

Highlight News / May 03/2024



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Business forum to scale up Cambodia-Mexico trade, investment ties



Cambodia News | 2 May, 2024

Trade and investment cooperation between Cambodia and Mexico are expected to increase after a business forum which is planned to be organized in Phnom Penh soon. The remarks were made during a meeting on Monday between Kith Meng, President of the Cambodia Chamber of Commerce and Liliana Ferrer, Ambassador of Mexico to Cambodia. Both discussed the existing business ties and promoting trade and investment between the two countries. Meng said Mexico and Cambodia have had diplomatic relations for a long time, but bilateral trade and economic ties have not been explored adequately. He sought cooperation from the Mexican ambassador to organize joint business events between the two countries to attract Mexican investors to invest in Cambodia. "The Cambodian economy has a wide range of potential and markets where Mexican investors can invest in establishing factories in Cambodia and export products to ASEAN markets and RCEP countries," Meng said. He also asked the Mexican ambassador to consider and push the establishment of a Mexican trade liaison in Cambodia that can work directly to connect with Cambodian businesses and work towards promoting trade and investment. The Mexican ambassador voiced support for the CCC president's proposal, citing that business events to

be held in the coming months in Cambodia will promote the potential and products of Mexico, as well as opportunities in various sectors, especially agriculture, automotive, electronics and tourism. Bilateral trade between Mexico and Cambodia reached \$355 million last year, an increase of 9.07 percent compared to \$322 million in 2022. Luis Enrique Vertiz, Chargé d'Affaires of the Embassy of Mexico in Malaysia, said in March that the trade amount is likely to reach \$400 million by the end of this year as Cambodia keeps on increasing trade and exporting products to Mexico. The main products that Cambodia exports to Mexico are trunks and cases, non-knit women's suits, and knit sweaters and imported from Mexico are delivery trucks and cars.

Source : <https://www.khmertimeskh.com/501481587/business-forum-to-scale-up-cambodia-mexico-trade-investment-ties/>

14 projects worth \$213M approved in Sihanoukville



Cambodia News | 2 May, 2024

Another 14 projects worth \$213 million received approval in Cambodia's coastal city Sihanoukville recently which included 10 projects for reviving the construction of stalled buildings under the 'Special Investment Promotion Program' for the city, launched by Prime Minister Hun Manet earlier in January. Long Dimanche, Deputy Governor of Preah Sihanouk Province told Khmer Times yesterday that 14 projects were verbally approved for incentives under

the Special Program to Promote Investment in Preah Sihanouk Province 2024 during a meeting on April 29 at the Ministry of Economy and Finance (MEF). “The types of incentive and other conditions have not been set due to the nature of each project. Hence, the working group is to issue formal approval in the following weeks,” the Deputy Governor said. The decision on the new projects was made during a meeting chaired by Hean Sahib, Secretary of State of the Ministry of Economy and Finance and Chairman of the Investment Promotion Working Group. Dimanche said that the Working Group approved 14 out of 17 projects. The other three are to be rechecked and reevaluated. The approved projects include five-star hotels, casinos, resort complexes, condominiums, multifunctional buildings for office and accommodation, a concrete mixing plant, a cardboard manufacturing facility and a project for interior decoration. So far, 27 investment projects have received special incentives from the government in the coastal city since the launch of the programme by the Prime Minister on January 31. These projects are a mix of Cambodian and foreign ownership across small, medium, and large-scale investments. It is learnt that the Investment Promotion Working Group will soon review the special incentive proposals for 12 more projects. The move to solve the crisis created by the unfinished buildings, left mostly by Chinese investors, gathered momentum last year following criticism that they were an eyesore in the coastal city known for its tourism potential. Since its inception, the Investment

Promotion Working Group has been actively implementing measures to attract investment to the province. Its efforts include the creation of designated development zones, the drafting of a sub-decree for granting residence visas for long-term investments and the promotion of existing industrial and special economic zones. Incentives under the Special Investment Promotion Program include exemption from income tax and minimum tax for an additional three years, exemption from value added tax till the completion and improvement of stagnant buildings, five-year withholding tax exemption on real estate lease, exemption of property tax and the exemption of various administrative sanctions. The government had identified 362 unfinished buildings in Sihanoukville as of January 2024. According to Aun Pornmoniroth, Deputy Prime Minister, Minister of Economy and Finance Minister, in January, the construction of these buildings was estimated to cost \$1.61 billion. It may be noted that since 2016, investment in Sihanoukville has grown rapidly, especially with the growth of a large number of hotels, restaurants, shops, and other facilities, mostly due to Chinese investments. However, in the period from 2019 onwards, changes in the socio-economic situation combined with the spread of Covid-19 and other global challenges have caused the construction of many buildings to be suspended or stopped. Meanwhile, the work on a master plan to develop Preah Sihanouk province into a multi-purpose model Special Economic Zone is also nearing completion.

The master plan is developed with the support of China's Urban Planning and Design Institute of Shenzhen (UPDIS). With the implementation of the master plan, the city's population is expected to go up to one million from the current 300,000 as the multi-purpose SEZ aims to become a major economic zone in Southeast Asia that is empowered by smart technology, as well as an advanced industrial zone serving regional and global production chains.

Source : <https://www.khmertimeskh.com/501481583/14-projects-worth-213m-approved-in-sihanoukville/>

Central bank issues warning about counterfeit notes



Laos News | 2 May, 2024

Laos is targeting a significant increase in tourism in 2024, with over 1 million foreign tourists already welcomed in the first three months of the year. The top arrival was from Thailand, with 337,689 visitors, according to the Tourism Development Department of the Lao Ministry of Information, Culture, and Tourism. With Thailand remaining the leading source of visitors to Laos, Vietnam came second with 263,160 arrivals in the first quarter of 2024. China, the Republic of Korea, and the United States follow closely behind, highlighting the country's appeal to a diverse range of international tourists. ASEAN countries alone recorded a total visitors of 620,250 while the accumulated numbers of visitors were from Asia and the Pacific. Other contributors include countries from Europe totaling 84,788 visitors,

35,191 visitors from the Americans, and only 2,539 visitors from Africa and Middle East countries combined. The Lao government is optimistic about the future of tourism in the country and aims to host at least 4.6 million international tourists in 2024, generating an estimated revenue of 1.3 billion USD. With its diverse attractions and commitment to sustainable tourism practices, Laos is poised to emerge as a leading travel destination in Southeast Asia.

Source : <https://laotiantimes.com/2024/05/02/laos-welcomes-over-1-million-tourists-in-first-quarter-of-2024/>

CBM hikes minimum reserve requirement ratio



Myanmar News | 2 May, 2024

With a view to taming inflation and controlling the increase in cash in circulation, the Central Bank of Myanmar (CBM) raised the minimum reserve requirement ratio of local currency from 3.5 to 3.75 per cent in liquid assets, according to a directive (4/2024) dated 30 April 2024. This amendment of the minimum reserve requirement ratio will be effective from 3 May 2024. Therefore, the state-owned banks, private banks and foreign bank branches are entitled to put three per cent of Cash at the Bank (CAB) into the Central Bank's deposit account and hold 0.75 per cent of CAB. Furthermore, the interest on average excess reserve was set at 3.8 per cent to facilitate banking operations. The banks that hold an average excess reserve exceeding seven billion

kyats are at least entitled to enjoy the interest. Excess reserves held by the banks are limited to K50 billion. The financial institutions must hold the specified ratio of the deposits into CBM and the average until the last day of the reserve maintenance period. Failing to do so is liable to penalties of CBM. According to CBM's directive dated 5 April 2023, the minimum reserve requirement ratio was set at 3.5 per cent, with three per cent deposit into the CBM account and 0.5 per cent CAB. The interest rate on the average excess reserve was set at 3.6 per cent. CBM set a new minimum reserve requirement ratio, and the latest directive has superseded the earlier one, No 9/2023, dated 5 April 2023.

Source : <https://www.gnlm.com.mm/cbm-hikes-minimum-reserve-requirement-ratio/#article-title>

Four-month FDI into real estate increases fourfold

 *Vietnam News | 2 May, 2024*

The GSO reported that the country attracted US\$9.27 billion in FDI capital in the four-month period, with real estate ranking second among the leading industries. The upward trend indicates that Vietnam's real estate market remains a magnet to foreign businesses despite difficulties faced by the market over the past years. The Ministry of Planning and Investment reported that foreign businesses have injected US\$66.4 billion into approximately 1,100 real estate projects in Vietnam over the past 35 years. Among the investors from 48 countries and territories, Singapore tops the list, followed by the

Republic of Korea, the British Virgin Islands and Japan. Neil MacGregor, managing director of Savills Vietnam, revealed that his company has recently received mergers and acquisitions consulting requests from FDI businesses, and many Japanese, Singaporean, and Taiwanese-Chinese businesses are keen to invest in Vietnam's real estate market. Meanwhile, Le Hoang Chau, chairman of the Ho Chi Minh City Real Estate Association, said many FDI businesses with abundant capital sources are pouring capital into industrial, tourism and residential real estate in the country. Statistics unveiled by KPMG that provides audit, tax, advisory and legal services show that real estate ranks second in terms of mergers and acquisitions transactions, accounting for 23% of the US\$4.4 billion transactions in the Vietnamese market. Investors from Singapore, Malaysia, Taiwan (China), and the Republic of Korea take the lead.

Source : <https://english.vov.vn/en/economy/four-month-fdi-into-real-estate-increases-fourfold-post1092558.vov>

Vietnam posts 271.4 trillion VND in four-month tourism revenue

 *Vietnam News | 2 May, 2024*

Hanoi (VNA) – Vietnam's tourism sector served over 6.2 million foreign visitors and 40.5 million domestic tourists in the first four months of this year, earning 271.4 trillion VND (nearly 10.7 billion USD) in revenue, according to the Vietnam National Authority of Tourism (VNAT). The number of international visitors increased by 68.3% over the same period in

2023, statistics showed. In April alone, the country welcomed over 1.5 million foreign visitors. In particular, the number of holidaymakers to Vietnam in the four months was 3.9% higher than the pre-COVID-19 period, indicating positive recovery and development of the tourism sector, said the VNAT under the Ministry of Culture, Sports, and Tourism. The Republic of Korea remained the largest foreign tourist source with 1.6 million arrivals, accounting for 25.8% of the total international arrivals in Vietnam. It was followed by China, Taiwan (China), the US and Japan. The number of Asians coming to Vietnam soared 77.2% year on year, making Asia the leading regional source of visitors. In particular, tourists from large markets in Northeast Asia, including China, the RoK, and Japan, was the main growth driver. Besides, positive growth was also recorded in the numbers of visitors from Southeast Asian markets like Indonesia, the Philippines, and Malaysia. Tourists from Europe continued to rise strongly thanks to the favourable visa policy applied since August 15, 2023, including such main markets as the UK (35.2%), France (41.7%), Germany (36.9%), Italy (77.4%), Spain (48.5%), and Russia (74%). The national tourism website, <https://vietnam.travel>, and social networking pages of the VNAT have kept promoting destinations, tourism products, and outstanding events of the country, including green tourism on Co To island of northern Quang Ninh province, cuisine tours in the northernmost province of Ha Giang, small and peaceful villages, or An Bang and My Khe beaches in the central city of Da Nang

which are among the 10 most beautiful beaches named by TripAdvisor. In addition, an online exhibition featuring the Trang An Landscape Complex in northern Ninh Binh province was launched on Google Arts & Culture on April 18 by the complex's management board with support from Google Arts & Culture and the UNESCO World Heritage Centre, providing viewers with beautiful images on one of the most attractive destinations in Vietnam. March 2024 data from [similarweb.com](https://www.similarweb.com) showed that the website <https://vietnam.travel> ranked 132,676th in the world, surpassing the travel websites of Thailand (136,108th), the Philippines (808,295th), and Malaysia (881,886th). This result reflected effective tourism marketing and promotion, helping to attract more international visitors to Vietnam, the VNAT added./.

Source : <https://en.vietnamplus.vn/vietnam-posts-2714-trillion-vnd-in-fourmonth-tourism-revenue/285265.vnp>
