

*Highlight News / June 10/2022*



- Cambodia, Thailand trade hits \$2,913 million in Q1
- Phnom Penh attracts 1,000 construction projects worth over \$2.26 billion
- Over 400,000 people use Laos-China railway in past six months
- In the first two months of the 2022-2023 fiscal year, exports and imports from the Muse border declined, with trade down more than \$ 178 million from the same period last year.
- Vietnam invests over 815 million USD in hydropower, mining in Lao province
- Nearly 93% of German firms say will expand Vietnam operations



## Cambodia, Thailand trade hits \$2,913 million in Q1



*Cambodia News | 9 June, 2022*

Financial institutions in Cambodia have released \$38.1 million as loans to 377 diverse businesses in the country without collateral requirement in the last one year, according to the Credit Guarantee Corporation of Cambodia (CGCC). CGCC, operated under the technical and financial guidance of the Ministry of Economy and Finance (MEF), has guaranteed \$33.55 million in US dollars and \$4.54 million in Khmer riels with 377 letters of guarantee (LG) between April, 2021 and April, 2022. Wong Keet Loong, CEO of CGCC, said in a report that the state-owned firm had partnered with 23 financial institutions in Cambodia as of March this year including Chip Mong Bank, Cambodia Asia Bank, Cambodian Public Bank, Acleda Bank, ABA Bank, Canadia Bank, May Bank, AMK MFI, LOLC MFI and Chamrouen MFI. “With the reopening of the border, Cambodia is ready to welcome back more international tourists. This has spurred the revival of many businesses such as food & beverage, restaurants, retail trade, construction, manufacturing and agriculture. With such momentum, we are optimistic that the demand for guaranteed loans will grow,” said Wong. Businesses – 364 small and medium enterprises and 13 large firms – have used the guaranteed loans they received between \$6,000 and \$1 million in US dollars and 40 million and 330 million Khmer riels for three main purposes that

include working capital, investment or business expansion and capital expenditure. Participating banks and microfinance institutions have provided 268 uncollateralised loans to businesses owned by women and the rest to non-women in agriculture, industry and services in Phnom Penh, and Battambang and Kampong Thom provinces. Canadia Bank, Maybank and Sathapana Bank were the top performers in the disbursement of loans guaranteed by CGCC. Maybank announced that it can provide loans up to \$400,000 with no collateral, while Sathapana Bank offers between \$30,000 and \$300,000 in US currency or Khmer riel. CGCC recently launched its Women Entrepreneur Guarantee Scheme, which will see up to \$30,000,000 as collateral against loans for women entrepreneurs. The initiative satisfies the Strategic Framework and Programmes for Economic Recovery in the Context of Living with the Covid-19 as a New Normal 2021-2023 of the government by encouraging commercial banks and microfinance institutions to increase additional lending by relaxing the credit guarantee requirements. A study by IFC found that 90 percent of the SMEs managed by women were profitable, yet among these businesses, there was an unmet demand for credit to the tune of \$4.2 billion. Wong cited this research as the rationale for targeting women under this scheme. “Cambodian women-owned businesses have difficulty providing collateral to secure loans. About 60 percent of the entrepreneurs are women. Based on similar research, women entrepreneurs

have better repayment track records,” Wong told Khmer Times.

Source : <https://www.khmertimeskh.com/501090713/cambodia-thailand-trade-hits-2913-million-in-q1/>

## Phnom Penh attracts 1,000 construction projects worth over \$2.26 billion



*Cambodia News | 9 June, 2022*

Phnom Penh has so far attracted around 1,000 new investment projects covering a construction area of 4.63 million square metres, with an investment capital of over US\$2.26 billion. Phnom Penh Governor Khuong Sreng shared the update when chairing the inauguration of a new flagship shopping mall Prince Times Square here in the capital on June 7. Construction sector is among the Royal Government’s top priorities along with agriculture, industry and tourism, and is significantly contributing to the recovery of the Cambodian economy after the COVID-19 pandemic crisis. To bolster the sector, the government has introduced support policies such as the investment laws and reforms to make Cambodia as well as Phnom Penh a competitive and favourable location for investments, he added. Chrek Soknim, President of Cambodian Valuers and Estate Agents Association (CVEA), noted that currently Cambodia real estate market is gradually getting back on track, especially among domestic investors. Particularly Chinese investors, he added, are also eyeing more investment in construction sector likely in Phnom Penh, Preah Sihanouk, and some other provinces.

According to the Ministry of Economy and Finance, the growth rate of Cambodia real estate increased to 2.4 percent in 2021 and is expected to rise to 4.8 percent in 2022 given strong domestic investment and demand and increase in foreign investments.

Lim Nary – AKP

Source : <https://www.khmertimeskh.com/501090915/phnom-penh-attracts-1000-construction-projects-worth-over-2-26-billion/>

## Over 400,000 people use Laos-China railway in past six months



*Laos News | 10 June, 2022*

Operators of the Laos-China railway have recorded over 400,000 passengers in the past six months, while more than 600,000 tonnes of freight has been shipped across the Laos-China border. The railway has been a huge turning point for Laos’ international transport network and its role in freight transport is becoming increasingly important. The Laos-China Railway Company Ltd. said 410,000 people travelled on the railway and 640,000 tonnes of goods have been transported across the border between Laos and China. Four passenger stations were operational when the railway first came into service, at Nateuy, Kasy, Meuang Nga and Namor. There are now 10 passenger stations in operation. Another high speed EMU train, named “Lane Xang”, and a standard train were put into service, so that more passengers can be carried and they have more choice in ticket price. Trains run an average of six times a day, with a

maximum of eight journeys a day, when a maximum of 5,000 passengers can be carried. Tickets can now be purchased in advance of travel and ticket outlets have been installed in major cities to make purchase easier. As the number of passengers and train stations has grown, the number of people using the train to travel to Vientiane, Vangvieng, Luang Prabang and other popular visitor destinations in Laos has increased significantly. The railway has created a convenient international transport link between China and Asean, greatly reducing the time and cost of transport. According to the Regional Comprehensive Economic Partnership Agreement, which entered into force in January, the demand for freight transport between China and Laos is growing. As a result, freight stations have opened at South Vientiane, Nateuy, Vangvieng, Luang Prabang and Phonhong to facilitate the shipment of more goods.

Source: [https://www.vientianetimes.org.la/freeContent/FreeContent2022\\_Over110.php](https://www.vientianetimes.org.la/freeContent/FreeContent2022_Over110.php)

**In the first two months of the 2022-2023 fiscal year, exports and imports from the Muse border declined, with trade down more than \$ 178 million from the same period last year**



*Myanmar News | 9 June, 2022*

In the first two months of the 2022-2023 fiscal year, exports and imports from the Muse border declined,

reducing trade by more than \$ 178 million from the same period last year, according to the Ministry of Commerce. From April 1 to May 27 of the 2022-2023 fiscal year, the value of exports from the Muse border was \$ 184.069 million. The value of imports was \$ 23.496 million and the value of trade was \$ 207.565 million. In the same period last year, the value of exports from the Muse border was \$ 273.516 million. The value of imports was \$ 112.110 million and the value of trade was \$ 385.626 million. Compared to the same period last year, exports in the current fiscal year were \$ 89.444 million higher than the same period last year. Imports were down \$ 88.614 million and trade was down \$ 178.061 million. Annual trade from the Muse border was \$ 2,829.860 million in the 2012-2013 fiscal year; \$ 3,517.684 million in the 2013-2014 fiscal year; \$ 5,318.163 million in the 2014-2015 fiscal year; \$ 5,377.877 million in the 2015-2016 fiscal year; \$ 5,410.056 million in the 2016-2017 fiscal year; \$ 5,841.879 million in the 2017-2018 fiscal year; \$ 2995.401 million in the first six months of 2018; \$ 4917.976 million in the 2018-2019 fiscal year; \$ 4,890.587 million in fiscal year 2019-2020; In the fiscal year 2020-2021, it received \$ 4,057.724 million. In the fiscal year 2020-2021, Myanmar was the largest exporter of 10 countries with \$ 4,905.80 million, followed by Thailand with \$ 3,172.26 million, according to the Ministry of Commerce. \$ 944.21 million to Japan; \$ 836.37

million to India; \$ 620.59 million to the United States; \$ 426.25 million to Germany; \$ 411.71 million to Spain; \$ 385.40 million to the UK; \$ 366.18 million to the Netherlands; \$ 305.76 million was exported to South Korea. From October to September of the 2019-2020 fiscal year, Myanmar-China trade amounted to 12126.278 million US dollars, with exports from Myanmar 5401.943 million and imports from China 6727.335 million US dollars. According to the Ministry of Commerce, business centers will be set up in Myanmar and China to promote trade and investment.

Source : <https://news-eleven.com/article/232145>

## Vietnam invests over 815 million USD in hydropower, mining in Lao province



*Vietnam News | 9 June, 2022*

Vientiane (VNA) – Vietnam has invested over 815 million USD in hydropower and mining projects in Laos's Attapeu province, the Vientiane Times reported on June 9. Director of the provincial Energy and Mines Department Vithaya Phommachanh said that 691 million USD was invested in several power projects, including Xekaman 1, Xekaman Sanxay, Xekong Loum A and Xekong Loum B hydropower plants, which are expected to be completed in 2025. The power projects also include a thermal, a solar and a biomass power plants, along with some transmission lines. The remaining 30.8 million USD was invested in a transformer station. Meanwhile,

93.3 million USD was poured in the mining sector. The Vientiane Times also reported that Vietnam is currently running 417 projects worth 4.3 billion USD in Laos, ranking third among 54 nations and territories pouring capital into the country. Last year, the Lao Government allowed Vietnamese businesses to invest in three projects, including two in the mining sector and one in the banking sector. Two-way trade hit 1.37 billion USD in 2021, up 33.32 percent year-on-year./.

Source : <https://en.vietnamplus.vn/vietnam-invests-over-815-million-usd-in-hydropower-mining-in-lao-province/230867.vnp>

## Nearly 93% of German firms say will expand Vietnam operations



*Vietnam News | 9 June, 2022*

HCMC – Nearly 93% of German enterprises operating in Vietnam said they will continue to invest in the country and over 64% of them said their businesses will fare better in the next 12 months, according to a survey by the German Chambers of Commerce Abroad, Delegations and Representative Offices (AHKs). The survey, released on June 8, showed that German companies were more optimistic about their economic development outlook in the next 12 months than they were in the autumn of last year. Over 46% of German businesses said they are planning to increase hiring in the coming year. Respondents said the most important factors for their trade and investment decisions in Vietnam were political stability, the availability of

skilled workers in technical and non-technical fields, and improved transport and logistics infrastructure. In addition, Vietnam has favorable conditions to attract foreign direct investment flows thanks to its participation in free trade agreements. More than 73% of German businesses participating in the survey believed that the European Union-Vietnam Free Trade Agreement had improved their competitiveness in Vietnam. They have made the most of the ASEAN-China Free Trade Agreement and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership to grow their businesses. While doing business in Vietnam, German firms consider the availability of skilled labor in technical fields (58.3%), the quality of education in technical fields (58.3%) and tariff trade barriers (56.5%) as the most important factors.

Source : <https://english.thesaigontimes.vn/nearly-93-of-german-firms-say-will-expand-vietnam-operations/>