

Highlight News / February 03, 2022



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- Kampot Pepper Promotion Association says Cambodia's pepper exports declined by 30.7 percent in 2022
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Advisory Institute for Trade and Investment by TCC (AiTi)

Cambodia eyes exporting 1 million tons milled rice by 2025



Cambodia News | 02 February, 2023

The Cambodia Rice Federation has set an ambitious goal to export at least a million tons of milled rice by 2025, an over 50 percent increase compared to the export figure in 2022. By 2023, Cambodia is looking to reach milled rice exports of 750,000 tons, an 18 percent increase compared to exports of 637,004 tons in 2022, said Chan Sockheang, president of the Cambodia Rice Federation. “The Cambodian Rice Federation has set two goals for rice exports, which by 2023 will boost exports to 750,000 tons and reach 1 million tons by 2025,” Sockheang said at an annual meeting of the Ministry of Commerce. CRF has also set a goal to facilitate profitable, sustainable, environment-friendly rice business by launching a number of key activities, he said. “CRF will continue to collaborate with the Ministry of Commerce through Green Trade to access new markets, especially the Philippines, and expand its market potential by participating in trade fairs in the Middle East and the European Union,” he said. He said that CRF will also continue to strengthen its potential and increase the number of milled rice exports to China over a quota of 400,000 tons this year. Last year, Cambodia exported 637,004 tons of milled rice to international markets, up 3.2 percent, from 617,069 tons a year

earlier. CRF said Cambodia earned revenue of \$414 million from the exports of the commodity to 59 countries and regions last year. China remained the top buyer of Cambodia’s milled rice, the CRF said, adding that exported milled rice varieties included premium aromatic rice, fragrant rice, long-grain white rice, parboiled rice, organic rice and glutinous rice.

Source: <https://www.khmertimeskh.com/501230991/cambodia-eyes-exporting-1-million-tons-milled-rice-by-2025/>

Kampot Pepper Promotion Association says Cambodia’s pepper exports declined by 30.7 percent in 2022



Cambodia News | 02 February, 2023

The export of renowned Kampot pepper, one of Cambodia’s only two products to be registered as a Geographical Indication in the European Union, had declined by almost a third in 2022, a farmers’ representative said on Wednesday. Nguon Lay, president of the Kampot Pepper Promotion Association, said the Southeast Asian nation exported only 79 tons of Kampot pepper last year, down 30.7 percent from 114 tons in the year before. He said some 85 percent of the pepper was shipped to Europe and the remaining 15 percent was sold to other countries, including the United States, Canada,

China, Japan, and South Korea. “I believe that the slump was due to consumers’ cut in spending on non-essential goods as Europe’s economy has slowed down,” he told Xinhua. “Also, it was due to the depreciation of the euro against the U.S. dollar, as most of the companies used the dollar to buy pepper from our association for exporting to Europe,” he added. Renowned for its delicate aroma and strong spicy taste, Kampot pepper, the country’s geographical indication product since 2010, is currently popular in the European market. Lay said Kampot pepper comes in three varieties — black, red and white — selling for 15 U.S. dollars, 25 dollars and 28 dollars per kilogram, respectively. Cambodia and China signed last November a memorandum of understanding on the phytosanitary requirements for pepper export, paving the way for the direct shipment of Cambodian pepper to China. “We hope that our Kampot pepper will also be famous in China in the future as we see China as a huge market for our pepper,” Lay said. Located in the southwestern region, the coastal province of Kampot has some 240 hectares of pepper farms, he said, adding that a hectare yields an average of 2.5 tons per annum and the harvest season runs from March to June. Xinhua

Source: <https://www.khmertimeskh.com/501231393/kampot-pepper-promotion-association-says-cambodias-pepper-exports-declined-by-30-7-percent-in-2022/>

Khamsavath train station complete, ready for opening



Laos News | 02 February, 2023

Construction of the Khamsavath railway station, situated on the Laos-Thailand Railway in inner Vientiane, is now complete and the station is slated to become operational in the near future. The new station, located in Khamsavath village, Xaysettha district, is 7.5 kilometres from Thanaleng station in Hadxaifong district, which connects to Thailand’s Nong Khai province. Deputy director-general of Thailand’s Department of Rail Transport (DRT) Athipu Chitranukroh and deputy director-general of the Customs Department Kitjaluck Srinuchart visited the station recently to monitor the progress of construction. During their talks, officials from the two sides agreed to ask their governments to consider opening the station during the 10th Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) Summit to be hosted by Laos. Leaders of ACMECS’ member countries - Cambodia, Laos, Myanmar, Thailand and Vietnam - will attend the summit. A precise date for the summit has not yet been set. It is up to the leaders (of Laos and Thailand) to decide on the precise date of the opening, according to a source from the Ministry of Public Works and Transport involved in the project. The 7.5km rail extension has been built under Phase

II of the Laos-Thailand railway project and is intended for passenger use. The extension is funded by Thailand through its Neighbouring Countries Economic Development Cooperation Agency in the amount of 994.7 million baht (about 235.6 billion kip). Of this, 30 percent is in the form of a grant and 70 percent is a low-interest loan. Phase I of the railway was completed in 2008 and officially opened for service in March 2009. It comprised a 3.5km track between Thanalaeng station in Laos across the border to Nong Khai province in Thailand via the Laos-Thailand Mekong Friendship Bridge. During the recent visit, Thai officials and their Lao counterparts discussed a potential China-Laos-Thailand rail link, which could cut the cost of freight transport by 30-50 percent in three to five years' time, Thailand's Bangkok Post reported. The report added that the high-speed rail network could be built alongside existing infrastructure and would benefit both Thailand and neighbouring countries. Freight is already being shipped between Laos, Thailand and China by rail. The conventional one-metre-gauge railway linking Laos and Thailand has been extended in parallel with the standard-gauge Laos-China Railway at the Thanaleng Dry Port, where cargo can be transferred from one track to the other.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent23_Khamsavath_y23.php

Japanese companies to recruit over 1,000 Myanmar workers



Myanmar News | 02 February, 2023

The Myanmar Embassy in Tokyo announced on 31 January that 312 Japanese companies will recruit more than 1,000 Myanmar workers. The statement said Myanmar Embassy in Tokyo is screening demand letters sent by the Ministry of Labour through the Ministry of Foreign Affairs in a timely manner. The Myanmar Embassy is verifying, with a labour inspection company, whether the companies and factories recruiting Myanmar workers are legally established or not. The remarks and findings on those verifications will be returned to the Ministry of Labour. The Myanmar Embassy in Tokyo verified demand letters from 17 to 31 January 2023 and the notification for 312 job offer letters was released. A total of 312 Japanese companies have planned to recruit over 1,043 Myanmar workers, according to the notification.—TWA/MKKS

Source: <https://www.gnlm.com.mm/japanese-companies-to-recruit-over-1000-myanmar-workers/#article-title>

Vietnam's industrial production to rise 6.6% in 2023: S&P Global



Vietnam News | 02 February, 2023

Vietnam is predicted to record a rise of 6.6% in industrial production in 2023, according to S&P Global Market Intelligence. S&P Global noted the Vietnamese manufacturing sector continued to face challenging business conditions in the opening month of 2023. Production and new orders continued to decline. That said, there were some signs of improvement in demand as new business fell at a softer pace, helped by a renewed expansion in new export orders. The S&P Global Vietnam Manufacturing Purchasing Managers' Index (PMI), released on February 1, posted 47.4 in January, up from 46.4 in December but still pointing to a solid monthly deterioration in the health of the manufacturing sector. January data signalled a further marked decline in manufacturing production, albeit one that was slightly softer than seen in December. Lower new orders were often behind falling output, with some firms indicating that customers had sufficient stock holdings and so didn't need to purchase at present. Total new orders were down for the third month running in January as demand conditions remained challenging. That said, there were some signs of improvement, particularly

with regards to new export orders which rose for the first time in three months. As such, total new business fell at a modest pace that was the softest in the current period of decline. The cost of raw materials, alongside falling workloads, meant that some firms lowered their purchasing activity again in January. Some signs of improvement in demand conditions encouraged other manufacturers to expand input buying, so that overall purchasing activity was broadly unchanged. Declines in the purchasing of inputs in previous months, however, led to a reduction in stocks of purchases. Business confidence improved to a three-month high amid hopes that demand conditions will strengthen over the course of the year, feeding through to growth of output. The relaxation of pandemic restrictions in the mainland China was another factor behind the positive outlook. More than half of the respondents were optimistic that production will rise over the next 12 months, according to S&P Global. Andrew Harker, Economics Director at S&P Global Market Intelligence, said: "Although demand conditions for Vietnamese manufacturing firms remained challenging at the start of 2023, leading to further declines in output, new orders and employment, there were some more positive signs from the latest PMI survey. One of the main positives in January was a renewed expansion in new export orders, with the decline in total new business softening as a result.

"The loosening of COVID-19 restrictions in Mainland China, plus signs that downturns in Europe and the US may be less severe than feared, provided optimism that growth in Vietnam could be around the corner. Indeed, business confidence improved to a three-month high at the start of the year. S&P Global Market Intelligence is forecasting a rise in industrial production of 6.6% in 2023", he added.

Source: <https://en.baophuyen.vn/1/52010/vietnam%E2%80%99s-industrial-production-to-rise-6-6-in-2023--s-p-global.html>

Real estate sector's debt hits

VND1,200 trillion



Vietnam News | 02 February, 2023

Vietnam is paying attention to mobilising resources to invest in developing green agriculture with an aim to raising the market share of its agricultural exports to the European Union. Last year, Vietnam's export revenue of agro-fishery-forestry products hit a record high of US\$53.22 billion, up 9.3% year-on-year. However, Europe accounted for only 11.3% of its market share. This is a modest number, although the agricultural sector has optimised many advantages of the EU-Vietnam Free Trade Agreement (EVFTA). One of the main reasons is said to be the union's high requirements on farm imports, while Vietnam's agricultural production has yet to meet green growth requirements. According to the World Bank's report,

agriculture is the second highest emitter, accounting for 19% of the nation's total gas emissions in 2020. About 48% of the sector's emissions and more than 75% of methane emissions are from rice production. Therefore, to boost farm exports to the EU, the sector is advised to pay more attention to green growth indicators through making policies and roadmaps to reduce greenhouse gas and methane emissions in accordance with international commitments. Last year, the Ministry of Agriculture and Rural Development approved an action plan to implement the National Strategy on Green Growth from 2021-2030, which aims to specify goals, tasks and solutions to realise the strategy and the national action plan for green growth. Under the plan, the ministry will work to develop the agricultural sector in an ecological, organic, circular and low-carbon direction to improve growth quality, added value, competitiveness and sustainable development, while reducing pollution in agricultural production and rural areas, and promoting energy efficiency towards carbon neutralisation by 2050. Specifically, the sector aims for 2.5-3% in annual growth, and 42% in forest coverage. It will also strive to increase the use of organic fertilisers to 30% of all those consumed, along with 30% of pesticides and at least 30% of farm areas using water-saving systems. The sector will switch 300,000 hectares of rice to other crops with higher economic and environmental

efficiency, while aiming for over 2% of organic farms out of the total farming area.

Source: <https://vietnamnet.vn/en/real-estate-sector-s-debt-hits-vnd1-200-trillion-2105830.html>
