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Exports to US soar in H1



Cambodia News | 05 August, 2019

Cambodian exports to the United States rose sharply in the first half of the year, surpassing \$2 billion by the end of June, the latest data from the US government show. Cambodia's shipments to the world's largest market grew by 30 percent from January to June, the data show. \$2.24 billion worth of Cambodian goods were purchased by the US. Total trade between the two countries also expanded by 30 percent, reaching \$2.5 billion. Cambodian imports of US products were valued at \$264 million. In July 2016, Cambodia was granted duty-free benefits for exports of travel goods like luggage, backpacks, handbags, and wallets to the US under the Generalised System of Preferences (GSP) scheme. In 2016, Cambodian goods exported under the GSP scheme amounted to \$50 million. By 2018, the figure had increased to \$400 million, according to the Ministry of Economy and Finance. Speaking at a parliamentary workshop last month, Vongsey Visoth, secretary of state at Ministry of Economy and Finance, said export growth will remain strong throughout the year. "In the first six months of the year, there was no slowdown. Export growth was strong," Mr Visoth said. "The garment sector is performing well because imports of raw materials have increased. If imports increase during the first half of the year, during the second half exports will likely increase as well." The diplomatic ties between Cambodia and the United States have been under

strain after the main opposition party was dissolved by the Supreme Court in November 2017, with the US government imposing visa restrictions on some Cambodian government officials. Kaing Monika, deputy secretary-general for the Garment Manufacturers Association in Cambodia (GMAC), said that, despite a common belief that bilateral relations are deteriorating, both countries enjoy a healthy trade relation. "Some perceive the diplomatic and political ties as bad. But for us, the private sector, the relation is good. "It's just pure rhetoric. One or two senators voicing concerns about the Cambodian government does not represent the whole US government," he said, adding that Cambodia has now become an alternative supplier for many US firms that were importing from China. In January, US senators Ted Cruz and Chris Coons introduced the Cambodian Trade Act of 2019, which would require the US government to review the preferential trade treatment Cambodia receives under the GSP system, according to a press release from Sen. Cruz. "Cambodia's Prime Minister Hun Sen has exploited preferential treatment afforded to it by the United States and Europe. He has failed to meet basic labour rights standards, undermined the integrity of elections in Cambodia. The Cambodian Trade Act aims to hold him and his government accountable for this behavior," Sen. Cruz said. According to Mr Monika, Cambodian exports to the US are not only growing but also diversifying. Last year, trade between Cambodia and the US reached \$4.26 billion, up 23 percent year-on-year.

Cambodian exports to the US were valued at \$3.8 billion.

Source: <https://www.khmertimeskh.com/50630230/exports-to-us-soar-in-h1/>

Agriculture experiences slow growth rate



Laos | 05 August, 2019

The agriculture sector has not grown as anticipated, as a result of weather extremes, according to a recent government report. The government has forecast that the sector will grow by 2.8 percent this year so long as there is no flooding, drought or other extreme weather event. Economists are concerned that Laos will suffer a shortfall in agricultural production this year due to the prolonged dry season, disease outbreaks, and flooding. An economist with the Faculty of Economics and Business Management at the National University of Laos, Dr Phouphet Kyophilavong, told Vientiane Times that agriculture underpins the country's economy but has not achieved the planned growth rate. "Growers are not only suffering from the high cost of production but also face the problem of producing crops of sufficiently high quality to meet market needs," he said. "If we want the agriculture sector to grow more quickly, we need to attract more domestic and foreign investors in this sector." However, a clear agriculture promotion policy is required to help growers overcome their hurdles and challenges and

boost productivity. The government also needs to regulate the use of pesticides and other chemicals to avoid impacts on the environment. Although some 70 percent of Lao people rely on agriculture for their livelihood, this sector has grown at a rate of only 3 percent over the past two decades. Last month, thousands of hectares of crops died when the rains failed to materialise and diseases attacked, sparking greater concerns about a further decline in agricultural production and food security. In Xayaboury province, 30 percent of 35,000 hectares of sweetcorn was destroyed by a plague of fall armyworm (*Spodoptera frugiperda*). In addition, a high percentage of the country's 800,000 hectares of wet-season rice has not been transplanted. Growers are also encountering hurdles in accessing finance, and lack technical know-how and the equipment needed to produce quality products that meet market needs. Agriculture is a much more expensive undertaking in Laos than in Vietnam and Thailand, meaning that the end products are uncompetitive in the regional market. As a result, many farmers have been forced to abandon their dry-season rice crop as they don't make any profit from it because of the high cost of irrigation. Many irrigation systems have been left unused and are ineffective, with some becoming damaged due to lack of maintenance. Deputy Minister of Agriculture and Forestry, Dr Bounkhuang Khambounheuang, said his ministry has instructed local authorities to diversify and not to rely on one particular crop. He said farmers will be encouraged to grow other crops

that result in higher economic returns. This is aimed at helping farmers to overcome their challenges and boost overall yields.

Source:http://www.vientianetimes.org.la/freeContent/FreeConten_Agriculture_experiences_176.php

Thilawa SEZ in need of international-standard jetties and logistics services



Myanmar News | 04 August, 2019

For the extensive operations of factories, Thilawa Special Economic Zone is in need of international-standard jetties and logistics services, said Win Aung, chair of Myanmar Thilawa Special Economic Zone Holdings Public Co., Ltd (MTSH). According to the MTSH's annual report for 2018-2019 fiscal year, the MTSH is conducting preliminary surveys to transform the zone into a multi-modal logistic hub. On December 12, 2018, the operation of the jetty built by Thilawa Multipurpose International Terminal Co., Ltd (TMIT) with Japanese ODA loan, started. Toyota Myanmar Co., Ltd has invested 52.6 million US dollars in the automobile industry and will manufacture 2,500 Toyota Hilux cars as from 2021. It can create an economic chain by attracting the companies which manufacture automobile parts used in the production of Toyota cars, he continued. Out of three special economic zones in Myanmar, Thilawa Special Economic Zone has many economic potentials and sees regular progresses as it is built at the strategic place. A total of 108 companies from

19 countries have invested in the Thilawa Special Economic Zone, said Dr. Than Myint, Union Minister for Commerce and chair of the Central Committee for Myanmar Special Economic Zones. Sixty per cent of companies in the SEZ target the local market and the rest, the overseas market. From the market point of view, there are 36 export-oriented companies, 60 companies which eye the local market and one company in the Thilawa SEZ.

Source: <https://elevenmyanmar.com/news/thilawa-sez-in-need-of-international-standard-jetties-and-logistics-services>

Vietnam car imports triple in first seven months



Vietnam News | 04 August, 2019

January-July car imports increased 366 percent to 88,000 units, recovering from last year's plunge caused by a tightening policy. Vietnam Customs said in its latest report that cars imported in the first seven months of the year were worth \$1.94 billion, up 319 percent year-on-year. Industry insiders said that imports surged because they had hit a trough last year, when the government issued a decree with tougher conditions, requiring importers to provide certain certificates to ensure quality and countries of origin. But sales could drop this month, the seventh month on the lunar calendar, traditionally called the "ghost month" in which locals avoid buying new things to avoid bad luck. Nguyen Thi Hien, owner of a showroom in Ho Chi Minh City, said that car consumption usually falls by 30-40

percent in August because of this belief. Other sales agents said that beginning this month, the number of people visiting showrooms dropped to a handful a day, compared to several dozen the previous month. And those who do come, usually promise to return in September to purchase a car, they added. Car brands are offering promotions to boost sales this month. Toyota is offering a discount of VND35-45 million (\$1,502-1,931) for the Vios sedans and VND50-60 million (\$2,146-2,575) for Innova, a multi-purpose vehicle. Vietnamese automaker Truong Hai Auto Corporation, which assembles cars for Mazda, is offering a discount of VND100 million (\$4,292) for the SUV Mazda CX-5, of which VND50 million (\$2,146) would be given in cash and the rest in maintenance package and parts. Vietnam imported 72,650 cars last year, down nearly 20 percent over 2017, according to Vietnam Customs. But their value exceeded \$1.64 billion, up 21 percent.

Source:<https://e.vnexpress.net/news/business/industries/vietnam-car-imports-triple-in-first-seven-months-3962602.html>

Vietnamese firms invest \$278 million abroad



Vietnam News | 03 August, 2019

HA NOI - Vietnamese enterprises poured US\$278 million in 30 countries and territories in the first seven months of this year, the Ministry of Planning and Investment's Foreign Investment Agency said in its latest report. During the period, the firms received investment licences for 90 new projects worth \$180

million. They were also allowed to raise their investments in 21 underway projects by \$97.3 million. Spain attracted the largest share of Vietnamese investments in the seven months with \$60 million, accounting for 22 per cent of the total investment. It was followed by the US with \$46 million, or 16.5 per cent of the capital. Other markets receiving Vietnamese investments were Australia with \$45 million, Cambodia with \$39 million and Singapore with \$35 million. From January to June, the retail sector was the most attractive sector for Vietnamese businesses in overseas countries, luring \$94.3 million or equivalent to 34 per cent of total capital. The science and technology sector came next with \$83.4 million or 30 per cent while the banking sector ranked third with \$37 million or 13.5 per cent.-- VNS

Source:<https://vietnamnews.vn/economy/523554/vietnamese-firms-invest-278-million-abroad.html#bu1soJBgl1ldRWH7.97>