

Highlight News / October 28, 2022



- Global investors eye investments in Asean region to diversify risk, Cambodia features well
- Tax revenue rises to \$2.02 billion in nine months
- Lao Airlines suspends flights on Vientiane-Oudomxay route
- Trafigura's Puma Energy to sell Myanmar business to local private company
- Coca-Cola Việt Nam to build a factory in Long An
- E-retailing to grow 20% this year



Advisory Institute for Trade and Investment by TCC (AiTi)

Good omen for tourism: More than 1.2 million international tourists visited Cambodia in first nine months



Cambodia News | 27 October, 2022

In a sharp contrast to last year's bleak tourism sector and empty attractions, the country recorded more than 1.2 million international tourists that visited the country from January to September. The data was presented in a meeting of the Ministry of Tourism on the nine-month work update of the working group of the Royal Government and the private sector to restore and promote tourism in and after the Covid-19 pandemic. The report stated that the number of international tourists increased by 861 percent compared to the same period last year. Domestic tourists were recorded at 8.44 million, which is an increase of 247 percent. During the meeting, officials discussed and reviewed the nine-month work update of the working group of the Royal Government and the private sector to restore and promote tourism. Reports were submitted to the Secretariat and additional comments from the chairpersons of the three sub-working groups were assessed. Tourism Minister Thong Khon recommended further studies to take into account new indicators, especially the current global

challenges and crises for the rehabilitation of the tourism sector.

Source: <https://www.khmertimeskh.com/501176065/good-omen-for-tourism-more-than-1-2-million-international-tourists-visited-cambodia-in-first-nine-months/>

Cambodia, South Korea trade up 14 percent



Cambodia News | 27 October, 2022

The bilateral trade between Cambodia and South Korea reached \$818 million in the first nine months of this year, up 13.8 percent compared with the same period last year, according to a report of the Korea International Trade Association (KITA) issued this week. In the January-September period, Cambodia exported \$301 million worth of goods to South Korea, which was a 19.6 percent year-on-year increase, according to the report. The Kingdom imported \$507 million worth of items from the East Asia nation, up 10.6 percent year-on-year. Cambodia mainly exported footwear and other apparel, travel products, beverages, electrical and electronic components, rubber, pharmaceuticals and agricultural products to South Korea. The Kingdom imported vehicles, electronics, kitchen appliances, beverages, pharmaceuticals and finished plastics and products. The two countries have ratified the free-trade agreement, which is set to deepen the economic ties. The Cambodia-South Korea free trade agreement can help boost

Cambodian exports of garments, textiles, and footwear to South Korea. The CKFTA is expected to boost trade between the two countries with South Korea agreeing to remove tariffs on 95.6 percent of products imported from Cambodia, while Cambodia will eliminate duties on 93.8 percent of imported goods. The CKFTA will come into force in the next 60 days of ratification made by the Korean government in late September this year, said Penn Sovicheat, Under-Secretary of State and spokesman at the Ministry of Commerce. "The agreement is expected to attract more foreign investment, adding that goods exported to the South Korean market must adhere to high technical quality, both industrial and agricultural products," Sovicheat told Khmer Times. The Cambodia-South Korea Free Trade Agreement will provide an opportunity for Cambodia to export duty-free goods on light industrial, agricultural and industrial products, spare parts and accessories, he said. Lim Heng, vice-president of the Cambodia Chamber of Commerce, said recently that the FTA would not only open up more markets to Cambodian products, but also attract investment for producing and exporting them. The trade agreement between Cambodia and South Korea is the best opportunity that will enable the governments of the two countries to promote trade exchanges as planned and through this trade promotion, Heng said.

Source: <https://www.khmertimeskh.com/501175675/cambodia-south-korea-trade-up-14-percent/>

President urges Lao, Brunei businesses to form partnerships



Laos News | 27 October, 2022

President Thongloun Sisoulith has encouraged businesses in Laos and Brunei to strengthen their cooperation and invest in areas of high potential offered by the two countries. The President made the call during a state visit to Brunei with his wife Naly Sisoulith and a delegation of Lao officials from October 24-26, at the invitation of His Majesty Sultan Haji Hassanal Bolkiah. Speaking at a meeting of business leaders in Brunei on Wednesday, Mr Thongloun said trade and investment cooperation between Laos and Brunei did not match the potential offered by the two countries. He called on the two governments to facilitate and create favourable conditions for businesspeople in Laos and Brunei to meet and discuss investment opportunities and strengthen their cooperation. Laos has high potential for investment in the production of agricultural goods for export, the processing industry, tourism, and clean energy, while Brunei is rich in oil and gas reserves. The Lao president expressed his appreciation to the Lao National Chamber of Commerce and Industry and the National Chamber of Commerce and Industry of

Brunei for co-hosting the business discussion. The event was not only an opportunity for business leaders to share their experiences and discuss business openings and partnership, but also enabled the Lao government to outline its investment policy to Bruneian businesses. President Thongloun said the forum was also an opportunity for the Lao government to learn about the aims of Brunei's business leaders and what kinds of facilities they required when investing in a certain country. Their recommendations could be essential for the Lao government in formulating a policy to attract more investment from Brunei. The president also underscored the efforts made by the Lao government to revive the economy in the wake of the Covid-19 pandemic, before highlighting potential areas of interest for Brunei businesses. During the state visit, President Thongloun and His Majesty Sultan Haji Hassanal Bolkiah witnessed the signing of two memorandums of understanding on cooperation in agriculture and energy. President Thongloun and his delegation visited an oil and gas drilling site owned by Brunei Shell Petroleum and Brunei Liquefied Natural Gas where he was welcomed by Dato Dr Amin Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II. Laos and Brunei established diplomatic relations on July 27, 1993, and since then, the two countries have cooperated extensively in the areas

of education, defence, culture, youth and sports as well as food security. Next year, the two countries will celebrate the 30th anniversary of their diplomatic ties and will jointly organise events to mark the occasion.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent209_President_y22.php

Sino-Myanmar border trade amounted to \$1.226 bln in H1



Myanmar News | 28 October, 2022

The value of border trade between Myanmar and China through five border posts topped US\$1.226 billion between 1 April and 30 September in the current financial year 2022-2023, according to the Trade Department under the Ministry of Commerce. Myanmar has been conducting cross-border trade with the neighbouring countries (China, Thailand, Bangladesh and India) through 18 border posts. In H1, Myanmar's trade through Muse and Lweje posts was valued at \$1.101 billion. The values of trade were registered at \$77.03 million in Chinshwehaw and \$42.76 million in Kampaiti posts. Kengtung border post witnessed trade worth \$4.9 million. Thailand is the major trade partner with Myanmar on the border, followed by China in second place. In the 2020-2021FY (October to September), Myanmar conveyed goods worth \$4.905 billion to China. Following the ease of COVID-19 restrictions, Myanmar's border posts (Chinshwehaw, Kyinsankyawt and Kampaiti) were back to business. Additionally, Yuan-Kyat direct payment in the border

trade was also allowed. Afterwards, the authorities are prioritizing the Sino-Myanmar border to return to normalcy, export promotion to China and increasing the income of the Myanmar citizens. – TWA/GNLM

Source: <https://www.gnlm.com.mm/sino-myanmar-border-trade-amounted-to-1-226-bln-in-h1/>

Vietnam plans for low-cost electric vehicles



Vietnam News | 27 October, 2022

Experts say that Vietnam needs a strong foundation to shift from internal combustion engines to electric ones. Under the government's roadmap, car prices will be decisive. Reports show that the world transportation sector consumes 55 percent of petroleum fuel and emits 25 percent of total CO₂, including 17 percent from road transport. The global electric vehicle market has made leaps and bounds in recent years. There were 17 million electric cars in 2021, 2.5 times higher than 2019. As of August 2022, Vietnam had 3,000 electric cars manufactured, assembled and imported, or 20 times higher than 2019 and 1.8 million electric motorbikes in circulation. Deputy head of the Institute of Strategy and Transport Development Nguyen Thi Phuong Hien said that Vietnam has certain advantages to promote electric cars. Vietnam is technologically ready to manufacture electric cars, especially cars, buses and small trucks. "With the development of science and technology, electric vehicles are getting

cheaper. We believe that by 2026-2030, electric car prices will be equal to cars using fossil fuel," Hien said. "Vietnam is one of a few countries which has electric-car manufacturers, which is a great advantage," she added. Tran Thi Bich Ngoc from the Tax Policy Department under the Ministry of Finance (MOF) said there are many types of green vehicles and each enjoys specific preferential policy. Decree 57/2020 was issued to support the development of the automobile industry, including electric vehicles. Under the decree, enterprises that have electric vehicle manufacturing and assembly lines, and have a certain output, will enjoy a zero percent import tariff on vehicle components (which cannot be produced domestically). "Many electric car parts have a zero tariff. The most common tariff for petrol-run vehicles is 70 percent. So, the manufacturing of electric cars is very encouraging," she said. Hybrid cars with the petrol use of no more than 70 percent of energy consumed can enjoy the luxury tax equal to 70 percent of the tax applied to petrol-run cars. From March 1, 2022 to February 28, 2027, the luxury tax on battery-run vehicles would be 1, 2 or 3 percent, depending on number of seats, and from 2027, the figures would be 4, 7 and 11 percent. Meanwhile, petrol-run vehicles are imposed 15-150 percent.

Source: <https://vietnamnet.vn/en/vietnam-plans-for-low-cost-electric-vehicles-2073537.html>

Hanoi attracts almost 1 million international tourists in 10 months



Vietnam News | 27 October, 2022

Hanoi (VNA) – Hanoi has welcomed nearly 983,000 international tourist arrivals in the first 10 months, almost reaching the target of 1 - 1.2 million for the whole of this year, the municipal Tourism Department said on October 26. So far, 15.38 million visitors have chosen the capital city as their destination, rising over five-fold from the same period last year. That includes 14.4 million domestic arrivals, up nearly five-fold. Tourism revenue is estimated at 43.69 trillion VND (over 1.7 billion USD), increasing over five times year on year. In October alone, Hanoi has recorded about 1.51 million visitors, including 1.3 million domestic ones and 212,760 foreigners, and earned some 3.97 trillion VND from tourism, statistics show./.

Source: <https://en.vietnamplus.vn/hanoi-attracts-almost-1-million-international-tourists-in-10-months/240800.vnp>
