

Highlight News | February 3/2020



- Cambodia has 54 special economic zones, more to come
- Japan's foreign direct investment in Cambodia peaks \$2.5 billion in last 15 years
- Lao Airlines reduces flights to Chinese destinations
- As demand falters, corn traders seek new markets
- 130 Myanmar workers return to Myawady due to the factory closure
- Vietnam invests 3.97 million USD abroad in January
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Cambodia has 54 special economic zones, more to come



Cambodia News | 1 February, 2020

As of 2019, Cambodia has in total 54 Special Economic Zones, according to the Council for the Development of Cambodia. In 2019, the exports from Cambodia's Special Economic Zones were US\$2,688 million, up 27 percent compared to 2018, continued the source. Specifically for Phnom Penh Special Economic Zone encompassing 353 hectares of land surface, it has 121 investment companies providing 21,717 jobs for Cambodians. The exports from Phnom Penh Special Economic Zone were valued at US\$518 million in 2019, according to the figure shared during the recent visit of Deputy Prime Minister and Minister of Economy and Finance Dr. Aun Pommoniroth to the zone. Most of the companies invested in the Phnom Penh Special Economic Zone are from Thailand, Vietnam, China, Japan, Belgium, Hong Kong, Malaysia, Singapore, USA and the Philippines. The government is working on new laws to regulate special economic zones and investment. The new laws will attract investment into the country by providing incentives, enhancing transparency, and promoting fair competition. They are part of government reforms to improve the business environment in Cambodia.

Source:<https://www.khmertimeskh.com/50686294/cambodia-has-54-special-economic-zones-more-to-come>

Japan's foreign direct investment in Cambodia peaks \$2.5 billion in last 15 years



Cambodia News | 2 February, 2020

Between 1994 and 2019, Cambodia welcomed 137 Japanese investment projects worth US\$2.5 billion under the framework of Japan's direct investment. The update was provided by Bun Chantry, Undersecretary of State at the Ministry of Commerce in a seminar on "Benefiting from Valuable Chain through MSME Links" here in Phnom Penh recently. The investment projects, Bun Chantry continued, focused on electronic parts, electricity, vehicle auto parts, technical equipment, agro-industry, processing food, hotels, tourism, hospitals, shopping malls and beyond. There are also Japan's 1,799 small and medium enterprises (SME) investing in areas such as banking, aviation, and catering, he added. "Japanese businesses and investment in Cambodia are renowned for their quality. They add value to local goods, generate jobs and help improve the living standards of Cambodian workers, which is in line with the vision and mission of the Royal Government of Cambodia. "The number of Japanese firms doing business in the Kingdom increases every year. Their decision to invest and expand their operations in the Kingdom signals strong confidence on the Cambodian government and in its investment environment," Bun Chantry was quoted as saying.

Source:<https://www.khmertimeskh.com/50686389/japans-foreign-direct-investment-in-cambodia-peaks-2-5-billion-in-last-15-years>

Lao Airlines reduces flights to Chinese destinations



Laos News / 3 February, 2020

its citizens from leaving the country in an attempt to limit the spread of the new coronavirus. Charter flights from Vientiane to Changzhou, Hangzhou and Shanghai, and from Luang Prabang to Shanghai and Jinghong have all been suspended. Next week, the national flag carrier will also start reducing scheduled flights to China – the airline’s main market - the company’s President Bounma Chanthavongsa was quoted as saying by the Lao News Agency. Meanwhile, most flights to Laos operated by Chinese airlines have been suspended. Mr Bounma said Chinese tour operators submitted a letter to Lao Airlines requesting the suspension of charter flights after they were instructed to cancel outbound package tours. However, charter flights from Vientiane to Changsha and Chengdu and from Luang Prabang to Changsha have not yet been suspended as Chinese tour operators have not requested that this be done. “We are monitoring these three routes,” Mr Bounma said. It was reported previously that Lao Airlines has 21 direct flights to China each week. From Vientiane seven flights go to Kunming, three to Guangzhou, two to Changsha, three to Chengdu, one to Changzhou, one to Shanghai, one to Wenzhou, and two to Jinghong. There is also a flight from Luang Prabang to

Changsha. Lao Airlines could not be reached for comment on whether all of these sectors are still operating as normal. Originating in a fresh market where wildlife is traded in December last year in Wuhan, Hubei province, the virus has reportedly spread to every region in mainland China and beyond. At least 18 countries were reported to have suspected and confirmed cases. The rapid surge in the number of suspected and confirmed cases and deaths has prompted global warnings to avoid trips to outbreak areas. The number of confirmed cases of the new coronavirus rose to 9,692 on the Chinese mainland as of January 30, including 213 deaths, the China Daily reported. Director General of the World Health Organisation, Tedros Adhanom Ghebreyesus, said on Thursday that the coronavirus outbreak has become a Public Health Emergency of International Concern, according to Xinhua.

Source:http://www.vientianetimes.org.la/freeContent/FreeContent_Lao_Airlines_23.php

As demand falters, corn traders seek new markets



Myanmar News / 31 January, 2020

Corn traders are actively looking for new markets in Asia to export corn, said U Min Khaing, chair of the Myanmar Corn Industrial Association. Traders are aiming to expand exports to Vietnam, the Philippines and India. Come June, representatives from the

association will visit China to promote corn produced in Shan State. "We will also go to the Thailand to discuss the corn trade. Actually, we have already agreed to export corn to Thailand but are now still waiting for official permission from the Thai government," said U Min Khaing. Discussions on the right strategy to expand the export market for corn took place the association's new office and come after China suspended corn imports from Myanmar last year, causing prices to plunge and corn traders to divert mounting stockpiles at home to neighbouring Thailand. However, high import tariffs are proving to be a major challenge for traders. Under a bilateral agreement between Thailand and Myanmar, corn exports had been exempted from tax between February and August, 2019. During October-November in the current financial year, Myanmar shipped more than 100,000 tonnes of corn to other countries compared to 200,000 tonnes in the year-ago period. During fiscal 2018-19, Myanmar exported 1.5 million tonnes of corn worth US\$270 million compared to 1.1 million tonnes worth US\$300 million in fiscal 2015-16. There are more than 1.9 million acres of corn plantations in Myanmar, primarily in Sagaing and Magway regions, and Chin, Kayin, Shan, and Kayah states. The current corn price is K480 to K495 per viss.

Source : <https://www.mmtimes.com/news/demand-falters-corn-traders-seek-new-markets.html>

130 Myanmar workers return to Myawady due to the factory closure



Myanmar News | 1 February, 2020

A total of 130 Myanmar migrant workers are returned to Myawady on January 31 due to a factory closure in Kanchanaburi, Thailand, sources said. The factory is owned by a Chinese and more than 300 workers were working in it. The factory is closed abruptly as raw materials from China cannot send due to the outbreak of novel coronavirus. The migrant workers are working in Thailand under MoU agreement and they had to pay around Ks1 million to work in Thailand officially. The factory closure made them suffer, they said. Wai Lin Maung, a Labour Consul based in Mae Sot, helped the migrant workers to return to Myanmar and went to meet with the recruitment agents to ask compensation for the workers. The labour consul also met with Ye Min and Aung Myat from Aid Alliance Committee (AAC). Ye Min urged officials from Myanmar and Thailand to cooperate to ask compensation for Myanmar workers, who became jobless, due to the factory closure.

Source : <https://elevenmyanmar.com/news/130-myanmar-workers-return-to-myawady-due-to-the-factory-closure1>

Vietnam invests 3.97 million USD abroad in January



Vietnam News | 1 February, 2020

The latest updates from the Foreign Investment Agency revealed that Vietnam invested 3.97 million USD abroad in January, more than three times higher than the same month last year. Seven new projects were granted investment licences, with total registered capital of 3.83 million USD and one raised its capital by nearly 140,000 USD. Vietnam's overseas investment in January mainly poured into retail and wholesale (accounting for 71.8 percent of the total registered capital), construction (3.4 percent), manufacturing and processing (3.7 percent), and telecommunications (3.4 percent). Four countries received investment from Vietnam in January. Among them, the US was the leading destination with total investment of more than 3.53 million USD, followed by Japan with an investment worth 182,400 USD, Cambodia with 150,000 USD and Republic of Korea with 100,000 USD. In 2019, Vietnam invested a total of more than 508 million USD in 32 countries and territories, of which 403 million USD was poured into 164 new projects and 29 projects increased their capitals by a total of nearly 105 million USD. The retail and wholesale industry was the leading sector for Vietnamese overseas investment with 121.6 million USD in 2019. Other attractive sectors were agro-forestry-fishery and science and technology. Australia was the top destination for Vietnam's overseas investment last

year, followed by the US and Cambodia. Since 1989, Vietnam had so far invested more than 22 billion USD abroad, mainly in agro-forestry-fishery, energy and telecommunications sectors.

Source : <https://english.vov.vn/economy/vietnam-invests-397-million-usd-abroad-in-january-409501.vov>

National index of industrial production down in January



Vietnam News | 1 February, 2020

Vietnam's index of industrial production (IIP) in January declined by 5.5 percent year-on-year and 11.8 percent month on month, according to the General Statistics Office (GSO). This reduction was due to the Lunar New Year holiday at the end of January this year, reducing the number of working days, said GSO economists. The mining sector saw the strongest reduction of 18.4 percent year on year in IIP in the first month this year. The processing and manufacturing sector, responsible for a large part of domestic industrial production, reported IIP reduction of 4.8 percent while the IIP of electricity production and distribution fell by 3.5 percent. Meanwhile, the IIP of the water supply and waste-sewage treatment sectors rose by 1.6 percent year on year. Many industrial products had a strong reduction in output, such as automobiles (38 percent), sugar (30.4 percent), motorbikes (22 percent), liquefied petroleum gas (21.2 percent), coal (18.5 percent), milk powder (18.4 percent) and raw steel (15.1 percent). However, some industrial

products posted growth in production, including metal ore (34.3 percent), steel bars and steel angle bars (23.5 percent) and mobile phones (10.4 percent). GSO officials said production is expected to recover soon because, in January, the number of labourers in industrial enterprises increased by 0.5 percent year on year.

Source : <https://english.vov.vn/economy/national-index-of-industrial-production-down-in-january-409500.vov>
