

*Highlight News* | August 28/2019



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## Rice association to meet with EU to discuss tariffs



*Cambodia News | 27 August, 2019*

The Cambodia Rice Federation plans to meet with the European Commission to discuss the tariffs imposed on Cambodian rice earlier this year, according to a representative of the association. CRF secretary-general Lun Yeng told Khmer Times last week that the association intends to meet representatives of the European Union to explain why taxing Cambodian rice is a mistake. He said CRF wants to put an end to the “misunderstanding” that has led to the levies in the first place. The announcement by CRF marks a change in the strategy to battle the tariffs that hit the local rice sector earlier this year. In April, CRF filed a complaint to the EU over the tariffs. However, CRF has yet to receive any response from Brussels regarding the complaint, Mr Yeng told Khmer Times. Mr Yeng said the strategy is now to negotiate with the EU and to show European legislators that exports of Cambodian rice do not threaten the livelihoods of European farmers. “In April, CRF filed a complaint with the EU. Now, we continue this work, but we will change our approach. We will meet with the EU and explain the issue because we believe that the EU is missing vital information that has led them to take the wrong course of action,” Mr Yeng said. “Our rice is different from rice grown by farmers in Italy and Spain. We believe the decision to impose tariffs was based on a misunderstanding of the situation,” Mr

Yeng added. Last year, the EC said that a significant increase in imports of Indica rice from Cambodia and Myanmar into the European Union was causing economic damage to producers in Europe. In January, it decided to reinstate normal customs duties on Cambodian and Burmese rice. As a result of EC’s decision, rice from Cambodia and Myanmar is being taxed 175 euro per tonne during the first year. In the second and third years, the tariffs will decrease to 150 euro and 125 euro per tonne, respectively. In the first six months of 2019, Cambodia exported more than 93,000 tonnes of rice to the EU, almost half the amount that was exported during the same period in 2018. “The EU imposed duties on Cambodian rice to protect domestic producers. This has been acutely felt by most of the 500,000 families in Cambodia who eke out a living farming jasmine and fragrant long-grain rice, even though these varieties are geographically specific and do not compete directly with products grown in the EU,” CRF said in a press release last week. The Ministry of Agriculture said the tariffs have put upward pressure on the price of Cambodian rice in the EU, severely hindering its competitiveness. “With these tariffs, the rice sector must now focus on cutting costs to become more competitive in Europe,” the ministry said in a press release yesterday. “The Royal Government of Cambodia continues to work to help the rice business, particularly by helping firms reduce production, processing, and logistics costs to make local milled rice more competitive,” the ministry said.

Cambodia's total rice export rose by 3.7 percent during the first seven months of the year, reaching 308,013 tonnes.

Source: <https://www.khmertimeskh.com/50637283/rice-association-to-meet-with-eu-to-discuss-tariffs/>

## Ministry signs agreements to develop clean water infrastructure



*Cambodia News | 27 August, 2019*

The Ministry of Industry and Handicraft last week signed agreements with China's state-owned Beijing Enterprise Water Group and Noble Water to develop the infrastructure needed to enhance the supply of drinking water in the Kingdom. During an official visit to Beijing last week, Minister of Industry Cham Prasidh signed memorandums of understanding with the two firms, according to a post on the ministry's Facebook page. The MoUs will help the government achieve its goal of giving access to clean water to everyone in Cambodia by 2025, the ministry said. Beijing Enterprise Water Group and Noble Water will develop smart water treatment systems powered by solar panels and wind turbines, the ministry said, adding that this solution fits Cambodia's current needs, particularly in remote areas of the country. Sim Sitha, director-general of Phnom Penh Water Supply Authority, told Khmer Times yesterday that he welcomed the move. Um Sotha, spokesman for the Ministry of Industry and Handicraft, said the ministry has issued 256 water supply licenses to operators outside Phnom Penh and in areas that lack clean water pipes. He said the

ministry welcomes local and foreign investment in drinking water infrastructure in the country, particularly in areas where such infrastructure is lacking. "The demand for clean water is increasing rapidly due to population growth and economic development," Mr Sotha noted. According to Mr Sotha, demand for clean water in Cambodia is now at 10 million cubic metres per day.

Source : <https://www.khmertimeskh.com/50637217/ministry-signs-agreements-to-develop-clean-water-infrastructure/>

## More investment needed for Laos to reap profits from agriculture



*Laos News | 27 August, 2019*

VIENTIANE (Vientiane Times/ANN) - Regional demand for crops and livestock remains high but Laos is unable to capitalise on its potential to satisfy the regional market need, according to a senior official. Deputy Minister of Agriculture and Forestry Dr Bounkhuang Khambounheuang recently stressed the need for Laos to attract investment in agriculture in order to strengthen the export market. "We have to encourage the private sector to invest in agricultural production if we want to increase exports of agricultural products," he said. He said 833 companies have so far invested in the agriculture and forestry sector, with registered capital of US\$3.4 billion. But Laos still has huge potential to grow more crops and rear more animals for export to regional markets. Dr Bounkhuang said Cuba would like 100,000 tonnes of rice from Laos while Indonesia has

asked for 1 million tonnes of rice and Vietnam needs 500,000 animals, but Laos is unable to meet these needs. One of the main challenges for Laos is that most farmers still practice subsistence agriculture based on traditional production methods, which does not produce enough to meet market demand. Another problem is low quality farm productivity and fragmentation of the value chain. The incorporation of best practices into farming is critical to improve product quality and lower costs while linking farmers and producers to agribusinesses and processing facilities to add value to export products. Dr Bounkhuang said Laos also has huge potential to grow organic crops for commercial purposes due to the increasing demand for clean food as consumers become more health conscious. An economist with the Faculty of Economics and Business Management at the National University of Laos, Dr Phouphet Kyophilavong, commented that if Laos wants the agriculture sector to grow more quickly, it must attract more investors in the sector. At the same time, a clear agricultural promotion policy is needed to help growers overcome their hurdles and boost productivity. As part of preparations for the US\$5.9 billion Laos-China railway, which is scheduled for completion in 2021, the government will work with a Chinese company to build a plant and animal quarantine station in Luang Namtha province, to ensure Lao products can be exported to China. In recent years, the agriculture sector has not grown as anticipated due to weather extremes and disease

and pest outbreaks which have destroyed thousands of hectares of crops. According to the World Bank, floods damaged more than 90,000 hectares of agricultural land between July and September 2018, which caused the rice harvest to fall to 3.6 million tonnes that year, down from 4 million tonnes in 2017. Over the past four months of this year, dry-season rice production amounted to only 453,230 tonnes, equal to just 10.3 percent of the target figure for the whole year, according to a government report.

Source : <http://annx.asianews.network/content/more-investment-needed-laos-reap-profits-agriculture-102737>

## Govt, FAO review indicators on path to sustainable development of agriculture



*Laos News | 28 August, 2019*

Government officials and FAO officials are meeting in Vientiane to discuss agriculture, nutrition, and land holding and use in support of the Sustainable Development Goals (SDGs). A training workshop titled "Agriculture, Nutrition, and Land Holding and Use to Support the Sustainable Development Goals (SDGs) 2030 in Laos" is taking place from August 26-29. The session was opened by the Deputy Head of the Lao Statistics Bureau and the Secretariat to the National Steering Committee for the Implementation of SDGs in Laos, Ms Phetsamone Sone, and the FAO Representative to the Lao PDR, Mr Nasar Hayat. Statistical experts from FAO headquarters

and the FAO Regional Office for Asia and the Pacific presented critical issues on the nationalisation processes of SDG indicators for Laos and the future measurement of the 21 indicators under FAO custodianship. The four-day workshop will give government officials and other stakeholders a better understanding of the SDG indicators related to agriculture, FAO's role in SDG monitoring and reporting at regional and national levels, and the methodology for measuring each of the 21 indicators. The data requirements for measuring the indicators along with their possible data sources will also be discussed in detail. More than 20 representatives of government and UN agencies including the Lao Statistics Bureau, Ministry of Agriculture and Forestry, Ministry of Natural Resources and Environment, Ministry of Planning and Investment and other stakeholders are attending the workshop. Stakeholders will discuss their experiences and challenges in generating data related to these indicators in Laos, and come up with an action plan to improve the SDG monitoring process.

Source : [http://www.vientianetimes.org.la/freeContent/FreeConten\\_Govt.php](http://www.vientianetimes.org.la/freeContent/FreeConten_Govt.php)

## Mandalay Region expects per capita GDP to rise



Myanmar News | 27 August, 2019

Mandalay Region's per capita GDP, which has been steadily rising in recent years, is expected to continue doing so with a combined K841.6 billion in

investment flows entering the region in the current fiscal year through June. Myanmar changed its fiscal year from April 1 to October 1 starting from the current fiscal year, which ends on September 30, 2019. Regional Minister for Natural Resources and Environmental Conservation U Myo Thit said foreigners from seven countries invested US\$445 million (K669.59 billion) in the region through June while local investments totalled K172 billion. He noted that GDP per capita has increased over the years, with the regional government expecting per capita GDP to hit K1.7 million in the current fiscal year. Per capita GDP has been increasing under the current National League for Democracy (NLD)-led regional government, which took power from fiscal 2015-16 when per capita GDP increased to K1.2 million. Per capita GDP increased to K1.4 million in fiscal 2016-17 and K1.5 million in fiscal 2017-18. U Myo Thit said the regional government has implemented measures to ensure that Mandalay, the region's largest city, continues to be a safe and secure environment for economic development. He added that the region has five government-led projects and another five being jointly implemented by the regional government and the private sector. Meanwhile, U Myo Thit said project implementation governance has been strengthened by inspections from third parties that ensures not just quality but also keeps an eye out for corrupt practices. Such

inspections have been carried out under directive 1/2017 from the President's Office. The regional government has ambitious plans to provide electricity to the entire region by 2021. Only 38pc of the region had access to electricity in fiscal 2015-16 and this has improved to 74pc in the current fiscal year. In addition, some 748 km of roads have been constructed in rural areas in fiscal 2017-18 while another 3,023 metres of bridges were built at a cost of K25.6 billion

Source: <https://www.mmtimes.com/news/mandalay-region-expects-capita-gdp-rise.html>

## Businesses jumpy over impending loan repayment deadline



*Myanmar News | 27 August, 2019*

Some of Myanmar's business leaders are urging those of their compatriots who have been slow in repaying their loans to do so in order to avoid a financial crisis. There has been speculation that banks would be suing businesses that have not been repaying their loans on a regular basis or have defaulted to pay up by the end of September or the properties that have been put up for collateral would be confiscated. Zay Kabar Co Ltd chair U Khin Shwe said at the launch ceremony for the Myanmar Entrepreneurs Association on August 22 that the target deadline for debt repayment has been set for the end of September, with prosecution and property confiscations to ensue if businesses persist in not

repaying. "All banks will sue unless loans are paid back by the end of September. There are some 10,000 people on the list, with some being top business people who may be blacklisted," he said, adding that nearly all businesses take loans by putting up their properties as collateral. Myanmar Construction Entrepreneurs Association secretary U MyoMyint said there could be a serious banking crisis if these businesses do not repay their loans. "The majority of the loans come from private sector banks and there could be some issues from large loans issued by private banks," he said. So far, no official announcement has come from the Central Bank of Myanmar or from any of the banks. "It would be better for the any announcement to be delayed and for the repayment schedule to be pushed back as the situation can become chaotic," U MyoMyint said. Meanwhile, U Khin Shwe, also patron of the Small and Medium Industrial Development Bank Ltd, said banks could lose money if they start confiscating properties as property prices have for the most part been in a slump compared to four to six years ago. U Myo Myint and U Khin Shwe both said that a delay in the repayment schedules should be discussed as the amounts owed could destabilize the banking industry. Taw Win Family Co Ltd chair U Ko Ko Htwe said the slowing economy has prevented businesses to repay their debt while banks have now mostly issued loans to companies

with solid credit. “Banks may not benefit if move to collect their debts next month. Bankers understand it as well, and they are also running a business,” he said. U Ko Ko Htwe said both lenders and debtors must come to terms with a more flexible repayment schedule in order for the problems to be solved. –

Translated

Source: <https://www.mmtimes.com/news/businesses-jumpy-over-impending-loan-repayment-deadline.html>

## Vietnam Jan-Aug FDI inflows up 6.3% y/y to \$11.96 billion: ministry



*Vietnam News | 27 August, 2019*

Vietnam received \$11.96 billion in foreign direct investment (FDI) in January-August, up 6.3% from the same period a year earlier, the Ministry of Planning and Investment said on Tuesday. However, FDI pledges - which indicate the size of future FDI disbursements in the January-August period - fell 7.1% from a year earlier to \$22.63 billion. Of the pledges, 69.6% are to be invested in manufacturing and processing, while 10.2% would go to real estate, the ministry said. Exports by foreign-invested companies in the first eight months are estimated to have risen 4.6% from a year earlier to \$117.95 billion, accounting for around 69.4% of Vietnam’s total exports, it added. Hong Kong continued to be the top source of FDI pledges in the period, followed by South Korea and Singapore. The Southeast Asian country reported a record high FDI inflows of \$19.1 billion last year, up 9.1%.

Source :

<https://tuoitrenews.vn/news/business/20190827/vietnam-janaug-fdi-inflows-up-63-y-y-to-1196-billion-ministry/51098.html>

## Vietnam’s farming exports reach US\$26.58 billion



*Vietnam News | 27 August, 2019*

NDO - Vietnam’s agricultural exports in the first eight months of 2019 were estimated at US\$26.58 billion, up 1.6% over the same period of last year. The Ministry of Agriculture and Rural Development (MARD) said that there were eight commodities posting revenues of more than US\$1 billion each. Key agricultural goods brought in US\$12.4 billion, down 8.3%, while main forestry exports were estimated at US\$7.08 billion, up 18.6%. Seafood exports dropped 1.2% to US\$5.52 billion. Strong growth was seen in a number of goods such as tea, up 22.7%; timber and timber products, up 17.5%; cinnamon, up 19.3%; and bamboo and rattan products, up 48.1%. According to the MARD, Vietnam’s farming exports to China in the first seven months of 2019 fell 8.9% year on year to US\$4.74 billion while exports to the US rose 12.6% to an estimated US\$4.78 billion. With such figures, the US is currently the largest importer of Vietnamese agricultural goods, followed by China, the European Union, ASEAN and Japan. In the January-August period, Vietnam also imported US\$20.54 billion worth of agricultural goods and supplies, down 1.2%

from the same period last year, helping Vietnam to record a surplus of US\$6.04 billion.

Source : [https://en.nhandan.com.vn/business/item/7851202-vietnam%E2%80%99s-farming-exports-reach-us\\$26-58-billion.html](https://en.nhandan.com.vn/business/item/7851202-vietnam%E2%80%99s-farming-exports-reach-us$26-58-billion.html)