

Highlight News / January 12/2022



- Investment projects worth \$1.716 billion registered in January-November
- Vietnam buys 80 pct of Cambodia's agriculture exports
- Ministry inks agreement on third phase of water project
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- Overseas remittances to Vietnam increase as Tet approaches
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## Investment projects worth \$1.716 billion registered in January-November



*Cambodia News | 11 January, 2022*

Cambodia has a new investment law that offers incentives to foreign investors to inject direct investment into the country. The implementation of the RCEP and FTA with China as well as EBA in the EU and GSP in the US and the UK are factors that shall attract new investment into the country. Flow of foreign investment remained negative as of November last year despite Cambodia's economy showing a return to normalcy. Figures from the Ministry of Economy and Finance showed that the total investment projects outside special economic zones have achieved 107 projects, a decline by 34 projects. The investment projects were registered at the Council for the Development of Cambodia. The registered investment projects created approximately 89 thousand new jobs, declining by 20.3 percent, read the report. The total investment was valued at \$1.716 billion, a decrease by 72.8 percent compared to the same period last year. In November, Cambodia's economy showed its way back to normal, but it still hasn't reached the level before the Covid-19 pandemic, the ministry noted in the report. "After getting impacted by the pandemic, especially the February 20, 2021 Community Incident, the main sector of Cambodia's economic growth has gotten the negative pressure on international tourist arrivals, activities in the

construction sector and the flow of foreign investment," the ministry said. In the third quarter last year, the investment projects outside the special economic zones were 37 projects, increasing by seven projects or 23.3 percent compared to the same period the year before. The investment project amount was valued at \$306.4 million, a 91.8 percent decrease compared to the same period in 2020 due to a strong drop in investments in hotels, energy, and animal raising farms, read the ministry's report. Lim Heng, vice president of the Cambodia Chamber of Commerce, optimised that Cambodia will soon be able to attract foreign investment due to the country having been fully reopened, and especially when achieving the herd immunity. "The Covid-19 vaccine administration is one of the key factors to ensure social and economic activities are back to normal, which will lead to incentives for foreign investment projects," Heng said. "Cambodia has a new investment law which offers incentives to foreign investors to inject direct investment into the country. Furthermore, we started the implementation of the RCEP and FTA with China as well as EBA in the EU and GSP in the US and the UK are factors that shall be attracting new investment to Cambodia," Heng added. The registered investment projects went almost to the industry sector while agriculture, energy, service and tourism sectors shared small pieces.

Source : <https://www.khmertimeskh.com/501004396/investment-projects-worth-1-716-billion-registered-in-january-november/>

## Vietnam buys 80 pct of Cambodia's agriculture exports



*Cambodia News | 11 January, 2022*

Vietnam bought nearly 80 percent of Cambodia's nearly \$5 billion worth of agriculture exports last year. It bought 96-99 percent of Cambodia's cashew, pepper and mung bean exports, according to a report by Cambodia's Ministry of Agriculture, Forestry and Fisheries. Exports of Cambodia cashew to Vietnam grew 4.6 times from 2020, and that of pepper and mung bean surged four times. Other produce that Vietnam bought in large amount from its neighbor were rice, grapefruit, bananas and mangoes. Cambodian Agriculture Minister Veng Sakhom told Vietnam's President Nguyen Xuan Phuc during the latter's recent visit that Vietnam was Cambodia's biggest importer among 70 countries and territories last year. Vietnamese companies had also harvested \$200 million worth of latex in the first 11 months last year, he added. "Rubber farming has created jobs for around 33,000 locals. Vietnamese companies also contributed to over 50 percent of Cambodia's banana exports, creating jobs for around 14,000 workers." Insiders say the surge in Cambodia's exports of agriculture produce to Vietnam came as many Vietnamese companies have invested into Cambodian farming. Agriculture expert Vo Tong Xuan ascribed the trend to Vietnamese businesses and individuals taking advantage of Cambodia's affordable land fund as well as lower labor costs. "The yield is then exported back to

Vietnam." In the first 11 months last year, trade value between Vietnam and Cambodia rose 84 percent year-on-year to \$8.6 billion, according to Vietnam Customs. Cambodia's exports to Vietnam rose 337 percent in the period. E. VNExpress

Source : <https://www.khmertimeskh.com/501004581/vietnam-buys-80-pct-of-cambodias-agriculture-exports/>

## Ministry inks agreement on third phase of water project



*Laos News | 12 January, 2022*

The Department of Water Supply of the Ministry of Public Works and Transport and the East Meets West Foundation in Laos on Monday signed a Memorandum of Understanding to implement the third phase of the Engaging Public, Private and Women in Water Sanitation and Hygiene Project. The third phase of the project, which is being funded with US\$1.4 million by Charity: Water, will see the installation of water supply systems through contributions from the state, private players and local communities. The third phase of the project will run from the date of the signing of the MOU until December 31, 2023. The goal is to produce 7,500 cubic metres of water a day, which is expected to benefit 37,379 people from 6,712 households in 36 villages. The project aims to support government strategy by ensuring that large groups of villages and small districts can access water and sustainable hygiene, promoting the role of women and men, enabling disabled people to access water equally,

and taking good lessons and replicating them in other locations. This project works with contributions from the state, the private sector and local communities at five locations in Xaythany and Pakngum districts in Vientiane, Xienghon district in Xayaboury province, Chomphet district in Luang Prabang province, and Long district in Luang Namtha province. The MOU was signed by the Director General of the Department of Water Supply, Mr Sompong Sithivong, and the Country Director of the East Meets West Foundation, Mr Khouankeo Ardphasouk, at a ceremony held at the Lao Plaza Hotel. The signing was witnessed by the Deputy Minister of Public Works and Transport, Mrs Vilaykham Phosalath, and representatives of various groups from Vientiane and the provinces. The project is in line with the government's 9th National Socio-economic Development Plan for 2021-2025 which aims to create conditions that are conducive to attracting investment by the private sector to support Laos' socio-economic development. In 2021, there were 174 water supply plants with a total installed capacity of 681,322 cubic metres per day. They are located at 111 sites in 1,480 villages of 117 districts. More than 1.8 million people benefit from water supply, representing 77.4 percent of residents in urban areas or about 26.35 percent of the total population. Sustainable Development Goal No. 6 states that 90 percent of residents in a provincial capital and main district town should be able to access water that is safely administered, widely

distributed, reliable and reasonably priced by the year 2030.

Source : [https://www.vientianetimes.org.la/freeContent/FreeContent\\_Ministry\\_07\\_22.php](https://www.vientianetimes.org.la/freeContent/FreeContent_Ministry_07_22.php)

## Watermelon prices fall again in Chinese market



*Myanmar News | 12 January, 2021*

Land sales in the industrial zone depend on foreign direct investment, and sales in the Thilawa SEZ are expected to be minimal in the coming years, according to a study by MTSH executives. The management's analysis and analysis is based on the Company's financial statements for the fiscal year 2020-2021, which expires on September 30, 2021, of the Myanmar Thilawa S. Isaac Holdings Public Company. Political and economic unrest has continued in Myanmar since February 1, and Myanmar Thilawa AS Isaac Holdings Public Company Limited and its subsidiaries are doing their best to overcome all obstacles. Land sales within our industrial zone are expected to be minimal in the coming years as they rely on foreign direct investment. However, the MJTD will remain viable due to revenue from the use of water and electricity to support existing plants in the Thilawa SEZ. Thilawa Property Development Limited is expected to be the most challenging period of the year, and the success of the residential and commercial real estate sector could be largely dependent on domestic investment. Restaurants; Previous plans to expand shops and shopping areas have been postponed, but have now

been postponed due to inconveniences due to the Kovid epidemic and economic constraints. Myanmar Thilawa AS Isaac Holdings Public Company Limited won the tender for the Gyogone housing redevelopment project on March 5, 2020 and held a swearing-in ceremony on December 26, 2020. The project will be approved by the Myanmar Investment Commission, which will develop the project in the short to medium term, with a return period of three to seven years.

Source : <https://news-eleven.com/article/223258>

## Overseas remittances to Vietnam increase as Tet approaches



*Vietnam News | 11 January, 2021*

Hanoi (VNA) – In the run-up to Tet (Lunar New Year), the biggest traditional festival of Vietnam, the inflow of remittances sent by overseas Vietnamese to the homeland has been on the rise, fueled further by local banks' preferential programmes. To attract money sent home by overseas Vietnamese, Sacombank, ACB and Eximbank have launched programmes targeting customers using their remittance receipt services since the first day of 2022. These programmes are offering valuable gifts and lucky draws to the customers. Vietnamese abroad sent home some 12.5 billion USD last year, up 10 percent on-year, according to Standing Deputy Governor of the State Bank of Vietnam (SBV) Dao Minh Tu. About 28 percent of the remittances was delivered through international money transfer companies, 70 percent via credit institutions and 2

percent by post, he said. In Ho Chi Minh City alone, data from the SBV's branch showed that the city attracted 6.5-6.6 billion USD worth of remittances in 2021. More remittances are coming to the southern largest economic hub ahead of Tet, mostly for supporting families affected by the COVID-19 pandemic and for investing in different channels, including the stock market, said Nguyen Hoang Minh, head of the Vietnam Banks Association's office in HCM City. In 2022, the volume of remittances to Vietnam is projected to grow about 2.6 percent./.

Source : <https://en.vietnamplus.vn/overseas-remittances-to-vietnam-increase-as-tet-approaches/220522.vnp>

## Expert highlights three factors helping Vietnam secure FDI inflows



*Vietnam News | 11 January, 2022*

NDO/VNA – Low labour cost, favourable geographic location and the expansion of investment abroad are three key factors helping Vietnam secure its foreign direct investment (FDI) attraction, according to Chief economist VinaCapital Michael Kokalari. The official explained that factory wages in Vietnam are about two-thirds below those in China, but the quality of the workforce is comparable. Secondly, Vietnam has close geographic proximity to Asia's supply chains – especially in the high tech industry. Also, Japan and the Republic of Korea (RoK) face structural issues that compel both countries to invest abroad – and Vietnam is the most attractive destination in the

region. Further to that point, the two countries are currently burdened by “secular stagnation”, which is primarily caused by poor/declining demographics, and other factors, including heavy debt. Japan’s demographics started seriously deteriorating around 1990, and the Japanese responded to the country’s deteriorating economic prospects at that time by aggressively investing in Southeast Asia, the official added. The RoK’s demographics are even worse, ensuring that investment from there will also continue to flow into Vietnam for years to come. In addition to the three factors highlighted above, an increasing number of multinational corporations are seeking to diversify their manufacturing outside China. While all of the factors above help explain why FDI inflows into Vietnam have remained resilient over the last two years, the same factors will also help propel those in 2022. That said, there were three developments in 2021 that will also help support inflows next year. Firstly, the US Treasury Department and the State Bank of Vietnam reached an agreement in July that essentially removes the risk of Vietnam being labelled a currency manipulator in the future, which will give multinational companies more confidence to invest in Vietnam. Next, the impressive speed of Vietnam’s vaccination campaign once the Delta variant emerged gives foreign companies confidence that the government is committed to achieving a prudent balance between public health

and economic health concerns in the “living with COVID-19” strategy. Finally, the most recent development that should encourage future FDI inflows to Vietnam was the announcement that Denmark’s LEGO will invest 1 billion USD to build one of its biggest factories in southern Vietnam, Kokalari concluded.

Source : <https://en.nhandan.vn/business/economy/item/11042402-expert-highlights-three-factors-helping-vietnam-secure-fdi-inflows.html>

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