

Highlight News / June 29, 2023



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Advisory Institute for Trade and Investment by TCC (AiTi)

Spanish imports of apparel from Cambodia rise 19% to \$326.5 million



Cambodia News | 28 June, 2023

Imports by Spain for apparel imports from Cambodia, which experienced substantial growth last year, have continued their upward trajectory in the first four months of the year. Imports have seen a significant 19.2% jump to \$326.6 million from January to April this year, compared to the same period in the previous year. Spain imported apparel worth \$274 million during the first four months of last year. This represents a 51.6% increase compared to the \$180.8 million worth of imports from January to April in 2021. The trend demonstrates a big recovery in Spain's import activity, which had declined by 22.7% to \$231.5 million in the first four months of 2020, and dropped further by 21.9% to \$180.8 million during the same period in 2021, according to data from Fibre2Fashion's TexPro market insight tool. In the first four months of this year, Cambodia was the fourth largest supplier of apparel to Spain. During this period, Spain imported 5% of its apparel from Cambodia. Last year, apparel imports by Spain totalled \$978.4 million, compared to \$626.853 million recorded in 2021. In the years prior, the country imported apparel worth \$634.629 million in 2020 and \$874.142 million in 2019. If the current rate of growth is maintained for the remainder of the year, it's projected that Spanish apparel imports could

surpass the \$1 billion mark for this year. This trend indicates that the bilateral trade between Spain and Cambodia has remained resilient, despite the current economic slowdown and the high inflation affecting many western nations. Fibre2Fashion News

Source: <https://www.khmertimeskh.com/501315625/spanish-imports-of-apparel-from-cambodia-rise-19-to-326-5-million/>

PPAP Q1 operating profit at 9.73 billion riels



Cambodia News | 28 June, 2023

The Phnom Penh Autonomous Port (PPAP) announced that its operating profit for the first quarter ended March 31, 2023 dropped 48.52 percent to 9.73 billion riels, from 18.90 billion riels for the same quarter in the previous year. In a filing to the Cambodia Securities Exchange, the state-owned public enterprise said its revenue, operating profit, and net profit decreased due to a decline in cargo throughput. Additionally, the cost of services and general and administrative expenses increased. PPAP, which was listed on CSX on December 9, 2015, said its net profit also dipped 44.71 percent to 7.95 billion riels, from 14.39 billion riels for the corresponding quarter in 2022. The company, which is supervised by the Ministry of Economy and Finance and the Ministry of Public Works and Transport said its revenue for the first quarter in 2023 reached 30.76 billion riels, down 15.25 percent from 36.29 billion riels in the previous year. Hei Bavy, Chairman and CEO, PPAP, said: "For the first quarter

of 2023, total revenue is 30.76 billion riels (\$7,532,155) and achieved 17.63 percent of planning in 2023 and compared to the first quarter of 2022 decreased by 5.53 billion riels (\$1,401,025) or -15.25 percent. However, net profit in the first quarter of 2023 is 7.94 billion riels (\$1,947,937) and reached 11.92 percent of planning 2023 and compared to the first quarter of 2022 decreased by 6.43 billion riels (\$1,593,644) or -44.71 percent.” Apart from this, basic earnings per share in the first quarter of 2023 is 384,61 riels (\$0.09), the chairman said, adding that “the above achievement is because PPAP has paid attention in providing the service of port operation with transparency and efficiency in responding confidently to the needs of customers.” PPAP utilised all the mechanisms by strengthening the service quality, expanding storage capacity, infrastructure development, working with Topo Hydrographic, and installing the new machinery and facilities, he pointed out. Last week, the port launched two new river port terminals in Tbong Khmum and Prey Veng provinces, which will help improve the efficiency of waterway transport of agricultural products. “Phnom Penh Autonomous Port’s two new multi-purpose port terminals will provide product transportation shipped directly from potential areas to Phnom Penh Autonomous Port by lowering shipping costs and providing timely and better delivery services,” Hei Bavy said during the launch ceremony. Earlier this month, PPAP announced that its total revenue for the first five months of this year fell 24 percent to \$14.19 million,

from \$18.73 million for the same period in 2022. It posted total revenue of \$3.37 million in May this year, down 7 percent from \$3.63 million for the same month last year. The company’s port operation revenue fell 20 percent to \$10.66 million in first five months of this year as compared to its port operation revenue of \$13.39 million for the corresponding period a year ago. However, its port authority revenue rose 10 percent to \$1.88 million in five months when compared with revenue of \$1.71 million in 2022. The company’s other services income also surged 279 percent to \$484,960, as against income of \$128,102. PPAP said its other income also fell 67 percent to \$1.17 million, from \$3.49 million. Its port operation revenue in the month of May dropped nine percent to \$2.73 million as compared to revenue of \$3 million a year ago. However, the firm’s port authority income rose two percent to \$393,093 when compared with an income of \$383,675.

Source: <https://www.khmertimeskh.com/501315220/ppap-q1-operating-profit-at-9-73-billion-riels/>

NA urges govt to find solutions to country’s battered economy



Laos News | 28 June, 2023

The Standing Committee of the National Assembly (NA) has called on the government to urgently tackle the country’s economic problems, with rampant inflation inflicting hardship on large numbers of

people. Speaking on the opening day of the 5th ordinary session of the National Assembly's 9th legislature, the parliamentary body's Vice President, Mr Sommad Pholsena, urged the government to take strong action to resolve the ongoing social and economic issues affecting people's lives. The government must lower inflation and curb the rise in prices by defining a comprehensive system of measures covering all related areas, including currency exchange rates, the budget, the production of goods, and trade. Inflation was recorded at 12.81 percent in May 2022 before climbing to 23.61 percent in June, 25.62 percent in July, 30.01 percent in August, 34.05 percent in September, 36.75 percent in October, 38.46 percent in November, and 39.27 percent in December. The NA Standing Committee also advised the government to create more jobs, ensure a balanced labour supply, and fulfil the country's development needs. Problems involving volunteer teachers and medical staff must also be resolved, Mr Sommad said. In addition, the government should introduce effective measures to raise more people out of poverty and bring down the cost of living, which is constantly increasing. People also have difficulties when applying for passports and getting land titles, with these processes taking an unacceptably long time. In general, public service delivery remains very slow, the NA Vice President said. The authorities concerned must also

speed up efforts to tackle the drug trade, lower the crime rate, especially robberies, and reduce the number of road accidents. In addition, the government should take action to resolve environmental issues, such as illicit mineral extraction, encroachment onto land owned by the state and land use rights holders, and the destruction of forests and water sources. Air quality must also be improved, especially in light of the unprecedented pollution experienced earlier in the year, and authorities should take steps to prevent and combat the effects of drought, floods and other natural disasters. Mr Sommad also advised that central and local land title registration must be comprehensively overhauled so that the process is made simpler and takes less time than at present.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent123_NA_y23.php

Pigeon pea price plunges down to below K3 mln per tonne



Myanmar News / 28 June, 2023

The price of pigeon pea plummeted below K3 million per tonne, according to the Yangon Region Chambers of Commerce and Industry (Bayinnaung). The prices hit an all-time record high of K3.33 million per tonne on 5 June and then, it drastically fell to K2.94 million per tonne on 27 June.

The figures showed a sharp drop of K390,000 per tonne of pigeon pea over the past three weeks. Similarly, the black gram price also peaked at K2.461 million per tonne in the market on 14 June. It declined to K2.22 million per tonne on 27 June, indicating a decrease of K241,000 per tonne within 13 days. The drop in pulses prices is attributed to the down trajectory of the FOB prices, according to the pulses market. Myanmar Pulses, Beans and Sesame Seeds Merchants Association notified on 12 May 2023 that growers should primarily cultivate green gram and pigeon pea this year's pulses season. There is a strong market share of black gram and pigeon pea in India. Most of the growers also select them as main crops. India notified that the free import policy of black gram (urad) and pigeon pea (tur) extended up to 31 March 2024, bringing more benefits to the stockholders in the supply chain including growers and exporters. That being so, they should be selected as the main crops this year, the association mentioned. Myanmar bagged over US\$1.4 billion from over 1.9 million tonnes of various pulses exports in the past financial year 2022-2023, the Ministry of Commerce's statistics indicated. Myanmar primarily exports black gram, green gram and pigeon peas to foreign markets. Of them, black gram and pigeon peas are mostly conveyed to India while green grams are shipped to China and Europe. India has growing demand and consumption

requirements on black gram and pigeon peas. According to a Memorandum of Understanding between Myanmar and India signed on 18 June 2021, India will import 250,000 tonnes of black gram and 100,000 tonnes of pigeon peas (tur) from Myanmar for five consecutive years from 2021-2022 financial year to 2025-2026 FY. This G to G pact will not affect the pulses annual quota set by India. Myanmar's exporters are also entitled to deliver the pulses to India under that annual quota. Myanmar yearly produces approximately 400,000 tonnes of black gram and about 50,000 tonnes of pigeon peas. Black gram that India primarily purchases is commonly found only in Myanmar, whereas pigeon pea, green gram and chickpeas are grown in African countries and Australia, Myanmar Pulses, Beans, Maize and Sesame Seeds Merchants Association. — NN/EM

Source: <https://www.gnlm.com.mm/pigeon-pea-price-plunges-down-to-below-k3-mln-per-tonne/#article-title>

Opportunities for Swiss fintech startups numeral in Vietnam: report



Vietnam News / 28 June, 2023

Singapore (VNA) – Swiss fintech startups should tap into opportunities in Vietnam – the country with rising demand for digital financial solutions, supportive

policies, and government initiatives to nurture fintech innovation, according to a new Vietnam Fintech report by Switzerland Global Enterprise (S-GE). The report, titled "Business Opportunities in Fintech in Vietnam", provides an overview of the country's fintech sector, outlining key verticals and highlighting emerging trends arising in the market for Swiss fintech companies. The report pointed out five major opportunities in the market. First, banks in the country are actively teaming up with fintech companies and tech providers to ramp up their digital banking propositions, embracing Application Programming Interface (APIs), cloud technology, and embedded fintech to deliver convenience, choice, and speed to Vietnam's young, digital-first consumers. The second opportunity relates to payments. The sector is currently the leading vertical in the domestic fintech sector, recording the highest number of players and attracting much of the fintech funding activity. According to Switzerland's export and investment promotion agency, almost two-thirds of Vietnam's population, or around 57.62 million people, were making digital payments by January 2023, representing an 11.3% year-on-year (YoY) increase. Thirdly, Peer-to-peer (P2P) lending is another segment that's growing steadily and is the second largest fintech vertical in Vietnam at the moment. The sector is offering several opportunities for Swiss fintech startups to not only address the

lending gap but also provide innovative solutions for local P2P lenders. The fourth opportunity relates to personal finance and investment, a vertical that's benefited from the influx of new investors. Rising stock trading activity is introducing opportunities for fintech firms to develop solutions that educate customers and assist them in managing their finances. Finally, blockchain and cryptocurrency is another fintech sector that's recorded strong traction and is expected to grow further. According to the S-GE report, the growth will be supported by the country's information and communications technology (ICT) workforce which is eager to embrace blockchain technology and explore its applications. According to Statista's global consumer survey, about 27% of the Vietnamese respondents reported using or owning cryptocurrency by 2022./.

Source: <https://en.vietnamplus.vn/opportunities-for-swiss-fintech-startups-numeral-in-vietnam-report/255380.vnp>

Hanoi tourism rebounds in first half with 42% visitor growth



Vietnam News / 28 June, 2023

The city aims to generate VND77 trillion (US\$3.26 billion) in tourism revenue this year, expecting to attract around 22 million visitors. Tourist arrivals in

Hanoi are expected to reach 12.33 million in the first six months of this year, up 42% from last year. Of the total visitors, international tourists accounted for 2.03 million, up seven times against the same period of last year. The projected total tourism revenue is expected to reach VND44.88 trillion (US\$1.9 billion), indicating a substantial 74.3% growth compared to the corresponding period in 2022. The average occupancy rate of hotel rooms surged by 31.1 percentage points to 61.1%, underscoring the significant rise in accommodation demand. The Hanoi Department of Tourism attributed the strong recovery of tourism to the successful control of Covid-19 and the implementation of various solutions to restore the economy, especially the tourism industry. These solutions include timely stimulation of tourism and the introduction of new tourism products, such as the expansion and promotion of pedestrian streets namely Hoan Kiem Walking Street in Hoan Kiem District; Trinh Cong Son Walking Street in Tay Ho District; Thien Quang Lake and Tran Nhan Tong Walking Streets in Hai Ba Trung District; Walking Street around the Old Quarter in Son Tay Town; and Dao Ngoc Walking Street in Ba Dinh District. In its efforts to boost tourism, Hanoi is considering the approval of the Ocean Park pedestrian and night market in the Gia Lam District. Simultaneously, Hoan Kiem District is developing a promotion plan to introduce a Food Tour map,

designed to guide visitors in exploring the diverse local cuisine. With the moves, Hanoi is on its way to becoming a top tourist destination in the region. This year, the city is expected to receive around 22 million visitors, up 17.6% on year. The projected tourism revenue is VND77 trillion (US\$3.26 billion), representing an annual growth of 28.2%.

Source: <https://en.vietstock.vn/974-513101/hanoi-tourism-rebounds-in-first-half-with-42-visitor-growth.htm>
