

*Highlight News / June 06/2023*



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## Cambodia's 99.3% job rate among world's best



*Cambodia News | 5 June, 2023*

Cambodia's employment rate continued to be strong at 99.3 percent and remained one of the best in the world. This was recently disclosed by Ith Samheng, Minister of Labour and Vocational Training, as he hailed the role of the National Employment Agency (NEA) for this achievement. Presiding over a lecture on 'Labour Market and Economic Development,' at the Royal School of Administration, the minister described the vision, mission and success of the ministry in developing the labour market in Cambodia and thereby contributing to the development of the national economy. The ministry, he said, has continued to increase employment opportunities in the country through NEA by disseminating labour market information, expanding consultations, providing employment guidance, organising job forums and imparting training in job market preparation skills. It is also providing the option to the workers to seek overseas employment opportunities in a legal manner with good working conditions and high income. According to a release, Samheng stated that the ministry paid close attention to the development of the labour market by responding to changes in the socio-economic and technological structure. It also strengthens social welfare through active participation in the implementation of important national strategies and policies set by the Royal Government. The minister

said that the labour market situation in Cambodia looked bright and the employment rate remained high at 99.3 percent of the total workforce, and the jobs created today are mostly in modern industries bringing more value to the national economy. "We can see higher productivity (of workers), more skilled labour, better working conditions and better incomes," Samheng said. According to him, the ministry is always working to improve the working conditions of the employees and for the harmonization of industrial relations. It is also successfully implementing the 10 recommendations of Prime Minister Hun Sen set out during a face-to-face meeting with the workers. In addition, the Ministry of Labour continued to pay attention to improving the occupational safety and health of workers through legislation, providing quality transportation and also by promoting the participation of employers in starting community nurseries near factory areas. The Royal Government has been promoting the implementation of the National Social Protection Policy Framework 2016-2025 and the implementation of the Social Security Law 2019 has made Cambodia's social security system more complete. In the field of technical, and vocational education and training, the ministry is implementing a skills training programme to increase human capital and skilled labour in tune with the needs of the current and future labour markets. In addition, the ministry has joined other ministries and institutions to provide skills training to 1.5 million young people free of charge and is also making

arrangements for them to get allowances during the training in accordance with the recommendations of the Prime Minister. According to Vocational Education Specialist Lim Solinn, Cambodia needs to invest heavily in upskilling and reskilling a large number of existing unskilled low-wage workforce in the next 10 years by taking into account the changing nature of jobs as some unskilled and low skills manufacturing jobs will soon disappear as automation and digitisation take hold. She told Khmer Times recently that upskilling and reskilling the workforce is the only way for Cambodia to avoid the Low and Middle-Income Country syndromes and become a High-Income Country by 2050. According to the 'Future of Jobs Report 2023' released by the World Economic Forum recently, some 83 million jobs will become obsolete in the world in the next five years while 69 million new jobs are to be created. Digital commerce will lead to the largest absolute gains in jobs in the world – approximately two million new digitally enabled roles are expected, such as e-commerce specialists, digital transformation specialists, and digital marketing and strategy specialists in the next five years. According to Vichet Lor, Vice President of Cambodia Chinese Commerce Association, young people under 35 constitute 65 percent of the Kingdom's population, keeping the country's labour market young and vibrant. "They are either bi-lingual or trilingual and most of them are also IT-literate. That's the main reason for the employment rate to remain so high in the country," he told Khmer Times yesterday. "This young

population is eager to increase their knowledge and capacity and help address the rising demands from the industry for skilled manpower," Vichet said.

Source : <https://www.khmertimeskh.com/501298784/cambodias-npls-manageable-amid-rising-interest-rates/>

## Cambodia, Vietnam sign trade enhancement pact



*Cambodia News | 6 June, 2023*

Cambodia and Vietnam signed a trade enhancement agreement to increase economic cooperation between the two countries. On June 2, Pan Sorasak, Minister of Commerce, and Nguyen Hong Dien, Minister of Industry and Commerce of Vietnam, virtually signed a memorandum of understanding (MoU) on trade and economic cooperation. The signing ceremony was attended by relevant officials from both ministries. Sorasak praised the long-standing and close relationship between Cambodia and Vietnam. He said this relationship is an important foundation for cooperation in all areas, especially economic, trade, and investment. He expressed hope that the two countries will continue to work together to strengthen their ties and achieve mutual benefit. The minister recalled that the bilateral trade enhancement agreement was initiated in 2005, under the guidance of the leaders of both countries. The agreement aims to develop a preferential tariff policy for goods originating in Cambodia and Vietnam. "The signing of the bilateral trade enhancement agreement today

reflects the excellent bilateral cooperation between our two countries. This agreement will further strengthen our economic ties, promote investment, and increase bilateral trade. I am confident that this agreement will help our two countries achieve the high goals set by our leaders,” Sorasak said. The Vietnamese minister also spoke of the long-standing friendship and comprehensive relations between the two countries. He particularly highlighted the Cambodia-Vietnam Joint Statement, which was initiated to formulate favourable policies on customs duties for goods originating in both countries. The Vietnamese Minister of Industry and Trade stressed the importance of signing and implementing the agreement to further boost trade, especially in agricultural and industrial goods. “The bilateral trade enhancement agreement between the two governments for 2023-2024, which has now been signed, is an important document for businesses and exporters and importers, and will also help boost the import and export of goods between countries in addition to the agreement within the framework of the ASEAN Trade in Goods Agreement,” Nguyen Hong Dien said. The two sides expressed great optimism about the bilateral trade facilitation coordination, stating that the Ministry of Commerce and the Ministry of Industry and Trade of Vietnam will actively work together to promote to producers and export and import companies for boosting the implementation and maximize the benefits of the bilateral trade enhancement agreement. Trade

between Cambodia and Vietnam amounted to \$2,430 million in the first four months of this year.

Source : <https://www.khmertimeskh.com/501301992/cambodia-vietnam-sign-trade-enhancement-pact/>

## Thanaleng Dry Port ‘a boon’ for Indonesia



*Laos News | 6 June, 2023*

Indonesia could connect to Chinese and European markets overland by rail transport through Laos, the developer of the Thanaleng Dry Port has told an Indonesian delegation. Several countries in the region, particularly China, Laos and Thailand, are now enjoying cost-effective transport by rail through the dry port where the standard-gauge Laos-China and meter-gauge Laos-Thailand railways converge. According to Tee Chee Seng, Vice President of Vientiane Logistics Park Co., Ltd., the dry port's developer, "The dry port's network already reaches Malaysia and Singapore and intends to reach Indonesia in the near future." Mr Arsjad Rasjid, Chairman of the Asean Business Advisory Council and Chairman of the Indonesian Chamber of Commerce and Industry and his delegation visited the Thanaleng Dry Port International Border Checkpoint (Cargo Terminal) and Vientiane Logistics Park on June 1 to learn firsthand about the opportunities offered by the Lao integrated logistics hub. “As of today, we only connect to Singapore, so our next dream is to try from or from Singapore to connect to Indonesia,” Mr Tee Chee Seng said, referring to the Port of Batam in Indonesia. Growing

connectivity, he added, is a shared benefit. It adds fuel to the Lao government's efforts to transform landlocked Laos into a land-link country, while bolstering Indonesia's potential to become an important manufacturing base, as investors are looking at Southeast Asia as an attractive alternative to relocate their manufacturing plants from old locations or set up new ones in Indonesia. The vice president said "Expanding the logistics link between Vientiane and Indonesia is another logistical solution for your investors. "We hope Indonesia can help us complete the [Vientiane and Indonesia logistics link] dream." The dry port, the first and most significant trading gateway between China and Southeast Asia, opened for service in December 2021. Freight shipped from the area may reach European markets via the China-Europe rail network in just two weeks, as opposed to 45 days by sea transport. "We have another alternative to faster deliver raw materials from China to plants in Indonesia or Southeast Asia and send finished products back to China or even Europe," Mr Tee Chee Seng said. In response, Mr Arsjad Rasjid suggested publicising the logistics link at the upcoming Asean Indo-Pacific Infrastructure Forum and Asean Business and Investment Summit, scheduled to take place in September in Jakarta. Laos and Indonesia are both members of Asean, a 10-member regional bloc. "We are collecting data about projects in Asean and would like these to be showcased at these events. I think it's good to showcase this," Mr Rasjid said. During the talks, Mr Sakhone Philangam, Managing Director of the dry

port - one of nine dry ports planned to be built in Laos - explained how the dry port is operated. The developer of the US\$727 million Thanaleng Dry Port and Vientiane Logistics Park is also setting up a logistics complex comprising seven zones, including an export processing zone, where investors are welcome to do business. Investment zones are also being arranged for agriculture, pharmaceutical and halal food processing for export. Huge investment incentives are being offered, including a corporate tax holiday of 8-16 years and value-added tax reduction among others. Cheap electricity costs are another incentive encouraging lucrative business opportunities. The dry port is part of the packaged Lao Logistics Link (LLL) project, which also includes the Vung Ang seaport in Vietnam's Ha Tinh province and a planned railway linking the seaport to the dry port in Vientiane and a logistics park in Khammuan province through which the planned railway will run. Through Vung Ang, the dry port can facilitate cargo shipment to countries in the Pacific region.

Source : [https://www.vientianetimes.org.la/freeContent/FreeContent2023\\_Thanleng106.php](https://www.vientianetimes.org.la/freeContent/FreeContent2023_Thanleng106.php)

## Myanmar-Thailand's Mawtaung border exports most fruits in May



*Myanmar News / 5 June, 2023*

Fruits are being exported to Myeik District, Taninthayi Region through the Mawtaung border at Myanmar-Thailand border which is 120 miles away from Myeik, and most fruits were reportedly exported in May. Consumers are able to buy and eat fresh



fruits because it only takes three hours to ship them by land from the Mawtaung border to Myeik. The most imported fruits are apple, orange, snake fruit, jackfruit, and dragon's eye fruit, and the current market prices are 19.44 baht per kilogramme of apple, 9.69 baht per kilogramme of orange, 6.45 baht per kilogramme of snake fruit, and 6.81 baht per kilogramme of dragon's eye fruit. The Mawtaung border camp imported 24 tonnes of fruits from 1 to 30 May. The Mawtaung border exported onions, bananas, fishery products, shrimp, crab, brooms, and other products to Thailand in the third week of May, and the main export items were fry shrimp, ceramic tiles, fruits, and canned fish. — TWA/CT

Source : <https://www.gnlm.com.mm/myanmar-thailands-mawtaung-border-exports-most-fruits-in-may/#article-title>

## Vietnam sugar industry hopes to regain home market



*Vietnam News | 5 May, 2023*

According to Mercantile Exchange of Vietnam (MXV), the sugar price at ICE US on May 30 was \$559.3 per ton, staying in the high-level area after 12 years. There was a 34 percent jump earlier this year amid weaker supply in leading production countries. As of the end of May 2023, India, the second largest sugar supplier in the world, was only allowed to export 6 million tons of sugar of the 2022-2023 crop, a sharp fall from a record high of 12 million tons of the previous crop. Meanwhile, Brazil, the biggest sugar exporter, has terminated the tax exemption

program applied to gasoline since March 1 after stopping the import tax exemption program on ethanol on February 2. Though Brazil is the second largest ethanol producer, it still needs to import it to satisfy domestic demand. The re-imposition of tax on gasoline and ethanol will increase the proportion of sugarcane for biofuel production, thus indirectly leading to a decrease in sugar output, causing worry about the sugar supply shortage around the globe. According to Pham Quang Anh from MXV, the sugar price is predicted to stay high in the time to come as prevailing news in the market revolves around the concern about short supply. This is a great opportunity for Vietnam's sugar industry and domestic sugar companies to regain their position in the home market. Vietnam is not a big sugar import market, but sugar demand has been increasing gradually in recent years along with the population increase. The General Statistics Office (GSO) reported that Vietnam's population in 2010-2020 maintained a growth rate of 1.05-1.17 percent. The agency predicted that the population would exceed 100 million people in mid-April 2023, creating conditions for demand for sugar to continue increasing. Particularly, activities to stimulate tourism demand after the Covid-19 period, which enhanced eatery services, will create more sugar demand. However, to satisfy demand in recent years, Vietnam has increased imports instead of increasing domestic production. The expenses on sugar imports have been escalating due to the ICE sugar prices. Analysts say that the sugar price escalation

in the world market has helped sugar companies. Son La Sugar reported a record high profit of VND109 billion, up 90 percent in the third quarter of 2022. High profit has prompted domestic companies to return to develop the domestic market. In an effort to protect the domestic sugar industry, on June 15, 2021, MOIT released Decision 1578 on applying anti-dumping and anti-subsidy duties on sugar sourced from Thailand. The duty is 47.64 percent. On August 1, 2022, MOIT issued Decision No 1514 on measures to prevent evasion of trade remedies for a number of sugar products imported from Cambodia, Indonesia, Laos, Malaysia and Myanmar. Thanks to relevant agencies' efforts, the prices of smuggled sugar are 15 percent expensive than domestic product, which helps encourage farmers to develop sugar cane farming and the local sugar industry. According to the Vietnam Sugarcane and Sugar Association, sugar output of the 2022/23 crop was estimated at 870,930 tons, up 16.6 percent over the previous crop and 7 percent over the 2021/22 crop. This is the crop with the second highest output in the latest five crops. "The harmonization of internal and international factors facilitates Vietnam to recover its sugar industry and control the domestic market. This will help Vietnam prevent unpredictable impacts from the fluctuations in the world market. Vietnamese enterprises and farmers need to timely grasp the opportunities," Anh said.

Source : <https://vietnamnet.vn/en/vietnam-sugar-industry-hopes-to-regain-home-market-2150036.html>

## Vietnam's power blackouts hit multinationals' manufacturing hubs



*Vietnam News | 5 May, 2023*

HANOI, June 5 (Reuters) - Vietnam's rolling power cuts have hit industrial parks in the country's northern provinces where top global manufacturers such as Foxconn and Samsung have factories, officials said on Monday, as a surge in consumption amid a heatwave stretched the power supply system. The frequent and often unannounced power cuts prompted EuroCham, which represents European companies in the country, to send a letter on Monday to the industry and trade ministry urging quick measures to address the emergency. Some industrial parks in the northern provinces of Bac Ninh and Bac Giang have been facing blackouts, said two local investment officials, declining to be named as they were not authorised to speak to media. "We are working with EVN later today to discuss the situation and possible measures to limit the impacts," one of the officials said, referring to the country's state utility Electricity of Vietnam. The provinces house production facilities of Samsung Electronics (005930.KS), Foxconn (2317.TW), Canon Inc (7751.T) and Luxshare (002475.SZ), among others. "Vietnam's industry ministry should take urgent measures before the country's reputation as a reliable global manufacturing hub is undermined," Jean-Jacques Boufflet, deputy chairman of EuroCham Vietnam told Reuters on Monday, adding that the power cuts seriously disrupted industrial

activities. State media reports cited EVN's northern unit as saying power to Canon's factory in Bac Ninh will be cut from 8:00 am local time on Monday until 5:00am on Tuesday, adding power to at least five industrial parks and several villages in the province will be partially or fully cut for several hours during the first days of this week. It was not immediately clear if the other companies were affected. The companies and EVN did not immediately respond to requests for comment. The blackouts threaten efforts to avert an economic slowdown due to weak demand in key export markets, after first-quarter growth slipped to 3.3% from 5.9% in the fourth quarter. The country has been turning off street lights and manufacturers switching operations to off-peak hours to keep the national power system running, with more than 11,000 companies having agreed to cut consumption where possible. Deputy Minister of Industry and Trade Do Thang Hai admitted at a government meeting over the weekend that there had been "power shortages for households and businesses at certain locations at certain time", adding that the difficulties would continue.

Source : <https://www.reuters.com/markets/asia/vietnams-power-blackouts-hit-multinationals-manufacturing-hubs-2023-06-05/>

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