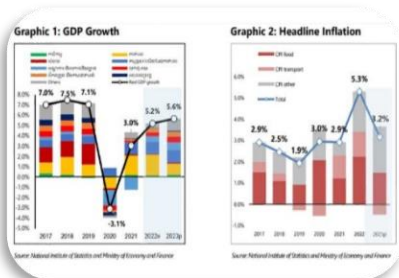


Highlight News / January 27, 2022



- Cambodia expects 5.6% GDP growth in 2023
- Battambang's per capita income rises to \$1,760 in five years
- FAO, agriculture ministry launch new projects to bolster food security
- Increasing numbers of foreigners entering Myanmar in 2022
- Retail market predicted to bustle in 2023
- Hải Phòng aims to become an international logistics centre



Advisory Institute for Trade and Investment by TCC (AiTi)



Cambodia expects 5.6% GDP growth in 2023



Cambodia News | 26 January, 2023

Cambodia is expected to register a 5.6 percent GDP growth in 2023, according to the Ministry of Economy and Finance. The Kingdom, which was estimated to have posted a 5.2 percent growth last year, is set to register further growth this year despite facing some global uncertainties including the ongoing Ukraine war, inflation, increase in interest rates, and the resurgence of Covid-19 in various parts of the world. Addressing a public forum on Macroeconomic Management and Budget Law 2023 at Sofitel Phnom Penh Phokeethra yesterday, Vongsey Vissoth, Minister attached to the Prime Minister and Permanent Secretary of State, Ministry of Economy and Finance, said, “Cambodia’s economy continues to pick up with an estimated growth of 5.2 percent in 2022 on the back of strong external demand notwithstanding rising geopolitical tension and the escalating war in Ukraine. Herd immunity has allowed Cambodia to resume its socioeconomic activities and successfully reopen the country in late 2021.” Talking about the prospects of the country this year, he said: “For 2023, Cambodia’s economy is expected to expand, yet at a slower pace, with a growth of 5.6 percent. The growth of exporting sectors, especially the garment sector, is expected to slow down with a 5.5 percent growth due to the unfavourable external demands, especially EU

market.” However, the non-garment sector is expected to continue to remain favourable with a growth of 11.7 percent, supported by the high potential of some export productions (furniture, solar and electronic components etc.) and productions for domestic demand, especially food and beverages productions, the ministry said. The garment industry, which registered 10.8 percent growth in 2021 and 2022, is expected to post a lesser growth of 5.5 percent this year. “For 2022, the hotels and restaurants sector (which share a strong and close relationship with tourism) is expected to experience a robust two-digit growth rate of 30 percent after declining for two consecutive years,” it said. The arrival of more tourists is expected to boost tourism further this year. A total of 2.28 million international tourists were expected to have visited various places in the country last year. Domestic tourism also received a boost, with the number reaching 13.93 million in 2022, up from 4.66 million in 2021. The growth is poised to continue this year, with an expectation of around 4.3 million international tourists and 14 million domestic tourists. “The easing of restrictions in China, along with the SEA Games, will help attract international tourists to Cambodia. In addition, domestic tourists continue to increase due to further improvement of tourism services and destinations, as well as convenient supporting infrastructure,” it said. The wholesale and retail sector is also expected to do well this year, with an estimated growth of 6.5 percent, up from 4.3 percent last year. The transportation and agriculture sectors

are also poised for impressive performances this year. Transportation is estimated to grow at 7.6 percent in 2023, up from 6.1 percent growth last year. "Agriculture is expected to maintain positive growth at 0.7 percent, buoyed by a robust performance of livestock and poultry and crop production, particularly subsidiary and industrial crops (cassava and corn)," it pointed out. Construction and real estate are estimated to have low growth rates of 0.5 percent and 0.2 percent, respectively. The wholesale and retail sectors are expected to grow by 4.3 percent due to a rebound in domestic consumption, especially in food and beverage. The ministry pointed out that consumer price inflation has spiked in 2022, reflecting soaring global energy and other commodity prices. Rising global energy and other commodities prices automatically pass-through to domestic prices. "This year, inflation is expected to surge by 5.3 percent. CPI transport is estimated to soar by 9.6 percent while CPI food is expected to increase up to 5.0 percent."

Source: <https://www.khmertimeskh.com/501226196/cambodia-expects-5-6-gdp-growth-in-2023/>

Battambang's per capita income rises to \$1,760 in five years



Cambodia News | 26 January, 2023

Battambang province, located in the northwest of the country, has developed a lot in the last five years.

The province today has mines and economic zones with large factories and enterprises, according to a brief report on the Battambang Provincial Administration's success in the past five years. The provincial economy grew by 2.3 percent with the average per capita income rising to \$1,760 in 2022 from \$1,534 in 2018, said Battambang provincial Governor Sok Lou at the Office of the Council of Ministers in Phnom Penh on Tuesday. "In the province, there are large investment companies and factories, such as rice mills, cassava and corn processing units, cement factories, pharmaceutical units, paper processing factories, shoe factories and other enterprises. A total of 736 units today provide employment to 14,973 people," the provincial governor said. Lou said the Battambang Provincial Administration is preparing to transform Battambang city into a smart city and is working to improve urban infrastructure, sewage system, natural environment and road infrastructure. Three cities selected to be developed as smart cities are Battambang, Phnom Penh and Siem Reap, he said, adding each province needs to do a lot of work to achieve this goal. The provincial administration is also preparing to turn the Battambang Provincial Museum into a smart museum, he added. Battambang shares a border with some provinces of Thailand, which makes it conducive for trade, tourism, transportation, cooperation, and for boosting the province's economic growth. "Battambang's exports to Thailand are mainly agricultural products such as red corn, cassava, and mango; and imports

comprise construction materials, consumables, furniture, beverages and groceries,” he said. “Due to favourable natural conditions, climate, topography, fertile soil and rich irrigation system, Battambang is famous for agriculture and is known as the rice-growing province of Cambodia,” he said. The province has 414,761 hectares of rice fields, which produce between 1.1-1.4 million tons per year of the commodity. The total area under horticulture is 254,974 hectares. In the last five years, the province produced 6,501,880 tons of rice, 2.5 million tons of corn, nearly 14 million tons of cassava, 1 million tons of mango, 300,000 tons of lentils and 21,000 tons of cashew nuts. The province exported 1.2 million tons of agricultural products through the provincial border to Thailand and Vietnam. Soeum Bun Rith, Battambang Deputy Provincial Governor, told Khmer Times, “Battambang has a rich culture, nature, historical sites and resorts. They are major sources of attraction for both national and international tourists.” “The province has both natural and cultural attractions that attract several national and international tourists every year. Battambang is also famous for its culinary practices and traditions and is known as a ‘province of food’. The people are highly creative and have contributed to attracting tourists,” he said.

Source: <https://www.khmertimeskh.com/501226407/battambang-per-capita-income-rises-to-1760-in-five-years/>

FAO, agriculture ministry launch new projects to bolster food security



Laos News | 26 January, 2023

The Food and Agriculture Organisation of the United Nations (FAO) is continuing to help strengthen agriculture and rural development in Laos with the signing of three projects on Tuesday. The three projects, namely Strengthening Capacity for Planning and Development of the Tea Master Plan; Mainstreaming Biodiversity across Agricultural Sectors; and Technical Assistance for the Development of the National Action Plan for Sustainable Food Systems, were signed between the Ministry of Agriculture and Forestry and FAO. The projects will see FAO work closely with the Ministry of Agriculture and Forestry to support further development in three key areas in line with government priorities and its pathways towards sustainable agriculture development, commercialisation, food security, and nutrition. Speaking at the project signing ceremony, Minister of Agriculture and Forestry Dr Phet Phomphiphak said food insecurity is a global concern that must be handled strategically and Laos needs to take the same approach. This requires support from all relevant stakeholders, including from government, academia, and the private sector. The minister

expressed his appreciation of the long-standing support and contribution made by FAO to the agriculture sector. This support is helping to ensure that people around the country have sufficient and nutritious food to survive as well as generate means to increase their income and improve their livelihoods. FAO Representative to Laos Mr Nasar Hayat said “FAO is always honoured to support the development of Laos through its agriculture sector.” “The tea sector has remained underdeveloped largely due to fragmented information and lack of investment in key areas of the tea value chains and lack of long-term planning, but Lao tea growers are now set to enjoy greater benefits.” The FAO Representative also said “FAO aims to bring sustainable biodiversity-friendly practices to scale by integrating biodiversity in decision-making across policies, projects, economies and throughout society.” “Through biodiversity mainstreaming, agrifood systems have the potential to make a significant contribution to biodiversity conservation, sustainability and restoration, and to the 2030 Agenda as a whole.” “With the effort to establish a national process and coordination mechanism as a follow up from the Food System National Dialogue, FAO also aims to help build the capacities of the Ministry of Agriculture and Forestry and other ministries required to focus on priorities and implement key recommendations identified in the

Synthesis Report 2021 (Pathways to Sustainable Food Systems),” Mr Hayat said. He reiterated FAO’s commitment to support Laos to achieve better production, a better environment, better nutrition, and a better life, while leaving no one behind. The signing ceremony was attended by senior government officials, FAO colleagues and development partners.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent2023_FAO18.php

Increasing numbers of foreigners entering Myanmar in 2022



Myanmar News | 26 January, 2023

In 2022, there was a 78 per cent influx of tourists to Myanmar, an increase compared to 2021, Union Minister for Hotels and Tourism Dr Htay Aung said at a meeting of the Ministry of Hotels and Tourism on 23 January. From January to December 2022, the arrival of tourists increased more compared to the last year’s arrivals, mostly from China, Thailand, India, Korea, Japan, Malaysia, the United States, Great Britain and Russia respectively. In order to increase tourism, the ministry is implementing cooperation between national governments and international organizations such as the World Tourism Federation to gain access to the tourism market. In addition, international travel exhibitions

are often held in foreign countries not only in tourism promotion conferences but also in airlines in these countries. Efforts are being made to promote destinations in Myanmar, the Union minister elaborated. The Union minister said that he wants hotel and travel associations and industry workers to cooperate as the ministry has drawn up the necessary measures to develop tourism and attract domestic and foreign tourists. — TWA/KZL

Source: <https://www.gnlm.com.mm/increasing-numbers-of-foreigners-entering-myanmar-in-2022/#article-title>

Retail market predicted to bustle in 2023



Vietnam News | 26 January, 2023

Hanoi (VNA) – Although 2023 is forecast to see many difficulties, experts expect this is a recovery year of the retail sector after COVID-19 pandemic as there are many signs showing the return of investors and higher demands. According to the Ministry of Industry and Trade (MoIT), the scale of the Vietnamese retail market is 142 billion USD, which is expected to reach 350 billion USD in 2025, with contributions of 59% to total GDP. Last year, the total revenue from retail sales of goods and services rose 21%, exceeding the target of 8%. A survey by Vietnam Report showed that over 53.8% of total retail firms enjoyed similar and higher business results

compared to the pre-pandemic level. Experts held that growth of retail sales is being supported by rise in income and the strong recovery of the tourism sector as well as relevant sectors such as transport and accommodations, as well as the effectiveness of inflation control measures. Particularly, from now to the Lunar New Year (Tet) Festival, which falls in late January, consumers are predicted to loosen their wallet dramatically. At the same time, there are signs of vibrant retail activities as many foreign investors have announced their plans to return after COVID-19. Recently, Thailand's Central Retail said that it will pump additional 20 trillion VND (852.87 million USD) into the Vietnamese market in the next five years, pushing its investments in Vietnam in the 2022-2026 period to 65 trillion VND. With this plan, Central Retail will raise their coverage from 40 localities currently to 55. Meanwhile, Japanese giant retailer Aeon Group plans to build another megamall in Hanoi, raising its total trade centres in Vietnam to 20. Phung Trung Kien, Founder of Vietnam Holdings Inc., said that retail businesses will see good growth in early 2023, especially those trading consumer goods thanks to the Lunar New Year Festival. In 2023, four trade centres are scheduled to be launched - Central Premium plaza, Vincom Megamall Grand Park, Sunrise City Central and Emart 2 with total area of over 116,000 sq.m. Many experts predicted that this year, retailers will expand their selling channels,

bringing their products to different trading platforms to optimise online retail channels. MoIT Deputy Minister Do Thang Hai said that in the time to come, the ministry will coordinate with other ministries and localities to keep a close eye on the developments of the market, ensuring the supply of commodities, especially during Tet. At the same time, it will apply measures to control consumer price index (CPI), he said./.

Source: <https://en.vietnamplus.vn/retail-market-predicted-to-bustle-in-2023/246819.vnp>

Hải Phòng aims to become an international logistics centre



Vietnam News | 26 January, 2023

HÀ NỘI — Hải Phòng aims to become a regional and international logistics centre due to its many advantages as a transportation hub for all five types of traffic, including sea, road, air, railway, and inland waterways. This objective is highlighted in the northern city's service sector development project for 2030, with a long-term vision to 2045, including logistics services. The city is also studying to develop a project to establish a free trade zone, considered a breakthrough solution to exploit the best advantages in the logistics sector of Hải Phòng. The Politburo's Resolution 45 on building and

development of Hải Phòng City by 2030, with a vision to 2045 also states that Hải Phòng must be built into a national logistics service centre by 2025. "By 2030, it will become a modern international logistics service centre with sea, air, highway and high-speed rail". According to former Secretary of the Hải Phòng City Party Committee Trần Lưu Quang who has been appointed to the Government's Deputy Prime Minister, to develop logistics services, Hải Phòng will promote administrative reform and digital transformation in the field of seaports and logistics. It will strengthen investment attraction and trade promotion, and form logistics service chains with high added value and regional linkages. According to the Ministry of Industry and Trade, Hải Phòng has great advantages in infrastructure of seaports, fishing ports, warehouses for industrial production, and import and export activities of goods. At the same time, some of 14 industrial parks (IPs) are built on the basis of logistics services to increase connectivity among enterprises at the supply chains. In the past, Hải Phòng has focused on investing and upgrading seaport infrastructure in line with the development trend of regional and international shipping. Its transport system is improved and more synchronous. Many projects on developing logistics centres in industrial zones and economic zones (EZs) have also received licences of investment, such as a logistics centre invested by

KM Cargo Services Hải Phòng Co, Ltd with a capital of VNĐ34.8 billion; a logistics project with total investment capital of US\$35 million developed by ECPVN Hải Phòng 1; JD Property Logistics Park Hải Phòng 1 project in the non-tariff zone and Nam Định Vũ Industrial Park with a total investment of \$32 million. Those have created new opportunities for the logistics service industry in Hải Phòng. Quang said that in 2022, traditional and advantageous service sectors such as seaport and logistics services have made strong developments. They have actively contributed to the socio-economic development of Hải Phòng and the northern key economic region. Hải Phòng's growth rate of logistics services is about 20-23 per cent per year and this sector has accounted for 13-15 per cent of the city's GRDP. The volume of goods through the ports in the city has grown strongly, accounting for a large market share in the seaport system of the country. Pointing to the service's shortcomings, Đan Đức Hiệp, former deputy chairman of Hải Phòng City People's Committee, said that Hải Phòng has about 1,000 enterprises registering to provide logistics services, but they have limited competitiveness and a low market share. The majority of cargo volume via Hải Phòng seaport continues to be transported by road, putting great pressure on the transport system. Meanwhile, transporting goods by rail and inland waterway is still weak. There is also the problem of

labour shortage, especially high-quality labour. Logistics and production enterprises of Hải Phòng are always in a serious shortage, especially logistics sales staff, logistics information technology staff, and staff coordinating transportation and warehouse operations. At the same time, most employees of enterprises lack logistics knowledge and skills. This will be a big challenge for the development of the service in the future. According to forecasts, Hải Phòng needs about 369,000 logistics workers by 2025, including 252,600 trained workers. By 2030, this number will increase to 460,000 employees, including 368,000 trained workers. Human resources for the logistics sector in Việt Nam in general and Hải Phòng in particular will still lack in both quality and quantity for many years in the future. The human resource at present meets only about 40-45 per cent of the industry's needs. Therefore, Hải Phòng needs to have a strategy on sustainable development of human resources for the logistics sector, Hiệp said. — VNS

Source: <https://vietnamnews.vn/economy/1455789/hai-phong-aims-to-become-an-international-logistics-centre.html>
