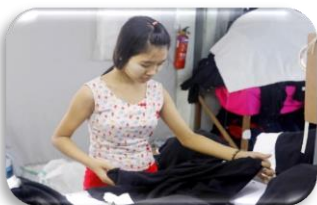


Highlight News | December 13/2019



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## Cambodia to keep trade privileges in the UK after Brexit: Hun Sen



*Cambodia News | 12 December, 2019*

Prime Minister Hun Sen yesterday said the United Kingdom has pledged to preserve Cambodia's preferential access to its market even after departing the European Union. Speaking during a graduation ceremony yesterday, Mr Hun Sen said he is closely following the situation in the UK as the country prepares to leave the EU. In his speech, the Cambodian premier pointed out that the UK is the largest market for Cambodian exports inside the European bloc. "The UK has the largest share of our exports in the bloc and the UK has a special trade policy that will continue even after the country leaves the EU. "We want to see the UK leaving the EU. After its departure, the UK's economy will remain strong and the country will continue to import Cambodian goods," said Mr Hun Sen. Trade between Cambodia and the UK increased from \$500 million in 2012 to more than \$1 billion in 2018, according to figures from the Ministry of Commerce. Cambodia mainly exports garments and footwear, milled rice, and bicycles to the UK. Brexit was originally due to happen on 29 March 2019. That was two years after then Prime Minister Theresa May triggered Article 50 – the formal process to leave – and kicked off negotiations. Under Ms May, the deadline was delayed twice after MPs rejected her Brexit deal – eventually pushing it to 31 October. Despite negotiating a revised deal, Prime Minister Boris Johnson missed the latest deadline, after MPs failed to pass it into law. The EU agreed to a further

extension until 31 January. During her visit to Cambodia in mid-September, UK Minister of Foreign and Commonwealth Office for Asia Heather Wheeler said that Cambodia is among 48 less developed countries that will retain trade privileges in the UK market. "The UK will continue to provide the preferential trade scheme to Cambodia and other 48 less developed countries even after Brexit in the near future," she was quoted as saying in a government statement. With Brexit looming, the two countries are now striving to redefine their trade relation, according to Commerce Ministry's spokesperson Seang Thay, who recently told Khmer Times Cambodia has already started negotiations with the UK. "When the UK leaves the EU, the EBA will no longer apply, but the UK will continue providing preferential access to Cambodia," Mr Thay said. "The UK leaving the EU without a deal means returning to WTO rules. In this case, we cannot say there is no concern, but we are ready to deal with this particular situation by looking into other opportunities that could happen through the UK's external policy concerning least-developed countries," he explained. Mr Thay noted that, regardless of the UK's relationship with the EU, Cambodia has choices beyond these trading partners. Cambodia's current trade status with the EU, afforded under Everything-but-arms (EBA) agreement, is currently under threat as the bloc reviews the trade deal. Since 2001, the EBA allows Cambodia's exports to enter the bloc tariff and quota-free except for arms and ammunition. Last month, the EU issued a preliminary report on whether the Kingdom should retain its EBA trade status. The government has one month to respond to that report, with the EU scheduled to

announce its final decision in February. Whatever the result, Prime Minister Hun Sen has reiterated that the government cannot exchange its “sovereignty” for aid or trade preferences. “Cambodia cannot depend on only foreign support and must not trade its independence and sovereignty for anything,” Mr Hun Sen said. “However, we want to be good friends with partner countries that want to see Cambodia grow without external interference.”

Source : <https://www.khmertimeskh.com/50669270/cambodia-to-keep-trade-privileges-in-the-uk-after-brexit-hun-sen/>

## Kingdom's trade with

## Vietnam rises 13.8%



**Cambodia News | 12 December, 2019**

The two-way trade between Cambodia and Vietnam reached \$4.4 billion, an increase of 13.8 percent from January to October, according to local media quoting a Vietnam trade body's figures. The rise comes close to their joint target with the two governments committed to increasing trade volume by reaching \$5 billion by 2020. Vietnam Chamber of Commerce and Industry and Cambodia Chamber of Commerce jointly organised a business forum in Phnom Penh on Saturday when the Vietnam trade body announced the trade volume figure. The forum is hailed as enhancing cooperation between companies in the two countries, where they discussed key issues including increasing the efficiency of trade exchange and protecting the legitimate interests of enterprises and experience in cross-border clearance. Vietnam reportedly noted that it so far has 214 investment

projects in the Kingdom, with a combined capital investment amounting to \$3 billion. This makes Vietnam businesses the fifth largest foreign direct investors in the Kingdom. Cambodia, at the same time, has now 21 investment projects in Vietnam with capital investment valued at nearly \$64 million, ranking it 54th among 132 countries investing in the Southeast Asian country. Vietnamese investment in Cambodia is mostly in agriculture, forestry, insurance and banking. There is also substantial Vietnamese investment in IT, aviation, construction, transportation, real estate, manufacturing and processing. During his official visit to Vietnam in October, Prime Minister Hun Sen urged Vietnamese companies to consider the Kingdom for expansion, noting that Cambodia has high potential, particularly in agriculture. “We thank all foreign investors, particularly Vietnamese investors that have chosen Cambodia,” Mr Hun Sen said. Optimism was evident during a recent meeting between Cambodia's Minister of Foreign Affairs, Prak Sokhonn, and Vietnam's Vice-Minister of Foreign Affairs Nguyen Quoc Dung. They were both confident that the projected trade volume will be achieved. “Given current trends, including the fact that two-way trade reached \$4.7 billion last year, bilateral trade will reach and may even exceed 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 recent statement.

Source : <https://www.khmertimeskh.com/50669272/kingdoms-trade-with-vietnam-rises-13-8/>

## Laos to improve quality of labor data collection



Laos News / 12 December, 2019

VIENTIANE, Dec. 12 (Xinhua) -- Laos hopes to increase the quality of data both of local and foreign laborers in the country, as well as Lao laborers working abroad. A Memorandum of Understanding (MoU) was signed for conducting a feasibility study on Tuesday in Lao capital Vientiane, local daily Vientiane Times reported on Thursday. The MoU was signed between Big Data technology, Department of Planning and Cooperation, Institute of Technology Computers and Electronics (TCEI) under Lao Ministry of Science and Technology and two companies from the South Korea, POSCO International Corporation and PentaGate Company Limited. The ceremony was attended by Lao Minister of Science and Technology Boviengkham Vongdara, Lao officials and representatives of the companies. "This MoU is a great opportunity for the ministries in Laos and South Korean companies for developing and studying labor management system," said Lao Director General of Planning and Cooperation Department Khampheth Vongdara. The cooperation will enhance the development of scientific and technological achievements as well as the socio-economic development of Laos, according to the report. Big Data will collect laborers' data from every sector and related ministries and put it together so

that the exact number of foreign laborers in the country as well as Lao laborers working overseas is known. "We expect that many foreign workers, mostly from China and Vietnam, will come to our country after the construction of the high speed train is finished," said a representative from TCEI, Phonpaseuth Soulinthone. Apart from conducting the feasibility study project, the MoU will enable use of big data technology to establish a foreign laborer management system in Lao and help draw up a master and action plan as well as a timeline for study. The feasibility study will take around five months to ascertain if Big Data is suitable and will benefit the laborer management system.

Source : [http://www.xinhuanet.com/english/2019-12/12/c\\_138625963.htm](http://www.xinhuanet.com/english/2019-12/12/c_138625963.htm)

## Foreign affairs officials discuss plans amid changing global environment



Laos News / 13 December, 2019

The Ministry of Foreign Affairs on Thursday officially kicked off its 14th meeting, aiming to review and approve a new working plan to cope with the changing global environment. Minister of Foreign Affairs, Mr Saleumxay Kommasith presided over the official opening ceremony of the two day-meeting at the International Cooperation Training Centre (ICTC) in Vientiane. About 500 officials including ministers, deputy provincial governors, ambassadors, Lao diplomats posted overseas and others from the

ministry attended the event. In his address, Mr Saleumxay said the meeting, which concludes today, is endeavouring to analyse the global situation, which may have direct and indirect impacts on national development as well as to discuss and approve the new working plan on foreign affairs for 2020-2022. "The meeting aims to ensure that foreign affairs operations, which are taking place amid the rapid and complex change of the regional and global environment, can make significant contributions to the task of national protection and development in line with the Party and government policies as well as to welcome the 9th Party congress," Mr Saleumxay was quoted in a media statement. Mr Saleumxay said over the past three years, the Ministry of Foreign Affairs pursued the Party's foreign policy of peace, independence, friendship and cooperation, adding that one of the outstanding policy implementations included the protection of Lao sovereignty and territorial integrity. He also noted that with the guidance of the Party's foreign policy, the ministry created a favourable environment as well as mobilised international support for the implementation of the Lao socio-economic development plan. At present, Laos has diplomatic relations with 143 countries with 40 embassy and foreign mission offices around the world. Of this number, there are 26 embassies, three permanent representative offices, 10 consulate

offices and one general consulate office. Earlier this week, the Ministry of Foreign Affairs held a meeting with business people, aiming to foster cooperation between the two sectors in mobilising foreign investment in Laos. During the meeting, some participants urged the Ministry of Foreign Affairs not just to focus on political cooperation with foreign nations but also to help attract international visitors and investment to Laos. In addition to the meeting with business, the foreign affairs ministry also held a technical level meeting, hoping to improve coordination between different departments and Lao embassies overseas to ensure effective implementation of the foreign policy. According to the meeting schedule, a Party and government leader would attend the foreign affairs meeting today to provide the Party's foreign policy guidelines so the country can navigate rapid and complex global change.

Source : [http://www.vientianetimes.org.la/freeContent/FreeConten\\_Foreign\\_affairs\\_269.php](http://www.vientianetimes.org.la/freeContent/FreeConten_Foreign_affairs_269.php)

## EU preparing to revoke Myanmar

### GSP: UMFCCI



*Myanmar News | 12 December, 2019*

The European Union (EU) may be preparing to revoke the Generalised System of Preferences (GSP) status granted to Myanmar, according to U Zaw Min Win, chair of Union of Myanmar Federation of Chambers of Commerce and



Industry (UMFCCI). U Zaw Min Win said he was informed of the developments by the ambassadors of the EU and UK but did not know the extent of pressure for it. He was speaking during a meeting with Vice President U Myint Swe earlier this week. The EU began considering a withdrawal of the GSP, granted to Myanmar in 2013, after an outbreak of violence against Muslims in Rakhine at the end of 2018. These privileges grant Myanmar duty-free trade with the EU, which mainly consists of garments. Subsequently, a GSP study team from the EU also visited Myanmar and met with business persons and labour organisations. Of the products exported by Myanmar to EU member countries, 60 percent is from the cut-make-pack (CMP) garment sector. Duty-free exports to the EU from Myanmar rose from €535 million in 2015 to an estimated €2.3 billion in 2018. Of the 2018 exports, 70pc consisted of garments. If the GSP is withdrawn, the most affected sector will be garments. Should those privileges be withdrawn, U Myint Soe, chair of Myanmar Garment Manufacturers Association told The Myanmar Times that Myanmar will have no choice but to find new markets and continue to export. “We can’t stop of the GSP is withdrawn. Our electricity situation has improved and if other sectors like shipping and productivity

improve, we can still compete in the global market even without duty-free opportunities,” he said. He added that banking services and international fund transfers need to improve, too. Nevertheless, if Myanmar no longer enjoys GSP access, CMP exports will be taxed from 12pc to 15pc, according to the Myanmar Garment Entrepreneurs Association. “It is not easy for a business to enjoy profit margins of 5pc or 1pc. Adding that to not having GSP benefits, we will have to take measures to stay competitive,” said U Myint Soe. EU has given GSP to Laos, Cambodia, Vietnam, Myanmar and Bangladesh and if Myanmar’s privileges are revoked, the country will have to compete with those who still enjoy GSP in the market, he added. “EU will only go for cheaper prices and they are only buying from Myanmar because of its competitive price. If the prices increase because of tariffs, they will not buy from here anymore,” he said.

Source : <https://www.mmtimes.com/news/eu-preparing-revoke-myanmar-gsp-umfcci.html>

### Agriculture as an economic driver



*Myanmar News | 12 December, 2019*

It’s common to see roads in Shan State full of trucks loaded with vegetables. The state produces 60 percent of all vegetables consumed within the country. Some of the crops are even exported to neighbouring countries.

The state government now says that it is making moves to place more emphasis on developing agriculture over tourism as Shan has the potential to become an agricultural powerhouse in Myanmar and the region. “Agriculture is one of the main resources of the state, which has plenty of land and climate that is suitable for various crops. Produce from Shan is sought after in both domestic and overseas markets. All this means there is a lot of potential for investors to explore in Shan’s agriculture sector,” Shan State Minister for Planning and Finance U Soe Nyunt Lwin. During an investment forum held in Shan State in the last week of November, state officials State focused on inviting local and foreign investors for a single sector – agriculture. This differed from similar events organised by other regions and states that are generally seeking investment in multiple sectors. Many of the people in Shan rely on agriculture for their livelihoods. Rice, maize, soybean, potato, sugarcane, tea, coffee, mangoes and vegetables are major crops in the state. Rice is the main crop, while maize, soybean, and sugarcane take up much of the land. Portions of the harvests from each crop is also exported to China. “Much land that is suitable for cultivation remains and the state borders China, Thailand, and Laos. The state is also home to the Muse and Tachileik border trade areas and has moderate levels of water, power, and road infrastructure that can be

improved. All this points to a positive landscape for investments in Shan’s agriculture sector,” said Chief Minister U Lin Htut. According to the state Department of Agriculture’s statistics, there are 2.3 million hectares (5.7million acres) of land suitable for cultivation in the state and only about 800,000 hectares are currently being used. The available land offers good opportunities for foreign and local investors, U Lin Htut said. “There are huge economic prospects in Shan State’s agriculture. If investors tap this potential sustainably, there will be good outcomes for both the state and investors,” said U Sai Phyo Lwin Oo, secretary of Shan State Chamber of Commerce and Industry (SSCCI). Shan State’s highland regions and has cool weather, creating good crop yields and has links by roads to other parts of the country to transport crops internally and also links with border routes for exports. While the state has good prospects there are also challenges, some of which can be overcome with investments, while others might be more difficult to address. Clashes frequently occur between the Tatmadaw (military) and ethnic armed groups in the northern part of Shan State and peace negotiations have been fitful. Moreover, many farmers in the state still use traditional methods. “We see that southern Shan State has been developing fast over the last few years while efforts are ongoing to create the China-Myanmar Economic Zones and other

economic corridors in the northern part of the state. However, a lasting peace would bring about more lasting development,” U Soe Nyunt Lwin. The current challenges in the state’s agricultural sector are low efficiency, insufficient data and research, insufficient financing, infrastructure and human resources,” the Shan State Chambers of Commerce and Industry’s said in a report on agricultural development. Although the State produces and reaps abundant harvests, there are still insufficient supporting services. Storage, packaging, and market connections are the weakest links, said State Investment and Foreign Economic Relations Ministry Permanent Secretary U Aung Naing Oo. “Market links are weak even to distribute to the domestic market and this kind of space is a good opportunity for foreign investors,” he said. Currently, some foreign investors have set their eyes on the state as a good environment for agricultural businesses. Germany-based international retail and wholesale company METRO Wholesale has expanded in Shan State to get products directly from farmers and livestock breeders to distribute in other parts of the country. METO has opened a purchasing centre in Aung Pan in Shan State and is making offers to the farmers for various crops. “We make investments in Shan State and mainland Myanmar. We aim to set up the business depending on the existing resources. We’d like to create a value chain in

the country,” said Jens Michel, CEO of METRO Wholesale. The government of Shan State is planning to carry out a short-term project to develop agriculture, and a long-term investment project to increase investment in the state. “One of the issues is the market, which is the hardest to achieve. We find difficulties when we sell our products without understanding the market demand. What’s really important is producing and selling what the market demands,” said U Ngwe Tun, founder of Genius Coffee. The produce of Shan State such as avocado, mango, others are exported to Asian countries, and coffee and tea is exported even to America and European countries. Although Shan State has good potential for sustainable agricultural development, it still has many challenges to overcome, from production to market development. Considerable effort will have to be made to see even more trucks carrying agricultural goods running along Shan State’s roads to regional and global markets.

Source : <https://www.mmtimes.com/news/agriculture-economic-driver.html>

## Rubber exports top 2 billion USD

in 11 months



*Vietnam News | 12 December, 2019*

Vietnam earned 2.02 billion USD from exporting 1.5 million tonnes of rubber between January and November, rising 7.6 percent in value and 8.1 percent in volume year on year. In November alone,



about 200,000 tonnes of rubber were shipped abroad, bringing home 260 million USD. The figures respectively increased 4.2 percent and 4.3 percent from the previous month, and 11.3 percent and 16.2 percent from the same period last year, according to the Ministry of Agriculture and Rural Development. Export price in the month also grew 4.5 percent year on year to 1,300 USD per tonne. The ministry said the rubber farming area nationwide expanded from 800,000ha in 2011 to 965,000ha in 2018, about 165,000ha more than the plan. Vietnam aims to gain over 2 billion USD from the export of natural rubber in 2020.

Source : <https://english.vov.vn/economy/rubber-exports-top-2-billion-usd-in-11-months-407445.vov>

## Vietnam posts record trade surplus of nearly US\$11 billion



*Vietnam News | 12 December, 2019*

VOV.VN - Vietnam enjoyed a trade surplus of close to US\$11 billion during the first 11 months of the year, with roughly US\$1.45 billion being recorded during November, according to the latest statistics released by the General Department of Vietnam Customs. Vietnam's total import and export value throughout November suffered a drop of 5.3 per cent to US\$44.13 billion in comparison to the previous month. This drop in November comes despite the country's total import-export value surging by 7.2 per

cent during the 11-month period to US\$472.63 billion against the same period from last year. Of the figure, the country's exports during November grossed US\$22.79 billion, a fall of 5.9 per cent from the previous month and bringing the total export turnover throughout the reviewed period to US\$241.65 billion, an increase of 7.9 per cent on-year. November saw the export value of foreign direct investment (FDI) firms reach US\$15.17 billion, a 7.7 per cent fall in comparison to October, bringing the total export turnover by FDI enterprises to US\$165 billion during the 11-month period, up 4.1 per cent on year. The commodities that enjoyed the highest export value throughout November include phones and components with US\$4.49 billion, computers, electronics and components with US\$3.26 billion, textiles and garments with US\$2.5 billion, machinery, equipment, spare parts with US\$1.77 billion, and footwear products with US\$1.7 billion.

Source : <https://english.vov.vn/economy/vietnam-posts-record-trade-surplus-of-nearly-us11-billion-407464.vov>