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Agri product exports earn \$3.2B



Cambodia News | 10 October, 2023

Cambodia exported 5.5 million tonnes of agricultural products in the first nine months of this year, earning around \$3.2 billion in revenue, according to a report from the Ministry of Agriculture, Forestry and Fisheries. The agricultural product exports decreased in volume by 13 percent in quantity compared to the same period last year, it pointed out. The main products Cambodia exported included rice, bananas, mangoes, cassava, cashew nuts, corn, palm oil, pepper and tobacco. Exports of milled rice and paddy rice earned \$395 million and \$658 million, respectively, read the report. The non-rice agricultural exports were valued at \$2.16 billion. Hun Lak of the Cambodia Rice Federation attributed the growth in exports to the government's efforts. Although agricultural exports in the first nine months of 2023 decreased slightly compared to the same period in 2022, they increased by 2.24 percent when compared to the first eight months of 2023, the ministry's director-general of agriculture (DGA) said in a statement. "DGA highly hopes that exports will increase in the coming months, especially during the cassava harvest season," it said. "The government has paid high attention and made significant efforts to expand the export markets. These efforts will bring more development to the agriculture sector and further boost exports," Lak said. Agriculture is one of

the four pillars supporting Cambodia's economy. The sector contributed 24.4 percent to the gross domestic product (GDP) of the country in 2021, according to the ministry. Cambodia has also begun direct shipment of its fishery products to China after the General Administration of Customs of the People's Republic of China approved the list of registered exporting companies. Im Rachna, spokeswoman of the Ministry of Agriculture, Forestry, and Fisheries, said the ministry's policies for the agricultural sector not only focus on ensuring food security in the country but also finding export markets for high-quality agricultural products. "The export of natural fishery products to the Chinese market will not only boost trade between Cambodia and China, but it will also contribute to the livelihood of Cambodian fishermen," Rachna said in August.

Source: <https://www.khmertimeskh.com/501373714/agri-product-exports-earn-3-2b/>

Cambodia is eager to invite more Chinese tourists



Cambodia News | 10 October, 2023

A senior Cambodian official on Monday called for more Chinese tourists, saying that their presence has significantly contributed to the kingdom's economic and touristic growth and poverty reduction. Ministry of Tourism's Secretary of State and Spokesman Top Sopheak said Cambodia received 364,844 Chinese visitors during the January-August period this year, a year-on-year

increase of 611 percent. He said the number accounted for 10.4 percent of the country's 3.5 million international tourist arrivals during the first eight months of this year. "We want more Chinese tourists as they have contributed to our economic and touristic development as well as poverty reduction," he told Xinhua, predicting that the country would receive at least 600,000 Chinese tourists this year. Sopheak strongly believes that close ties and increasing direct flights between the two countries will encourage more Chinese tourists to spend their holidays in Cambodia in the coming years. "I want to send a message to all Chinese citizens that please come and visit Cambodia, a safe tourist destination," he said. Tourists can enjoy cultural and ecological tourism, such as the Royal Palace and the National Museum in Phnom Penh, the Angkor Archeological Park in the northwest Siem Reap province, the Temple Zone of Sambor Prei Kuk in the central Kampong Thom province, and the Temple of Preah Vihear and the Koh Ker archeological site in the northwest Preah Vihear province, as well as a beautiful bay in southwest Sihanoukville. "Chinese tourists are warmly welcomed to these key tourist destinations as well as other attractions across Cambodia, as the government has always prioritized security and safety for all tourists," he said. China was the most significant source of international tourists to Cambodia in the pre-COVID-19 pandemic era, Sopheak said, adding that the kingdom received 2.36 million Chinese tourists in 2019, accounting for

35.7 percent of total international tourist arrivals and generating about \$1.8 billion in revenue. He said the "China Ready" strategy, first launched in 2016, had been reintroduced to relevant authorities and tourism-related businesses after restrictions were lifted. The strategy listed steps to be taken by tourism authorities to facilitate visits by Chinese tourists, such as providing Chinese signs and documents for visa processing, encouraging local use of Chinese yuan and language, and ensuring that food and accommodation facilities are suited to Chinese tastes. Tourism is one of the four pillars supporting Cambodia's economy. According to the Ministry of Tourism, the country attracted 6.61 million foreign tourists in 2019, earning gross revenues of \$4.92 billion.

Source: <https://www.khmertimeskh.com/501373964/cambodia-is-eager-to-invite-more-chinese-tourists/>

Inflation remains high despite govt's attempts to cap price rises



Laos News | 10 October, 2023

The inflation rate in Laos rose more slowly in September at 25.69 percent, down from 25.88 percent recorded in August, according to a report from the Lao Statistics Bureau. However, the rate remains high, driven by three main factors, namely weak domestic output and heavy reliance on imports, continuing depreciation of the kip, and the

rising price of imported goods. In September, the value of the kip fell by 5.8 percent and 4 percent against the US dollar and Thai baht respectively, compared to the figures for August, according to the Lao Statistics Bureau. In addition, the price of imported goods, especially fuel, rose by an average of 6 percent in September compared to the figure recorded in August. Further exacerbating the country's economic woes, from April to August this year the trade deficit rose to a record US\$444 million, with a deficit of US\$17 million recorded in April, US\$47 million in May, US\$126 million in June, US\$166 million in July, and US\$88 million in August, according to the Lao Trade Portal. The trade deficit ramped up pressure on exchange rates as more currency was spent on imported goods. At a recent cabinet meeting, the government ordered the relevant agencies to do more to curb the high rate of inflation, stabilise currency exchange rates, and deal with the soaring levels of debt owed to other countries. Other sectors of government were advised to intervene and place caps on the market price of household staples such as rice, meat, fish and eggs. In addition, the Ministry of Finance was instructed to modernise the system of tax collection at border crossings, to boost the government's revenue and minimise the amount of money lost through weak law enforcement and

lack of oversight. Minister of Industry and Commerce Mr Malaythong Kommasith outlined the measures needed to deal with economic problems when he met with officials from the provinces of Borikhamxay, Khammuan and Savannakhet recently. He said importers and exporters must register their operations and carry out all financial transactions through the banking system. He also stressed the need to identify which crops have strong market potential and the parts of the country where these crops can be grown for export. Authorities must also make a concerted effort to tackle illegal trade as the government attempts to restrict the import of items that can be grown or manufactured in Laos. In September, the highest price rise was recorded in the hotel and restaurant category, which stood at 34.4 percent year on year. This was followed by the clothing and footwear category (29.7 percent), the food and non-alcoholic beverage category (29.4 percent), the household goods category (24.3 percent), the alcohol and tobacco category (23.4 percent), medical care and medicine (21.1 percent), and the communication and transport category (20.7 percent).

Source: https://www.vientianetimes.org.la/freenews/freecontent_197_Inflation_y23.php

Commerce Ministry paving way for exporters with special privileges



Myanmar News | 10 October, 2023

The Ministry of Commerce has been preparing to grant special privileges to the exporters who are earning foreign currencies for the country. Moreover, the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) is reportedly planning to give another special privilege to the exporters as well. The federation is drafting up the privilege programme to benefit the exporters involved in legitimate exports and bolstering exports, the UMFCCI announced on its social page. The big challenge for exporters for now is monetary policy. Earlier, the exporters had to convert 65 per cent of the hard currency they earned into local currency according to the Central Bank of Myanmar's reference exchange rate. The CBM eased the foreign currency rules to 50 per cent for exporters, according to the notification released on 13 July. However, they are still grappling with this policy, exporters stressed. The CBM set the reference exchange rate at K2,100 whereas the US dollar is exchanged at K3,400 in the grey market, showing the large gap between them. This way, exports are dropping while imports are surpassing exports, according to the Ministry of Commerce's statistics.

There is a trade deficit of over US\$817 million in the H1 (1 April to 29 September) of the current financial year 2023-2024. The ministry met with some businesspersons including those from the UMFCCI and asked for opinions on decreasing exports in early June. Myanmar's leading export items are various pulses, sesame, corn, rubber, rice, fisheries, fruits and finished products manufactured on a Cutting, Making and Packing basis. Myanmar's foreign trade swelled to \$33.97 billion in the last FY 2022-2023, comprising exports worth \$16.62 billion and imports worth \$17.35 billion. According to the Budget Report for the 2023-2024 FY, Myanmar's global trade is expected to reach \$32.5 billion with exports worth \$16.5 billion and imports valued at \$16 billion. — NN/EM

Source: <https://www.gnlm.com.mm/commerce-ministry-paving-way-for-exporters-with-special-privileges/#article-title>

Vietnam attractive to foreign investors despite global uncertainties



Vietnam News | 10 October, 2023

Despite global uncertainties, Vietnam remains attractive to foreign investors, drawing US\$20.21 billion by the end of September, up 7.7% year on year. Of the figure, US\$15.9 billion was disbursed, marking a 2.2% increase year-on-year. According to

its latest Vietnam Economic Update, the World Bank noted that stable commitments and disbursement of foreign investment reflect the interest of foreign investors in business opportunities in Vietnam despite global uncertainties. In particular, traditional investors such as Singapore, China and Japan are increasingly reaffirming their trust and determination to maintain or expand their operations in Vietnam. They are working to realise strategic goals of making Vietnam a manufacturing hub for high-quality products to join the global production and supply chains with fierce competitiveness. In the southern province of Dong Nai, over 120 foreign-invested projects worth nearly US\$940 million were recorded in the first nine months of this year, or nearly 134% of the annual plan. During the period, Dong Nai licensed nearly 50 new FDI projects, 17 of them from China with total capital of around US\$150 million. Most of them involved in renting factories for production and trade in apparel, electronics and household appliances. Forecasts indicated that FDI attraction and disbursement will continue picking up in the coming months, which will be an important additional source of support to make up for limitations in other economic sectors. Don Lam, CEO and Founding Partner of VinaCapital Group, said preliminary surveys showed that foreign investors are particularly interested in the green transformation and the potential of the consumption sector in

Vietnam, especially in the semiconductor and chip industry. This presents an opportunity for Vietnam to attract more long-term capital inflows, contributing to sustainable economic growth. Apart from general measures to stabilise macroeconomic conditions, improve infrastructure and workforce, Vietnam is focusing on building and developing an ecosystem for sci-tech, innovation, and entrepreneurship that is aligned with the digital business environment. Furthermore, there will be ongoing efforts to simplify investment procedures, making it easier for businesses to start and grow, said Minister of Planning and Investment Nguyen Chi Dung.

Source: <https://english.vov.vn/en/economy/vietnam-attractive-to-foreign-investors-despite-global-uncertainties-post1051514.vov>

Vietnam automobile market slides to fifth in Southeast Asia



Vietnam News | 10 October, 2023

Hanoi (VNS/VNA) — The recent decline in Vietnam's automobile consumption and its drop to the fifth place in Southeast Asia can be attributed to both external and internal factors, car experts said. According to the Association of Southeast Asian Automobile Manufacturers (AAF), in the first six months this year, Indonesia took the lead in car sales with 505,000 units, an increase of 6.3% over the

same period last year. Thailand was in second place with 406,000 units, a slight decrease of 5% while Malaysia came in third with 366,000 units, an increase of 10.3%. Notably, the Philippines rose from fifth position to fourth with 202,415 cars sold, a sharp increase of 30.7%. Meanwhile, Việt Nam dropped to fifth place with 137,327 units, a sharp decrease of 32% compared to the same period last year. According to industry insiders, external factors such as the Russia-Ukraine conflict and global inflation have had an impact on Vietnam's automobile consumption, along with other adverse developments. These factors affected consumer confidence and purchasing power, leading to a decrease in car sales. Domestic auto sales in August plunged nearly 27% year-on-year to 22,540 units as consumers continued to tighten their spending amid economic difficulties. Sales in August were lower than in June and July. Internally, Vietnam faces challenges in its economy and market conditions that have contributed to the decline in automobile consumption. Compared to some Southeast Asian countries, Vietnam's economy is still developing, and the living standards and purchasing power of its people may not be as high. Pham Cuong, Chairman of the Vietnam Auto Motorcycle and Bicycle Association (Vamoba), said Vietnam's car prices are relatively high compared to other countries in the region, with a price policy that is considered

unstable. This price disparity, along with limited choices in car models, can affect consumer preferences and their ability to purchase cars. Dao Cong Quyet of the Vietnam Automobile Manufacturers Association (VAMA), has pointed out that Vietnam was affected by the COVID-19 pandemic later than other Southeast Asian countries, which resulted in a delay in its recovery. As a result, it may take more time for Vietnam to show signs of improvement in general consumption of goods, including automobiles. Other factors contributing to the decline in car consumption in Vietnam include high bank interest rates and liquidity issues in the real estate market. These factors can affect consumer financial capabilities and their willingness to invest in high-value goods like cars, Quyet added. Car expert Nguyen Minh Dong said car prices in Southeast Asia countries are 30-40% cheaper than in Vietnam. While, Vietnam's price policy is not stable. Car markets in these countries also have more car models, therefore, consumers have more choices. **Đ**ông said it is necessary to exempt and reduce special consumption taxes and some types of fees and charges for cars so as to create incentives for more people to buy cars. Tran Thanh Tung, head of the Business Administration at Ho Chi Minh City University of Economics and Finance, said it is worth noting that the decline in car sales in Vietnam is not necessarily viewed as a bad signal.

Some experts see it as a reflection of cautious spending in the context of slowing economic growth and high loan costs. In addition, it can help alleviate pressure on the country's road infrastructure, which is already burdened by a high number of personal vehicles. To address the decline in automobile consumption, experts have suggested measures such as exempting or reducing special consumption taxes and fees for cars, providing more car model options, and studying car loan policies from other countries in the region. These measures aim to create better conditions for consumers and stimulate the market./.

Source: <https://en.vietnamplus.vn/vietnam-automobile-market-slides-to-fifth-in-southeast-asia/269345.vnp>
