

Highlight News / June 21, 2023



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Advisory Institute for Trade and Investment by TCC (AiTi)

China's aid, investment greatly contribute to Cambodia's development



Cambodia News / 20 June, 2023

Cambodia's Minister of Commerce Pan Sorasak said here on Monday that China's official development assistance and investment have greatly contributed to the socioeconomic development in the Southeast Asian country. "Cambodia's development in all areas is inseparable from China's support and contribution," he said during the inauguration of a showroom of the Chinese automaker Great Wall Motor in Phnom Penh. The minister said that thanks to the close cooperation between the two countries under the Belt and Road Initiative, a number of Chinese-invested mega projects such as hydropower plants, the Sihanoukville Special Economic Zone, Phnom Penh-Sihanoukville Expressway, and Siem Reap-Angkor International Airport, among others, have been carried out in Cambodia. He said the Regional Comprehensive Economic Partnership (RCEP) agreement and the Cambodia-China Free Trade Agreement, which both entered into force on Jan. 1, 2022, have boosted trade and investment volumes between the two countries. Sorasak added that the "diamond hexagon" cooperation framework, which was established by both countries in February, will also inject a fresh impetus into the building of the

Cambodia-China community with a shared future.
Xinhua

Source: <https://www.khmertimeskh.com/501311086/chinas-aid-investment-greatly-contribute-to-cambodias-development/>

PM calls for study on Cambodia's untapped oil reserves



Cambodia News / 20 June, 2023

Prime Minister Hun Sen yesterday said that Cambodia has potential oil resources underneath the seabed waiting for exploration and investment. The premier made the remarks at an inauguration ceremony of the Bakheng Water Treatment Plant in Phnom Penh. He encouraged conducting studies on the exploration of oil resources under the Khmer seabed and the Tonle Sap for investment in the oil sector. Cambodia has a lot of potential for mineral resources, which requires a study before starting to invest, he said. "Hopefully, in the future, Cambodia may have more investment in the oil sector due to oil resources that are believed to be available underneath the Tonle Sap, mainland, in the seabed, that we just have not studied and explored," he said. The Prime Minister's remarks came after Cambodia's first oil production was shut down and the government is attracting investment to continue pumping in Khmer Basin in Cambodia maritime water.

The first oil production in Cambodia by the Singapore-based company KrisEnergy started on December 28, 2020 and the company filed for bankruptcy about six months after the operation – in June 2021. The tanker MT Strovolos sailed away with crude oil in the wake of a dispute over pay with KrisEnergy. The tanker then was detained by the Indonesian Navy. Cambodia has reached an agreement to receive 300,000 barrels of crude oil that was stolen by a tanker following a payment dispute with Singaporean energy KrisEnergy, according to the Ministry of Mines and Energy. The ministry and a Canadian energy company have been talking about studying together to restart the work, with existing equipment resuming work on the oil block soon. Cambodia's imports of oil and gas reached \$1.15 billion in the first four months of this year, a decrease of 0.6 percent from the same period in 2022, according to a report from the General Department of Customs and Excise. Cambodia's demand for petroleum products is expected to increase from 2.8 million tons in 2020 to 4.8 million tons in 2030, Mines and Energy Minister Suy Sem said. The minister called for further investment in the sector to meet this growing demand.

Source: <https://www.khmertimeskh.com/501310756/pm-calls-for-study-on-cambodias-untapped-oil-reserves/>

More Lao nationals to work in S. Korea farming, fishery



Laos News / 20 June, 2023

The government will send more Lao workers to South Korea to work in the agriculture and fishery sectors, hoping they will learn from the experience and benefit from the expertise of Korean farmers. In line with this intention, the Ministry of Labour and Social Welfare and Gyeongsangnam-do province in the Republic of Korea last week signed a Memorandum of Understanding (MOU) on agricultural labour exchange. This will develop agricultural production capacity and quality in Laos, a senior official from the Ministry of Labour and Social Welfare said. Lao authorities aim to send 1,500 to 2,000 Lao nationals to work in Korea each year. The MOU was signed in Gyeongsangnam-do province on June 14 during a visit to Korea by Minister of Labour and Social Welfare, Mrs Baykham Khattiya. The agreement was signed by the Director General of the Employment Department, Ministry of Labour and Social Welfare, Ms Anousone Khamsingsavat, and the Mayors of Namhae, Geochang, Goseong, Haman, and Sacheon cities. Mrs Baykham Khattiya also met with the Deputy Governor of Gyeongsangnam-do province, Mr Kim Byung Kyoo. The Department of Employment earlier signed another MOU on the employment of seasonal workers in the districts of

Changnyeong-Gun, Miryang-Si, Uiryeong-Gun, Sancheong-Gun and Namhae-Gun in Gyeongsangnam-do province. Lao authorities say there are at least 2,800 Lao nationals working in the Republic of Korea on short-term contracts from 2022 to 2023. Workers are employed on Korean farms and other sectors under the Employment Permit System and the Seasonal Worker Programme agreed to between the two countries. So far, the Ministry of Labour and Social Welfare has signed agreements on seasonal labour deployment with 28 cities in South Korea, where labourers work for 90 days or five months in the farming and fishing sectors. Last month the ministry warned people in Laos not to fall victim to agents of fake companies who promise them a job in South Korea. Since April 2022, the Department of Employment in collaboration with provincial and district Labour and Social Welfare Departments has sent 434 seasonal workers to the Korean province, including 261 to Changnyeong-Gun, 153 to Miryang-Si, 17 to Sancheong-Gun, and three to Uiryeong-Gun. There are currently 97,799 Lao nationals working abroad. At 51,728, Thailand employs the highest number of Lao people, while 626 people work in Japan and another 969 in South Korea. Laos is ranked seventh in the list of Asean countries whose citizens are employed in South Korea. The top three countries are Vietnam, the Philippines and Indonesia with 55,795, 26,217, and

24,732 workers respectively holding jobs in that country.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent117_More_y23.php

Myanmar's honey exports exceed 330 tonnes in May



Myanmar News | 20 June, 2023

In May of the current financial year 2023-2024, Myanmar achieved a significant milestone by exporting over 300 tonnes of honey, valued at US\$0.505 million, to international markets. These figures were reported by the Apiculture Division under the Livestock Breeding and Veterinary Department. Out of the total honey exports, Thailand received 140.7 tonnes, Japan imported 176 tonnes, and the Republic of Korea purchased 20 tonnes. In total, Myanmar exported 336.7 tonnes of honey. In April, Myanmar had already conveyed 100.41 tonnes of honey worth US\$0.15 million to foreign markets. Thailand and Japan were the primary recipients, with 60.3 tonnes and 40.11 tonnes of honey, respectively. Over the past two months, Myanmar's honey exports amounted to \$0.655 million, with a total volume exceeding 400 tonnes. The Republic of Korea, Japan, the United States, and Singapore were the major destinations for Myanmar's honey exports. Beekeeping businesses in Myanmar are mainly concentrated in Sagaing Region, Mandalay Region,

Magway Region, and Shan State. The country produces various types of honey, including sesame honey, jujube honey, Niger honey, sunflower honey, lychee honey, and flower honey. The harvest season for sesame honey has commenced in June. In Myanmar, honey serves as a traditional medicine and also contributes to the country's foreign income through exports. The beekeeping industry comprises both state-owned beekeeping stations with 6,200 beehives, and approximately 820 private beekeeping businesses operating with nearly 200,000 beehives. Sagaing, Mandalay, Magway, and Shan State are the primary regions for apiculture and honey production businesses. Furthermore, bee pollination is facilitated on approximately two million acres of crops annually. This year, 11 per cent of sunflower acreages have been designated as pollen sources. The proximity of beekeeping businesses to crop fields plays a crucial role in ensuring successful crop yields and high-quality honey production. Myanmar has an annual honey production of about 7,000 tonnes, with an average production capacity of 70 pounds per beehive. Approximately 2,600 tonnes of honey are exported to foreign markets each year, with Myanmar's honey commanding a price of \$1,600 per tonne. In the 2022-2023 financial year (April-March), Myanmar shipped more than 1,900 tonnes of honey to external markets, with an estimated value exceeding \$2.8 million. Of this total,

1,853.74 tonnes were exported by sea, while 63.44 tonnes were transported to neighbouring countries via cross-border channels. — NN/EM

Source: <https://www.gnlm.com.mm/myanmars-honey-exports-exceed-330-tonnes-in-may/>
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Vietnam tourism growing faster than in Thailand, Japan: Nikkei Asia



Vietnam News | 20 June, 2023

Online travel company Agoda sees tourism in Viet Nam growing faster than in Thailand, told Nikkei Asia in its article released on June 16. According to the Japan-based media group, Viet Nam grew its share of inbound travel in the first five months of 2023, coming in third behind Japan and Thailand among Asian destinations. It jumped from fifth place in 2019, the last year of pre-pandemic travel. Agoda CEO Omri Morgenshtern told reporters on Thursday that more Koreans are traveling to Japan and Viet Nam. He attributed this to Korean factories that opened in Viet Nam in the past two decades, establishing a community of expatriates who spread word about Viet Nam back home. Viet Nam welcomed nearly 4.6 million international arrivals in the first five months of 2023, soaring 12.6-fold from the same period last year, equivalent to 57.5 percent of the full-year target, announced the General Statistics Office

(GSO). Regarding key markets, South Korea continues to have the most visitors coming to Viet Nam with over 1.3 million arrivals, followed by China (nearly 399,000), the U.S. (over 307,000), and China's Taiwan (nearly 252,000). The number of domestic visitors during this time reached 50.5 million. In May, Prime Minister Pham Minh Chinh signed off the Government's Resolution No 82/NQ-CP on the main tasks and measures for accelerating effective and sustainable tourism recovery and development. It specified many groups of measures for developing tourism into a key economic sector so as to turn Viet Nam into one of the 30 countries with the highest tourism competitiveness./. VGP

Source: <https://vietnamnet.vn/en/vietnam-tourism-growing-faster-than-in-thailand-japan-nikkei-asia-2156461.html>

World Bank: Vietnam's CPI inflation trends down for fourth month



Vietnam News | 20 June, 2023

Vietnam's consumer price index (CPI) inflation continued to trend down for the fourth month, declining from 2.8% in April to 2.4% in May, according to the Vietnam Macro Monitoring report released by the World Bank on June 19. Core inflation remained elevated, at 4.5% in May, compared to 4.6% in April. The report said retail

sales continued to expand at 11.5% annually in May, comparable to growth rates in the two previous months. Sales of goods improved from 9.7% in April to 10.9% in May. Meanwhile, the sales of services declined from 19.2% in April to 7.6% in May. Although exports of goods increased by 4.3% between April and May, it was still 6% lower than a year ago due to weak external demand. Imports fell by 18.4 percent in May, reflecting continued slowdown in demand for foreign inputs by both FDI and domestic firms. The continued contraction of imported inputs may indicate that producers expect weak export performance in the coming months. FDI disbursement registered 1.8 billion USD in May, a slight improvement from April, and comparable to a year earlier. To support the economy, the State Bank of Vietnam (SBV) cut policy rates for the third time since March. Refinancing interest rate was reduced from 5.5% to 5% and overnight lending facility rate from 6% to 5.5%. Credit growth continued to decelerate from 9.2% in April to 9% in May, reflecting slack credit demand. The monthly budget balance registered a large deficit of about 2 billion USD last month. Revenue collection continued to decrease by 35.8%, reflecting base effects due to high revenue from sales of land and property. Meanwhile, public expenditure also increased by 27.8% year-on-year in May. The WB said continued weak external demand and uncertainties are adversely affecting

the economy, translating into contraction in exports and imports, and a slowdown in industrial production. While investment disbursement (proxied by retail sales) remains robust and comparable to pre-pandemic levels, credit growth continues to slow, reflecting weak credit demand. If global financial conditions tighten more, external demand may weaken further. Northern Vietnam started experiencing brownouts in late May, which, if not addressed promptly, could impact the economy. As inflation appears to be tapering, the SBV eased monetary policies to support the economy. However, monetary policy authorities will need to closely monitor divergence in the monetary policy stance between Vietnam and other countries as it is creating pressures on capital flows and exchange rate. Accelerating public investment disbursement (including for National Target Programmes) would support aggregate demand and economic growth in the short run. At the same time, prioritising investments in digital and green technologies, infrastructure, and in human capital will help promote sustainable long-term development. As manufacturing exports have slowed and employment in manufacturing has been affected, it would be important to quickly identify and support impacted workers and families through the social protection system. Streamlining administrative procedures and removing regulatory hurdles will

help promote business activities and investments needed for economic growth, it added.

Source: <https://en.nhandan.vn/world-bank-vietnams-cpi-inflation-trends-down-for-fourth-month-post126588.html>
