

Highlight News / December 02/2022



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Int'l tourist arrivals cross 1.5 million in Jan-Oct



Cambodia News | 1 December, 2022

The number of international tourists visiting Cambodia during January-October 2022 rose to 1,575,954, which is an increase of 991.1 percent over the same period of last year, according to a Ministry of Tourism report, released on Wednesday. In January-October, 559,918 international tourists arrived by air, 1,005,549 by land, and 10,487 by waterways. Of the total, Thailand accounted for the largest number of international tourist arrivals to Cambodia. During the period, 661,073 Cambodians travelled abroad, which is an increase of 3,276 percent. According to the report, at 9,471,034 the number of national tourists increased by 209.8 percent, and the number of domestic tourists went up by 616.7 percent to 1,384,498. Ministry of Tourism spokesman Top Sopheak told Khmer Times that “the number of foreign tourists visiting Cambodia has increased significantly. Of the 1.57 million plus tourists, air travel accounted for more than 35 percent, land, and waterways the rest.” “The Thai tourism market ranks first with 590,000 tourists, accounting for 37.5 percent of the foreign arrivals, followed by Vietnam, China, the United States, Laos, Indonesia, South Korea, Malaysia, France, and the United Kingdom,” he said. In 2022, Cambodia is expected to receive about 2.2 million foreign tourists, he added. Tourism is one of the most important sectors of the Cambodian economy. The Kingdom is

famous for its three world heritage sites – the Angkor Archaeological Park in Siem Reap province, the Preah Vihear Temple in Preah Vihear province, and the Sambor Prei Kuk archaeological site in Kampong Thom province. The 450-km-long pristine coastline, stretching across four southwestern provinces, just adds to its attraction.

Source : <https://www.khmertimeskh.com/501194322/intl-tourist-arrivals-cross-1-5-million-in-jan-oct/>

Sustained campaign for riel promotion



Cambodia News | 1 December, 2022

Considering the significance of local currency in enhancing the economic aspirations of the country, the National Bank of Cambodia has been consistently promoting the usage of riel. The central bank's efforts in popularising the usage of local currency have gained momentum with a reported increase in the activity for riel. According to a survey by the National Bank of Cambodia and the Japan International Cooperation Agency, the riel is widely used in day-to-day expenses. While talking at a function on August 30 to mark the 42-year anniversary of riel circulation in Kampot province, Chea Serey, Director General of Central Banking of the National Bank of Cambodia, said, “The implementation of monetary policy, combined with the participation of all stakeholders, has resulted in a steady increase in the volume of riel in circulation, as its value has stabilised, reflecting the growing demand and public confidence in the local

currency.” Serey said the presence of riel has contributed significantly to the restoration and building of economic and social sovereignty through its role as a scale value, means of payment and savings. She attributed this to political stability, macroeconomic stability and development in all areas to make people and investors repose more confidence in the currency and the future of the Cambodian economy. “Since Cambodia is a highly dollarised economy, it is difficult for the central bank to successfully execute its mission as the NBC is limited in the number of policy instruments it can use to promote sustainable economic development,” the National Bank of Cambodia said in its booklet ‘The importance of Riel to Cambodia’. It said dollarization has positively contributed to Cambodia’s economy with an average of 8.5 percent growth over the last 15 years. The booklet also listed some of the prominent reasons for promoting the usage of riel. One of the main reasons is the national pride and solidarity, it pointed out. “Every country has its own currency. It represents the collective identity of a nation. By using the national currency, we preserve our past. We are reminded of our shared history, cultural heritage and collective identity for current and future generations. Through our national currency, we reinforce the notion of solidarity and a sense of belonging that we are part of one community, one nation,” the booklet mentioned. Another significant aspect of supporting the national currency is to promote price stability. “As with any goods, an over-supply of money in circulation would

diminish its value, leading to inflation. Similarly, an under-supply of money in circulation would increase its value, leading to deflation. To maintain price stability, the NBC can control the money supply by either absorbing money from the market or injecting it back into the market,” the report said. By promoting the usage of riel, the bank also intends to reduce the transaction costs. “Using more than one currency in the economy increases the transaction costs both in terms of money and time. As riels and dollars circulate simultaneously, buyers are subject to exchange rate risk depending on the currency they hold. The exchange rate is determined by the sellers, disregarding the market trend,” the bank pointed out, adding, “Using one currency in all domestic economic transactions would help substantially reduce the costs for both buyers and sellers. In addition, it could facilitate and stimulate more transactions, which could be done faster and more efficiently as both sides won’t have to encounter difficulties related to price and exchange rate differences.” Besides, Cambodia relies heavily on exports and tourism for economic growth. “If Cambodia were to use the riel alone, the central bank could further promote exports by increasing price competitiveness through currency devaluation,” the report pointed out. The NBC has also been extending its riel promotion campaign in the provinces as well. Attending such an event in September, Serey praised the participation in Battambang and said that according to previous studies, 80 percent of daily expenses in Battambang

are made in riel. "Revenues and expenses of operations of banking and financial institutions in Battambang in riel have increased significantly. In the last two decades, the riel in circulation has increased by 16 percent, deposits in riel by 29 percent and loans in riel by an average of 38 percent per year," she pointed out

Source : <https://www.khmertimeskh.com/501194382/sustained-campaign-for-riel-promotion-2/>

\$1.4b in China-Laos freight shipped in line's 1st year



Laos News | 1 December, 2022

The value of international freight handled on the China-Laos Railway has surpassed 10 billion yuan (\$1.4 billion) nearly one year after the railway was put into operation, according to Yunnan International Railways Service Trade. Dec 3 marks the first anniversary of the operation of the high-profile cross-border railway. As of Nov 20, Yunnan International Railways Service Trade has transported more than 10 billion yuan worth in cross-border freight. According to the company, it operated more than 1,500 inbound and outbound international freight train services carrying 1.4 million metric tons of goods. The monthly volume of cross-border goods handled by the company has grown from less than 30,000 tons to around 200,000 tons. Twenty-five regions across the country carrying more than 1,200 categories of products operate international train services along the China-Laos Railway. The freight has been sent to more than 10 countries involved in

the Belt and Road Initiative such as Laos, Thailand, Myanmar and Vietnam. The 1,035-kilometer China-Laos Railway runs between Kunming in Southwest China's Yunnan province, and Vientiane, the capital of Laos. The trip takes about 10 hours, with speeds reaching up to 200 km per hour. Since the Regional Comprehensive Economic Partnership agreement took effect in January, the destinations for international freight via the China-Laos Railway have been expanded to more countries and regions, including Thailand, Malaysia and Cambodia. "The launch of the railway has not only promoted economic development along the route, but also accelerated construction of the China-Laos Economic Corridor and the community of a shared future between the two sides," said Ma Yong, head of the Institute of Southeast Asian Studies of the Yunnan Academy of Social Sciences. Thepmoukda Phetsalath, a Laotian who studied at Tongji University in Shanghai, said she usually purchased daily supplies for her family when she was at school, which would take a long time to be shipped from China. It became more convenient after the railway opened last year. She is looking forward to the end of the epidemic so she can take her family from Vientiane to China by the railway.

Source : <http://www.chinadaily.com.cn/a/202212/01/WS6387fd3aa31057c47eba2087.html>

Loan maturity date for livestock sector extended for one year



Myanmar News | 1 December, 2022

Under the COVID-19 Fund, the loan maturity date for businesses in livestock sectors including state-owned businesses, and fish and shrimp farming businesses was extended for one year on 30 November 2022. Among the responsibilities of the committee to remedy the economic impacts caused by COVID-19, the one-year loans were disbursed to the businesses engaged in the livestock sector with a one per cent interest rate from the COVID-19 Fund to mitigate the economic impacts of the coronavirus on businesses on 16 November 2021. Those 325 entities that took out the loans worth K7.6 billion from the COVID-19 Fund as of 31 October 2022 were due. The businesses are still stricken by the coronavirus impacts so the maturity date is extended one year for the domestic businesses to have currency in circulation under the SAC's guidance, a statement said. The committee's notice stated that actions will be further taken if the loans are not repaid before the due date in compliance with the existing law. Thus, those entities need to repay the loans during the extended period according to the loan agreement. –

TWA/GNLM

Source : <https://www.gnln.com.mm/loan-maturity-date-for-livestock-sector-extended-for-one-year/>

Foreign trade may hit record of US\$780 billion in 2022

 Vietnam News | 1 December, 2022

HA NOI — Surmounting difficulties to boost economic recovery, Việt Nam is expected to post a foreign trade record of US\$780 billion in

2022. Economic experts described the export and import panorama as highly positive, as two more groups of commodities – transport vehicles and spare parts, and fishery products – have seen 11-month export value of over \$10 billion, while imports of materials for manufacturing have also surged. By the end of November, exports and imports totalled \$673.82 billion, higher than the \$668.54 billion for the whole 2021. Trade surplus stood at \$10.6 billion, compared to the \$0.6 billion in the same period last year, according to the General Statistics Office. The Ministry of Agriculture and Rural Development said China's rice imports have shifted from low to high volume in the year-end period. Some EU countries also tend to import more rice to replace the wheat supply decline caused by the Russia - Ukraine conflict. This has helped raise Vietnamese rice prices to \$480 per tonne, \$13 - 28 higher than Thai rice and \$60 - 65 higher than the Indian grain, thus substantially contributing to this year's export growth. Besides, products of the processing and manufacturing industry have also enjoyed growth of 6 - 39.9 per cent in overseas shipments, helping turn export into a "bright spot" of the economy in 2022. Assoc. Prof. and Dr. Nguyễn Thường Lạng from the Hà Nội-based National Economics University predicted that although export growth has slowed down slightly compared to the whole-year pace, foreign trade turnover will hit a record of about \$780 billion in 2022. This is a stepping stone for Việt Nam to achieve \$1 trillion in trade revenue by 2025,

he added. Vũ Tuấn Anh, President of the Junior Chamber International Việt Nam, held that foreign direct investment remains the key driver of foreign trade. Meanwhile, processed and manufactured items are still key commodities, aside from textile-garment and agro-forestry-fishery products, of which timber, wood items, seafood, coffee, rubber, cassava, rice, vegetables, and fruit have generated a high trade surplus. \$10.6 billion trade surplus in 11 months Việt Nam recorded a trade surplus of \$10.6 billion in the January-November period, the General Statistics Office announced on Tuesday. In November, the import-export turnover is estimated at \$57.58 billion, down 1.2 per cent month-on-month and 7.8 per cent year-on-year, bringing the total value in the first 11 months to \$673.8 billion, up 11.8 per cent year-on-year. In the period under review, the export revenue is estimated at \$342.2 billion, up 13.4 per cent y-o-y, and import at \$331.6 billion, up 10.1 per cent. Thirty-five commodities report an export turnover of more than \$1 billion each, with eight surpassing the \$10-billion mark, accounting for 93.7 per cent and 70.1 per cent of the total, respectively. Forty-five products saw an import value of over \$1 billion, and six over \$10 billion, making up 93.2 per cent and 52.3 per cent of the total, respectively. The US is Việt Nam's biggest importer in the period, with a turnover estimated at \$101.5 billion, while China is the country's largest exporter, with \$109.9 billion. In the period, Việt Nam also recorded a trade surplus of \$29.4 billion with the

European Union, and a trade deficit of \$56.9 billion with China. To promote exports, Deputy Minister of Industry and Trade Đỗ Thắng Hải said that in the last month, the ministry will focus on supporting businesses in finding alternative suppliers of raw materials with suitable prices to ensure sufficient raw materials and fuel for production and consumption, and to make good use of signed free trade agreements to speed up production and export. The facilitation of administrative procedures for enterprises will be further promoted through the application of digitalisation, typically in tax refunds, import and export customs, and issuance of the Certificate of Origin. — VNS

Source : <https://vietnamnews.vn/economy/1400332/foreign-trade-may-hit-record-of-us-780-billion-in-2022.html>

11-month FDI attraction reaches US\$25.1 billion



Vietnam News | 1 December, 2022

VOV.VN -The nation attracted US\$25.1 billion in foreign investment over the past 11 months, an increase of 0.5% from the previous month, but down 5% on-year, the Foreign Investment Agency (FIA) under the Ministry of Planning and Investment has said. During the reviewed period, new capital registered in the country by foreign investors endured an annual fall of 18% to US\$11.5 billion, while capital contributions and share purchases also dropped by 7% on-year to nearly US\$4.08 billion. The

agency underlined two key factors behind the falling registered capital, including stringent COVID-19 preventive measures imposed at the start of the year and global uncertainties. It noted that strict COVID-19 preventive measures imposed in the opening months of the year had made it increasingly difficult for foreign investors to travel to Vietnam to seek new investment opportunities. These hindrances therefore held back the number of newly-registered projects during the opening months of 2022. Global uncertainties, including geopolitical conflicts, inflationary pressures, and supply chain disruptions, all combined to compound the situation by scaling down the capital flows from major economies, especially Vietnamese partners. One bright spot in the reviewed period was adjusted capital which soared by 23.3% on-year to US\$9.54 billion, the FIA noted. According to the agency, the adjusted capital continued to maintain its growth momentum, which was a signal to confirm the confidence of foreign investors in the economy and the country's investment environment. Therefore, they decided to add more capital to their existing projects in the country. Statistics compiled by the FIA indicates that the average scale of adjusted capital per project in the opening 11 months of the year surged by 4.9% over the same period from last year. Notably, many projects in manufacturing of electronic and high-tech

products witnessed capital added on a large scale during the reviewed period.

Source : <https://english.vov.vn/en/economy/11-month-fdi-attraction-reaches-us251-billion-post987700.vov>
