



- Cambodia-Japan SEZ project on the cards
- Cambodia's GFT exports jump 22% amid rising hopes
- New system to boost foreign currency management.
- DPM advises govt, businesses to jointly improve tourism.
- YGN palm oil wholesale reference price falls at small pace
- Agri export earnings hit US\$2.8 bln in past ten months
- Middle East: the fourth largest importer of Vietnamese tuna
- Cambodian exports to Vietnam soar 116% in January 2024



Cambodia-Japan SEZ project on the cards



Cambodia News | 14 February, 2024

The Cambodian government is preparing a policy on establishing Cambodia-Japan special economic zones as the country is keen to attract more direct investments from Japan. An inter-ministerial meeting in this regard was held on Monday to discuss and prepare concept documents for establishing the special economic zones in Cambodia. The meeting was chaired by Sun Chanthol, Deputy Prime Minister and First President of the Council for the Development of Cambodia with participation from high-ranking officials such as Keo Rattanak, Minister of Mines and Energy, Hem Vandy, Minister of Industry, Science, Technology and Innovation and Phan Phalla, Secretary of State of the Ministry of Economy and Finance among others. “The meeting discussed the concept documents for the Cambodia-Japan Special Economic Zones to encourage more Japanese businesses to invest in Cambodia,” read a statement. The proposed project is important to attract more Japanese investments to Cambodia, generate jobs, build skilled capacity for local labourers and contribute to the economy through exports, said Lim Heng, Vice President of the Cambodia Chamber of Commerce. “The Cambodia-Japan SEZ will provide many advantages to Cambodia and will attract more Japanese investors to Cambodia as we have huge markets under trade agreements and RCEP, create jobs and

build capacity for local workers,” Heng told Khmer Times. The Cambodia-Japan Special Economic Zone project is accelerated and implemented in accordance with the initiative proposed by Prime Minister Hun Manet during his visit to Japan in December 2023. During the official visit to Japan, the Prime Minister asked Japanese investors and businesses to consider investing in the Kingdom, particularly in the soon-to-be-established special economic zones. Japan is one of the largest foreign investors and trading partners of Cambodia. Japanese investment in Cambodia currently includes projects like Minebea (Cambodia) Co Ltd, a modern machinery and motor factory, a car assembly plant, Aeon Malls and initiatives in the agriculture sector. The SEZ project was earlier mentioned during a meeting on December 25 between CDC and the Japanese Ambassador to Cambodia Ueno Atsushi. It was also in line with Prime Minister Hun Manet’s announcement recently. Cambodia is considering creating a special economic zone by countries, the Prime Minister said on January 31 at the official launch of the Special Program to Promote Investment in Preah Sihanouk Province 2024. Cambodia is studying and preparing a special economic zone for investors who are from the same country, he added, indicating a different model to the existing SEZs that have investors from different countries. “We are actively formulating policies and implementing pilot projects in economic zones. The new model will complement the existing ones, not replacing or competing with them,” the

Prime Minister then said. Heng also emphasized the importance of having technical training to increase the availability of skilled labourers for supporting hi-tech investment projects like Minebea (Cambodia) which was established in the Phnom Penh Special Economic Zone. “We should step up skills training to increase the availability of skilled labourers to support investments with high-end technology, which is one of the potential areas to attract more investors to the country,” Heng said. The CDC approved 149 Japanese investment projects with a total capital of about \$2.9 billion as of August 2022, investing mainly in garments, footwear, travel goods, auto parts, electronics, car tire, automotive parts, solar panels and bicycle assembly industries. Data from the General Department of Customs and Excise indicated that in 2023, trade between the two countries amounted to \$1.8 billion, a 7.2 percent decrease from the \$1.94 billion recorded in 2022. Exports to Japan amounted to \$1.17 billion in 2023, a marginal increase of 0.2 percent, while imports from Japan amounted to \$623 million, a decline of 18.5 percent.

Source :

<https://www.khmertimeskh.com/501439391/cambodia-japan-sez-project-on-the-cards/>

Cambodia’s GFT exports jump 22% amid rising hopes



Cambodia News | 14 February, 2024

The exports of garments, footwear and travel goods (GFT) rose by 21.64 percent in January this year,

earning \$967 million for the sector after declining for most of the time last year. The turnaround brought cheers to the vital sector of the Cambodian economy that employs nearly one million people. According to the latest trade data released by the General Department of Customs and Excise (GDCE) on Monday, all segments under the GFT sector performed well in January 2024, raising their export income, compared to the same month last year. Accordingly, the exports of knitted apparel articles and clothing accessories earned \$435 million, registering a growth of 24.3 percent, compared to January 2023. Non-knitted apparel articles brought in \$269 million with a growth of 30.9 percent year-on-year. Footwear exports earned \$122 million last month, an increase of 11.4 percent compared to January 2023 and articles of leather and travel goods another \$122 million with a growth of 4.1 percent over the same period. Other made-up textile articles earned \$18,227 in January 2024, registering a growth of 48.1 percent, compared to the same period last year. It is also noteworthy that Cambodia managed to achieve this growth in exports despite trade barriers such as the non-renewal of the Generalized System of Preferences (GSP) by the US and the nearly 20 percent reduction in Everything But Arms (EBA) benefits by the European Union (EU), two of the biggest markets for the GFT goods. The GFT sector is one of the biggest employment generators in the country and has created nearly one million direct jobs, according to the International Labour Organisation (ILO). The sector accounted for

11 percent of the economy and contributed around 50 percent of Cambodia's real GDP growth as per its estimates in 2021. It is also hoped that the turnaround in GFT exports this January will continue for the rest of the year and stem the loss of jobs and closure of factories. The Cambodian government in March 2023 started providing an allowance of \$40 a month to each worker in the GFT sector whose labour contract was suspended following a slowdown in global demand. It may be recalled that Cambodia's GFT exports declined by 13.31 percent in 2023 amid global challenges, from \$12.80 billion earned in 2022 to \$11.09 billion, leading to the suspension of work for many factory employees. The decline in GFT goods exports that started in the latter half of 2022 continued last year too even as almost all other sectors registered growth in exports in 2023. The decline in GFT goods exports in 2023 has also resulted in calls from experts to reduce the over-reliance on the sector and diversification of exports by encouraging other sectors as well. The country's dependency on the GFT sector as both a primary contributor to economic growth, as well as to private household income, meant that any decline in GFT exports is likely to have a deep impact. Cambodia, meanwhile, is facing stiff competition from other Asian countries such as Bangladesh in the GFT sector. Bangladesh increased its garment exports by 10 percent in 2023 to an all-time high of \$47 billion, four times that of Cambodia. This also calls for skills development in the sector in Cambodia to increase the productivity of workers. Further, it

should implement cost-effective measures such as the promotion of renewable energy sources including solar to regain the competitive edge. Speaking with Khmer Times, recently, Massimiliano Tropeano, Sustainability and Garment Expert of the European Chamber of Commerce in Cambodia (EuroCham), underscored the need for Cambodia's GFT sector to increase its competitiveness. According to him, having a progressive regulation and tariff on installing solar panels will enable the sector to be far more competitive and in turn help it hire more workers and earn more revenues for the country.

Source :

<https://www.khmertimeskh.com/501439379/cambodias-gft-exports-jump-22-amid-rising-hopes/>

New system to boost foreign currency management.



Laos News | 14 February, 2024

The Ministry of Finance, the Ministry of Industry and Commerce, and the Bank of the Lao PDR will jointly implement a new system to help monitor and manage the flow of foreign currency in Laos. The system, called Capital Flow Management System (CMS), will link business registration, the Asycuda code, and the transactions of exporters and investors with commercial banks and the central bank. The system will also provide a dashboard for the relevant ministries to track the value and products of export and import activities. Capital Flow

Management System is expected to be operational by the end of this month, according to the Pasaxon newspaper. The system will offer several benefits to the public sector, business operators, and banks. It will enable them to receive notifications about payments from specific destinations; plan their income on a daily, weekly, monthly and yearly basis; reduce the time needed to interact with the banks and related departments; track goods and their arrival time; sum up foreign investment accounts in material and cash form; and verify information with relevant parties in real-time.

Source:

https://www.vientianetimes.org.la/freefreenews/freecontent_32_New_y24.php

DPM advises govt, businesses to jointly improve tourism.



Laos News | 14 February, 2024

A top government official has advised the public and private sectors to form closer links to improve tourist attractions, visitor facilities, and services at hotels and restaurants. Improvements should be made to ensure quality services and develop activities and diversified tourism products that relate to the country's many ethnic groups, as well as develop agritourism, Deputy Prime Minister Prof. Dr Kikeo Khaykhamphithoune said on Tuesday when addressing a meeting to report the ministry's 2023 annual work summary and plan for 2024. The government and businesses should collaborate to advertise, develop and manage cultural, historical,

natural, agricultural and sustainable tourism with the participation of local communities, he added. This would encourage more local people to engage in tourism, use Lao products, and help ensure that all tourism-related business are better regulated. The Deputy PM also noted that over the past year, the information, culture and tourism sectors in both central and local areas had made significant progress.

source :

https://www.vientianetimes.org.la/freefreenews/freecontent_32_DPM_y24.php

YGN palm oil wholesale reference price falls at small pace




Myanmar News | 14 February, 2024

The wholesale reference rate of palm oil for the Yangon market was set for a second weekly fall to K5,140 per viss from 13 to 18 February, indicating a slight decrease of K135 per viss compared to that (K5,275) of last week ending 12 February, according to the Supervisory Committee on edible oil import and distribution. The reference price was set at K5,380 during the week ending 4 February. The Supervisory Committee on Edible Oil Import and Distribution under the Ministry of Commerce has closely observed the FOB prices in Malaysia and Indonesia, adding transport costs, tariffs and banking services to decide the weekly wholesale market reference rate for edible oil. Nevertheless, the market price is way higher than the reference price. To control overcharging, the Consumer Affairs

Department under the Ministry of Commerce informed the consumers of lodging the complaints for overcharging through the call centre's hotline in late August. The department urged consumers not to buy palm oil at high prices. The department is making concerted efforts to steer the high volatility in palm oil prices in the retail market and offer fairer prices to consumers in coordination with the Myanmar Edible Oil Dealers Association and oil importing companies. The complaints for overcharging can be lodged over hotline 1535 of the call centre of the Consumers Affairs Department or sent to the Facebook page of the department and the region and state departments concerned. The domestic palm oil consumption is estimated at one million tonnes per year. The local palm oil production is just about 400,000 tonnes. About 700,000 tonnes of palm oil are imported yearly through Malaysia and Indonesia to meet domestic demands.

Source : <https://www.gnlm.com.mm/ygn-palm-oil-wholesale-reference-price-falls-at-small-pace/#article-title>

Agri export earnings hit US\$2.8 bln in past ten months

 *Myanmar News | 14 February, 2024*

Myanmar's agricultural exports amounted to US\$2.8 billion in the past ten months of the current financial year 2023-2024, beginning 1 April, the Ministry of Commerce's statistics indicated. The figures dropped from \$3.108 billion recorded in the corresponding period last FY, showing a drop of

\$301.79 million. Myanmar carries out international trade through border and maritime trade channels. It exports agricultural products, animal products, minerals, forest products, and finished industrial goods, while it imports capital goods, intermediate goods, raw materials imported by the CMP enterprises and consumer goods. Myanmar has implemented the National Export Strategy (NES) 2020-2025 to boost exports. The priority sectors of the NES consist of agricultural production, garment and apparel, industrial and electronic device, fishery business, forest product, digital manufacturing and service, logistic service, quality management, trade information service, innovation and entrepreneurship sectors.

Source : <https://www.gnlm.com.mm/agri-export-earnings-hit-us2-8-bln-in-past-ten-months/>

Middle East: the fourth largest importer of Vietnamese tuna

 *Vietnam News | 14 February, 2024*

The Middle East has become the fourth largest importer of Vietnamese tuna, behind only the US, the EU, and the CPTPP market, accounting for nearly 10 per cent of Việt Nam's total tuna export turnover, the Việt Nam Association of Seafood Exporters and Producers (VASEP) has said. Statistics from the General Department of Customs showed that Việt Nam last year exported US\$82 million worth of tuna to the bloc. Vietnamese tuna exports to several markets throughout the Middle East region recorded a considerable surge in 2023 compared to the

previous year. Specifically, tuna exports to Israel, Lebanon, the United Arab Emirates (UAE), and Turkey climbed by 37 per cent, 17 per cent, 23 per cent, and 73 per cent, respectively. Exports to other markets in the bloc saw a strong decline including Egypt, down 47 per cent, and Saudi Arabia, down 78 per cent. In recent years, facing many challenges from main consumer markets, Vietnamese tuna businesses have looked to smaller but markets with potential such as the Middle East to diversify export markets. But the bloc also sets forth high requirements for imported food products, including Halal certification, forcing local firms to process and package appropriately to meet these requirements. Last year, Vietnamese tuna exports hit \$845 million, a year-on-year decrease of 17 per cent, according to VASEP. In December alone, however, the exports recorded a slight increase of 7 per cent year-on-year to \$73 million, it said. Vietnamese's tuna products are being shipped to 99 markets around the world.

Source :

<https://vietnamnews.vn/economy/1650464/middle-east-the-fourth-largest-importer-of-vietnamese-tuna.html>

Cambodian exports to Vietnam soar 116% in January 2024



Vietnam News | 14 February, 2024

Cambodian earned US\$373 million from exporting commodities to Vietnam in January 2024, representing an increase of 116.6% year on year, according to the General Department of Customs and Excise of Cambodia (GDCE). Currently, Vietnam is Cambodia's second largest export market, after

the US and ahead of China, Japan, and Thailand. In January alone, Cambodia raked in US\$1.97 billion from exports, up 27% year on year. Lim Heng, vice president of the Cambodian Chamber of Commerce, attributed the rapid export growth to the gradual recovery of the global economy plus the increasing domestic production. Cambodia has a large export market due to enjoying preferential tariffs with a number of partners, as well as the enforcement of bilateral and multilateral free trade agreements that Cambodia has signed with partners, said Lim Heng. He expressed his belief that Cambodia's export trade turnover would keep increasing in 2024 thanks to diverse and quality export products at competitive prices. In addition to textiles and garments, Cambodia is also an exporter of agricultural products, electronic components, electronics and many essential goods.

Source :

<https://english.vov.vn/en/economy/cambodian-exports-to-vietnam-soar-116-in-january-2024-post1076923.vov>