

Advisory Institute For Trade And Investment By TCC University of the Thai Chamber of Commerce Tel. +66(0) 26976357 ext.6357 Fax. +66(0) 2692-3161

Highlight News / March 16/2020

- Custom revenue grows by almost 20 percent over last five years
- COVID-19 impacts garment workers in Cambodia
- USA injects support into Lao Covid-19 prevention
- Myanmar President Office forms economic remedy committee for Covid-19
- 4000 workers in Myanmar unemployed over shutdown, workforce reduction
- Rubber Group plans to build three processing plants in northern region
- Sales at supermarkets surge, wet markets drop





ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI











.

Custom revenue grows by almost 20 percent over last five years

140

Cambodia News I 16 March, 2020

The General Department of Customs and Excise (GDCE) said its revenue collection has seen a remarkable growth over the last five years, with an average 19.5 percent increase a ve"The noticeable achievement is the result of good governance progress of the GDCE reflected by reform and modernisation," GDCE General Director's Kun Nhim said. Kun noted that the revenue collection from duties and Customs taxes exceeded 42 percent of the GDCE's plan compared with 2014 and revenue rose from about \$1.32 billion to \$3.22 trillion in 2019 - an increase of about 2.5 times. According to the GDCE, 2019's revenue from import tariffs increased by more than 30 percent and from value-added tax (VAT) by about 29 percent. The main revenue sources for 2019 were imports of vehicles and machinery, which, according to the GDCE, represented 50 percent of the total revenue. Earlier this month, the GDCE voiced concerned over the global pandemic, in which Kun said it will - more or less – affect the annual plans for revenue collection. ar since 2014. For this year, Kun said the GDCE's annual plan is to collect a total of \$2.9 billion, with a monthly average of \$250 million in revenue collection. "In January, we collected more than \$250million, which exceeded our plan. However, the on-going pandemic affected the plan for February with the revenue collection amounting to \$235 million, which was lower than expected," he added. In the budget for 2020, the Cambodian government approved about \$8.23 billion for expenditure in 2020, an increase of 22.7 percent compared with 2019. The General Department of Taxation (GDT), at the same time, has also cautioned that the COVID-19 outbreak will drive down the revenues they are able to collect for this year. The GDT said the pandemic potentially scuppers their target of collecting about \$2.9 trillion in tax revenues this year, a 20 percent increase on 2019. Combined. these two departments targeted nearly \$6 billion in revenue collections, while both the GDT and GDCE expressed concern that their target plan for this year is tough to achieve largely because of the pandemic. Kong Vibol, GDT director-general, said the virus continues to create a global economic slowdown and has a knock-on effect on the local economy. "We are closely monitoring the situation because we don't know when the outbreak [of COVID-19] could come to an end – it may take a month, two months or even a year. Whatever the outcome, it will affect revenues we take in tax collection," he added.

Source:https://www.khmertimeskh.com/50701921/cust om-revenue-grows-by-almost-20-percent-over-last-fiveyears/

COVID-19 impacts garment workers in Cambodia

С

Cambodia News I 14 March, 2020

The global outbreak of the Coronavirus is slowing down the economy and threatens to eliminate

thousands of jobs in the global supply chain in South East Asia, particularly in Cambodia as one of the most affected countries in the region. Garment factories rely on raw materials from China, and as manufacturing plunged in China, factory owners in Cambodia have begun suspending operations and retrench workers. Ten factories in Cambodia informed the government that production would be suspended. It is estimated that 200 factories in the sector will either suspend operations or decrease productivity. One source reported that 5,000 Cambodian workers have already lost their jobs. Factories who have suspended operations are obliged to pay workers 60 percent of the minimum wage, and the Cambodian government has offered affected employers to pay 20 percent of that. During the suspension, workers are to receive training conducted by Ministry of Labour and Vocational Training at the workplace. Annie Adviento, IndustriALL South East Asia regional secretary, welcomes the Cambodian government's announcement, but urges the government to be prudent in approving the application of lowering the minimum wage. "It's an emergency measure that could easily be exploited by employers by not paying minimum wage to workers. There must be a due diligence process to prevent frauds. "As many jobs as possible must be saved and the government should intervene when workers lose salaries. Both Cambodia and Myanmar have participated in ILO's decent work country programme, which focuses on

ADVISORY INSTITUTE FOR TRADE AND INVESTMENT: BY TCC

employment creation and social protection for workers." IndustriALL Global Union

Source:https://www.khmertimeskh.com/50701601/covi d-19-impacts-garment-workers-in-cambodia/

USA injects support into Lao Covid-19 prevention

•

Laos News I 16 March, 2020

The USA government has forecast a budget of US\$1.9 million in assistance to Laos in response to the global spread of the novel coronavirus Covid-19. The US Ambassador Dr Peter M. Haymond made the announcement as part of his opening remarks for a US-sponsored tabletop exercise to help Lao officials and public health workers prepare for the next steps in responding to the worldwide pandemic. Director-General of the Department of Communicable Diseases Control (DCDC) of the Ministry of Health, Dr Rattanaxay Phetsouvanh; representatives of the Lao government, as well as leaders of United Nations organisations in Laos, joined the tabletop exercise on Friday. The event was sponsored by the US Centres for Disease Control and Prevention (USCDC) and the US Defence Threat Reduction Agency (DTRA), in close partnership with the World Health Organisation (WHO). Mr Haymond said the United States was supporting Laos' efforts to prepare for and prevent the spread of new infectious diseases, including the novel coronavirus. "Today's [Friday] training activity, led by our experts from the

USCDC, and our new funding of almost US\$2 million provided through the US Agency for International Development (USAID), adds to long-term US investments in training and equipping of Lao medical professionals since 2006 to promote healthy communities in the Lao PDR." USAID will provide this new funding to three implementing partners in Laos - WHO, Save the Children, and UNICEF. Together, this assistance will help Laos prepare its laboratories for large-scale testing for Covid-19; implement a public-health emergency plan for points of entry; train and equip rapid-response teams; investigate cases and trace the contacts of infected persons, and adapt training materials for health workers on Covid-19. The tabletop exercise and preparedness activity were sponsored by USCDC and DTRA, two US Government organisations that have supported Lao health security for many years. Working with partners from WHO and USCDC in this exercise provided technical advice on best practices for slowing the spread of a pandemic and facilitated discussions of command and control and case detection strategies in different pandemic phases. The United States has continuously partnered with health officials from the Lao Government to support training for thousands of local health workers at the national and sub-national levels since 2006. In early February, USAID provided personal protective equipment to the Ministry of Health as part of the

ADVISORY INSTITUTE FOR TRADE AND INVESTMENT: BY TCC

United States' initial support to Laos to prepare for any potential spread of the novel coronavirus. This was followed a week later by skills training from USCDC experts on proper techniques for using the new equipment. Throughout Laos, the United States works in close partnership with the government and citizens on a range of programmes to improve health outcomes in the country. These include long-term efforts to improve nutrition, strengthen maternal and child health, and prevent the spread of infectious diseases.

Source:http://www.vientianetimes.org.la/freeContent /FreeConten_USA_53.php

Myanmar President Office forms economic remedy committee for

Covid-19

 \mathbf{x}

Myanmar News I 14 March, 2020

Myanmar formed a working committee to draft a plan to remedy the possible economic impacts caused by Covid-19, through cooperation between the government ministries and organizations, according to a statement by the President Office on 13 March. The working committee is chaired by Union Minister for Investment and Foreign Economic Relations U Thaung Tun while Union Minister for Planning, Finance and Industry, Union Minister for Labour, Immigration and Population, Union Minister for Commerce, Governor of the Central Bank of Myanmar, Deputy Minister for Hotel and Tourism,

Permanent Secretary of Ministry of Transport and Communications and Director-General of the Ministry of Commerce, serve as members and Permanent Secretary of Ministry of Investment and Foreign Economic Relations, secretary. The committee is tasked with six duties. It aims to take emergency measures and draft short-and long-term plans for declining trade and tourism, create new jobs for jobless workers and give vocational training to them, to seek ways of importing raw materials from other countries instead of single reliance on China as the similar incidents like Covid-19 may occur in the future. As a long-term expectation, it needs to implement the supply chain system through the establishment of weaving, knitting, dyeing and sewing industries and cooperation between the government and private sector. The committee is to submit its reviews to the President Office on tax exemption and tax reliefs if the Covid-19 has big impacts on local micro-and small-enterprises. There have been no confirmed cases yet in Myanmar. As a measure to contain the spreading of Covid-19, the government has banned mass gatherings since 13 March till 30 April.

Source:https://elevenmyanmar.com/news/myanmarpresident-office-forms-economic-remedycommittee-for-covid-19

ADVISORY INSTITUTE FOR TRADE AND INVESTMENT: BY TCC

4000 workers in Myanmar unemployed over shutdown,

workforce reduction

- -

Myanmar News I 15 March, 2020

About 4000 workers have lost their jobs since the start of the year due to closures and reduction of workforce in 15 factories, according to U Thein Swe, Minister of Labour Immigration and Population. U Thein Swe added that 20 other factories submitted their requests for suspension of activities. He said among the reasons for the shutdown and reduction of the workforce, is the lack of raw materials, and the lack of orders amid the COVID-19 pandemic and land lease problems. The minister added that of the 15 affected factories, nine stopped operations permanently, six stopped temporarily, and two reduced the number of workers. U Thein Swe said the unemployed workers will continue to receive health care benefits, depending on their social security contributions, but not unemployment benefits. "There is no request for unemployment benefit from the Social Security Board (SSB), so we can't give it," he said during a press briefing on Friday. Most of these factories are in Yangon, Bago, and Ayeyarwady regions, engaged in bag, shoe and garment manufacturing. Among those who lost their jobs with the shutdown or reduction of workforce, were Chinese, and Korean citizens employed in these factories. But the minister noted that since the start of the year, new factories have opened creating up to 6000 job opportunities.

ADVISORY INSTITUTE FOR TRADE AND INVESTMENT: BY TCC

Source: https://en.vietnamplus.vn/rubber-group-plansto-build-three-processing-plants-in-northernregion/170134.vnp

Sales at supermarkets surge, wet

markets drop

Vietnam News I 9 March, 2019

(VNS/VNA) - Revenue of Hanoi commercial companies grew by more than 10 percent in the first two months of this year compared to the same period last year, reported the Ministry of Industry and Trade. Due to the impact of the COVID-19 pandemic, the demand for essential goods increased. The number of customers shopping at supermarkets increased over the same period last year. They mainly shop for essential foodstuffs, such as livestock and poultry meat, eggs, instant noodles, and vegetables. Due to the sudden growing demand, distribution systems have increased stockpiles to meet the needs of shoppers. The volume of goods stocked for epidemic prevention and control increased by between 30 percent and 40 percent. Supermarkets also promoted e-commerce channels to serve the needs of people when fighting the pandemic. Because the food prices after the Lunar New Year in supermarkets are stable and lower than in wet markets, the volume of goods sold in the markets decreased by 50-70 percent with revenue falling 50-80 percent compared to before the epidemic. In addition, customers are afraid to go to crowded places, therefore, e-commerce revenue of some businesses increased by 20-30 percent./.

Source: https://www.mmtimes.com/news/4000workers-myanmar-unemployed-over-shutdownworkforce-reduction.html

Rubber Group plans to build three processing plants in northern region

Vietnam News I 15 March, 2020

Hanoi (VNA) – The Vietnam Rubber Industry Group (VRG) will invest in three more processing factories in the northern region as the rubber output is expected to increase in the coming time. Accordingly, in 2022, the Lai Chau Rubber Company II will pour capital into a SVR 10, SVR 20 latex processing line, with a capacity of 5,000 tonnes a year. Also during this period, the Dien Bien Rubber Company will invest in an RSS latex processing plant with a capacity of 3,000 tonnes a year. Meanwhile, in 2025, the Dau Tieng - Lao Cai Rubber Company will inject money into an SVR 10 and SVR 20 latex processing factory with a capacity of 3,000 tonnes a year, to serve companies in the northeastern region. Currently, in the northern mountainous region, VRG has the Chau Thuan - Son La Rubber Processing Plant, with an annual capacity of 6,000 tonnes and the Lai Chau Rubber Processing Factory with a capacity of 5,000 tonnes a year. In 2023, work will start on the second phase of the Lai Chau Rubber Processing Factory with a capacity of 4,000 tonnes per year, bringing its total capacity to 9,000 tonnes per year. These two plants are expected to meet the processing demand of the whole region./

ADVISORY INSTITUTE FOR TRADE AND INVESTMENT: BY TCC

Source: https://en.vietnamplus.vn/sales-at-

supermarkets-surge-wet-markets-drop/170116.vnp