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## Farmers told not to plant next rice crop



THE Ministry of Environment has told Cambodian rice farmers to refrain from planting crops in the midst of a drought heightened by record temperatures due to this year's El Nino phenomenon. Temperatures are expected to peak in April and May. "Every year, [farmers usually] harvest crops several times [each year], but due to the impact from El Nino this year, the government is appealing to people not to plant during this period," Neth Pheaktra, the spokesman and secretary of state for the Minister of Environment, told The Post. Communities in 16 provinces around the Kingdom have reported water shortages due to higher than average temperatures – a stark reality for a nation more accustomed to dealing with floods than droughts. A tributary of the Tonle Sap river in Kampong Thom province has dried out, where a local rice farmer said he had been relying on eating lotus roots to survive. "My farm usually only produces one harvest each year, so I'm used to living on lotus roots, but there are some farmers who grow two yields each year and they can now only produce one," he said. About 75 per cent of the Kingdom's agricultural land is devoted to growing rice, and Cambodia exports about three per cent of the world's supply, according to the UN Food and Agricultural Organisation [FAO]. Pheaktra said his office, in conjunction with the Ministry of Water Resources and Meteorology, has been distributing fertiliser and water to communities hit by drought. The

Mekong River Commission [MRC] Secretariat, which works to jointly manage the water resources of the river shared by member nations Cambodia, Laos, Thailand and Vietnam, and its sustainable development, told The Post that it "stands ready to support its member countries, including Cambodia, which is experiencing abnormally higher temperatures". "It is a good move by Cambodia's Ministry of Water Resources and Meteorology to notify farmers earlier so that they can be more vigilant." "Most farmers will get lower rice yields and perhaps insufficient agricultural crop production due to insufficient rainwater [in Cambodia's case]." "In some areas such as Kampong Cham and Takeo, there are some potential plant diseases and strange insects [which may take hold] by high air temperature. The situation is normally resolved when the rain comes," it said. Pheaktra said that temperatures in Cambodia will reach 40-42 Celsius between April and May this year. "Higher temperatures associated with El Nino can lead to forest fires and water shortages," he said. The MRC Secretariat said that along with lower agricultural productivity, people's livelihoods and health could be affected this season. "Drought causes water shortages in communities which need water for daily use. People need to go far to fetch water for daily consumption from wells or natural ponds." "Water quality can also become the main issue when water for daily needs cannot be supplied. This can cause some major waterborne diseases to affect local households, such as diarrhoea," the MRC Secretariat said. Prime Minister Hun Sen called the last El Nino fuelled drought in 2016 "the worst natural

disaster to hit Cambodia in 100 years". Fortunately, climatologists consulted by the Mekong River Commission predict that this year will not be as severe as the 2015-16 phenomenon. "Unlike this year, the El Nino of 2015-16 was considered a double El Nino event as it was supposed to arrive in 2010-11 but did not happen until 2015-16." The Ministry of Environment is undertaking efforts to avoid a similar fate this year. "We cannot water [crops], and in some areas, the shortage of water [has restricted] daily activities . . . the El Nino phenomenon is not just affecting Cambodia, but also other countries in the Mekong region like Myanmar, Vietnam [and] Laos," said Pheaktra. Farmers usually adjust for the dry season by planting fewer crops, especially rice. However, a later arrival of the monsoon season and prolonged dry spells during the wet season may cause them concern this year. "It is usual for farmers to get enough rain during the wet season or irrigated water from irrigation systems connected to their land. When [dry spells continue too long], crops become prone to die out," the MRC Secretariat said.

*Source: <https://www.phnompenhpost.com/national/farmers-told-not-plant-next-rice-crop>  
12/03/62*

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## Sea freight dominates logistics in Cambodia



Most international shipments last year were carried out via sea freight, the Cambodia Freight Forwarders Association said.

About 90 percent of exports and imports in the country last year were made on cargo ships, CAMFFA president Sin Chanthy said, explaining that maritime transport is up to three times cheaper than air freight. According to data from the Ministry of Commerce, the total value of exported goods in 2018 was \$11.2 billion, while imports were valued at \$13.7 billion, a 5.7 year-on-year hike. Most shipments in or out of Cambodia are done by local freight forwarders, Mr Chanthy said, adding that there are over 400 such companies in the Kingdom but that only 80 are CAMFFA members.

*Source: <https://www.khmertimeskh.com/50585772/sea-freight-dominates-logistics-in-cambodia/>  
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## More investments needed for expansion in food-processing industry



The Myanmar processed food industry needs more investment support in order to develop further, U Aye Win, chair of the Myanmar Food Processors and Exporters Association, told The Myanmar Times. Currently, Myanmar processes basic raw commodities such as rice, beans, maize and other agricultural products. Excess products are exported. However, the country also imports value-added processed foods such as canned or dairy products. In that light, Myanmar should increase its focus on manufacturing higher value food products, which will require funds from both local and foreign investors, U Aye Win said. Importantly, as the region moves

closer towards implementing the ASEAN Economic Community, which envisions a single market and production base for Southeast Asia, micro, small and medium enterprises (MSME) in the Myanmar food industry will need investor support to compete, said U Zarni Maung Maung, managing director of REPASSA Myanmar. According to the Myanmar Micro, Small and Medium Enterprise Survey 2017 by the Ministry of Planning and Finance, the majority of MSMEs in Myanmar are involved in the food processing sector. “As such, the government should provide targeted loans to help MSMEs in the food processing industry to develop their skills and products for the long term,” U Zarni Muang Maung said. Currently, state-owned Myanma Economic Bank lends money to MSMEs in the import substitution business, while local private banks work with the Japan International Cooperation Agency (JETRO) to disburse loans to businesses in the industry. “Interest in the Myanmar food industry among Japanese investors is rising due to the size of the population. Myanmar currently has a population of over 52 million,” said U Khun Thura, deputy managing director of JETRO in Yangon. “The Japanese are also interested in investing in Myanmar raw commodities for export to Japan and other developed countries,” U Khun Thura added. In fact, food products that are manufactured and processed in Myanmar have also been included as part of the value-added products targeted for exports under the National Export Strategy for the five year period between 2020 and 2025, according to U Aung Soe, secretary of the Ministry of Commerce. “But we need support in developing and

connecting the whole supply chain, starting from the raw materials to production and distribution to the domestic as well as regional markets. We need a market strategy to facilitate the expansion of the processed food sector,” U Aye Win said. Stricter regulations to curb illegal imports and standards ensuring a minimum level of quality must also be enforced, U Zarni Maung Maung said. “The government should take action on these two fronts to enable a fair and viable paying field for legal businesses,” he said.

*Source: <https://www.mmtimes.com/news/more-investments-needed-expansion-food-processing-industry.html>*

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## Myanmar ‘needs to lower transport costs for travellers’



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The government should address high transportation costs in the country to attract more tourists, the head of a local entertainment company said on Sunday. Jeong Bunja, chairman and founder of JBJ Entertainment, said that travel within the country is much costlier than in neighbouring countries such as Thailand, Cambodia and Vietnam. “It’s very expensive to come to Myanmar from (South) Korea. The cost of the flight is very high,” she said. “We need to solve this problem before we can talk about tourism promotion.” She added that she would prefer that local and foreign travellers pay the same price. She said that 10.67 percent of travellers to Myanmar have come from South Korea since the government

introduced a visa-free policy for them last year. Thura U Aung Ko, minister of Religious Affairs and Culture, said that in the past year, 76pc of the country's 3.55 million foreign visitors came from Asia, mostly from China, Thailand, South Korea and Japan. U That Lwin Toh, chairman of the Union of Myanmar Travel Association, said high travel costs is just one of the problems facing the tourism and travel industry. "We have other difficulties that need to be solved to attract more visitors to our country," he said. If South Koreans want to come to Myanmar, they need to transit through Vietnam or Thailand, so it takes a long time for them to reach the country, he said. "Direct flights are more convenient for tourists, so we are discussing ways to resolve the issue with businesses and the government," he said.

Source: <https://www.mmtimes.com/news/myanmar-needs-lower-transport-costs-travellers.html>  
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## Myanmar should develop domestic production to grow local economy: Czech Republic



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Myanmar should enhance domestic production and develop its local markets, says Mr Martin Tlapa, Deputy Minister for Foreign Affairs of the Czech Republic, during a talk entitled "Economic Transition: The Czech Experience and its Relevance for Myanmar" last week. In sharing appropriate approaches with Myanmar, Mr Tlapa said Myanmar should enhance the production of domestic products and raise their quality to international

standards. At the same time Myanmar must also boost foreign trade and work to ensure its people are experienced and knowledgeable. All this will require investments in technology, the help of partners, the support of the government and strong systems, Mr Tlapa said. "The country's economic development will require constant monitoring, management and funding. Large amounts of foreign investments will be needed to develop Myanmar's infrastructure," he said. The deputy minister told Myanmar Times the Czech Republic is looking closely into investment opportunities in Myanmar, citing the energy and water treatment sectors of Myanmar as areas with promising potential for investments. At present, trade ties between Myanmar and the Czech Republic offer good prospects, he said. Currently, the Czech Republic's Zetor Tractors Co exports its product to Myanmar and Myanmar exports rice and other goods to the republic. According to the Myanmar's Ministry of Commerce, in 2017, the trade volume with the Czech Republic stood at more than US\$22million. In the first six months of last year, volumes reached US\$12 million. The trade volume between the two countries for the first quarter of this year reached US\$5.5 million.

Source: <https://www.mmtimes.com/news/myanmar-should-develop-domestic-production-grow-local-economy-czech-republic.html>  
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# Local airlines slash airfares to lure passengers amid falling demand



Local airlines have started lowering their fares for travel over the upcoming summer months, which is a common holiday season in Myanmar. Leveraging on the surge in travel during summer is an important business strategy for the airlines as it enables them to offset the decline in domestic air travel by tourists. "Myanmar people usually go on vacation during the summer, so tickets are marked down to attract as many travelers as possible," an official of Air KBZ told the Myanmar Times. The discounts are not offered to foreigners though. "It's good to sell air tickets at lower prices to attract more local passengers during this time of tourism decline and rising competition. Otherwise, it would be very hard for many airlines to sustain their businesses," said Ko Thet Aung, a tour guide. This year, Air KBZ is offering discounted fares of up to 20 percent for local travelers between March and May. The discounted trips include Yangon-based flights to Heho, Nyaung-U, Myitkyina, Loikaw, Nay Pyi Taw and Dawei, and Nyaung-U based flights to Heho, Mandalay, Thandwe, Dawei and Kawthaung. Tachileik-Heho flights are among the flights for which the tickets are sold at 10 pc off, apart from Yangon-based flights such as Mandalay, Thandwe, Tachileik, Lasho, Kalay, Kawthaung and Mandalay-based flights such as Myitkyina and Tachileik, according to Air KBZ. During the rainy season, some airlines also operate flights in partnership with others to draw more

passengers and air ticket prices are sometimes also reduced to encourage air travel. In Myanmar, people are more accustomed to traveling by bus for a fraction of the cost. According to a May 2018 report by the Centre for Asia Pacific Aviation, many domestic airlines in Myanmar were running on volume of less than three million passengers. The report noted that "intense competition" has affected the finances of a number of airlines, leading to several of them deciding to suspend services or leave the market. Asian Wings suspended operations on January 1 while over the past year, FMI Air, Air Mandalay, Air Bagan and Apex Airlines have all grounded operations. This month, Minister for Hotels and Tourism U Ohn Maung told the media that the way forward for domestic airlines, which continue to be loss-making due to lower number of passengers and high fuel costs, would be to either merge their operations or form partnerships with foreign airlines. There has been a proliferation of domestic airlines ever since the country granted more licenses to the industry in 2011, with competition becoming more intense. At the same time, forming partnerships with foreign airlines has not been easy. In recent years, negotiations to form joint ventures between local airlines and Japan's All Nippon Airways and Malaysia's Air Asia were unsuccessful.

Source: <https://www.mmtimes.com/news/local-airlines-slash-airfares-lure-passengers-amid-falling-demand.html>

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## Vietnam a growing market for foreign fruit exporters



In recent years, many foreign fruit exporters have entered Vietnam to take advantage of local people's rising popularity of imported fruit in the country. Last year, the total amount of foreign fruit consumption in the country reached \$1.7 trillion, and is expected to continue to increase. In the last three years, many foreign fruit exporters have been looking for import partners in Vietnam. Last week, the three biggest grape growers from Sunraysia, Australia, representing the Australian Table Grape Association Inc, and the Australian trade agency (Austrade) promoted their high-quality fresh grapes to consumers in Hanoi and Ho Chi Minh City. Vietnam is the seventh largest import market for fresh grapes in Australia. Australian grape export companies have organised many activities to promote their products to Vietnamese customers, according to Australian Table Grape Association Inc director Jeff Scott. Besides grapes, cherries are one of Australia's major fruit exports. Last year, Australia sold almost 350 tonnes of cherries to Vietnam. In addition, Vietnam has become an ideal market for New Zealand's apples. New Zealand began exporting fruit to Vietnam after the direct flight from Auckland to Ho Chi Minh City opened in 2016. Dinh Ngoc Thuy, deputy director of Klever Fruits, which specialises in importing fruit, said that consumer demand for clean and delicious fruits was increasing.

The company has imported seasonal fruits from South Africa, South Korea, Japan, the US and Chile to meet the demands of customers, Thuy said. Nguyen Huy Hoang, commercial director of market research company Katar Worldpanel, said that Vietnamese customers were focusing on nutrition and food safety. Each household spends nearly 4.5 million dong (\$193) per month for fresh food, he added. The biggest fruit exporter to Vietnam is Thailand, with more than 40 per cent, while China is second with 24 per cent. In addition, fruit from the US, Chile and South Korea are also popular in the market. VIET NAM NEWS/ANN

Source: <https://www.phnompenhpost.com/business/vietnam-growing-market-foreign-fruit-exporters>

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