

## Highlight News / October 18, 2023



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## Cambodia to launch cross-border payment with Indonesia, Morocco



*Cambodia News | 17 October, 2023*

In a significant fillip to ties with Indonesia and Morocco, Cambodia has taken giant strides in developing cross-border payment systems with the two nations, according to a statement by the National Bank of Cambodia. With Indonesia, Cambodia is poised to sign a Memorandum of Understanding (MoU), while discussions with Morocco were conducted on the sidelines of the Annual Meetings of the International Monetary Fund (IMF) and the World Bank Group (WB) in Marrakech, Morocco on October 9-15, 2023. In bilateral discussions between NBC's Governor Chea Serey and Perry Warjiyo, Governor of the Bank of Indonesia, (the central bank of the country), an MoU aimed at boosting bilateral collaboration, particularly in cross-border digital payment connectivity is in the works. "[The cross-border digital payment connectivity] will facilitate tourism, trade and investment activities in the two countries," the statement read. The duo also was in agreement in regard to exchanging expertise on the implementation of monetary policy, statistics and working of central banking branches in all municipalities and provinces. Abdellatif Jouahri, Governor of the Central Bank of Morocco was on board with Serey for another bilateral meet to finetune their financial technology or Fintech, a part of which comprises payment systems and digital

currencies. The progress and visions of the IMF and WB were discussed by central bank governors and finance ministers of member nations of the two multilateral institutions in order to further enhance the economic and social developments of the countries involved. Key issues and challenges facing the world, as well as the region, like world poverty, income inequality, green development and finance, climate concerns and expansion of monetary policy implementation and digitalization came under focus as well. "The participation showcases the commitment in strengthening the collaboration between Cambodia, IMF and WB to support the [country's] economic and social development such as providing opportunities for bilateral and multilateral development among those country members," the statement said. It mentioned that the annual meetings saw the participation of the country members of the Board of Governors of the two international institutions.

Source: <https://www.khmertimeskh.com/501376848/cambodia-to-launch-cross-border-payment-with-indonesia-morocco/>

## Crop processing brings Cambodia and Brazil together



*Cambodia News | 17 October, 2023*

With an eye on boosting investment in the agriculture sector, particularly export crop processing, Mauro Vieira, Brazilian Foreign Minister on Thursday held talks with Dith Tina, Cambodian Minister of

Agriculture, Forestry and Fisheries. Tina played up the immense potential of the Kingdom's agricultural sector in the surplus of nearly six million tonnes per annum. He also highlighted the potential of crops like cashew, cassava and rubber. Crop processing is one promising sector for investment opportunities with trade agreements being signed with China. "Additionally, the Kingdom also has attractive laws for foreign investment which is a huge advantage and opportunity for investors in downstream processing," Tina said. Vieira on the other hand, announced plans for an embassy in Cambodia to mark the 30th anniversary of diplomatic relations in 2024 between the two countries. This is expected to galvanise investment and trade. He also intimated Tina on an upcoming visit by the Brazilian Agriculture Minister. The duo pledged to support mutual development, particularly in food security and environmental sustainability in light of the world food shortage. Speaking to Khmer Times, Lun Yeng, Secretary General of Cambodia Rice Federation (CRF) said, "Cambodia has not collaborated with Brazil in terms of rice export or processing it. However, the two governments need time to work step by step, and if the investment in cashew, rubber, and cassava goes smoothly we will eventually extend cooperation to other crops with this country as well." Uon Silot, President of the Cashew nut Association of Cambodia (CAC) told Khmer Times that in terms of potential, Brazil ranks among the leading contenders in producing and processing crops. In 2021, the country generated

135,000 tonnes of raw cashew nuts (RCN). However last year climate hazards reduced production to 120,000 tonnes. "In general, the country is capable of producing various crops and processing them before exporting to other countries to increase value-add to the product. Due to the overload of agricultural raw material, Brazil rarely imports agriculture products into their country but further converted the leftover crops into animal food for an additional benefit," Silot added. While the daunting distance of over 15,000 kilometres between the two countries discourages connecting export procedures, investment opportunities for crop processing holds unlimited potential.

Source: <https://www.khmertimeskh.com/501376837/crop-processing-brings-cambodia-and-brazil-together/>

## Laos needs to attract more foreign currency to stabilise the kip: economist.



*Laos News | 17 October, 2023*

A high-level economist has stressed the need for Laos to create conditions that favour the inflow of foreign currency into the money supply, saying it will help to stabilise the value of the kip by boosting exports, tourism and foreign investment. Senior economist and Dean of the Faculty of Economics and Business Management, National University of Laos, Professor Phouphet Kyophilavong, made the

comment during an exclusive interview with the Vientiane Times recently to highlight the opportunities and challenges facing the country. “In order to stabilise exchange rates and deal with economic challenges, we need to bring in more foreign currency by increasing the value of exports, tourism and foreign investment. The inflow of foreign currency will help to stabilise exchange rates and the value of the kip,” he said. Asked how business operators can turn crisis into opportunity, Prof. Phouphet said the weak kip will boost the competitiveness of Lao products in the international market. Exporters should make use of this opportunity and ship more agricultural products on the Laos-China railway to help boost foreign exchange earnings. Concerning the Visit Laos Year 2024 promotion campaign, he said visas should be taken into consideration by granting or extending visas free for foreign visitors. “When tourists come to Laos, they bring foreign currency and spend it here. If we want more foreign visitors, we must make it easy for them to get visas,” Phouphet said. “For instance, the free visa that is granted to Japanese visitors should be extended for a longer period so that more Japanese will come and spend more time in Laos, boosting the country’s economy.” Another significant issue to be addressed is real estate. No specific regulations have yet been issued to indicate that foreign investors can buy property in Laos.

Phouphet said that without clear regulations, foreign investors will be reluctant to buy property on sale in Laos. When buyers lack confidence, investors in the real estate business will be reluctant to expand and invest more in their operations.

Source: <https://www.nationthailand.com/world/>

[asean/40031972](https://www.nationthailand.com/world/asean/40031972)

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## China-Laos Railway trains carry 81,000 cross-border passengers.



*Laos News | 17 October, 2023*

More than 81,000 cross-border passengers have used the international train service on the China-Laos Railway over the past six months, border control authorities in southwest China’s Yunnan Province said. Among them, more than 15,000 were foreigners from more than 60 countries and regions, according to the exit-entry frontier inspection station of Mohan on the China-Laos border, which had handled 370 passenger trains at the Mohan railway port as of Friday. Friday marked the six-month anniversary of the international passenger train service of the China-Laos Railway. Since the launch of cross-border passenger service on the railway in April this year, it has quickly become the preferred option for a growing number of international travelers due to its affordability, convenience and comfort. Starting from late July, the travel time from Kunming

to Vientiane has been shortened by an hour to around nine and a half hours, thanks to streamlined customs clearance procedures.

Source: [https://www.vientianetimes.org.la/freenews/freecontent\\_202\\_China\\_y23.php](https://www.vientianetimes.org.la/freenews/freecontent_202_China_y23.php)

## US\$16,551.306 mln earned from foreign trade volume in more than six months period in 2023-24 FY



*Myanmar News | 17 October, 2023*

From 1 April to 6 October, Myanmar exported \$8,712.336 million and imported \$7,838.97 million. Imports exceeded exports by over \$870 million, resulting in a trade deficit of \$873.366 million. Myanmar exports agricultural produce, livestock products, fishery products, minerals products, forest products, finished industrial products, and other items to foreign countries. Investment goods, commercial raw materials, consumer goods, CMP raw materials, etc. are primarily imported from foreign countries. To boost Myanmar's exports, the National Export Strategy (NES) 2020-2025 is currently in effect. The key priority sectors of the NES 2020-2025 include agriculture-based food production, textile and clothing, industrial and electrical, fisheries, forest products, digital products and services, logistics services, quality management, trade information

services, innovation and entrepreneurship, among others.

Source: <https://www.gnlm.com.mm/us16551-306-mln-earned-from-foreign-trade-volume-in-more-than-six-months-period-in-2023-24-fy/>

## Power shortage in Vietnam looms until 2050



*Vietnam News | 17 October, 2023*

With the construction of many large power plants stalling or slowing and the dependence on imports for energy increasing, electricity shortages are possible until 2050, lawmakers fear. According to a report on energy development in 2016-21 done recently by a supervisory team from the National Assembly Standing Committee, Vietnam's primary energy resources are increasingly depleting with hydropower being fully tapped and oil and gas output in some major fields decreasing rapidly. Generation varies between regions with some power projects like Na Duong II, Quynh Lap I, Cam Pha III, Ca Voi Xanh, LNG Thi Vai, and LNG Son My slow to be completed, and some others grinding to a halt. The delays led to shortages in the north in May and June. A World Bank report published in August estimated Vietnam's losses due to the electricity shortages at US\$1.4 billion, or 0.3% of GDP. Experts warn about continuing shortages in the north since no new plants are

going on stream in the next two years. The risk of power shortages, especially in 2024-25, was also flagged by Vietnam Electricity (EVN) in a recent report to the Ministry of Industry and Trade. It expected there would be “basically enough electricity” in 2024, but said in 2025 the north could face a shortage of 6.8 billion kWh during the peak dry season in May-July. But a slew of new plants is scheduled to go on stream at the end of 2025. Besides facilitating the construction of power plants and undertaking grid works to transmit electricity to the north, EVN also plans to step up power purchases from Laos. Also according to the report, investment in power plants and power grids in 2016-21 was inadequate. The grid connection and power transmission capacities did not meet the needs of renewable energy plants in the central region. Power generation is insufficient in the north and a stable and efficient linkage with Southeast Asia has yet to be set up. According to the report, annual electricity output and imports increased 50.8% between 2015 and 2020 to 247 billion kilowatt-hours. Consumption also rose 50% to nearly 217 billion kilowatt-hours.

Source: <https://www.retailnews.asia/power-shortage-in-vietnam-looms-until-2050/>

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## Vietnam to extend VAT cut until June despite \$1bn revenue loss



*Vietnam News | 17 October, 2023*

HANOI (Reuters) -- The Vietnamese government said on Tuesday it plans to extend a rate cut for the value-added tax (VAT) until the end of June to boost domestic consumption and production as the global economy remains sluggish. The extended cut still needs parliament's approval. The reduction, to 8% from 10%, took effect in July and is set to expire by the end of this year. The next session of parliament is scheduled to begin next week. The 8% rate is not applicable to services and products like banking, finance, telecommunications and real estate, the government said in a statement. The cut, which is expected to boost domestic consumption, would reduce the government's budget revenue by 25 trillion dong (\$1.02 billion), the statement added. Vietnam's economic growth rose 5.33% in the third quarter, higher than the 4.05% for the previous one, official data shows. Headline inflation continued a sharp upward increase that started in June, official data shows. September's consumer price index rose 3.7% in September from a year earlier. While economic growth picked up in the July-September period thanks to a gradual recovery in exports, domestic consumption remained subdued and

credit growth continued to be slow reflecting weak private domestic investment and investor confidence, the World Bank said in its latest report. Retail sales in the country of nearly 100 million rose 9.7% in the first nine months of this year from a year earlier, according to the General Statistics Office.

Source: [https://asia.nikkei.com/Economy/Vietnam-to-extend-VAT-cut-until-June-despite-1bn-revenue-loss?fbclid=IwAR2dq0G\\_GS-qP1B38OS5ak2BUxtFDb7UwtX2504m-uyMciiFRuwtsHkNbzg](https://asia.nikkei.com/Economy/Vietnam-to-extend-VAT-cut-until-June-despite-1bn-revenue-loss?fbclid=IwAR2dq0G_GS-qP1B38OS5ak2BUxtFDb7UwtX2504m-uyMciiFRuwtsHkNbzg)

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