

Highlight News / June 30, 2022



- Investments in Kingdom rise by 7 percent in Q1
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- Palm oil prices fall again on downtick trend in external market
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Advisory Institute for Trade and Investment by TCC (AiTi)



Investments in Kingdom rise by 7 percent in Q1



Cambodia News | 29 June, 2022

In the first quarter of 2022, the number of projects approved by the Council for the Development of Cambodia reached 47, an increase of 6.8 percent and the total investment touched \$2,520.6 million, an increase of 14.2 percent over the same period in 2021, according to the Economic and Financial Statistics Bulletin. According to the report, the 47 projects created 7,406 jobs, an increase of 28.1 percent compared to the same period in 2021. The investments involve projects within and outside the Special Economic Zone or SEZ. There were 43 projects outside the SEZ, an increase of 15 projects or 53.6 percent, which created 35,042 jobs, an increase of 52 percent compared to the same period in 2021. The projects are worth \$2,219.42 million, an increase of 210.3 percent over the same period in 2021. According to the report, \$60.37 million was invested in agriculture, an increase of 107.9 percent compared to 2021, \$389.41 million in energy, an increase of 607.7 percent, \$202.75 million in industries, down 65.4 percent compared to 2021 and investments in the tourism sector reached \$129.00 million. Investment projects in the industrial sector alone were worth \$301.18 million – up 44.2 percent from the same period in 2021. Lim Heng, vice president of the Cambodia Chamber of Commerce, said that the high percentage of the

vaccinated population and the new investment law have helped the Kingdom. “The government’s vaccination strategy has made the country capable of herd immunity to Covid-19, helping the government to resume business operations fully. It is a good move to show the world and investors that Cambodia is a safe place for public health,” Heng said. “With the new law on investment, Cambodia is attracting new investments, particularly from abroad, while other countries are still tackling the Covid-19 situation. The potential is there, and more foreign investments are coming,” he added. In 2022, the economy has shown positive growth, supported by a continued increase in external demand and a gradual rebound of investor attention as the pandemic is under control, he said.

Source: <https://www.khmertimeskh.com/501102954/investments-in-kingdom-rise-by-7-percent-in-q1/>

Cambodia will be high middle-income country by 2030, says PM



Cambodia News | 29 June, 2022

Prime Minister Hun Sen expressed optimism that Cambodia will definitely achieve its vision of a high-middle-income country by 2030 and attributed it to the country’s peace and economic growth, particularly the socio-economic resumption after the pandemic. His remarks came in a meeting to commemorate the 71st Founding Anniversary of the Cambodian People’s Party on Tuesday. In the light

of peace, the Cambodian people have achieved great and proud changes, especially in the economic and social fields, he told party members at its headquarters. “Realising high and sustainable economic growth over the past two decades has moved Cambodia from a low-income country to a low-middle-income country and is striving to achieve its vision of a high-middle-income country in 2030,” the premier said. As per the World Bank’s criteria, middle-income countries (MICs) are a diverse group by size, population and income level. They are defined as lower-middle-income economies – when the gross national income (GNI) per capita is between \$1,036 and \$4,045; and high middle-income economies – with a GNI per capita between \$4,046 and \$12,535. In 2016, the World Bank officially revised the status of Cambodia’s economy, moving it up a rung from the low-income bracket into a lower-middle-income country. With the economic growth, the country’s poverty level has gradually reduced, and the living standard of the people has gradually improved, along with security, order, and social security, Mr Hun Sen said. The government has fully re-opened the country after the Covid-19 situation in Cambodia was brought under effective control. More than 94 percent of its population have been vaccinated with zero new cases and zero active cases. “We firmly believe that we will be able to overcome the economic and social consequences of the Covid-19, even though the disease has not yet disappeared from the face of the earth,” he said. “In fact, Cambodia’s economic achievements have

returned to positive growth and are expected to improve further in 2022 and 2023,” he added. The National Bank of Cambodia projected that the economy is likely to grow at around 5 percent this year, primarily supported by agricultural exports, transport, telecommunications and improved investment flows and remittances from overseas workers. In terms of trade and investment, the country is expected to benefit from the Regional Comprehensive Economic Partnership (RCEP) agreement, bilateral free trade agreements and the introduction of new investment law, according to the NBC’s Financial Stability Review 2021, released recently. Last year, Cambodia’s economic growth was estimated at 3 percent from a contraction growth of 3.1 percent in 2020.

Source: <https://www.khmertimeskh.com/501102959/cambodia-will-be-high-middle-income-country-by-2030-says-pm/>

Luang Namtha signs power grid contract



Laos News | 30 June, 2022

Luang Namtha province has signed a contract with PT Construction and Travel Co., Ltd. for the construction of a 22kW power grid and a 0.4kW power grid. The first transmission line will be installed from Lang Pha village to the junction in Pha Ngua village, Long district. The contract was signed recently at a ceremony attended by the Governor of Luang Namtha province, Mr Khamlay Sipaseuth.

Speaking at the ceremony, Deputy Director of the Provincial Department of Energy and Mines, Mr Sengdeuan Simmanivong, said the grid would be built on the Laos-Myanmar border, with 21 villages, 858 households and 4,837 people along the grid corridor. The survey and design of the grid took place in 2020 and 2022, the Ministry of Planning and Investment approved the project under the public investment plan. The project will run from 2022 to 2026, with payments to be made from 2022 to 2025.

The materials and equipment used for construction must be free from defects and must be accompanied by a certificate, the contract stated.

The materials used in construction must be transported to the construction site, and have a total value of at least 97.75 billion kip. The construction cost is 97.23 billion kip while the value of project management has been put at 514 million kip.

According to Electricite du Laos (EDL), Laos plans to strengthen power grid interconnections with neighbouring countries and transform its water resources into economic benefits to support the country's efforts to become the "battery of clean energy" in Southeast Asia. If Laos continues to improve its power grid infrastructure, it will help to increase sales of electricity to other Asean countries.

From 2021-2025, government plans to produce 1,807MW of electricity, with hydropower accounting for 57 percent of the total, coal-fired power 19

percent, and solar power 24 percent. By 2030, it is planned that Laos will produce another 5,559MW of electricity. Of the total, 77.59 percent will come from hydropower and the rest will come from solar, wind and coal-fired power plants. Laos' capacity for solar power is expected to range from 10,000MW to 15,000MW, while wind power potential is estimated at around 100,000MW.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent2022_Luang124.php

Palm oil prices fall again on downtick trend in external market



Myanmar News | 29 June, 2022

The prices of palm oil pulled back in the domestic market. The price hit a high of over K8,000 per viss (a viss equals 1.6 kilogrammes) in the domestic market in early June. The price falls again to around K7,000 per viss at the moment. The Supervisory Committee on edible oil import and distribution under the Ministry of Commerce has been closely observing the FOB prices in Malaysia and Indonesia including transport costs, tariffs and banking charges and issuing the wholesale market reference rate for edible oil on a weekly basis. The reference rate of palm oil in the Yangon market for a week from 20 to 30 June is set at K5,815 per viss. However, the market price is higher than the reference rate. Additionally, some oil shops get access to limited sources of supply although they sell the palm oil at a reference rate depending on the volume quota. "I

like to encourage the fellow sellers to offer the palm oil at the reference rate. It is a way of making merits. I sell palm oil at the reference rate of K5,950 per viss. A consumer is entitled to buy a viss of palm oil and two visses for those engaged in commercial business. I cordially invite the customers," the OK rice and edible oil trading and rice miller family enterprise posted on its social media. Moreover, the authorities, Myanmar Edible Oil Dealers' Association and importers companies made a scheme to offer the oil in equal amounts (a viss) for each consumer to buy the oil at a fair price. The resales are not given green light so we will not distribute the oil for reselling. We will follow the sales quota accordingly. We like to request that we cannot sell them daily due to limited sources of supply, stated the OK rice and edible oil trading and rice miller family enterprise. If those retailers and wholesalers are found overcharging, storing inventory intentionally and attempting unscrupulous action to manipulate the market, they will face legal action under the Special Goods Tax Law, MoC released a statement. The Ministry of Commerce is striving for the consumers not to worry over the supply of edible oil. The ministry is also trying to secure edible oil sufficiency, supervise the market to offer a reasonable price to the consumers, maintain the price stability and prevent market manipulation. — NN/GNLM

Source: <https://www.gnlnm.com.mm/palm-oil-prices-fall-again-on-downtick-trend-in-external-market/>

Newly-established businesses in H1 exceed 70,000 for first time



Vietnam News | 29 June, 2022

HÀ NỘI — There were 76,233 newly-registered enterprises in the first six months of this year, an increase of 13.6 per cent compared to last year. This is the first time that the number of newly-established enterprises in the first six months has exceeded 70,000. Data from the Business Registration Management Agency, Ministry of Planning and Investment, showed that 116,900 enterprises were entering or re-entering the market in the first six months. In terms of capital, although it declined by 6.4 per cent over the same period last year, with a value of VNĐ882.1 trillion (US\$38.4 billion), it was still 1.2 times higher than the average for 2017-2021. Hà NỘI and HCM City continued to record a significant increase in newly-established enterprises. Accordingly, Hà NỘI has 14,628 newly-established enterprises, up 9.8 per cent yearly. HCM City has 22,469 newly established enterprises, a year-on-year increase of 11.5 per cent. Meanwhile, the number of enterprises returning to operation in the first six months of this year was 40,667, an increase of 55.6 per cent over the same period last year and 1.9 times higher than the average in 2017-2021. In the opposite direction, 83,570 businesses withdrew from the market in the first six months of this year, a year-on-year growth of 19 per cent. Enterprises withdrawing from the market are mainly temporarily suspending their businesses, with

50,909 enterprises, accounting for 60.9 per cent. Enterprises temporarily suspending business were mainly in the fields of wholesale, retail, car and motorbike repairing (18,417 enterprises, accounting for 36.2 per cent), construction (7,206 enterprises, 14.2 per cent) and processing and manufacturing industry (5,948 enterprises, 11.7 per cent). — VNS

Source: <https://vietnamnews.vn/economy/1254327/newly-established-businesses-in-h1-exceed-70000-for-first-time.html>

Vietnam's GDP expands 7.72% in second quarter of 2022



Vietnam News | 29 June, 2022

Vietnam's Gross Domestic Product (GDP) in the second quarter of this year was estimated to increase 7.72% year-on-year, higher than the growth rates in the same quarters during the 2011-2021 period. According to the General Statistics Office (GSO) General Director Nguyen Thi Huong, the country's socio-economic development in the first six months of 2022 has prospered in most industries and fields, especially processing and manufacturing industry; retail sales of consumer goods and services; and exports. The agriculture-forestry-fishery sector increased 3.02%, contributing 4.56% to the overall growth of the economy. The industry and construction sector was up 8.87%, making up 46.85%, while the service sector rose by 8.56 percent, contributing 48.59 percent to the general GDP growth, Huong said. Regarding GDP use, final consumption expenditure increased by 7.32% over

the same period last year; accumulated assets rose by 4.57%; exports of goods and services surged 12.33%; imports of goods and services up 4.88%. In the January – June period, the country's GDP grew by 6.42%, higher than the 2.04% and 5.74% growth rates of the same periods in 2020 and 2021, respectively. In terms of economic structure in the first two quarters, the agriculture-forestry-fishery sector accounted for 11.05% of the country's economy; the industry-construction and service sectors made up 39.3% and 40.63%, respectively, the GSO said.

Source: <https://vietnamnet.vn/en/vietnam-s-gdp-expands-7-72-in-second-quarter-of-2022-2034800.html>