

## Highlight News / February 23, 2022



- Cambodia seeks \$4 billion investments for its first high-speed railway
- CDC approves \$2.9 billion Japanese investment projects
- Luang Prabang hotels see surge in Chinese visitors
- Petroleum products top import line-up with over \$4 billion in past 10 months
- Swiss daily: Vietnam becomes a new destination for foreign companies
- Vietnam's rice sector expected to win big with exports in 2023



**Advisory Institute for Trade and Investment by TCC (AiTi)**

## Cambodia seeks \$4 billion investments for its first high-speed railway



*Cambodia News | 22 February, 2023*

The railway, starting from the capital Phnom Penh to Poipet, a town bordering Thailand, covers a distance of 382 kilometers. Trains will run at a designed speed of 160 to 200 kilometers per hour, according to a statement sent to the Global Times by Chinese infrastructure giant China Road & Bridge Corp (CRBC) on Tuesday. The Cambodia China Times, a local media outlet, reported on Tuesday that Cambodian Minister of Public Works and Transport Sun Chanthol revealed that the project is seeking investors. He said this during a meeting with Thailand's ambassador to Cambodia Cherdkiat Atthakor. The CRBC feasibility study has a plan for 33 stations, and the railway will pass over some 300 roads using bridges. The estimated budget of \$4 billion covers the construction of the railway, stations, and the purchase of high-speed trains. The news came after Cambodian Prime Minister Hun Sen's visit to China earlier in February. In a joint statement issued by China and Cambodia on February 11, China pledged support for initial-stage work concerning Cambodia's railway project, including planning, designing and the feasibility study. It was noted that both sides look forward to the early connection of Cambodia's railway tracks with the China-Laos-Thailand railway. A Chinese

railway expert said that the railway will be likely the third leg of the Trans-Asian Railway (TAR), a century-old dream for countries in the region. Sun Zhang, a railway expert with Shanghai Tongji University, told the Global Times on Tuesday that the railway could potentially provide a linkage between the central route (to Singapore) and the eastern route (via Vietnam) of the TAR. The railway could give landlocked Laos, which is already a land-linked hub, access to sea ports in Cambodia as a booster of trade, Sun said. The railway could eventually connect with Vietnam's Ho Chi Minh City. Laos completed its first high-speed railway in 2021 and the first-year performance showed encouraging results, demonstrating the potential of the TAR. During the period, the 1,035-kilometer milestone mega connectivity project created 100,000 jobs, carried 11.2 million tons of cargo and served 8.5 million passengers. It has also driven up Laos' production of iron ore by 1.8 million tons, cassava flour by 2 million tons and rubber by 1 million tons, compared with a year earlier. In Thailand, the construction of the second leg of the TAR is progressing with first-phase construction of the China-Thailand railway entering the fully fledged phase and connectivity projects being built at the Thailand-Laos border to expedite the transit of goods. Amid US crackdowns, China is expanding trade with ASEAN countries, with the benefits of the newly minted Regional Comprehensive Economic Partnership (RCEP) mega trade deal and infrastructure projects are playing key roles, experts

said. The RCEP pact is set to lift regional GDP by 0.86 percent by 2035, a report by the Chinese Academy of International Trade and Economic Cooperation stated in November 2021. “Like many projects in the region, the potential railway is a matter of political will, while technologically speaking, the condition is ripe,” Sun said. Global Times

Source: <https://www.khmertimeskh.com/501243268/cambodia-seeks-4-billion-investments-for-its-first-high-speed-railway/>

## CDC approves \$2.9 billion Japanese investment projects



*Cambodia News | 22 February, 2023*

The Council of the Development of Cambodia (CDC) has approved 150 investment projects worth approximately \$2.9 billion proposed by Japanese investors in the country as of the end of January this year, according to the figures released in a press release issued yesterday by CDC after a meeting between its Secretary General and Japanese Ambassador to Cambodia. The 25th Cambodia-Japan Inter-committee Meeting was co-chaired by CDC’s Secretary General Sok Chenda Sophea and Atsushi Ueno, Japanese Ambassador to Cambodia. The meeting was also attended by other government officials from different ministries, representatives of Japanese organisations and officials of Japanese companies in Cambodia. The Japanese delegation led by the Japanese Ambassador Ueno include

representatives of the Japan International Cooperation Agency (JICA), Japan External Trade Organization (JETRO) and Japanese Business Association of Cambodia (JBAC). About 110 participants attended the meeting in a hybrid format—in-person presence and through video conference. According to the release, the most prominent projects invested by Japanese investors in Cambodia thus far include shopping malls, automobile assembly plants, small-scale motor production factories, electrical equipment or tool production factories and hospitals. Some of those Japanese-invested projects are AEON Malls, MinebeaMitsumi and Sumi Wiring. “Investments made by Japanese investors in Cambodia’s non-textile manufacturing industries have played a very important role in contributions to the country’s economic diversification and human resource development,” said Chenda Sophea, adding that the Royal Government of Cambodia has expedited and enhanced its economic recovery and resilience. Chenda Sophea further pointed out that Cambodia has gained stronger economic recovery and resilience through the creation of an environment that is more and more favourable for investment, the Law on Investment and Roadmap for Automobile and Electronic Industry Development as the country has secured peace, political stability and economic stability. “These are necessary pre-conditions for a decision to invest,” said Chenda Sophea, adding that the government has improved administrative procedures that enable Cambodia to become a part

of the supply chain in the region. The Secretary General of CDC—the highest decision-making body of the government for private and public sector investments—appealed to Japanese investors to consider Thailand+1 and Vietnam+1 investment models. Ueno said Cambodia and Japan have become comprehensive strategic partners. “I understood clearly the significance of the bilateral meeting that always provides Japanese investors with room to raise challenges and requests to the government that offers clarification and solutions on a win-win basis between the government and private sector,” he said. Ueno also expressed his commitment to work with the government to encourage and attract direct investment from Japan to Cambodia and to strengthen economic relations between the two countries. President of JBAC Yogo Kanda said Cambodia has provided investors with transparency, predictability and political stability.

Source: <https://www.khmertimeskh.com/501243067/cdc-approves-2-9-billion-japanese-investment-projects/>

## Luang Prabang hotels see surge in Chinese visitors



*Laos News | 22 February, 2023*

Chinese tourists are filling up hotels in the world heritage town of Luang Prabang, with room reservations expected to rise throughout the year. Vice President of the Hotel and Guesthouse Association in Luang Prabang province, Mr Daophet

Bouphaphanh, said groups of Chinese tourists are entering Laos overland, travelling in organised convoys and individual vehicles. The number of Chinese tourists has surged since the Chinese government lifted travel restrictions on its citizens and authorised outbound travel on January 8. Mr Daophet said he expected to see a huge upswing in visitor numbers in the coming months, as flights between Kunming in Yunnan province, China, and Vientiane resumed on February 13, and from Kunming to Luang Prabang on February 19. In response to the anticipated visitor influx, Mr Daophet said the province’s tourism authorities are teaming up with other entities to improve accommodation and hospitality services. He noted that most hoteliers had plenty of experience and were well prepared to deal with large numbers of tourists. Many hotels and restaurants in the popular tourist hotspot are hiring staff who can speak both English and Chinese, to cater to visitors from north of the border and numerous other countries. Authorities at the Boten International Checkpoint on the Chinese border also confirmed that many more Chinese nationals were entering Laos. Observers say that when the Laos-China Railway is further extended, hundreds of thousands more Chinese tourists will come to Laos. Laos has been ranked by several media organisations as one of the world’s top travel destinations for 2023. The US-based multinational

cable news channel CNN included Laos in its list of 23 best destinations to visit this year, further raising the country's profile in the global tourism landscape. In November last year, the Association of Thai Travel Agents was quoted in The Thaiger as saying that at least 3 million Chinese are estimated to travel on the Laos-China Railway now that Chinese government has lifted travel restrictions.

Source: [https://www.vientianetimes.org.la/freeContent/FreeContent37\\_Luang\\_y23.php](https://www.vientianetimes.org.la/freeContent/FreeContent37_Luang_y23.php)

## Petroleum products top import line-up with over \$4 billion in past 10 months



*Myanmar News | 23 February, 2023*

Of ten import items, petroleum products ranked first with over US\$4 billion as of the end-January 2023 of the current financial year starting April 2022. The statistics released by the Ministry of Commerce indicated that import values stood at over \$4.4 billion for petroleum products, over \$1.2 billion for garments, over \$560 million for iron and steel raw materials, \$540 million for pharmaceuticals, \$530 million each for fertilizer and palm oil. Myanmar brings in capital goods, intermediate goods, consumer goods and raw materials used in the businesses working on a Cutting-Making- and-Packaging basis, whereas the country exports agricultural produce, livestock products, fishery

products, mineral products, forest products, finished industrial goods and other items. – TWA/EM

Source: <https://www.gnlm.com.mm/petroleum-products-top-import-line-up-with-over-4-billion-in-past-10-months/#article-title>

## Swiss daily: Vietnam becomes a new destination for foreign companies



*Vietnam News | 22 February, 2023*

The article said Vietnam recorded the strongest economic growth in Asia in 2022 following a period of closure due to the COVID-19 pandemic. Switzerland is well-positioned to leverage advantages brought about by the Vietnamese economy. Two-way trade between Switzerland and Vietnam hit about 3.2 billion USD in 2020. Hundreds of Swiss companies have been among the most important European investors present in Vietnam. In particular, the Swiss industrial equipment sector should fully tap the growing trend of "Made in Vietnam" products. According to the article, the industrial boom in Vietnam could be clearly felt when entering the Van Trung Industrial Park, which is an hour's drive to the north of Hanoi. Early in the morning, many people were lining up in front of recruitment office of Foxconn - the most famous subcontractor for Apple. In front of a large dormitory for workers, there is also a large poster with a notice

that Foxconn is recruiting 10,000 employees with favourable working conditions. Foxconn is not the only factory hiring a large number of workers. Not far away, LuxShare, a competitor, is announcing that it will recruit 13,000 new employees. An automobile supplier is seeking 700 eligible positions while a solar panel manufacturer is announcing the recruitment of 6,000 positions. Large industrial zones are being built and taken over by advanced electronics manufacturers, said the article. The Republic of Korea's electronics conglomerate Samsung inaugurated a brand new research and development centre in Hanoi in December 2022. It also plans to invest around 3.2 billion USD to produce semiconductors in a neighbouring province. The US's semiconductor equipment company Amkor Technology will soon open a factory near the airport. And Pegatron of Taiwan (China) that produces components for electric carmaker Tesla and assembles iPhones, has recently begun operations near Ha Long Bay. The article attributed Vietnam's above-said attraction to various factors such as a stable investment environment, 15 free trade agreements, including one signed in 2020 with the European Union (EU), helping Vietnam become a hub of industrial production at affordable costs. Vietnam is being rated by foreign investors as a top priority for investment. Therefore, the country will

continue to witness the emergence of super factories in the future, it concluded.

Source: <https://en.nhandan.vn/swiss-daily-vietnam-becomes-a-new-destination-for-foreign-companies-post122754.html>

---

## Vietnam's rice sector expected to win big with exports in 2023



*Vietnam News | 22 February, 2023*

Vietnam's rice sector is expected to hit big from exports this year, heard a conference held by the Ministry of Industry and Trade (MoIT) in Ho Chi Minh City on February 21. Director of the MoIT's Department of Export and Import Pham Van Chinh said thanks to the Government's timely support, Vietnam exported 7.13 million tonnes of rice last year, up 13.8% in volume and 5.1% in value annually, making it among the top three rice exporters globally. This year, Vietnam's rice export is estimated at about 6.5-7 million tonnes thanks to higher demand for Vietnam's quality rice. According to the Vietnam Food Association, Vietnam's rice export prices maintained growth in the first two months of this year. Rice production for export is mostly in the Mekong Delta while that in other regions is mainly for domestic consumption, said the Ministry of Agriculture and Rural Development (MARD)'s

Department of Crop Production. Deputy Director of the Can Tho municipal Department of Industry and Trade Tran Minh Kiet said since the beginning of this year, exporters have fulfilled signed contracts and struck new deals. The agreements have been mostly shipping jasmine rice to the Philippines, Ghana, Cameroon, Ivory Coast, and especially the Republic of Korea. Deputy Director of the An Giang provincial Department of Industry and Trade Nguyen Thanh Huan proposed that the MoIT continue assisting localities with market information as well as inviting domestic and foreign importers to localities for the purchase of agro-fisheries. Besides, the MoIT and MARD suggested China hold more trips to Vietnamese localities to grant licenses to eligible businesses to export rice to the country.

Source: <https://english.vov.vn/en/economy/vietnams-rice-sector-expected-to-win-big-with-exports-in-2023-post1003250.vov>

---