

Highlight News / May 11/2022



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Border opening boost tourism among Cambodia, Thailand, Vietnam



Cambodia News | 10 May, 2022

After Thailand's government allowed the re-opening of the border with Cambodia from May 1, a number of associations and private companies in the tourism sector in Cambodia, Thailand as well as Vietnam have cooperated to plan to boost the flow of tourists again. In early May, the Asia-Pacific Tourism Association (PATA) led by Thuon Sinan, President of the Association, travelled through the Cham Yeam International Border Crossing in Cambodia's Koh Kong province to Thailand's Trat province and to Bangkok to attend the Tourism and Trade Exchange Meeting between Cambodia, Thailand and Vietnam from May 5-6, while a delegation of companies in Cambodia also travelled by air from Phnom Penh to Bangkok. The purpose of this road trip is to study and understand the journey as well as to complete the paperwork at the border checkpoints on both the Cambodian and Thai sides. Thuon Sinan said that the opening of the border between Cambodia and Thailand is very good for tourism, transport, trade, as well as other areas that are essential for the continuation of economic development between the two countries. He said the flow of tourists by land would be even greater if the Thai side relaxed some conditions or documents because when he crossed the border, the requirements from the Thai side were still unstable, such as the conditions for driving a private car into Thailand and the problems that the

Thai side requested the Cambodian side to conduct a rapid test on guests and passengers. Visitors are returning to Cambodia after COVID-19, with the number of tourist arrivals to the world heritage Angkor Wat rocketing by 622 percent to 33,205 in the first four months of this year, generating about \$1.35 million in revenue. In April alone, 13,365 travellers visited the famous destination. VNA

Source : <https://www.khmertimeskh.com/501072171/border-opening-boost-tourism-among-cambodia-thailand-vietnam/>

Cambodia optimistic about banana exports to Korea



Cambodia News | 10 May, 2022

Cambodian and South Korean businessmen on Sunday discussed the possibility of exporting the Kingdom's fresh bananas to South Korea this year following positive signs from the market, a representative told Khmer Times yesterday. Last week, representatives of the Korean Importers Association and a local exporter, Longmate Agriculture, discussed the possibility of conducting another study on transportation, production and marketing costs before deciding to scale up production for exports, the company's director said. "We need to study everything from plantations to the market in South Korea to find potential and possibility of gains. We can test the market by exporting a few containers initially. The representatives came to check our production process last week," Hun Lak said. "Overall, after discussion and visiting the

plantation, the Korean delegation saw that the standard was high, and they have been optimistic about the market test. However, some procedures are pending, including the registration of products," he pointed out. Last week, the Cambodian Embassy in the Republic of Korea organised a meeting between Cambodian business representatives led by the Commerce Minister and South Korean businesses to discuss the possibility of exporting agricultural products from Cambodia to the South Korean market. Hun Lak further explained that it has been disruptive for countries in the region such as Vietnam, Thailand and Cambodia to export agricultural products to China, which has imposed zero-Covid Policy since last February. Cambodia's banana exports to China decreased by 10 percent compared to the exports in the previous year. According to a report released by the Ministry of Agriculture Forestry and Fisheries, Cambodia's export of fresh bananas to China has fallen 13 percent to 98,530 tonnes in the first three months of this year compared to the same period last year.

Source : <https://www.khmertimeskh.com/501071993/cambodia-optimistic-about-banana-exports-to-korea/>

Planning ministry, ADB assess aspects of cooperation



Laos News | 11 May, 2022

Laos is working with the Asian Development Bank (ADB) to bring to fruition 24 projects supported by the Bank with more than US\$829 million, including loans worth US\$470.69 million and grants worth

US\$358.36 million. A report on ongoing and future cooperation between Laos and the ADB was presented by ADB Executive Director, Mr Sameer Kumar Khare, to Minister of Planning and Investment, Mr Khamjane Vongphosy. ADB is currently preparing a strategic plan for new cooperation with Laos in response to work that has been delayed for various reasons and challenges that have arisen, especially the repayment of interest, which has been delayed because of the impacts of the Covid-19 pandemic. Cooperation between Laos and the ADB has been taking place under a five-year long-term cooperation strategy from 2017-2021, and the Country Operations Business Plan which is reviewed every three years. Implementation of cooperation activities is monitored annually, through Country Programming Missions. In addition, the ADB Office conducts annual Country Performance Assessments to assess the economic situation as a basis for allocating the budget for each sector appropriately. The benefits of cooperation with ADB include close guidance from senior government leadership, while ADB has a clear division of responsibilities, facilitating direct coordination. There is also a clear cooperation framework that forms the basis of project implementation, as well as monitoring of implementation through various meetings, making it possible to solve problems in a timely manner. The difficulties encountered during cooperation include the fact that the government's reporting and approval procedures are complicated and time-

consuming, meaning that some tasks are unable to be completed by the deadlines set by donors. This includes bidding, procurement and withdrawal, sometimes with delays, resulting in delays in project implementation. In addition, the project approval process, especially for technical assistance projects, often do not meet the time limit of 21 days set by the donor, because of delays encountered in processing requests from the agencies and ministries involved. Furthermore, government funding for some projects is unable to be provided in line with the agreed amount and the time set by the donor.

Source : https://www.vientianetimes.org.la/freeContent/FreeContent88_Planning.php

Domestic tourism back in operation almost as usual

 Myanmar News | 10 May, 2022

Amid the COVID-19 control activities, domestic travel services are back in operation almost as usual in Myanmar, particularly during the Thingyan holidays in April. It is learnt that the number of tourists who are travelling with their own itinerary is increasing. "At present, there are only office staff who have to travel for work," said Ma Ni Ni Maw, a ticket seller of a Yangon-Mandalay express. She added that returnees before the Thingyan period and pilgrims are more likely to travel on their own as a group than by a group service vehicle. Due to fewer travellers before the Thingyan period, passenger buses had to rely on goods every day.

Due to COVID-19 preventive measures, only about 12 passengers are allowed in a Yangon-Mandalay VIP bus, which cannot even cover the fuel expense, Ko Win Tun, a Yangon-Mandalay passenger bus driver, told GNLM. As passenger buses have to rely on the goods, it costs a lot to freight forwarders, according to an online clothes seller, Ko Arkar Oo. He also added that a minimum of K3,000 need to be paid for the shipping fees, depending on the weight of the goods, there are various prices. During the Thingyan period, ticket fees were about K35,000, and they reduced to K25,000 after the period. In April, Rakhine State, Chaungtha Beach, Ngapali Beach, Bagan, Taunggyi, and Inlay were the most crowded areas, with 16,000 local/international tourists in Rakhine State and 15,000 tourists per day in Bagan, according to the Ministry of Hotels and Tourism. — TWA/GNLM

Source : <https://www.gnln.com.mm/domestic-tourism-back-in-operation-almost-as-usual/>

4 enterprises pump \$5.99 mln of FDI into manufacturing sector in April

 Myanmar News | 10 May, 2022

Only the manufacturing sector attracted foreign direct investment in April 2022 of the 2022-2023 financial year, as per the statistics released by the Directorate of Investment and Company Administration (DICA). Four enterprises from China and Hong Kong SAR put an estimated capital of US\$5.99 million into the manufacturing sector last month. Manufacturing enterprises and businesses

that need a large labour force are prioritized to create job opportunities for the local community, according to the Myanmar Investment Commission. Although some labour-intensive enterprises faced financial hardship amid the COVID-19 negative impacts and the political changes, the industry is now returning to normal after the COVID-19 vaccination programme for workers, as per the HIS Markit's September report. Myanmar's manufacturing sector is largely concentrated in garments and textiles produced on the Cutting, Making, and Packing basis, and it contributes to the country's GDP to a certain extent. Myanmar has drawn foreign direct investment of more than \$647.127 million from 49 enterprises during the October-March period. Of them, 40 foreign enterprises put investments in the manufacturing sector, pumping the estimated capital of \$202.667 million in the past mini-budget period (October 2021-March 2022). Additionally, the agriculture sector drew one project worth of \$5 million. The livestock and fishery sector attracted two enterprises with investments of more than \$19 million. Power, construction and hotels and tourism sectors have one new project each in the past mini-budget period and three other enterprises invested in other service sectors. — KK/GNLM

Source : <https://www.gnlm.com.mm/4-enterprises-pump-5-99-mln-of-fdi-into-manufacturing-sector-in-april/>

CPI inches up 0.18% in April

HCMC – Vietnam's Consumer Price Index (CPI) in April edged up 0.18% month-on-month, mostly due to the rising prices of building materials, according to the General Statistics Office. The CPI increase also resulted from the higher prices of catering and tourism services as well as education. The index last month rose 2.09% over the end of last year and 2.64% year-on-year. Among the 11 groups of consumer goods and services in the basket of items used to calculate the CPI, housing and construction materials climbed 2.7% on the surge in input material prices. The prices of gas, steel and materials for cement production, such as gasoline and coal, soared because of the Russia-Ukraine military conflict, according to Maybank Investment Securities. Meanwhile, cultural, entertainment and tourism services, and food and catering services grew 1.8% and 3.8% year-on-year, respectively, above the growth in previous months, thanks to the increasing demand for tourism and the economic reopening. In the first four months of the year, the CPI rose 2.1% year-on-year, higher than the 0.89% in the same period in 2021 but lower than the growth in the first four months in 2017-2020. Core inflation in the January-April period edged up 0.97% over the year-ago period, meaning that monetary policy had worked. However, the pressure on inflation remains. Inflation may rise in the coming months as the reopening of the economy will drive up demand. There will be pressure on the supply side given the Russia-Ukraine military conflict and China's zero Covid policy, according to a report by Maybank



Investment Securities. In reality, forecasts about the country's CPI in the coming months have been revised. For example, BIDV Securities Company has raised its CPI forecast from 3.3% to 3.6%, while Mirae Asset Securities has increased the forecast from 3.8% to 3.9%. In early April, Standard Chartered stuck with its forecast that consumer prices would rise 4.2% in 2022 and 5.5% in 2023.

Source : <https://english.thesaigontimes.vn/cpi-inches-up-0-18-in-april/>

Standard Chartered Bank: Regional focus to support Viet Nam's post-COVID recovery



Vietnam News | 10 May, 2022

HÀ NOI — Viet Nam is a key beneficiary of the Regional Comprehensive Economic Partnership (RCEP), which entered into force on January 1, 2022 and creates the world's largest free trade area, according to Standard Chartered Bank in its latest Global Research Report titled: "Viet Nam – RCEP: Opportunities and challenges". The deal is expected to eliminate about 90 per cent of tariffs on trade between the signatories within 20 years. The membership in the pact further strengthens Viet Nam's trade position and should contribute to the post-pandemic recovery this year. Major export categories that are expected to benefit from the RCEP include IT, textiles, footwear, agriculture, automobile and telecommunications. Over the

longer term, the deal could form the basis for a new supply chain in the region, with Viet Nam playing a key role. The country targets average export growth at 6-7 per cent a year from 2021-30. "The RCEP should boost Viet Nam's exports and improve its access to large consumer markets including China, Japan, South Korea and Indonesia. The pact should lower costs for producers in Viet Nam and give them access to supply chains that extend across the Asia-Pacific region; most of the input materials for Viet Nam's exports are sourced from RCEP countries," said Tim Leelahaphan, Economist for Thailand and Viet Nam, Standard Chartered. "SMEs – which account for 98 per cent of all enterprises in Viet Nam and contribute 40 per cent of GDP – are poised to benefit as the pact provides opportunities for them to move up the value chain." However, Viet Nam is also likely to face more competition – both in export markets and domestically – as a result of RCEP. For exports, the pact increases competition from other Southeast Asian countries, some of which are strong in similar product categories to Viet Nam (such as labour-intensive goods). Over time, this could prompt Viet Nam to move into high-tech manufacturing. RCEP should facilitate this process, making it easier to source high-quality materials from other member countries and improving market access for higher-value-added goods. More broadly, the RCEP is likely to accelerate China's economic

integration with the rest of the Asia–Pacific region; in contrast, the US is not an RCEP signatory. Viet Nam will continue to benefit from its role as an alternative manufacturing hub as companies adopt a ‘China plus one’ diversification strategy. At the same time, however, China’s low-cost products will gain better access to Viet Nam’s domestic market under RCEP, posing potential challenges to domestic competitors. Standard Chartered Bank’s economists expect a strong current account (C/A) surplus and FDI flows to remain the key pillars of support for the Vietnamese **do**ng (VND) over the long run. The RCEP is likely to further boost Viet Nam’s exports, supporting the C/A balance, and help attract increased direct investment flows. “The sum of Viet Nam’s C/A balance and net direct investment has averaged a sizeable US\$19 billion annually over the past nine years. Given this strong basic balance, we expect the Vietnamese **do**ng to remain on an appreciation path in the coming years. We forecast USD-VND at 22,500 by end-2022 and 22,000 by end-2023,” said Divya Devesh, Head of ASA FX Research, Standard Chartered Bank. — VNS

Source : <https://vietnamnews.vn/economy/1189946/standard-chartered-bank-regional-focus-to-support-viet-nams-post-covid-recovery.html>
