

Highlight News / January 31, 2023



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Advisory Institute for Trade and Investment by TCC (AiTi)



Three high-speed rails to diversify transportation



Cambodia News | 30 January, 2023

The government has been working to build new infrastructure and upgrade the quality of the existing old tracks to high-speed rail. The government plans to build three high-speed rail lines connecting Phnom Penh to the country's borders to promote a more diversified transportation sector, according to the Ministry of Public Works and Transport. According to the ministry, the railways are the Phnom Penh-Sihanoukville railway using the existing Phnom Penh-Poipet-Banteay Meanchey railway. The ministry said the cost of developing the Phnom Penh-Poipet high-speed railway is estimated at \$4 billion and China Bridge and Road Corporation (CRBC) is given the rights to conduct a feasibility study on the project. The project will take about four years to build and will be the main channel of transport for goods and passengers in the northern part of the country, including Kampong Chhnang, Pursat, Battambang and Banteay Meanchey provinces. The high-speed railway linking Phnom Penh, Bavet City, Svay Rieng Province is also in its plan to be built. "The high-speed railway is aimed to serve the transportation sector, and promote socio-economic growth, especially in the provinces and cities located along the track," the ministry said. High-speed rail will be mainly focused on passenger and freight services between Cambodia and Thailand as well as other countries in the ASEAN, which contribute to boosting the economy by carrying passengers, tourists, and agricultural products.

Source: <https://www.khmertimeskh.com/501229019/three-high-speed-rails-to-diversify-transportation/>

Non-garment manufacturing on rapid growth path



Cambodia News | 30 January, 2023

Although the garment sector is currently the main driver of Cambodia's economic growth, exports of non-garment products have been growing rapidly in recent years. The Cambodian government puts high hope on non-garment manufacturing in 2023, supported by domestic and external demand under the trade pacts. The non-garment manufacturing sector in 2023 is expected to continue to achieve good growth, which will be driven in part by maintaining a balance of production that serves domestic demand and is partly supported by expectations. Optimal growth of production serves exports, the Ministry of Economy and Finance said in a report released last week. "The improved trend of external demand and free trade agreements will continue to drive the growth of this sub-sector in the export-oriented manufacturing sector," stated the report, adding that those main products include furniture, fur, leather, wood, construction materials made of plastic, solar panels, electronics components, wiring, and other processed agricultural products. The non-garment manufacturing exports have significantly increased in the last couple of years, compared to the garment manufacturing product export, said the ministry's permanent secretary of state Vongsey Visoth. "Currently, agricultural exports account for more than 10 percent, while the garment sector remains at 56 to 57 percent, especially the non-garment manufacturing sector, which is growing well, rising by nearly 30 percent," he said in a public forum held last week. Currently, the inflow of new investment also tends to turn

to investing in the non-garment manufacturing sector, he said. The non-garment manufacturing sector is an important sector for job creation and economic growth, which Cambodia has to prepare to absorb more investment to boost production in response to export markets, said senior economist Ky Sereyvath, director-general of the Institute of China Studies at the Royal Academy of Cambodia. "In recent years, the manufacturing sector has grown rapidly, reflecting the turning point of industrial development in Cambodia," he said. "Cambodia has moved from agriculture to the garment sector, and from the garment sector is turning its attention to the development of the non-garment industry, the electronics industry," he told Khmer Times. Currently, Cambodia is in the process of producing in the production line of solar panels, electronics, wiring and electrical components, especially vehicle components, which can make Cambodia push the non-garment industry to grow even faster, preparing to absorb more investment to boost exports and absorb skilled labour. The government is pursuing a policy of shifting from the labour-intensive but low-value-added garment sector at a time when Cambodia, as well as the world, is heading for a fourth-generation industrial revolution. Industrial development has brought the diversification of the types of products made in Cambodia. The non-garment products are mostly produced by factories in special economic zones. The main markets for non-garment products are the EU, US, Japan, Korea, and Thailand. The Council for the Development of Cambodia approved fixed asset investment projects worth over \$4.685 billion in 2022, up 7 percent as compared to a year before. The investment projects were based on agriculture and agro-industry

sectors, manufacturing, tourism and infrastructure, among others. Last year, the country's total export amounted to \$22.5 billion, up about 16 percent from the previous year.

Source: <https://www.khmertimeskh.com/501229155/non-garment-manufacturing-on-rapid-growth-path/>

Lao Food Producers Hope for Place on the International Stage



Laos News | 30 January, 2023

Have you ever been to the Lao Food Festival in Vientiane? This year's Lao Food Festival was organized last week, attracting a number of domestic and international guests to taste Lao cuisine. The festival was organized last weekend by the Lao Women's Union in cooperation with the Lao Businesswomen's Association at Chao Anouvong Park near the Mekong River, under the theme "Promoting Lao Food for International Recognition." As the key sponsor of the event from its inception, 19 years ago, until today. The Lao Brewery Company has been keen to support Lao food to international recognition. The festival is an annual event to raise the profile of Lao culture by showcasing Lao food and the life style of Lao people. The event focused on women, entrepreneurs, and restaurant owners across the country, supporting their effort to promote, display, cook and increase sales. Lao Brewery Company Ltd. has always been associated with efforts to promote the uniqueness of the food, culture, and traditions of the Lao people. Laos is renowned for beverages, especially Beerlao, which has become popular worldwide. The Lao Brewery

Company Ltd. hopes that they can help promote more of Laos' unique food and culture worldwide.

Source: <https://laotiantimes.com/2023/01/30/lao-food-producers-hope-for-place-on-the-international-stage/>

Myanmar kicks off 5,000-tonne white sugar export to Viet Nam this sugarcane season

 Myanmar News | 31 January, 2023

Myanmar commenced to ship 5,000 tonnes of locally-produced white sugar to Viet Nam, said U Win Htay, vice-chairman of Myanmar Sugar and Sugarcane Related Manufacturers Association. Myanmar has signed an agreement to export 45,000 tonnes of white sugar to Viet Nam. The sugar mills have started to run sugarcane crushing operations from early December last year. Sugar produced from those mills is conveyed to Viet Nam. About 5,000 tonnes have been shipped to Viet Nam and more will be delivered there. "The sugar export to Viet Nam began with the sugar mills running in December 2022. Sugar fetched approximately US\$550 per tonne in the foreign market. Some countries in Asia, some western countries and China proposed to buy Myanmar's sugar. The country prioritizes local consumption so it cannot meet the foreign demand yet. When the production improves in the coming years, it is expected to penetrate more external markets. The sugarcane acreages will be upped for sure. Myanmar exports the remaining beyond self-sufficiency. The annual production of sugar is

estimated at 450,000 tonnes," he elaborated. The sugar mills in the eastern and western Bago Region, Mandalay Region, northern and southern Shan State and Sagaing Region are operating at full capacity. Sugarcane cultivation is primarily seen in Shan State and Sagaing Region, followed by Bago Region. — Maung Aye Chan/EM

Source: <https://www.gnlm.com.mm/myanmar-kicks-off-5000-tonne-white-sugar-export-to-viet-nam-this-sugarcane-season/>

January's CPI increases 0.52% due to high Tet demand

 Vietnam News | 30 January, 2023

Vietnam's consumer price index (CPI) in January edged up by 0.52 % month-on-month, fueled by high consumer demand for the Lunar New Year or Tet which fell in the same month, the General Statistics Office said on January 29. In addition, the prices of goods, food and foodstuffs went up during the final lunar month to prepare for the longest annual holiday and domestic fuel prices rose to global levels, contributing to the rise of the index. This month's CPI increased by 4.89 % year-on-year, while the core inflation in January inched up 5.21%. Among the 11 main commodity groups, nine marked a month-on-month increase in prices, and the rest registered a decline. Transport services reported the highest rise of 1.39 %, followed by beverage and cigarette with 1.12%. The prices of catering, other goods and services, apparel, footwear and hat, gold prices, restaurant services, cultural activities, and

entertainment posted a growth of 0.82%, 0.72%, 0.62%, 0.57%, 0.46% and 0.42%, respectively. Household equipment and appliances reported the smallest increase, at 0.36%. Meanwhile, the prices of housing and construction materials and education fell by 0.12% and 0.15%, respectively./. VNA

Source: <https://vietnamnet.vn/en/january-s-cpi-increases-0-52-due-to-high-tet-demand-2104850.html>

Retail sales of goods, services up 20% in January



Vietnam News | 30 January, 2023

Vietnam's total retail sales of goods and services in January was estimated at VND544.8 trillion (US\$23.22 billion), up 5.2% from the previous month and 20% as compared with the same period last year, according to the General Statistics Office (GSO). The office explained that the hike was attributed to the growing consumption demand as Tet (Lunar New Year), the biggest and longest festival in the Southeast Asian nation, fell in the month. Of the total, the retail sales of goods were VND435.4 trillion, a year-on-year rise of 18.1%, with the biggest increase seen in garments (27%). The revenue from lodging and catering services reached VND56 trillion, representing a year-on-year rise 37.3%. Notably, tourism raked in VND2.2 trillion, a surge of up to 113.4% from the corresponding time last year, with the highest increases recorded in such localities as Hai Phong (541.5%), Da Nang

(387.1%), Tien Giang (380.2%), Lao Cai (196.3%), Hanoi (113.8%) and Ho Chi Minh City (98.7%). The revenue from other services was valued at VND51.2 trillion, up 16.8% year-on-year. The GSO said the purchasing power during the holiday rose about 8-10% against other months and was equivalent to the same period last year, with the strongest growth seen in food, foodstuff and essential goods. Hoang Anh Duong, deputy general director of the Market Surveillance Agency under the Ministry of Industry and Trade, said market management forces have intensified inspections and supervisions, especially on e-commerce platforms and social networks, while coordinating with other competent agencies in controlling the quality of oil and gas products.

Source: <https://english.vov.vn/en/economy/retail-sales-of-goods-services-up-20-in-january-post998752.vov>