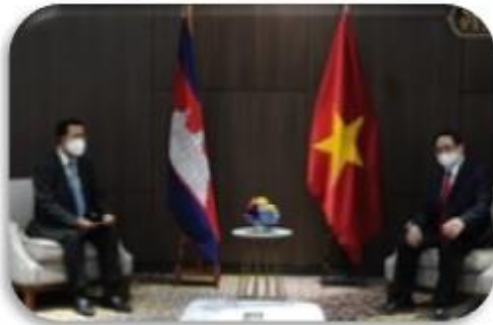


Highlight News / April 19, 2022



- Cambodia's Q1 trade volume hits over \$13B
- Nearly 4.6M tourists logged in Cambodia over Khmer New Year
- Rising fuel price, depreciating kip harming Lao producers
- Rural development projects to cover 126 villages in Myeik District
- Vietnam's economic growth driven by good recovery of sectors: WB



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Cambodia's Q1 trade volume hits over \$13B



Cambodia News | 16 April, 2022

The Kingdom's trade volume reached more than \$13 billion in the first quarter of this year, an increase of more than nine per cent compared to the same period last year. The Kingdom's exports also increased by more than 25 per cent. According to the General Department of Customs and Excise (GDCE) under the Ministry of Economy and Finance, Cambodia's trade volume in the first three months hit \$13.1 billion, an increase of 9.1 per cent over the same period in 2021, when \$12 billion was recorded. The export volume in the first quarter reached \$5.7 billion, an increase of 25.7 per cent from \$4.5 billion in the same period last year. Import volume accounted for \$7.4 billion, a slight decrease from \$7.5 billion in the same period last year. The Kingdom's trade deficit in the first quarter was \$1.7 billion. Hong Vanak, director of International Economics at the Royal Academy of Cambodia, said the Kingdom's effective Covid-19 control, high vaccination rate, and favourable political situation were the main factors behind the gradual increase in agricultural exports. This was also driven by Cambodia's free trade agreements (FTA) with other countries. "The increase in trade volume reflects the fact that Cambodia is playing an important role in world production chain," he said. Nevertheless, he said Cambodia needs to do more on market diversification for its products to increase export

volume and to address the deficit. "To reduce imports, Cambodia needs to reap the benefits and make the most of its potential raw materials. Using local raw material will help Cambodia gain more added value," he said. Cambodia Chamber of Commerce (CCC) vice-president Lim Heng said the Kingdom's investment law, the effectiveness of FTAs with other countries, strong productivity, fair-wage labour, and advantage from some crisis-hit countries like Myanmar have enabled Cambodia to attract more investors and purchase orders from international markets. He projected that the trade volume, and its exports in particular, will grow bigger. "I am optimistic that Cambodia's trade with other countries around the world will expand as the country now has many more types of products for export," he said. In 2021, Cambodia's trade volume hit \$48 billion, an increase of 28.2 per cent compared to the previous year. Exports accounted for \$19.30 billion, an increase of 5.3 per cent, while imports amounted to \$28.70 billion, an increase of 50.3 per cent, according to the GDCE.

Source: <https://www.phnompenhpost.com/business/cambodias-q1-trade-volume-hits-over-13b>

Nearly 4.6M tourists logged in Cambodia over Khmer New Year



Cambodia News | 18 April, 2022

Cambodia counted nearly 4.6 million domestic tourists over this year's three-day public holiday for the Khmer New Year, including 4.5 million Cambodians and nearly 30,000 foreign residents – a

number which officials have said is similar to that seen pre-pandemic. Minister of Tourism Thong Khon said that a total of 4,590,326 sightseers were recorded across the April 14-16 period in the Kingdom, of which 4,561,477 were nationals and 28,849 (0.63 per cent) were foreign residents. The ministry documented 862,897 tourists on the first day, 1,579,251 on the second and 2,148,178 on the third. The main tourist destinations were provinces of Battambang (565,618), Kampong Cham (514,447), Siem Reap (400,591), Banteay Meanchey (388,273), Prey Veng (382,867), Kampong Speu (331,809), Pursat (298,037), Kampong Chhnang (275,400), Kampot (254,270) and Preah Sihanouk (232,264), followed by Phnom Penh (222,220). “The flow of visitors on the third day of the traditional New Year [Saturday, April 16] continued to increase with more crowds compared to the second day. In fact, the figure on the third day increased by about 36 per cent from the second day. “In total, on the first and second days, the number of visitors during the New Year was more than in 2019 ... but for the third day, due to rain in all provinces, the number of visitors was less than in 2019,” he said. The three primary days of Khmer New Year celebrations this year had a similar number of guests to that of 2019, signifying a rebound of domestic tourism to pre-pandemic levels, he added. Siem Reap provincial Department of Tourism director Ngov Sengkak said that his department had assigned working groups to visit major tourist destinations to control the flow of visitors, ensure the proper implementation of safety

rules to prevent the spread of Covid-19, prevent price gouging and inspect sanitation and environmental cleanliness, and noted that the three days passed without significant issues in the province. He said that Siem Reap welcomed about 400,000 tourists, of which 3,591 were foreign residents. His department estimated that about 348,000 people visited Angkor Archaeological Park, 24,500 visited the Phnom Kulen National Park, 2,500 visited the Tonle Sap area and about 22,000 visited eco-tourism communities and other areas. In Preah Sihanouk province, meanwhile, provincial tourism department director Taing Sochet Kresna said his department logged a total of 232,264 tourists – accounting for about 50 per cent of all domestic trips – of which 13,411 were foreign residents in the Kingdom. He said that his department had not recorded tourism data in the past year due to the province being in lockdown to stem the spread of Covid-19. However, he said that four flights landed in Sihanouk International Airport which contained 205 guests – of which 16 were Cambodians and 189 were foreigners – while 4,087 holidaymakers visited the islands. The tourism minister noted that areas organising Songkran events, as well as tourist destinations, were prepared to receive large numbers of tourists.

Source:<https://www.phnompenhpost.com/business/nearly-46m-tourists-logged-cambodia-over-khmer-new-year>

Rising fuel price, depreciating kip harming Lao producers



Laos News | 19 April, 2022

Skyrocketing fuel prices and the continuing depreciation of the kip are ramping up pressure on producers due to soaring production costs, according to a recently unveiled study. Conducted by the Ministry of Industry and Commerce, the research paper stated that the Russia-Ukraine conflict had interrupted the global supply chain, leading to a rise in the price of fuel, gas and animal feed. Rising production costs have in turn led to higher prices in markets, especially for beef, pork, fish and vegetables, creating further hardship for the general public. The paper stated that the price of fuel jumped by 28 percent from US\$77.97 per barrel at the end of 2021 to more than US\$100 per barrel in April. The slow recovery of the global economy from the Covid-19 pandemic has severely impacted small economies, including Laos, which rely on fuel imported from other countries. According to the paper, the kip depreciated by 6 percent against the US dollar and 5 percent against the Thai baht on April 8 compared to the figures recorded on January 4. BCEL exchange rates on April 18 stated that US\$1 bought 11,890 kip and sold for 11,916 kip, while one baht bought 382.28 kip and sold for 385.16 kip. The spiralling price of oil and the depreciation of the kip are among the main factors driving year-on-year

inflation in Laos, which rose from 6.25 percent in January to 8.54 percent in March. Pig and chicken farmers have been hard hit by the increased price of animal feed purchased from Thailand. The cost of feed for piglets rose by 29 percent, the cost of feed for chicks rose by 8 percent, and the cost of fish feed surged by 60 percent. The figures were collected in April to compare with those recorded in January, to indicate how rising costs are affecting producers and farmers in Laos. The research paper recommends steps to be taken by the government, particularly financial measures in response to these challenges. These include raising the interest rate to attract foreign currencies into the banking system; strictly regulating exchange rates; encouraging transactions for exported goods through the banking system; and ensuring that trade in goods and services in Laos is done using kip. The paper suggested that the sectors responsible should strongly promote domestic production in order to minimise imports, especially of goods that can be made in Laos. The Ministry of Industry and Commerce's paper emphasises that it is essential to strongly promote domestic production for the purposes of export, saying this would help to boost foreign currency reserves and stabilise exchange rates in the long term.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent73_rising.php

Rural development projects to cover 126 villages in Myeik District



Myanmar News | 19 April, 2022

THE Department of Rural Development in Myeik District, Taninthayi Region, is implementing rural development projects in 126 villages in the 2022-2023 Financial Year. The department is yearly conducting infrastructure building projects such as road and bridge construction, water supply and electrification, the emerald green project with the revolving fund, rural development project and vocational courses, intending to enhance the socio-economy of the rural communities and narrow the gap between the urban and rural development. “During the current 2022-2023 FY, five rural roads (five miles 5.59 furlongs), 13 bridges on those roads, 37 water supply projects, four emerald green villages, rural development projects in 72 villages and running a set of ten batches for vocational courses with an estimated capital of over K1.977 billion will be implemented, elaborated department head U Aung Kyaw Oo. The department accomplished 101 rural roads (231 miles 2.251 furlongs) and 77 rural bridges during the 2012-2013 FY and the 2017-2018 FY, and 19 rural roads (18 miles 3.38 furlongs) and 39 rural bridges between the 2018-2019 FY and 2021-2022 FY. Furthermore, between the 2012-2013 FY and 2021-2022 FY, 359 water supply projects, solar-home projects in 308 villages, mini-grid projects in 25 villages, 77 emerald green villages, village revolving fund projects

covering 16 villages, rural development projects in 153 villages and 44 villages under the cash-for-work programme, U Aung Kyaw Oo said. — Myint Oo (Myeik)/GNLM

Source: <https://www.gnlm.com.mm/e-paper/>

Vietnam’s economic growth driven by good recovery of sectors: WB



Vietnam News | 18 April, 2022

NDO/VNA – Vietnam’s economic growth in the first quarter of 2022 was consolidated thanks to the solid performance of export-oriented manufacturing and recovering service sector, according to the Vietnam Macro Monitoring report recently released by World Bank. The country’s GDP grew by 5.0 percent year-on-year in Q1-2022, comparable to the growth rate in Q4-2021, yet still two percentage points below pre-pandemic rates. Industry and construction and services sectors grew 6.4 percent year-on-year and 4.6 percent year-on-year, respectively, contributing 4.3 percentage points to quarterly GDP growth. Growth of industry and construction was driven by strong external demand for manufactured products, while services sector performance varied across sub-sector. Finance, banking and insurance, and information and telecommunications have been exceptionally resilient over the past two years and maintained solid growth. On the other hand, accommodation and catering services were 1.8 percent lower than a year ago, and well below their pre-pandemic level, the report pointed out. Industrial production index grew by 8.5 percent year-on-year

in March, comparable to pre-pandemic rates, while retail sales growth accelerated from 4.1 percent in February to 9.4 percent, the second-highest growth rate since the onset of the COVID-19 pandemic. This rebound is partly due to the post-pandemic resumption of economic activities and was driven by a 10.7 percent growth in the sales of goods. The merchandise trade balance posted a surplus of 1.4 billion USD in March, while registered and disbursed foreign direct investment (FDI) remained stable amid global uncertainties related to the Russia-Ukraine conflict. The Consumer Price Index (CPI) increased by 2.4 percent in March, compared to 1.4 percent in February. This is the highest inflation rate in seven months but remains well below the 4.0 percent target. According to the World Bank, rising consumer and producer prices warrant close monitoring of domestic price developments as rising inflation would affect the recovery of domestic consumption and economic growth. While CPI increases have been subdued in 2021 due partly to slack in aggregate demand, accumulated increases in intermediate and producer price index in the last three quarters could impact production decisions and translate into higher consumer prices, especially food prices. In the short run, the bank said, targeted policy intervention to alleviate the impact of the price hikes on the general population, and especially on the most vulnerable is recommended. The temporary petroleum tax reduction recently introduced by the authorities is one such short term measure. In the medium term, other measures would include a more

targeted, effective, and responsive social protection system that would help build resilience to shocks in the economy. If price increases persist, the economy should be allowed to adjust to the price changes. The authorities should consider structural reforms to help the economy become more productive and increase aggregate supply. These would include tax breaks for productive and innovative investments, reducing barriers to doing business and logistics costs and investing in the education and technical training of the work force, said World Bank.

Source: <https://en.nhandan.vn/business/item/114079-02-vietnam%E2%80%99s-economic-growth-driven-by-good-recovery-of-sectors-wb.html>
