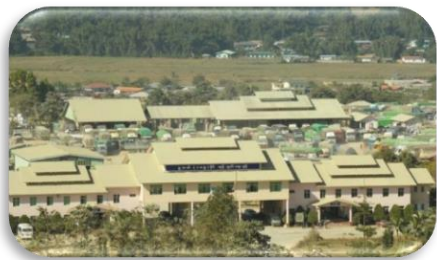


Highlight News / June 26/2023



- PM hopes for 5.6 percent economic growth this year and 6.6 percent next year
- 50.32% YoY fall in Jan-Apr 2023 for Cambodian apparel exports to US
- Garment industry representatives learn about reducing energy costs, environment protection
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PM hopes for 5.6 percent economic growth this year and 6.6 percent next year



Cambodia News | 25 June, 2023

Amid the global economic recession, Prime Minister Hun Sen said this morning that he expects Cambodia's economy to grow by 5.6 percent this year and 6.6 percent next year. Addressing nearly 20,000 workers in the Manhattan Special Economic Zone in Bavet City this morning, the Premier said that while the garment and footwear industries have slightly declined, many other sectors, especially the entertainment industry, are still growing at a stable rate. "Our exports in the first quarter of this year increased by \$1.2 billion, a 40 percent increase compared to the same period last year," he said. "Cambodia's economic growth could reach 5.6 percent as planned, and next year it may reach 6.6 percent." However, Mr Hun Sen added that every country's economy will always be characterised by uncertainties as long as the war between Russia and Ukraine and "excessive economic sanctions" continue.

Source : <https://www.khmertimeskh.com/501313848/pm-hopes-for-5-6-percent-economic-growth-this-year-and-6-6-percent-next-year/>

50.32% YoY fall in Jan-Apr 2023 for Cambodian apparel exports to US



Cambodia News | 25 June, 2023

Cambodia's apparel exports to the US in the first 4 months of 2023 were \$643.886 million, representing

a 50.32 per cent drop from the same period in 2022. Trousers and shorts were the leading export items, accounting for 31.39 per cent of total garment exports. Despite the decline, US remains the primary market for Cambodian exports, particularly textiles. The US remains the biggest market for Cambodian exports, particularly for textiles and garments. However, the country's apparel exports saw a significant decrease in the first four months of 2023. These exports to the US amounted to \$643.886 million, comprising 26.50 per cent of Cambodia's total exports of \$2,807.546 million during this period. This figure, however, marks a 50.32 per cent decline from the corresponding period in 2022. In the first four months of 2022, Cambodia exported garments worth \$1,497.387 million. The respective figures for January-April 2021, 2020, and 2019 were \$1,097.180 million, \$977.303 million, and \$819.210 million, as per Fibre2Fashion's market insight tool TexPro. In 2022, Cambodia's total garment exports amounted to \$4.438 billion, contributing 34.37 per cent to the country's overall exports of \$12.910 billion. Product analysis shows that Cambodia has exported trousers & shorts to the US worth \$230.292 million in first four months of this year. It was the most dominating product among apparel with the share of 31.39 per cent in total garment exports. A product breakdown for the first four months of 2023 reveals that trousers and shorts were the most exported garments to the US, earning Cambodia \$230.292 million and making up 31.39 per cent of total garment exports. Jerseys brought in \$122.014

million (16.63 per cent), followed by shirts at \$67.086 million (9.14 per cent), baby wear at \$47.581 million (6.48 per cent), T-shirts at \$43.340 million (5.91 per cent), nightwear at \$33.623 million (4.58 per cent), and dresses at \$31.846 million (4.34 per cent), according to data obtained from TexPro. Fibre2Fashion News Desk (KUL)

Source : <https://www.khmertimeskh.com/501313525/50-32-yoy-fall-in-jan-apr-2023-for-cambodian-apparel-exports-to-us/>

Garment industry representatives learn about reducing energy costs, environment protection



Laos News | 25 June, 2023

The Association of the Lao Garment Industry (ALGI) focused on reducing energy costs and protecting the environment during a technical course on energy management systems. The training, aimed at implementing the firm's existing plans for the garment sector, was held during June 20-22 at the Lao National Chamber of Commerce and Industry (LNCCI). It was organised in collaboration with the Ministry of Energy and Mines. Representatives of garment factories that are members of the ALGI participated in the three-day training course. Speaking at the opening ceremony of the course, the ALGI Vice President, Mr Phimmasone Aminthalath, said the objective of this training is to assist the garment industry in developing an Energy Management System (EMS) for factories. This will help the factories to reduce energy costs and their

impact on the environment. "By using the energy management system, factories will be able to monitor their energy performance and improve energy efficiency on a regular basis," he said. Mr Phimmasone emphasised that the ALGI is an organisation that creates jobs for the Lao people and helps generate income for the state budget through the export of garment products. "Laos is one of the top destinations for foreign investment in this sector, and it is steadily increasing. However, the use of energy resources such as electricity is in demand and increases significantly and continuously," he added. He said that it is important and necessary for the garment sector to use energy management systems more effectively in order to reduce production costs and comply with the government's policies and decrees for conserving energy. In addition, customers of the garment sector are increasing and factories exporting goods must comply with environmental and labour policies, which call for efficient energy management. "This was a good opportunity for the ALGI to cooperate with the Department of Energy Efficiency and Promotion, with assistance from the New Zealand-Laos Renewable Energy Facilitation Office, to organise this training course to allow the participants to learn and share their experiences with trainers, who have a lot of experience in energy management," Mr Phimmasone said. The Manager of the New Zealand-Laos Renewable Energy Facility, Mr Tristan Bellingham, said the facility has been assisting the Lao government to increase the

beneficial use of renewable energy resources since 2018, after New Zealand's Ministry of Foreign Affairs and Trade committed US\$ 8 million to the programme which is scheduled to continue until the end of 2024. He said the programme contributes to drawing up principles, regulations and measures to effectively implement the policy, including the implementation of energy management systems and training of energy managers. "Successful implementation of EMS by the private sector, including in the garment sector, will result in significant energy savings. This will reduce cost and improve the financial performance of specific garment factories," Mr Bellingham said.

Source : https://www.vientianetimes.org.la/freeContent/FreeContent2023_Garment120.php

Banking transactions for imports on Myanmar-China border to commence 1 August

 Myanmar News | 25 June, 2023

Banking transactions for imports in the Myanmar-China border will be started from 1 August 2023, according to a news bulletin 10/2023 dated 23 June 2023 issued by the Trade Department under the Ministry of Commerce. Initially, the banking transaction system was exercised on 1 November 2022 at the Myanmar-Thailand border points. And, this system will proceed to the Myanmar-China border from 1 August 2023. The importers must use the banking system with foreign currency (Yuan) purchased from local banks or export earnings

deposited in local bank accounts, the CBM directed. Additionally, companies need to show export earnings or income statements, credit advice or bank statements while seeking a licence from the department. The import licence will be granted for the amount not exceeding the account balance after screening the bank statement or export earnings or foreign currency purchase records. Importers who have already sought import licences are required to bring in the goods by 31 August 2023. If they failed to import before the deadline, their import licence will get cancelled. Regarding export earnings and income statements, the bank deposits put in the account after 1 January 2023 can be used. Exporting companies can use their earnings for imports or transfer them to other entities for import purposes at border checkpoints. — NN/EM

Source : <https://www.gnlm.com.mm/banking-transactions-for-imports-on-myanmar-china-border-to-commence-1-august/#article-title>

Standard Chartered forecasts

Vietnam's 2030 export revenue to reach US\$620 billion

 Vietnam News | 24 June, 2023

HCMC – Vietnam is poised to become a major driver of global trade growth, with its export revenue projected to reach US\$618 billion by 2030, according to a report by Standard Chartered titled "Future of Trade: New opportunities in high-growth corridors." The report said that global trade is expected to reach US\$32.6 trillion by 2030, with a

growth rate of 5%. With an annual growth rate of 7%, Vietnam would surpass the global average by two percentage points. Asia, Africa, and the Middle East will serve as anchors for global trade, with Asia leading the way. Trade corridors in these regions will outpace the global trade growth rate by up to four percentage points, driving combined trade volume to US\$14.4 trillion, accounting for 44% of global trade by 2030. "Vietnam holds tremendous potential to be a global trading hub," said Michele Wee, CEO of Standard Chartered Vietnam. In the previous edition of the report published in 2021, Standard Chartered estimated Vietnam's exports to reach US\$535 billion by 2030. However, the latest edition has revised the forecast, reflecting a significant surge of US\$83 billion in Vietnam's export projection. Mainland China, South Korea, and the U.S. are expected to be Vietnam's key trading partners in the coming years. Additionally, trade with India, Singapore, and Indonesia is forecast to experience robust growth from 2021 to 2030. The machinery and electrical sector will dominate Vietnam's export landscape, accounting for 50% of the export forecast in 2030, with an average annual growth rate of 6.6% from 2021 to 2030. Mainland China is anticipated to remain the largest export destination for this sector by 2030, followed by the U.S. and South Korea. Exports to India are projected to grow robustly during the same period. Vietnam's textile and apparel exports are expected to expand by 7.3% annually, accounting for 22% of the export forecast in 2030. The U.S., Japan, and South Korea

are anticipated to remain the largest importers of Vietnam's textile and apparel products. On the other hand, Vietnam's imports are projected to reach US\$578 billion by 2030, with average annual growth of 6.9% between 2021 and 2030. Vietnam is expected to maintain a trade surplus, with foreign-invested firms playing a dominant role. To support the production of finished electronic goods for exports, Vietnam imports key electronic components such as integrated circuits, micro assemblies, and other items as inputs and tools. These imports are predicted to account for 47% of the country's import forecast in 2030, with an average annual growth rate of 7% from 2021 to 2030. Mainland China, South Korea, and Singapore are expected to remain the top three importers of Vietnam's commodities 2030.

Source : <https://english.thesaigontimes.vn/standard-chartered-forecasts-vietnams-2030-export-revenue-to-reach-us620-billion/>

THAI DURIAN EXPORTS TO VIETNAM SOAR 10,000% AS NEW GATEWAY TO CHINA



Vietnam News | 24 June, 2023

According to the Ministry of Commerce's report for the first four months (Jan-Apr) of 2023, Thailand's durian exports and frozen durian had a total value of 63,627 million baht, up 166 percent from the same period last year. The top export market was China with a value of 62,068 million baht, an increase of 170 percent from the previous year, following by Hong Kong with a value of 941 million baht, up 77 percent

year-on-year, and Taiwan with a value of 198 million baht, up 36 percent year-on-year. However, it is worth noting that Vietnam ranked 10th as an export market with a value of only 0.15 million baht, but recorded a significant growth of 10,769 percent. Keerati Rushchano, Permanent Secretary of the Ministry of Commerce, told Prachachat that durian exports, both fresh and frozen, have increased by over 100 percent in the first four months of this year. However, the trend for the second half of the year has yet to be evaluated, especially durian production in the southern region as production in the eastern region is almost complete. In addition to market management, the ministry has also been monitoring transport across the Vietnamese and Lao borders for export to China. However, there are currently no plans to expand exports to other countries. The Ministry of Commerce has coordinated with the two border inspection posts of the two countries to ensure a smooth export process. Sanchai Puranachaikiri, president of the Thai Fruit Traders and Exporters Association, said durian exports are expected to increase by 50 per cent this year. Durian production in the eastern region has been a major contributor to the increased exports in the first four months, which recorded a remarkable 166 percent increase compared to the same period last year, breaking previous records. The price of the popular Monthong durian has also reached a new high of 270 baht per kilogram. It is worth noting that while China remains the top export market, the market in Vietnam, which is one of Thailand's top 10 markets,

has experienced a staggering 10,000 percent growth rate. Despite the relatively low volume, traders have shifted their focus to export through Vietnam as a gateway to China, passing through checkpoints such as You Yiguan, Dongxing and Ping Qian. The cross-border route through Vietnam is already widely used and declaration procedures vary. Some traders declare their goods directly to China, while others declare them to Vietnam, as the products sometimes do not need a middleman when they are ticketed to Vietnam, as they are considered cross-border products and no taxes are charged, only border fees. Sanchai added that the Durian Association Group held a joint meeting with the elected members of the Move Forward Party, which won in the eastern region, at the Blue Rabbit Hotel in Chanthaburi on 23 June to discuss the implementation of the new durian care measures by the National Bureau of Agricultural Commodity and Food Standards. They were worried that these standards will have long-term implications for the control of durian exports. The work involved is complex and leads to overlap in licensing. Currently, the inspection power has been transferred to the private sector, with the government becoming a tool for this group. "In the beginning, the discussion revolved around finding solutions to the problem of immature durians. However, the discussion ended up controlling the middleman, not the farm. Penalties were imposed on those who do not sell immature durians. The middleman only buys the immature durians from the farmer who harvests and sells the

immature durians. Instead of focusing on controlling the orchards and the people involved in harvesting, attention shifted to controlling the warehouse controllers,” Sanchai explained.

Source :

<https://www.khaosodenglish.com/news/2023/06/24/thai-durian-exports-to-vietnam-soar-10000-as-new-gateway-to-china/>
