has not yet been re-validated. According to the report of the General Department of Customs and Excise of Cambodia, in the first nine months of 2021, exports for garments amounted to $8.24 billion, an increase of about

$843.4 million or 11.4 % Compared to 9 months in 2020.

Source : https://www.khmertimeskh.com/50988017/fabric-imports-for-garment-industry-rises-to-3-5-billion-in-first-nine-months-of-the-year/

Ministries partner to streamline cross-border trade

Laos News I 15 December, 2021

Four ministries are partnering to ensure more efficient customs operations and speed up cross-border trade. A Memorandum of Understanding (MOU) on integrated risk management and coordination mechanisms to facilitate cross-border trade was signed in Vientiane on Monday by the Director General of the Food and Drug Department, Ministry of Health, Dr Bounsou Keohavong, and the Director General of the Import-Export Department, Ministry of Industry and Commerce, Mrs Manivone Vongxay. The MOU was also signed by the Deputy Director General of the Agriculture Department, Dr Soulaphone Inthavong, and Deputy Director General of the Livestock and Fisheries Department, Ministry of Agriculture and Forestry, Dr Sythong Phiphakhavong, together with the Deputy Director General of the Customs Department, Ministry of Finance, Mr Saymanolin Sinbandhit. The MOU provides for the sharing of information on risk management among the departments involved through the use of the Automated System for Customs Data (ASYCUDA) system. This system will be used at border crossings to make the inspection of goods being imported and exported more efficient, accurate and uniform. The MOU was unanimously agreed to by the National Implementation Unit and the ministries concerned. In addition, the Ministry of Finance has established a Joint Risk Management Committee consisting of the relevant departments to coordinate the collection of information and development of integrated risk profiles for uploading into the ASYCUDA system. The committee is also responsible for improving the clearance process through a system of risk-based inspections and for providing recommendations to the parties involved for further efficient and effective implementation. The MOU is an important initiative that provides a framework for collaboration among border agencies to improve border clearance through the World Trade Organisation-Trade Facilitation Agreement (WTO-TFA). This agreement is being implemented under the Multi-donors Trust Fund- Lao Competitiveness and Trade Project funded by the World Bank, the governments of Australia, Ireland and the USA.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Ministries_245_21.php

Myanmar yearly ships over 600 tonnes of soft-shell crab to external market

Myanmar News I 14 December, 2021

Myanmar has been exporting seafood from Rakhine State to the international markets beyond domestic consumption and an annual export of the marketable soft-shell crab is estimated at over 600 tonnes. The soft-shell crabs from Rakhine State are delivered to the US, Australia, Japan, Hong Kong and the countries in Europe. The crab processing companies produce 15 tonnes per month and approximately 200 tonnes per year in Rakhine State. The crabs are sent to cold storage facilities in Hlaingthaya Industrial Park for good packaging. They are conveyed to Europe and other foreign trade partners. The prices of soft-shell crab are worth around 7 US$dollars per kg. Rakhine State seafood exporters ships a full container load of sliced fish, processed squid and ready-made shrimp cake to Australia, France and Hong Kong SAR every two months. The exports of soft-shell crabs by the companies in Thandwe city earned US$2.5 million in the 2018-2019 financial year, $3.8 million in the 2019-2020 FY and $4.66 million in the 2020-2021FY. The soft-shell crab cultivation businesses are found in Ponnagyun and Taungup townships, employing over 1,200 residents. If there is an adequate electric supply in those townships, food processing companies can boost the quality of the products, increase job opportunities and generate revenue. Consequently, it will reduce the production cost as well. The hard-shell crabs are primarily supplied by Pyapon, Bogale, Myaungmya and Labutta townships in Ayeyawady Region and Kyauktan, Kayan and Thongwa in Yangon Region and townships in Rakhine State. They are mostly sent to Chinese and Thai markets. “Rakhine is the main producer of fishery products. If there is better infrastructure, it will bring about the development in the socio-economy of the state. There is a shortage of power supply in Rakhine State so it has a barrier to make value-added products. We can add core product offerings through value-adds. Over 600 tonnes of soft-shell crabs are placed in European markets. Rakhine State Department of Fisheries also focus on the aquaculture to help protect the endangered species population,” said U Thet Oo, head of the department. The department has been implementing the hatcheries for fish, shrimp and soft-shell crab. The companies purchase 80 g sized crabs from Sittway, Ponnagyun, Minbya, Taungup, Yanbye, An and Manaung townships and after 45 days of cultivation, the soft shell crabs are ready to place on market. They are processed in Thandwe cold stroage and cold storage plants in Hlaingthaya Industrial Park in Yangon and they are transported to external market through cold chain.A company usually breeds about 400,000-500,000 crabs in the pond. The Department of Fisheries set three-month offseason for catching crabs between February and April in ordedr to protect the local species. —Nyein Thu (MNA)/ GNLM

Source : https://www.gnlm.com.mm/myanmar-yearly-ships-over-600-tonnes-of-soft-shell-crab-to-external-market/

ADB slashes Malaysia and Vietnam annual growth forecasts

Vietnam News I 14 December, 2021

MANILA -- The Asian Development Bank slashed growth estimates for Vietnam and Malaysia this year after third-quarter contractions, while trimming its forecast for developing Asia in 2022 because of the emergence of the COVID-19 omicron variant.The region's gross domestic product is poised to expand 7.0% this year and 5.3% next, lower than the September forecasts of 7.1% and 5.4% respectively, the ADB said in an update to its Asian Development Outlook.The bank said COVID-19 infections in the region have receded and vaccinations have improved dramatically, but rising global cases threatens the reopening of economies."The emergence of the highly mutated omicron variant brings additional uncertainty," the bank said. "As it appears to be significantly more transmissible than earlier variants, its economic impact could be substantial."Southeast Asia is expected to expand 3.0% this year, down from 3.1%. Next year, the region is expected to grow 5.1%, faster than the 5.0% projected earlier.The economies of Vietnam and Malaysia contracted in the third quarter following their battle against the delta variant. They are now facing big cuts in growth estimates.Vietnam's GDP growth is expected to fall to 2.0% this year from the previous forecast of 3.8%, before expanding 6.5% next year. Malaysia is now expected to grow 3.8% this year and 5.9% next, slower than previous estimates of 4.7% and 6.1%, respectively.The Philippines is set to expand 5.1% this year, up from 4.5%. The nation is predicted to grow 6.0% next year, when it holds general elections, faster than the previous 5.5%.Singapore is poised to end the year with a 6.9% expansion, better than the earlier forecast of 6.5%. The city-state's 4.1% growth forecast for next year is unchanged.The ADB maintained Indonesia's 3.5% growth projection for this year, but lifted its outlook for Southeast Asia's largest economy to 5.0% next year from 4.8%.China is on course to expand by 8.0% this year and 5.3% in 2022, dropping from 8.1% and 5.5%, respectively. On China, the ADB said: "In 2022, growth in industry should moderate given lower export growth calculated from a high base... existing tightening measures on the real estate market will likely be fine-tuned to stabilize real estate investment."The outlook for India's expansion has also been tempered amid slower than anticipated growth in manufacturing. The region's second-largest economy is now projected to expand 9.7%, instead of the previous 10.0% forecast. Its projected 2022 growth is still 7.5%."Supply chain factors such as chip shortages and rising semiconductor prices will continue to suppress economic growth [in India]," the ADB said.Central Asia's growth forecast has been raised to 4.7% this year and 4.4% in 2022, up from 4.1% and 4.2% respectively.The Pacific subregion is expected to shrink by 0.6% amid COVID outbreaks in Papua New Guinea and Fiji, before expanding 4.7% next year.As of November, developing Asia's daily COVID infections had decreased by 71% from its peak in August. Meanwhile, 48.7% of the region's population had been fully vaccinated, up from 28.7% three months earlier. But the region still lags the vaccination rate of 58.1% in the U.S. and 67.2% in the European Union."Vaccine progress in the region remains highly uneven. In 20 economies in developing Asia, the share of the population that is fully vaccinated is still less than 40%, leaving them susceptible to renewed outbreaks," ADB warned.

Source : https://asia.nikkei.com/Economy/ADB-slashes-Malaysia-and-Vietnam-annual-growth-forecasts

WB push for rapid vaccination and fiscal policy support to help reboot economy

Vietnam News I 14 December, 2021

VOV.VN - The policy of living safely alongside the COVID-19 pandemic, coupled with rapid vaccination and fiscal policy support, are expected to help the domestic economy to recover, according to the latest Vietnam Macro Monitoring report released by the World Bank (WB). The report outlines that despite the negative impacts of the COVID-19 pandemic, industrial production index rebounded strongly in November following an increase of 5.5%, thereby proving its resilience again.This solid recovery partly serves to reflect the resumption of economic activities occurring in southern provinces, marking a rise of 13.3% on-month.Furthermore, production of electronic, computer, and optical products also grew strongly by 8.5% on-year, while the manufacturing Purchasing Managers' Index (PMI) stood at 52.2 in November, almost the same level as in October and above the 50.0 neutral benchmark, indicating a consistent improvement in economic conditions.Elsewhere, retail sales increased by 6.2% in November, largely driven by domestic demand's continued recovery, while sales of services were also recovering faster in the aftermath as they rose by 12.5%. Nevertheless, both were below the levels reported a year previously.The number of newly-established formal firms also increased by 45% in November, only the second month where an increase has been recorded since May. Firm exit numbers also rose, but at a slower pace than firm entry, whilst more businesses resumed operations rather than suspended operations.The overall improvements recorded in formal firm dynamics could therefore be seen to reflect the reduction of delays in official registration of new enterprises and business closure caused by the lockdown. The higher net entry could also be attributed to improved economic conditions.Most notably, merchandise exports hit a record high of US$31.9 billion to improve the trade balance. Accordingly, the trade surplus reached US$1.3 billion in November as merchandise export growth accelerated from 6.1% in October to 26.5% in November, exceeding the annual import growth rate of 24.1% in the process.Year to date merchandise trade registered a surplus of US$1.46 billion to strengthen export performance, with this being put down to a resumption of manufacturing activities, particularly in high-tech product sectors. Exports of phones, computers and electronics, and machinery, which accounted for over 40% of total exports, increased by 19.6% in November to US$13.3 billion.Moreover, exports of textiles and garment also rebounded strongly, increasing by 24.9%, while exports of footwear and wooden products declined for a fourth month. In terms of trading partners, after falling for two months exports to the United States surged by 3.1% in October, with this figure estimated to have risen by 13.8% to US$8.0 billion in November.Exports to China also accelerated from 4.8% in October to 11.7% in November, reaching US$6.0 billion in the process.FDI commitments increased by 71.2% in November after enduring a dip in October, with this mainly driven by recovering investment in manufacturing, up 40.2%.Over the initial eleven months of the year, the country attracted a total of US$26.5 billion worth of FDI commitment, a figure comparable to the amount committed in the same period in 2020.FDI disbursement continued to recover after suffering a sharp decline in the third quarter, up 4.3% in November, although this has yet to reach the level observed a year ago. Indeed, during the initial eleven months of the year it was 4.2% lower than in the same period from last year.Inflation also ticked up due to fuel price hikes and recovering non-food domestic demand after two months of decreases, with the Consumer Price Index (CPI) increasing by 0.3% in November.This partly reflects the rising cost in transports due to higher fuel prices, recovering domestic demand for non-food product, as well as increasing logistical costs.Food prices continued to drop, falling by 0.2% thanks to well-maintained food supply chains. Compared to a year ago, CPI rose by 2.1% on-year, slightly higher than in October, but well below the 4.0% target set by the State Bank of Vietnam.According to experts, although the case fatality rate continues to trend downwards, the numbers of new COVID-19 cases is rapidly rising.They therefore underlined the importance of the accelerated vaccination programme, vigilance in social distancing measures, testing, and quarantining as a means of avoiding a new wave of infections which will impact of lives and force fresh restrictive measures.On the fiscal front, they underscored the importance of providing support to impacted workers and households, a move which could be an essential avenue to achieve this objective.Given the available fiscal space, along with difficulties registered in implementing the budget this year, the Government may also consider revenue measures which strive to support domestic demand. This could include a reduction in the value-add taxes (VAT) for 2022 in support of private consumption.

Source : https://english.vov.vn/en/economy/wb-push-for-rapid-vaccination-and-fiscal-policy-support-to-help-reboot-economy-911545.vov