

Highlight News | July 24/2019



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Cambodia, Vietnam will meet 2020 trade target: Ministry



Cambodia News | 23 July, 2019

Cambodia and Vietnam are optimistic that they will reach \$5 billion in bilateral trade by 2020 as pledged by their governments. That optimism was evident during a meeting last week between Prak Sokhonn, Cambodia's Minister of Foreign Affairs, and Nguyen Quoc Dung, Vietnam's Vice Minister of Foreign Affairs. The meeting, held on Thursday in Phnom Penh, was part of the sixth round of political consultations between the two countries. "Given current trends, including the fact that two-way trade reached \$4.7 billion last year, bilateral trade will reach and may even surpass the target of \$5 billion by 2020 set by the governments. "This will be possible thanks to the Bilateral Trade Enhancement for 2019-2020, signed in February 2019," the Ministry of Foreign Affairs said in a press release on Sunday. During the meeting, both parties briefed each other on recent political and economic developments in each country and agreed that peace, security, and stability are essential for socio-economic progress in both countries and in the region. The discussion covered political and security cooperation, trade and investment, human resources development, tourism and cultural promotion, infrastructure connectivity, and border policy, among others. Both sides agreed to find ways to further enhance cooperation in these fields to serve their mutual interests, according to the statement. The officials also agreed to speed up

work on the conclusion of the Border Trade Agreement and implement relevant measures to further expand trade and investment, and facilitate the movement of goods and people across their shared border. "The fruitful outcomes of the political consultation contribute to strengthening the relationship between the two countries, and lay the groundwork for the 17th Joint Commission Meeting between Cambodia and Vietnam in August," the Ministry said. As of 2018, Vietnam had about 210 investment projects in Cambodia, mostly in agriculture and forestry, with a total registered investment capital of about \$3 billion. Cambodian investment in Vietnam has also expanded in recent years. There are now 19 projects by Cambodian firms in Vietnam, amounting to \$63.4 million in investment, according to data from the Vietnamese Embassy.

Source : <https://www.khmertimeskh.com/50626267/cambodia-vietnam-will-meet-2020-trade-target-ministry/>

Revenue from extractive industry reaches \$11m



Cambodia News | 23 July, 2019

The Ministry of Mines and Energy collected about \$11 million in non-tax revenue from the extractive industry during the first five months of the year, according to the latest ministry report. In May, the ministry reached 55 percent of its target for non-tax revenue collection for the whole year. In 2018

revenue from the extractive industry equalled \$20 million, 133 percent of the ministry's target, the ministry announced last week. Yos Monirath, in charge of the mines department, could not be reached for comment yesterday. The ministry has previously clarified that non-tax revenue refers to income collected through licensing fees and land leases. In April, the ministry announced that two mining firms will begin producing gold in the Kingdom soon. Indian-owned Mesco Gold is expected to commence extracting this year, while Australia's Renaissance Minerals will likely begin in 2020. Meng Saktheara, secretary of state at the ministry, recently said that Cambodia will become much more attractive to investors once it establishes gold mining and oil extraction operations. "Once we start producing gold and crude oil, more international companies will want to invest in our mining sector," he said, noting that the ministry has issued more than 50 exploration licenses and 20 mining licenses. Solinn Lim, Oxfam's country director, said the sector is developing faster, but warned of risks if it is not managed properly. "The sector requires advanced technology, and, if not managed properly, the risks can be very high," she said, "If we use state-of-the-art technology, we can reduce the impact on society and the environment."

Source : <https://www.khmertimeskh.com/50626279/revenue-from-extractive-industry-reaches-11m/>

Drought destroying the future of Lao farmers



Laos News | 24 July, 2019

VIENTIANE (Vientiane Times/ANN) - Low rainfall and high temperatures are destroying the crops of Lao farmers across the country against the backdrop of an ongoing drought in the Southeast Asian region. Analysts say the lowest seasonal rainfall in decades will not only have a severe impact on farmers' livelihoods but will also affect food security. Deputy Minister of Agriculture and Forestry Dr Bounkhuang Khambounheuang told Vientiane Times yesterday that wet season rice transplantation is only 40 percent complete. He acknowledged that the lack of rain had delayed rice production in the country's 800,000 hectares of wet-season rice fields, but said exact figures concerning damaged crops had not been reported. "Our ministry has told provincial and district authorities to send officials to help farmers immediately, not wait for official advice from the ministry," Dr Bounkhuang said.

Regions that have water resources must help farmers to pump it into their fields. Meanwhile, provincial agriculture and forestry departments have been told to prepare fast growing rice varieties for farmers while they wait for the rains. "It will be quite late to grow rice if the rains do not come in the next few weeks," Dr Bounkhuang said. "Our agriculture officials might encourage farmers to grow other

crops that result in higher economic returns. Farmers who have borrowed money from banks need to report to authorities regarding the amount of damaged crops so the government can help negotiate with the banks.” In Xayaboury province, a steering committee has been established to work closely with farmers in different districts. Provincial Deputy Governor Mrs Bounphak Inthapanya said the province has encouraged both the public and private sectors to help pump water for farmers. “We have asked private companies that have water pumps to give our authorities access to them so that we can pump water for farmers in affected areas,” she said. At present, only 45 percent of 34,000 hectares of wet-season rice fields have been transplanted. Farmers in the province also grow other crops on 112,000 hectares of land. Director of Xayaboury province’s Agriculture and Forestry Department, Mr Somvang Keolaysack, said that if there is no rain in the next few weeks these crops and rice will die. “I’m very concerned about the rice crop in our province this year. If the drought continues our crops will die because there is no water and we could face a rice shortage in the year to come,” he said. Elsewhere, Borikhamxay province has also been badly affected by the lack of rain. A local farmer, Mr Ngeun, said “My rice seedlings are about to die due to a lack of water. Normally, I would have finished transplanting by this time of the year. I

don’t know what has happened this year and why the rains are so late,” he added.

Source : <http://annx.asianews.network/content/drought-destroying-future-lao-farmers-100731>

Laos exports first shipment of rice quota to China



Laos News | 23 July, 2019

VIENTIANE (Vientiane Times/ANN) - Laos recently began shipping the first 1,100 tonnes of polished rice to China as part of a 50,000-tonne export quota agreement between the Lao government and China National Cereals, Oils and Foodstuffs Corporation (COFCO). This first shipment is being transported in July and August with further amounts to follow to achieve the total target by 2021, according to the Ministry of Industry and Commerce. An agreement on the first shipment of export rice was signed last month between COFCO and Indochina Development Partner Co., Ltd. (IDP) at the COFCO office in China. Under the official rice import quotas from the Chinese government, Laos received 8,000 tonnes for the first phase of 2015-2016 and 20,000 tonnes for 2017-2018. While China is still the largest rice export market for Laos, and the country’s second-biggest trading partner, it has stringent quality requirements. Lao rice exports to China hit US\$14.2 million in 2016 but dropped to US\$5.6 million in 2017. The government is encouraging local companies to register with the General Administration of Quality Supervision, Inspection

and Quarantine in China in a bid to increase exports. Vietnam and Thailand are also important markets for the Lao-grown staple. Laos is anticipating reduced rice exports in 2019 in the wake of widespread flooding across the country last year. The country set a target of US\$45.6 million for rice exports last year but could only achieve US\$31.4 million, according to the Ministry of Industry and Commerce. This year, the government is projecting to earn only US\$25.2 million from rice exports, a significant decline compared to last year's figure. The low rice yields in 16 provinces were attributed to widespread flooding during the rainy season, the Ministry of Agriculture and Forestry reported. Some 101,000 hectares of rice were affected by last year's floods, about 12 percent of the total planted area of 817,800 hectares. About 66,000 hectares of the rice crop was estimated to have been destroyed by floods. In 2018, the government set a rice production target of 4.2 million tonnes and hit about 3.6 million tonnes, or 86 percent of the plan.

Source : <http://annx.asianews.network/content/laos-exports-first-shipment-rice-quota-china-100658>

MFF Moves to Impose Ban on Export of Small Crabs



Myanmar News | 23 July, 2019

The Myanmar Fishery Federation (MFF) has pledged to the Ministry of Agriculture, Livestock and Irrigation that it will restore a ban on exporting crabs that weigh

less than 100 grams (.22 pounds, or 3.5 ounces). U Win Kyaing, the General Secretary of the Myanmar Fishery Federation, said: "When it began allowing crab exports, the government did not adopt any restrictions or requirements. Because of this, exporters tend to import not only large crabs, but also smaller ones. This results in a crab shortage in the industry." Previously, the government restricted the export of crabs weighing less than 100 grams. However, former President U Thein Sein's administration relaxed all such requirements in order to encourage the crab exporters and producers, and to bring more crabs to the global market. However, this resulted in an increasing demand for crab, and has impacted the breeding of crabs as well. The secretary pointed out: "In breeding crabs, we breed the smaller ones in containers much like a basket. If the government bans the export of crabs that weigh less than 100 grams, then we can use the smaller crabs in breeding." Currently, the Myanmar Fishery Federation, in conjunction with assistance from international experts, is implementing a soft-shell crab production projects. It is located in Labutta Townships in the Ayeyarwady Region. As of this writing, Myanmar produces crabs in the Yangon, Tanintharyi, and Ayeyarwady Regions, as well as Rakhine State. It exports these crabs to European countries and to other nations in Southeast Asia.

Source : <https://www.mmbiztoday.com/articles/mff-moves-impose-ban-export-small-crabs>

Local Banks Provide K21 Trillion in Loans in 6-Month Period



Myanmar News | 23 July, 2019

According to the Quarterly Financial Statistics Bulletin 2018, Volume 3, which was recently released by the Central Bank of Myanmar, between March and September 2018, local private banks provided around K20.95 trillion in loans to amount ten different sectors. The ten sectors to which private banks provided these loans were: agriculture, production, trading, transportation, construction, services, general, hire purchase housing loans, and small- to medium-sized enterprise (SME) loans. According to the information in this bulletin, the loans to the trading sector were the largest of these ten, racking up a total of K6.8 trillion; in second place were the loans to the general sector, which totaled some K3.7 trillion. The bulletin goes on to report that the banks provided loans totaling K2.1 trillion for the production sector, and K2.6 trillion for the services sector. Then there were some K3.1 trillion for the construction sector. Among the various states and regions, Yangon and Mandalay Regions received the greatest share of the loans, at K16.6 trillion and 2.5 trillion, respectively. On the opposite end of the spectrum, Kayah and Chin States received the smallest share. With the assistance of the Central Bank of Myanmar, private banks have provided loans with a 13 percent interest rate for loans with

collateral, and loans at a 16 percent interest rate for loans without collateral.

Source : <https://www.mmbiztoday.com/articles/local-banks-provide-k21-trillion-loans-6-month-period>

Car imports skyrocket in first half of 2019



Vietnam News | 23 July, 2019

HÀ NỘI — Viet Nam imported 75,437 assembled cars in the first six months of 2019, six times more than in the same period last year, according to the General Department of Customs. The value of imported cars also increased by more than five times from January to June, reaching US\$1.63 billion. Of the imported cars, 54,927 vehicles were nine-seat cars or smaller, up six-fold year-on-year, and 17,879 were trucks, also up more than six-fold. In June alone, a total of 10,540 cars were imported with a total value of \$254 million, a year-on-year increase of 26.5 per cent. Thailand was the source of most of the imports last month – 7,575 units – followed by Indonesia with 1,468 and China with 653. Viet Nam also imported 274 cars from the Republic of Korea and 150 vehicles from Japan. These five markets accounted for 96 per cent of all vehicle imports into Viet Nam in June. Viet Nam imported 7,145 cars with nine seats or fewer in June, worth a total of \$136.9 million, accounting for 67.8 per cent of its total automobile imports. There were 2,731 trucks imported worth a total of \$77.1 million and 654

vehicles with special purposes worth \$40.3 million. June also saw Viet Nam purchase \$291 million worth of spare car parts, down 18.4 per cent month-on-month. Suppliers of parts were mainly from the Republic of Korea, Japan, Thailand, China, Indonesia and Germany. — VNS

Source : <https://vietnamnews.vn/economy/523041/car-imports-skyrocket-in-first-half-of-2019.html#uRcwQux1jTBRQc5B.97>

VN exports \$2.24 billion of steel and iron in H1



Vietnam News | 23 July, 2019

HA NOI – Viet Nam exported 3.44 million tonnes of steel and iron worth US\$2.24 billion in the first half of this year, up 4 per cent in value and 21 per cent in volume from the same period last year. In the ASEAN bloc, Cambodia was the largest importer of Vietnamese steel and iron during the January-June period with more than 880,000 tonnes, valued at \$523 million, 48 per cent higher in volume and 38 per cent higher in value from the first half of last year. It was followed by Indonesia with 370,000 tonnes worth \$245 million and Malaysia with 373,000 tonnes worth \$231 million. Viet Nam recorded significant growth in exports to China, Brazil, Japan, Saudi Arabia, Pakistan and the Philippines. In contrast, the nation's steel and iron exports to two other major outlets – the US and the EU – saw strong declines in both volume and value, the department noted. About

285,000 tonnes of steel and iron were exported to the US, earning the country \$223 million, representing a reduction of 35 per cent in volume and 41 per cent in value. Exports to the EU, meanwhile, dropped 30 per cent in volume and 41 per cent in value to 200,000 tonnes and \$136 million. Statistics from the department revealed that Việ̣t Nam also spent \$4.82 billion importing 7.15 million tonnes of steel and iron in the first half of the year, up 4 per cent in volume but down 2 per cent in value compared to the same period last year. The country's major providers of steel and iron were mainland China, South Korea, Japan, Taiwan and ASEAN nations. – VNS

Source : <https://vietnamnews.vn/economy/522786/rubber-exports-in-june-increased-strongly.html#p75wo8Wisv>

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