

Highlight News / December 04, 2023



- New Phnom Penh airport 55% completed
- Work on new hydropower plant in Cambodia goes smoothly
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- Pre-License Cargo Inspection eased for rice exporters in cargo flights, MRF announces
- Myanmar bags US\$116 mln from rubber exports in 7 months
- Vietnam's PMI drops to lowest level in five months: S&P Global
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Advisory Institute for Trade and Investment by TCC (AiTi)

New Phnom Penh airport 55% completed



Cambodia News | 01 December 2023

The construction of the new international airport in Phnom Penh is 55 percent completed as of November and it is on course to open for operations in 2025 with work progressing as per the schedule, according to the State Secretariat of Civil Aviation. While stating the progress of the work to Khmer Times, yesterday, SSCA's Under-Secretary of State Sinn Chansereyvutha said that the first phase of the Techo International Airport will cost approximately \$800 million. The airport, named Techo International Airport in Kandal and Takeo provinces, about 20 km south of Phnom Penh, is a joint venture between the Royal Government of Cambodia through the Secretariat of State for Civil Aviation and the Overseas Cambodia Investment Corporation (OCIC). "As planned, the project is expected to be completed by the end of 2024 and we expect the airport to start operations in the first half of 2025," he said. Once it commences operations, the new airport will replace the current Phnom Penh International Airport. Cambodia's international airports handled a total of 4.11 million air passengers in the January-October period of 2023, a year-on-year increase of 144 percent, an SSCA report stated. The Kingdom recorded a total of 41,596 flights at international airports during first ten months of 2023, up 93 percent compared to the same period last year. Mao

Havannall, Minister in Charge of the State Secretariat of Civil Aviation, said that the figures point to a significant recovery of the Cambodian aviation industry. "We understand that the aviation industry in Cambodia has recovered more than 55 percent compared to the pandemic era," he said in October.

Source: <https://www.khmertimeskh.com/501399940/new-phnom-penh-airport-55-completed/>

Work on new hydropower plant in Cambodia goes smoothly



Cambodia News | 01 December 2023

Construction work on a the Upper Tatay Hydropower Station, with a designed capacity of 150-megawatts (MWs) has been 31.5 percent completed so far, officials said on Thursday. Cambodian Prime Minister Hun Manet and Chinese Ambassador to Cambodia Wang Wentian presided over the river closing ceremony for the construction of the hydropower station held near the dam site in Thmar Baing district, with more than 1,000 participants. Speaking at the event, Hun Manet said that the project, invested by the China National Heavy Machinery Corporation (CHMC), is a concessional contract of a 39-year build-operate-transfer (BOT), of which, four years for construction and 35 years for operations. Cambodian Minister of Mines and Energy Keo Rattanak said that the construction of the Cambodia Upper Tatay Hydropower Station started in Dec. 2022 and to date, 31.5 percent of the whole

project has been completed. The company has so far completed the construction of a road leading to the construction site, a bridge, an administration building and other necessary infrastructure, said the minister. According to Hun Manet, the hydropower station is expected to generate 527 million kilowatt hours of electricity per year when it is fully operational, and the electricity will be sold to the state-owned Electricity of Cambodia. Xinhua

Source: <https://www.khmertimeskh.com/501400180/work-on-new-hydropower-plant-in-cambodia-goes-smoothly/>

Work on new hydropower plant in Cambodia goes smoothly



Laos News | 01 December 2023

The report, titled Fiscal Policy for Stability, projects that the Lao economy will grow at 4.1 percent in 2024, but challenges will remain due to skyrocketing inflation, high external debt and a labour shortage. The economic improvement is largely due to stronger performance in tourism, the transport and logistics services, and greater foreign investment, but the growth rate is lower than was previously expected, according to the World Bank. The report shows inflation has increased consumption and business costs, thereby reducing household spending on food, education and health. Inflation has also depleted savings, placing many families at

risk of falling into poverty. “Although the global prices of some imported goods have eased, inflation remains high in Laos, reaching 26 percent in the year to October 2023. Food price inflation stood at 29 percent, severely affecting poor urban households,” the World Bank said. “The weakening national currency is the main cause - on average, a 1 percent fall in the value of the kip increases consumer prices by 0.5 percent. Therefore, inflation will remain high until exchange rates stabilise.” The kip has continued to depreciate over 2023, falling in value by 29 percent against the Thai baht and by 21 percent against the US dollar up to October. The mismatch between foreign currency demand and supply and the limited inflow of export proceeds have affected the Lao economy.

Source: https://www.vientianetimes.org.la/freefreeneews/freecontent_235Laossees_23.php

Pre-License Cargo Inspection eased for rice exporters in cargo flights, MRF announces



Myanmar News | 02 December 2023

While the export of rice and broken rice by sea and border routes is slowing down, the Myanmar Rice Federation has announced that rice and broken rice exporters using cargo flights will not have to undergo

pre-license cargo inspection. From 1 December 2023, only 50 percent of storage will be inspected for the volume applied for in the export license, instead of 100percent, said the announcement. There is no requirement of pre-license cargo inspection for export license applications under 260 tonnes and this statement will take effect as of 1 December till 31 December, in order to support micro, small, medium enterprises (MSME) and small and medium enterprises (SME), it said. Rice and broken rice export is expected to reach 2million tonnes in 2023-2024 financial year, but the country has received US\$271million from 583,683 tonnes of export in the first six months of the year, down 50percent compared to the same period last year, according to MRF.

Source: <https://www.gnfm.com.mm/pre-license-cargo-inspection-eased-for-rice-exporters-in-cargo-flights-mrf-announces/#article-title>

Myanmar bags US\$116 mln from rubber exports in 7 months

 Myanmar News | 03 December 2023

Myanmar shipped more than 94,435 tonnes of rubber to foreign countries as of 3 November in the current financial year 2023-2024, beginning 1 April, with an estimated value of US\$116.79 million, according to the Ministry of Commerce. Myanmar's

annual rubber production is forecast to be around 300,000 tonnes this FY. The prevailing prices are K1,640 per pound of Ribbed Smoked Sheet Local 3 and K1,620 for sun-dried rubber. Global demand for rubber, rubber production in the Southeast Asian nations and the market supply contribute to Myanmar's rubber prices. The traders elaborated that the rubber price in Mon State, a significant rubber production state in Myanmar, is closely tied to those factors as well. Seventy per cent of rubber produced in Myanmar goes to China. It is also shipped to Singapore, Indonesia, Malaysia, Viet Nam, the Republic of Korea, India, Japan, and other countries. Rubber is commonly produced in Mon and Kayin states and Myanmar's Taninthayi, Bago, and Yangon regions. As per 2018-2019 rubber season data, there are over 1.628 million acres of rubber plantations in Myanmar, with Mon State accounting for 497,153 acres, followed by Taninthayi Region with 348,344 acres and Kayin State with 270,760 acres. Myanmar bagged more than US\$449.102 million in revenue in rubber exports in the 2020-2021 FY. The rubber production in the last FY 2022-2023 exceeded 360,000 tonnes, and over 200,000 tonnes of rubber were shipped to foreign trade partners.

Source: <https://www.gnfm.com.mm/myanmar-bags-us116-mln-from-rubber-exports-in-7-months/>

Vietnam's PMI drops to lowest level in five months: S&P Global



Vietnam News | 02 December 2023

Vietnam's Manufacturing Purchasing Managers' Index (PMI) dropped to a five-month low of 47.3 in November from 49.6 in October, according to international independent credit rating data source and index provider Standard & Poor's Global (S&P Global). S&P Global reported that manufacturers faced a renewed reduction in new orders during November, thereby ending a three-month sequence of growth. The pace of decline was the highest since May 2023. It said that weaker customer demand was reportedly behind the fall in new orders. Waning demand extended to international customers as new export orders decreased for the first time in four months. With new orders falling and economic conditions challenging, firms scaled back production again. Output has now decreased in each of the past three months. Moreover, the rate of contraction accelerated sharply and was the most pronounced since May, according to the report. It said that cost pressures picked up again midway through the final quarter of the year. In turn, firms raised their own selling prices for the fourth successive month. Falling new orders, reduced production requirements and a further drop in

backlogs of work meant that manufacturers looked to scale back their purchasing activity and employment in November. Staffing levels decreased modestly following a fractional improvement in October, with workforce numbers having now been reduced in eight of the past nine months. Meanwhile, a slight fall in purchasing activity ended a three-month period during which input buying had been growing solidly. Firms also expressed a reluctance to hold inventories amid demand weakness. Although firms expect output to rise over the coming year amid hopes for an improvement in new orders, business confidence dipped for the second consecutive month and was below the series average. Firms expressed worries about the fragility of economic conditions and international demand weakness, according to S&P Global. Andrew Harker, economics director at S&P Global Market Intelligence, held that demand weakness, both domestically and in international markets, led to retrenchment across the Vietnamese manufacturing sector in November. With new orders down, firms scaled back their production, employment and purchasing activity, plus limited inventory holdings. The renewed fall in new orders was in part attributed to some resistance among customers to price rises. With firms' own input costs increasing to the largest extent since February, it may prove challenging for manufacturers to price competitively in the months

ahead, he said, adding that the sector therefore looks set to head into 2024 in pretty subdued fashion, hoping for a pick-up in demand conditions to occur soon.

Source: <https://english.vov.vn/en/economy/vietnams-pmi-drops-to-lowest-level-in-five-months-sp-global-post1062915.vov>

Therefore, the ministry proposed the Government raise the target to 12.5 - 13 million for this year./.VNA

Source: <https://vietnamnet.vn/en/vietnam-earns-almost-26-billion-usd-from-tourists-in-11-months-2221885.html>

Vietnam earns almost 26 billion USD from tourists in 11 months



Vietnam News | 02 December 2023

Vietnam recorded about 628.3 trillion VND (over 25.8 billion USD) in total earnings from tourists during January - November, said the Vietnam National Authority of Tourism (VNAT). The country served 103.2 domestic tourist arrivals during the 11 months, concentrating on May - July, especially June with 13.5 million travellers. The November figure stood at 4.5 million. Meanwhile, more than 11.2 million international visitors chose Vietnam as their holiday destination during the first 11 months. They included over 1.23 million arrivals in November, up 11% month on month and also the highest monthly number of international tourists since the beginning of this year, statistics show. Vietnam initially aimed at 8 million foreign tourists in 2023, but the number already approximated 8.9 million during the first nine months, equivalent to 111% of the initial target.