

Highlight News / August 22/2023



- Exports through SEZs up by \$1.39 billion in H1
- Credit guarantees to SMEs reach nearly \$140 million
- Lao Railway College All Set to Welcome First Batch of 360 Students in 2023
- Pigeon pea price up by K1.7 mln per tonne on 19 Aug
- Vietnamese fintech startups secure a mere \$6.2 million funding in 1H/2023
- Apple may sell iPhone 15 in Vietnam next month



Exports through SEZs up by \$1.39 billion in H1



Cambodia News | 21 August, 2023

Cambodia's export through Special Economic Zones (SEZs), mostly non-garment manufacturing products, reported growth in the first six months of this year. Cambodia's exports from SEZs reached \$1.39 billion in the first half of 2023, according to figures from the Council for the Development of Cambodia (CDC). SEZs have played an important role in diversifying Cambodia's economy, both industrially and as a source of investment capital from other countries, said Chea Vuthy, deputy secretary-general at the CDC. "Exports from SEZs have increased significantly and the volume of exports from SEZs has been steadily increasing, despite the Covid-19 pandemic," he said at a business forum in Phnom Penh last week. According to CDC, there are 24 SEZs operating nationwide, providing jobs to around 175,000 workers. Around 90 percent of SEZs have non-garment, footwear and travel goods manufacturing factories. SEZs have been established throughout the country to provide investors with a 'one-stop service for imports and exports and to facilitate trade. These hubs have also been instrumental in national economic development and are increasingly being linked with key transport routes. Heng Sokkung, Secretary of State at the Ministry of Industry, Science, Technology and Innovation, attributed the significant increase in non-garment manufacturing exports to the

diversification in exports from textiles. "This is a good momentum and is in line with the Cambodian Industrial Development Policy 2015-2025, which aims to promote and develop labour-intensive-based industries to skills or technology-based industries," Sokkung told Khmer Times. The CDC recently finalised a new draft law on special economic zones, aiming to attract investment into the country by providing incentives, enhancing transparency, and promoting fair competition. The economic zone is attracting investment in a range of sectors, including electronics, components, vehicle assembly, solar, and bicycles. Cambodia exported a total of \$11.46 billion worth of goods in the first half of 2023, inching up 0.8 percent year-on-year, General Department of Customs and Excise report showed. The global economic uncertainty due to the Covid-19 pandemic and the Russia-Ukraine war's impact on international trade has caused a decline in demand for Cambodia-made products, mostly garment, footwear, and travel goods.

Source : <https://www.khmertimeskh.com/501346089/exports-through-sezs-up-by-1-39-billion-in-h1/>

Credit guarantees to SMEs reach nearly \$140 million



Cambodia News | 21 August, 2023

The Credit Guarantee Corporation of Cambodia (CGCC) provided credit guarantees of \$139.5 million to businesses for their working capital expansion as of July 2023. The credit guarantee has been provided to 1,648 businesses, according to a report

on Friday. CGCC said in a statement that the total amount of outstanding guaranteed loans was \$107.51 million, while the total amount of outstanding guaranteed amount was \$77.48 million. There are 1,510 micro, small and medium-sized businesses (MSME) and 138 large businesses get their loan guaranteed, the report said, adding that about 677 were women-owned. The report stated that a significant portion of the loan guarantees were used for working capital, investment, business expansion, and capital expenditures. CGCC, the first credit guarantee institution in the country under the Ministry of Economy and Finance, was established in August 2020, during the Covid-19 pandemic to provide timely credit to support the rehabilitation and sustainability of local businesses. Under the CGCC's scheme, more than 30 participating financial institutions (PFIs) participate in providing credit as working capital investment and business expansion to SMEs. Rath Sophoan, CEO and Country Head of Maybank Cambodia, said more credit has been disbursed to SMEs as banks and SMEs have learnt from each other to find the common points of financial assessments. "With the economy recovering to get back to normal, it is time for SME growth. It requires financing solutions and more banks will increase providing credit to SMEs as banks and SMEs have worked together to find solutions and they understand each other more," Sophoan said at a forum on supporting SMEs on legal and financial insights for sustainable growth at Olympia City Hotel on Friday. The credit guarantee

scheme has contributed to strengthening entrepreneurship and improving financial inclusion in Cambodia by facilitating the smooth distribution of loans, said Mey Vann, Secretary of State at the Ministry of Economy and Finance. "The CGCC has played a key role in serving the needs of SMEs in Cambodia, which are struggling in the wake of the Covid-19 pandemic and the inflation crisis, and need credit from banks for their business," Vann said. The government will continue to implement supportive policies through credit guarantee mechanisms to ensure the development of small and medium enterprises, he added.

Source : <https://www.khmertimeskh.com/501346090/credit-guarantees-to-smes-reach-nearly-140-million/>

Lao Railway College All Set to Welcome First Batch of 360 Students in 2023



Laos News | 21 August, 2023

The newly-opened Lao Railway Vocational Technical College in Vientiane is ready to welcome its first batch of over 300 students for the 2023-2024 academic year. According to the college authorities, registration for entrance exams is ongoing until 14 September, with the exams scheduled for 15 September at the college located in Phonkham village, Xaythany District, Vientiane Capital. The exams will cover subjects like Mathematics, Physics, Lao language, Literature, and General Knowledge, and will be closely monitored to rule out any instances of cheating. "We are 100 percent ready to

welcome 360 students in our inaugural 2023-2024 academic year,” says Principal Bounyalith Khanthachak. The college is offering six courses related to railway operations, including train driving, station services, and electrical repairs. Graduates of these programs will have the opportunity to work with the Laos-China Railway Company. Mr. Bounyalith shared that the college, located on a 14-hectare campus, has comprehensive facilities, which are ready for immediate use. “We have readied lecture rooms, practical training spaces, administrative structures, a library, a canteen, and dormitories,” he adds. He further mentions that the courses will be conducted by instructors proficient in railway operations, hailing from both Chinese and Lao backgrounds. The college’s establishment was made possible through funding from the Chinese government, and it marks the first of its kind in Laos. To prepare for admission, education authorities have encouraged interested students to take railway operation courses abroad to gain knowledge about electrical systems and technical aspects related to trains. Additionally, the Ministry of Education and Sports urged secondary school graduates to enroll in various vocational education courses to address Laos’ socio-economic development needs. With over 25 vocational-technical institutions and 170 training centers offering courses, there’s a demand for more than 80,000 graduates in areas like agriculture and industry to meet the labor market’s requirements.

Source : <https://laotiantimes.com/2023/08/21/lao-railway-college-all-set-to-welcome-first-batch-of-360-students-in-2023/>

Pigeon pea price up by K1.7 mln per tonne on 19 Aug



Myanmar News | 21 August, 2023

The price of pigeon peas (also known as red gram, tur) increased by K1.7 million per tonne on 19 August compared to last year’s price. Only 25,000 tonnes of pigeon peas are in stock. Meanwhile, the demand from Indian buyers is increasingly high. Approximately 350,000-400,000 tonnes of black gram (urad) are expected to be available in Myanmar, India’s pulses industry forecast. The prices of pigeon peas hit K3.65 million per tonne on 18 August and K3.675 million per tonne on 19 August. The prices stood at K1.96 million per tonne on 18-19 August 2022. The prevailing market price indicated a tremendous rise of K1.7 million per tonne from last year. In the third week of August 2023, the pure gold price is gaining in the grey market. Kyat is also weakening against the US dollar in the unofficial market. The pigeon pea is cultivated in May in the central Myanmar regions. Newly harvested pigeon peas usually enter the market at the end of the year. Before the growing season, the price touched a high of K2.4 million per tonne in the post-Thingyan period (late April). The growers expanded the plantation this year. The yield is estimated at 250,000 to 300,000 tonnes this season. Along with the rise in pigeon pea prices in the domestic market, the FOB price also

increased to US\$1,180-1,200 per tonne on 19 August from \$1,160-1,180 per tonne. — TWA/EM

Source : <https://www.gnlm.com.mm/pigeon-pea-price-up-by-k1-7-mln-per-tonne-on-19-aug/>

Vietnamese fintech startups secure a mere \$6.2 million funding in 1H/2023



Vietnam News | 21 August, 2023

According to a report by Tracxn, a global SaaS-based market intelligence platform, the fintech sector in Vietnam has experienced a significant downturn in funding throughout 2023, largely attributed to the lingering effects of the funding winter and the prevailing global macroeconomic uncertainty. While these challenges have impacted the country's startup funding landscape, experts remain optimistic about the sector's rebound as the global economy stabilises. Over the past decades, Vietnam's economy has experienced substantial growth, resulting in a significant increase in per capita income, which multiplied by 3.6 times between 2002 and 2021. The country's economy is projected to grow by 6.3 per cent in 2023, further emphasising its potential for continued expansion. However, the report pointed out that the first half of 2023 has seen a remarkable drop in fintech funding, falling to a paltry \$6.2 million. This represents a staggering 97 per cent decrease compared with the \$201 million recorded in the same period in 2022. Similarly, the funding for the first half of 2023 was 67 per cent lower than the \$17.9 million registered in the latter half of 2022. A notable factor contributing to

this decline is the absence of late-stage funding rounds. The fintech space in Vietnam has witnessed a complete absence of in this area throughout 2022 and 2023. Among the funding rounds that did occur, early-stage investments constituted the majority, contributing \$5.1 million to the total. However, this amount reflects a steep 97 per cent decrease compared with the substantial \$195 million raised during the first half of 2022. Furthermore, the early-stage funding for the first half of 2023 was down 32 per cent over the \$7.5 million that was secured in the last 6 months of 2022. Seed-stage funding also saw a considerable reduction, amounting to only \$1.1 million. This marks an 82 per cent on-year decrease, and an 89 per cent drop compared with H2/2022. Analysing the on-quarter funding, the difference is evident. The first quarter of 2023 recorded a total of \$5.1 million, signifying a 76 per cent decrease from the \$21.2 million secured in the first quarter of 2022. In the second quarter of 2023, funding experienced a staggering 99 per cent decline, plummeting from \$180 million in Q2/2022 to just \$1.1 million in Q2/2023. The fintech sector in Vietnam experienced only one funding round exceeding \$100 million during the first half of 2022. Since then, none have surpassed this milestone. Furthermore, the sector has not produced any unicorns, nor witnessed any acquisitions or initial public offerings within the past two years. Hanoi is the only city in the nation to secure funding for the fintech sector during the first half of 2023. Key investors that have played a pivotal role in shaping the local fintech landscape over the

past two years include CIE IIITH, Y Combinator, WeFounder Circle, Integra Partners, and Genting Ventures. CIE IIITH, Y Combinator, and WeFounder Circle have been significant players in the seed-stage investment domain, while, Integra Partners and Genting Ventures have emerged as prominent investors in early-stage funding rounds. The Vietnamese government is contributing to the growth of the fintech sector by spearheading the National Digital Transformation Programme. This ambitious initiative aims to achieve significant milestones, including transitioning half of all banking operations online, providing half of the population with digital bank accounts, and facilitating 70 per cent of transactions through digital channels.

Source : <https://vir.com.vn/vietnamese-fintech-startups-secure-a-mere-62-million-funding-in-1h2023-104530.html>

Apple may sell iPhone 15 in Vietnam next month



Vietnam News | 21 August, 2023

Hanoi (VNA) – The Ministry of Industry and Trade has announced the list of 210 businesses that are eligible to export rice. Ho Chi Minh City is the locality with the largest number, 47. According to the ministry, in the first seven months of this year, Vietnam exported 4.83 million tonnes of rice. The country plans to export about 2.67 million tonnes in the remaining five months of the year. Meanwhile, the prices of exported rice have been increasing. According to the Vietnam Food Association (VFA), the country

offered the prices of 628-632 USD per tonne of 5% broken rice on August 17, an increase of 5 USD per tonne from the previous day. The price of 25% broken rice also increased from 603-607 USD per tonne to 608-612 USD per tonne. On August 17, Vietnam's 5% broken rice and 25% broken rice was 15 USD and 47 USD per tonne higher than Thailand's, respectively. To create the best conditions for rice export activities, the ministry is urgently seeking opinions to amend and supplement the Government's decree on the rice exporting business. It also issued another dated August 15, 2023, on strengthening market information, promoting trade, developing rice exporting markets, and stabilising the domestic market. Units, local departments of Industry and Trade, the Vietnam Food Association, and traders were asked to implement solutions, especially following moves of major rice-producing and rice-exporting countries to effectively adjust production and export./.

Source : <https://www.retailnews.asia/apple-may-sell-iphone-15-in-vietnam-next-month/>
