

Highlight News / October 19, 2021 2021



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- Businesses eye benefits of Laos-China railway
- In the first 11 months of the 2020-2021 fiscal year, the two countries traded more than \$ 2.67 billion, with Singapore importing more than \$ 2470 million.
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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

## AirAsia Group eyes Cambodia with brand new airline venture



*Cambodia News | 18 October, 2021*

AirAsia Group is looking to Cambodia for potential expansion of its airline business, according to Bo Lingam, head of its new AirAsia Aviation Ltd holding company. AirAsia Aviation will combine its four airlines in Malaysia, the Philippines, Thailand and Indonesia as part of a group-wide business reorganisation to differentiate between its airline business and the move into digital ventures such as deliveries. “We will continue to review new markets to operate from in the future, like Cambodia for example, when we can connect [Southeast Asia] once again with the best value fares and lifestyle offerings,” said Lingam, who is currently the group president for airlines. The creation of AirAsia Aviation will help “facilitate strong projected growth” across the group’s offerings, Lingam said. “The AirAsia Aviation Limited entity holds our existing airline investments and paves the way for new airline ventures to be formed in due course,” he said. AirAsia Aviation has set up a consulting division, which Lingam says is “tasked at reviewing new airline partnerships and franchise opportunities”. Speculation about an AirAsia presence in Cambodia was sparked last November when the Malaysian company said it was “actively exploring” opportunities for a local airline presence in the Indochina region, although it did not elaborate further. “Cambodia has attracted several startup

airlines in recent years and continues to be a market of interest for potential new airlines,” said Brendan Sobie, an independent analyst at Sobie Aviation. “AirAsia has already been serving Cambodia from Malaysia and Thailand. An affiliate in Cambodia would enable AirAsia to access other markets from Cambodia. Typically, China is the focus for any new Cambodian airline,” he said. Passenger traffic at the Kingdom’s three international airports in Phnom Penh, Siem Reap and Sihanoukville fell 92.3 percent in the first seven months of this year, compared with January to July 2020. Alain Brun, chief executive officer of Cambodia Airports, said recently the three airports had upgraded their Covid-safety measures and could go from a few hundred passengers daily to thousands of visitors overnight. Prime Minister Hun Sen has called for the country to be reopened before the end of the year – with either a seven-day quarantine or none at all. The government is seeking to drop all Covid restrictions this month if daily infection rates remain low. Thailand is planning to reopen next month after the successful implementation of the sandbox scheme in resorts such as Phuket. Indonesia’s Bali island has reopened to international visitors although there are currently no international flights. Vietnam plans to reopen the island of Phu Quoc to foreigners next month. Singapore is allowing fully vaccinated foreigners from selected countries to enter without quarantine. Lingam says he is hopeful the region will recover quickly from the effects of the Coronavirus pandemic, helped by the speed of immunisation

campaigns in its key markets. Malaysia recently eased interstate travel restrictions, allowing domestic travellers to visit resort destinations such as Langkawi. AirAsia plans to return to its pre-Covid capacity of 39 local routes and 169 flights by the end of next month and is also hoping to resume international routes to Thailand, Sri Lanka and the Maldives this month. “Pleasing progress is also under way in our other airlines in Thailand, Indonesia and the Philippines as services are resuming in line with accelerated vaccination rates and the easing of travel restrictions in our key markets,” Lingan said. AirAsia flew to Phnom Penh three times a day before Covid-19. It suspended all flights in July last year when Cambodia banned flights from Malaysia after some transit passengers tested positive for the virus. AirAsia Group increased its digital offerings after its airline business took a hit from the Coronavirus crisis. It launched AirAsia Digital in September last year. Its five portfolio companies cover areas such as payment services, logistics, food and travel. In July AirAsia Digital announced it was acquiring the Thai operations of Indonesia’s Gojek to expand its AirAsia Super App in ASEAN by delivering groceries and beauty items in key cities such as Bangkok and Chiang Mai.

Source:<https://www.khmertimeskh.com/50953478/airasi-a-group-eyes-cambodia-with-brand-new-airline-venture/>

## 10 days after Pchum, Cambodia’s COVID-19, cases remain steady below 300 for 17 days with recoveries outstripping infections



*Cambodia News | 18 October, 2021*

recoveries continued to outstrip new infections with 311. PCR test results, the main mode of testing now has seen fewer infections detected and reduced number of imported cases which remains below 20 almost daily. At the same time, COVID-19 claimed 24 more lives, again comprising largely the unvaccinated, according to health sources, bringing the total deaths to 2,634 and 110,465, respectively. Active cases have dropped significantly to 3,130. Total number of community cases were at 97,322 and imported case total stood at 19,343, most of whom were Cambodian returnees from neighbouring Thailand. The first COVID-19 case was detected in Cambodia in late January 2020 in Preah Sihanouk province. The confirmed cases have surged quickly this year due to the Feb. 20 incident. The consistent low number of cases has led to travel and quarantine restrictions from abroad being reduced but preventive measures on businesses still remain to prevent a sudden surge in cases. Businesses are hoping that the Government will reconsider current restrictions and will fully lift most if not all restrictions to enable businesses to get back to live and resume activities, such as gymnasiums, cinemas, spas and other low risk activities. C. Nika – AKP/Khmer Times

Source: <https://www.khmertimeskh.com/50953754/10-days-after-pchum-cambodias-covid-19-cases-remain-steady-below-300-for-17-days-with-recoveries-outstripping-infections/>

## Businesses eye benefits of

### Laos-China railway



*Laos News | 19 October, 2021*

The Laos-China railway could be a game changer for the development of Laos but the government must have a clear plan on how to maximise the advantages offered by the US\$5.9 billion railway, a businesswoman has said. Vice President of the Lao National Chamber of Commerce and Industry, Ms Valy Vetsapong, told Vientiane Times on Monday that the railway will have a significant impact on Laos' economy and will provide huge momentum in strengthening Laos' connectivity with the rest of the region. "Many business operators will surely switch to exporting products, particularly agricultural products, using the railway as it will save both time and money," she said. "The railway will result in the growth of tourism, trade and investment, especially in the processing industry, with many companies being interested in setting up factories to process agricultural products for export," she added. When the first passenger train to run on the Laos-China railway arrived in Vientiane on Saturday, many business operators were excited at the prospect of the benefits rail transport could bring. The electrical

multiple unit train, which has been named Lane Xang, was officially delivered to the Laos-China Railway Co., Ltd., a joint venture based in Vientiane in charge of the railway's construction and operation. The 422.4-km railway is expected to cut the cost of transport through Laos by 30-40 percent compared to travel by road. Travel between Kunming and Vientiane over a distance of 1,022 km is expected to take less than 10 hours, compared to 30 hours by bus, according to the China Daily. Laos' tourism industry is expected to benefit greatly from the expected rise in rail passenger traffic. Following the opening of the Laos-China railway in December, the development of secondary infrastructure is expected to take place along the railway corridor. Ms Valy said businesses are keen to learn more about the government's plans for development along the railway corridor so they can come up with plans and strategies that will tap the potential offered by the railway. When more information is provided, Lao business operators will be well placed to study investment opportunities and consider joint ventures with other business partners when the railway comes into service. Ms Valy said the government should carefully consider tax exemptions for railway-related projects as this could be of real benefit to the nation. Trade facilitation is also essential to ensure the smooth transport of goods along the railway corridor. The Laos-China railway is a strategic part of China's

Belt and Road Initiative and Laos' plan to use its landlocked status to become a land link within the region. Construction of the railway began in December 2016 and is scheduled to be complete and operational in December.

Source: [https://www.vientianetimes.org.la/freeContent/FreeContent\\_Businesses\\_204.php](https://www.vientianetimes.org.la/freeContent/FreeContent_Businesses_204.php)

**In the first 11 months of the 2020-2021 fiscal year, the two countries traded more than \$ 2.67 billion, with Singapore importing more than \$ 2470 million.**



*Myanmar News | 18 October, 2021*

According to figures released by the Ministry of Commerce, Singapore imported more than \$ 2.770 billion in the first 11 months of the 2020-2021 fiscal year, with Singapore importing more than \$ 2.770 billion in bilateral trade. According to the annual trade between Myanmar and Singapore, in the fiscal year 2017-2018, the value of Myanmar's exports was \$ 753.495 million. Imports from Singapore were valued at \$ 3,084.631 million, with a trade volume of \$ 3,838.126 million. From April to September 2018, the value of Myanmar's exports was \$ 190.429 million. Imports from Singapore amounted to \$ 1,806.829 million, with a trade volume of \$ 1997.258 million. In the 2018-2019 fiscal year, Myanmar's export value was \$ 344.740 million. Imports from Singapore were valued at \$ 3,162.511 million, with a

trade volume of \$ 3507.50 million. In the 2019-2020 fiscal year, Myanmar's export value was \$ 753.114 million. Imports from Singapore were valued at \$ 3,052.194 million and the trade volume was \$ 3,805.307 million. The National Export Strategy (NES) 2020-2025 is an opportunity for government departments and the private sector to work together to create new jobs and opportunities for the people of Myanmar, said an official from the Ministry of Commerce. "NES 2020-2025 is an opportunity for government agencies and the private sector to work together to create new jobs and opportunities for the people of Myanmar. The focus on Asia from around the world is also creating new opportunities and challenges for Myanmar. By implementing the NES, Myanmar will be able to find solutions to join the global value chain," he said. The National Export Strategy (NES) Framework 2020-2025 It will create new opportunities for small and medium enterprises and existing exporters in the domestic and global markets.

Source: <https://news-eleven.com/article/218047>

**Motorbike sales slash nearly 46 percent in Q3**



*Vietnam News | 18 October, 2021*

Hanoi (VNA) - The Vietnam Association of Motorcycle Manufacturers (VAMM) has said its members sold 367,037 motorbikes in the third quarter of 2021, a year-on-year drop of 45.84 percent. The VAMM members, namely Honda, Piaggio, Suzuki, SYM, and Yamaha, are

manufacturing and distributing about 100 models of motorcycles with prices ranging from more than 10 million VND to over one billion VND each. Notably, Honda Vietnam is making up nearly 81 percent of the sector's market share with the most diverse range of products. Experts said that, after growing by nearly 30 percent in the second quarter, the motorbike sales fell sharply in the third quarter due to the complicated developments of COVID-19. They noted that the Vietnamese motorcycle market has gone through a difficult period similar to what happened to the auto market. To stimulate market demand, businesses are giving incentives and running promotion programmes, especially the peak shopping period at the end of the year is approaching. Many motorbike manufacturers have promptly launched a series of new motorbike models right after the social distancing orders in many provinces and cities were relaxed in recent weeks. Experts predicted that the motorcycle market will recover in the fourth quarter of 2021 - when the peak shopping demand of the year begins, and the COVID-19 pandemic is gradually under control./.

Source: <https://en.vietnamplus.vn/motorbike-sales-slash-nearly-46-percent-in-q3/209896.vnp>

## Oil and gas firms suffer drop in Q3 profit due to COVID-19 impacts



*Vietnam News | 18 October, 2021*

Hanoi (VNA) – Despite the recovery of petrol prices, profits of many businesses in the oil and gas sector dropped in the third quarter of this year due to

impacts of the COVID-19 pandemic. The Petrovietnam Gas Joint Stock Corporation (PV Gas) suffered a drop of 11.5 percent and 7 percent in pre-tax and after-tax profit in the third quarter of this year to 2.29 trillion VND and 1.86 trillion VND, respectively. A representative from the firm said that in the first nine months of this year, demand for gas of its customers decreased. Particularly, demand for gas for power generation was equal to only 72 percent of that in the same period last year. Meanwhile, due to stagnant production situation, the domestic demand fell 35-40 percent year for liquefied petroleum gas (LPG), 30 percent for low-pressure gas and compressed natural gas compared to that before COVID-19 broke out. The firm predicted that in the time to come, the number of customers cutting and reducing their gas consumption will continue to rise, leading to a drop of 40-50 percent in sales of gas. At the same time, difficulties in transport and workforce have pushed its production cost up. Production of the Binh Son Refining and Petrochemical Joint Stock Company also hit the floor in the third quarter of this year. Securities firm Mirae Asset Vietnam predicted that the firm will recover from the fourth quarter of 2021. In October, BRS production reached 100 percent of its capacity from 85 percent recorded on September 22. A sharp drop of 29 percent year on year was seen in pre-tax profit of the PetroVietnam Technical Services Corporation (PVS) in the third quarter of this year due to reduction in productivity and product prices caused by social distancing

measures. However, recently, positive signs have been seen in the prices of shares of oil and gas firms thanks to investor's high hope for rise in oil prices in the time to come. Notably, the prices of many codes rose strongly, including OIL (23 percent), GAS (26 percent), PVD (43 percent), PVD (43.6 percent), PVS (52.6 percent), and BRS (125.4 percent)./.

Source: <https://en.vietnamplus.vn/oil-and-gas-firms-suffer-drop-in-q3-profit-due-to-covid19-impacts/209912.vnp>

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