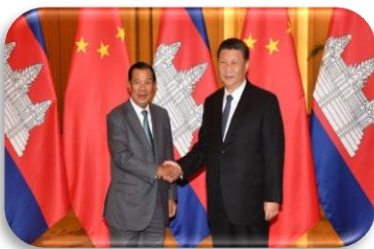


Highlight News / February 18/2020



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Cambodia, China closer to FTA signing deal



Cambodia News | 17 February, 2020

Cambodia and China say they are now planning to sign a free-trade deal some time later this year. The move came after the duo wrapped up their first-round negotiations, which were held last month in Beijing, China. The Ministry of Economy and Finance late last week held a meeting discussing the result of the first-round of negotiations on the free-trade agreement' (FTA) between Cambodia and China, in which the ministry said both parties noted and highly valued the first round of talks. "This meeting has given guideline principles to the negotiating teams, so that this enables them to have a strong foundation for the next round of discussions aimed at reaching a conclusion," it said. It noted the talks are planned to conclude in middle of this year and both sides will be then expected to sign the trade agreement by the end of the year. If successfully concluded, this FTA would be a new mechanism that boosts and diversifies the economic potential and visions of the two nations, observers said. "This trade agreement is established to expand trade, investment, services and a deeper cooperation between the two countries," it said, adding that the agreement will enable Cambodia to export its "bountiful" products to the China market. "With regard to investment, the FTA will contribute to the convenience of existing investors, expanding their businesses while attracting more investment to Cambodia," the

ministry explained. Chheang Vannarith, president of the Asian Vision Institute, said there will be a huge opportunity for the Kingdom when it comes to increasing the amount of its products being sent to the world's second largest economy and the world's biggest population at 1.4 billion. "Through the FTA, Cambodia will be able to boost further exports, especially agriculture products, to the market and it will also strengthen the Kingdom's value chain," he said, explaining that Cambodia will become a significant market for the largest companies in China. He added that free trade will enable it to attract medium-sized Chinese manufacturers to invest in Cambodia, allowing those companies to supply their products to large-scale companies in China. "This FTA will help increase the production network between the two countries," he emphasised. The trade volume between the two countries has steadily increased from \$5.16 billion in 2016 to \$6.04 billion in 2017 and to \$7.4 billion in 2018, according to government figures. The two countries aim to reach \$10 billion in bilateral trade annually by 2023. In addition to China, the Kingdom is also now pushing to reach a free-trade deal with some of the world's leading economies – namely South Korea and the Eurasian Economic Union (EAEU), the Russia-led economic bloc composed of five member states: Russia, Armenia, Belarus, Kazakhstan and Kyrgyzstan.

Source: <https://www.khmertimeskh.com/50691647/cambodia-china-closer-to-fta-signing-deal>

Private sector 'regrets' EBA partial withdrawal decision



Cambodia News | 17 February, 2020

The Cambodian Chamber of Commerce and other business chambers including the Malaysian Business Council of Cambodia, European Chamber of Commerce in Cambodia and American Chamber of Commerce in Cambodia have expressed their regret over the recommendation by the European Commission to partially withdraw the Everything but Arms (EBA) trade preference. If ratified, as expected by the European Union, starting from August this year, tariffs will be applied to 20 percent of the country's exports to the EU, representing approximately \$1.3 billion of the total \$5.8 billion of goods exported annually to the huge trading bloc. The tariffs would be introduced on 20 percent of selected garment products and 30 percent of selected footwear products. Bicycle and rice imports will not face any impact from the recommendation, if effected, although rice exports are currently taxed to protect EU farmers. The private sector had called for consideration towards the socio-economic impact of the decision because the move would lead to a price increase of approximately \$140 million for the selected goods. However, the Royal Government has undertaken measures in the form of structural reforms in the last 12 months to tackle any upcoming negative impact that would result from EU's decision. The country would still continue to benefit from trade preferences for 80 percent of its exports to the EU.

Nevertheless, the private sector continues to call on both the EU and the Royal Government to engage in dialogue pertaining to issues raised by the Commission. In the issued statement, the private sector expresses a commitment to working with those most affected by this development to mitigate the potential damage to trade and investment and the Kingdom's reputation. The news release further highlights that while the decision by the Commission is regrettable, the private sector views the situation as an opportunity to initiate further structural reforms that will go on to strengthen legal compliance and reduce unfair competition. The private sector believes that future reforms will help in accelerating the diversification of the Kingdom's economy, export markets and sources of investment.

Source: <https://www.khmertimeskh.com/50691649/private-sector-regrets-eba-partial-withdrawal-decision>

Deputy PM advises ministry to maximise use of ICT, digitalization



Laos News | 17 February, 2020

Deputy Prime Minister and Minister of Finance Somdy Duangdy last week advised the post and telecommunications sector to use information and communications technology (ICT) to spur development and to transform online services through digitalisation. Mr Somdy made the call on the closing day of a meeting to summarise the work of the Ministry of Post and Telecommunications over the past year. The meeting also revealed the

ministry's plans for this year, which will focus on transforming services through digitalisation. Mr Somdy praised post and telecoms officials for their many successes, especially in hosting the Asean Telecommunications and Information Technology Ministers Meeting. He also stressed the importance of the internet and digital technology for livelihoods and the country's overall development. State organisations should make use of digital technology to improve the efficiency of their operations and work with the Ministry of Post and Telecommunications to ensure that links in the supply of information and databases are of the same quality. He especially recommended offices to make more use of online services, saying they should improve their operations and be more innovative in the way they run their businesses and services. Mr Somdy advised the ministry to develop new innovations and to use ICT to enable digital payments and tax payments through mobile phones (Mobile Money). He called on the ministry to help SMEs and start-up businesses obtain funding and use ecommerce to generate more revenue. Also speaking at the meeting, Minister of Post and Telecommunications Dr Thansamay Kommasith outlined the ministry's recent successes. These included a scheme to modernise payments and revenue collection, and allowing telecom operators to trial a 5G network. Other innovations included a cyber attack monitoring system, installation of an RTIR system, tsunami

sensor system, web server and SSL certification. This year there are plans to use Certification Authority for e-office systems, create i-offices, set up an e-tax system for the Ministry of Finance, and to introduce Root Certification Authority, Government Certification Authority, and Public Certification Authority. The ministry also plans to build two remote monitoring stations at Wattay International Airport and in Chanthabouly district. A total of 475 ministry officials attended training courses in Laos and other countries last year and the ministry is creating an e-testing and e-score process. The ministry competed in an ICT Awards contest in which Laos won two prizes. The ministry is also encouraging development in the postal sector through the use of modern technology for e-post, e-logistics, e-finance and e-commerce. There are also plans to run a campaign to ensure public understanding of appropriate social media use, and improve and draw up policies and legislation. A master plan will be formulated on digital payments and revenue collection through mobile phones, in order to boost income contributions to socio-economic development. The ministry will also install digital network equipment in 18 ministries and the Prime Minister's Office to link them. E-offices will be set up at the Prime Minister's Office, National Assembly, Ministry of Home Affairs, Ministry of Planning and Investment, Ministry of Education and Sports, and Ministry of Information, Culture and Tourism. The ministry will continue to allow telecom operators to

trial a 5G network and to make quality e-posts to prepare for e-commerce in the future.

Source: <http://annx.asianews.network/content/deputy-pm-advises-ministry-maximise-use-ict-digitalisation-113945>

Job fairs successful in linking employers, candidates: Minister



Laos News | 17 February, 2020

Job fairs have been successful in explaining the various positions offered by companies and putting candidates in touch with potential employers. Such events also allow students, other young people and companies to talk to university faculty staff about ways to improve course curriculums to meet the changing needs of the job market. These comments were made by Minister of Labour and Social Welfare, Dr Khampheng Saysompheng, at the opening ceremony of a recent job fair. He said one of the objectives of these fairs was to bridge the communication gap between the academic world and the business community. Job fairs not only encourage young people to think more deeply about a career plan and to seek information about education and training options, but also help them to obtain internships. He noted that there was a lack of awareness among students about where their studies can take them and what employment possibilities there are. In addition, companies find it difficult to communicate with students to explain what jobs actually involve, and to attract suitable

candidates for job vacancies. Besides giving employers the opportunity to display the work or services provided by their company, job fairs provide other useful functions such as presentations on job interview etiquette, preparation for job interviews, and steps in searching for a job. Students can also get advice on ways to write a CV so that it increases their chance of attracting an employer's eye. Young people also get the chance to learn more about the job market in their field, the expectations of companies, and can get advice on preparing applications. This year, it is expected that more than 2,000 people from different educational institutions in Laos will attend the current job fair. It is expected to attract more than 30 companies and organisations involved in areas ranging from IT to banking to hydropower, and offering more than 50 job vacancies.

Source: <http://annx.asianews.network/content/job-fairs-successful-linking-employers-candidates-minister-113946>

Construction of Yangon Elevated

Expressway to start in August



Myanmar News | 17 February, 2020

The Ministry of Construction (MOC) expects the first phase of construction of the Yangon Elevated Expressway (YEX) to commence by August, Deputy Director General U Kyi Zaw Myint said. The MOC released a final request for proposal for the

development of phase 1 under a Public Private Partnership (PPP) to ten prequalified bidders on February 4. The bid submission deadline is set on April 30. Thiha Ko Ko 17 Feb 2020

The Ministry of Construction expects that the first phase of construction of the Yangon Elevated Expressway will commence by August. Photo: Aung Khant/The Myanmar Times The Ministry of Construction expects that the first phase of construction of the Yangon Elevated Expressway will commence by August. Photo: Aung Khant/The Myanmar Times The Ministry of Construction (MOC) expects the first phase of construction of the Yangon Elevated Expressway (YEX) to commence by August, Deputy Director General U Kyi Zaw Myint said. The MOC released a final request for proposal for the development of phase 1 under a Public Private Partnership (PPP) to ten prequalified bidders on February 4. The bid submission deadline is set on April 30. The MOC will select the winning bidder by May, U Kyi Zaw Myint said during a meeting with residents in Yangon on February 16. Construction is expected to take about 3.5 years to complete. Since 2018, the government has been looking for suitable investors to develop the YEX, which is required to connect businesses and residential communities and reduce traffic congestion in the country's commercial hub help pave the way for more economic growth and development. The ten

companies that met the criteria to be considered as prequalified bidders are VINCI Highways from France, Team Korea Consortium, China Communications Construction Company, JFEE/Marubeni Consortium from Japan, BSSIC Consortium from Thailand, Japan, and Myanmar, CRIG-CDL Consortium from China, China Gezhouba Group/Great Genesis Gems Consortium, ITD-CSI JV from Thailand and China, Denso-CSCEC Consortium from China and Myanmar and Power Construction Corporation of China. The winning bidder will be the one that proposes the lowest cost to implement the project. Based on the MOC's estimates, the cost to develop the first phase of the YEX should be between US\$80 million and \$100 million The winning developer should declare the total cost of the project to the Central Bank of Myanmar to avoid financial difficulties or issues, U Kyi Zaw Myint said. The YEX is a priority project for the government and will be the first transport project to be developed under a PPP scheme. The project will consist of a four-lane elevated road of 47.5 kilometres that will link the south of Yangon, which includes Yangon Port and Thilawa Special Economic Zone, to the north side of the city, where the Yangon International Airport, Mingaladon Industrial Park and the Yangon-Mandalay Expressway are located. Phase one of the project will involve a 27.5 km four-lane ring road connecting east and west of Yangon, as well as the

Yangon International Airport. The tendering of the second phase of the project is expected to commence later this year.

Source: <https://www.mmtimes.com/news/construction-yangon-elevated-expressway-start-august.html>

Industrial sector's growth likely to hit almost 3% in Q1



Vietnam News | 17 February, 2020

HÀ NỘI – Việt Nam's industrial sector in the first quarter is projected to grow 2.68 per cent compared to the same period last year if the novel coronavirus (COVID-19) outbreak is brought under control, according to the General Statistics Office (GSO). Of which, the manufacturing and processing industry, that accounts for the lion's share of the industrial sector, will be the hardest hit. This industry is likely to expand just 2.38 per cent instead of 10.47 per cent if the virus is handled. Industries using materials imported from China are also badly affected as the country is a major supplier of materials and accessories for Việt Nam. Other industries that will be affected include textile, garment, leather and footwear. In the first three months of this year, the textile industry is expected to grow 1.9 per cent, while the garment sector is forecast to contract 1.5 per cent and the leather and shoe production industry is likely to expand 0.5 per cent. Without the COVID-19 epidemic, the growth of these industries would have reached 10.5 per cent, 7.9 per cent and

8.5 per cent, respectively. The production of motor vehicles and metals may also slow in the first quarter, rising only 6.9 per cent and 5.2 per cent, respectively. Meanwhile, electronics, computers and optical devices production will possibly see a decline of 2.3 per cent in this period. Without the epidemic, production would have grown 9.3 per cent for motor vehicles, 9.6 per cent for metal products and 2.4 per cent for the group of electronics, computers and optical devices. If this epidemic lasts until the end of the second quarter, the industrial sector's growth is forecast to reach nearly 7 per cent in the first half of this year. In this scenario, the manufacturing and processing industry is estimated to gain growth of 8.51 per cent. The GSO has proposed the Government take supportive measures for enterprises that suffer significant impacts from the coronavirus epidemic, such as seeking alternative suppliers, reducing export-import tariffs and boosting domestic consumption, said its General Director Nguyễn Bích Lâm. Those are the enterprises operating in the industries of manufacturing, exporting and importing industrial products, especially textiles, leather, electronics, cars, steel, and food and foodstuff processing enterprises. To stabilise domestic production, Lâm said the GSO has proposed the Government to continue managing macro-economic policies to control inflation and maintain stability in the macro-

economy as well as the monetary market. At the same time, the Government should follow issues relating to import and export, including key export products, major export markets and material imports for production, to solve problems of import and export enterprises. The Government is advised to address bottlenecks, including administrative procedures, to accelerate the implementation of major public investment projects nationwide, thus boosting socio-economic development. VNS

Source: <https://vietnamnews.vn/economy/592301/industrial-sectors-growth-likely-to-hit-almost-3-in-q1.html>

Việt Nam needs to find new rice markets to replace China: experts



Vietnam News | 17 February, 2019

HCM CITY – Since the novel coronavirus (Covid-2019) epidemic will surely affect exports to China, diversifying markets is an urgent requirement for Vietnamese rice exporters, experts have said. The winter-spring rice crop harvest has begun in the Cửu Long (Mekong) Delta. In Hậu Giang Province 1,000ha of crops have been marginally affected by salinity but farmers have harvested hundreds of hectares of rice early, and the yield is quite high at 7.7 tonnes per hectare. Prices have decreased slightly since the beginning of the season earlier this month because exports to China have ceased, Trần Chí Hùng, director of provincial Department of Agriculture and Rural Development, said. The price

would continue to drop unless new markets are found, he said. Bùi Thị Thanh Tâm, general director of VinaFoods 1 Corporation, said five years ago China was the largest market for Vietnamese rice, but now export markets have been expanded, meaning the novel coronavirus epidemic would not hit Việt Nam's exports too badly. The Philippines became the largest market for Vietnamese rice, buying US\$885 million worth last year, according to the General Department of Customs. Đỗ Hà Nam, vice chairman of the Việt Nam Food Association, said China would continue to reduce rice imports this year. But Việt Nam has a chance to ship to Japan this year since that latter wants to diversify its import sources to other suppliers from countries that have signed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), including Việt Nam. It now relies much on US supply. But to export to Japan, the Vietnamese agriculture sector needs support from authorities. The Ministry of Industry and Trade focuses on developing markets and negotiating free trade agreements. The Ministry of Agriculture and Rural Development (MARD) is in charge of production, including quality improvements. Local authorities need to guide and encourage farmers to produce organic rice. Businesses also need to ensure the quality of the rice they are exporting. If these tasks are well coordinated, export growth could be ensured, Tâm said. Minister of Agriculture and Rural Development Nguyễn Xuân Cường said global rice exports now

are 36-40 million tonnes a year, with Việ̣t Nam accounting for seven million tonnes, but its export value is not high because of its passive approach. In the long term, the agricultural sector should look at reducing the total area under rice to a level that ensures food security and reasonable export volumes, he said. It also needs to ensure the quality of the grain and packaging, he said. As for exports, Việ̣t Nam should expand to new markets like Africa and the Middle East besides regional countries such as Indonesia and Singapore, he said. Việ̣t Nam's major competitor, Thailand, faces a severe drought, affecting rice production, while Singapore, which imports 30-40 per cent of its rice from Thailand, is considering diversifying import sources, MARD said. Việ̣t Nam has shipped the grain to 150 countries and territories in Asia, Africa and the Americas. – VNS

Source: <https://vietnamnews.vn/economy/592304/vietnam-needs-to-find-new-rice-markets-to-replace-china-experts.html>
