

Highlight News / April 22/2020



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Silk could be a slick way forward post-COVID-19



Cambodia News | 21 April, 2020

A senior official of the Royal University of Phnom Penh has appealed to the local community, private sector and relevant stakeholders to join a silk project development in Cambodia. Mey Kalyan, chairman of the board of trustees at the Royal University of Phnom Penh (RUPP), and the main person behind the Silk Research Centre, said his institution has enough know-how to deliver healthy quality silkworms and mulberry trees to communities in rural areas. The worms, which are in the process of developing into moths, are fed with mulberry leaves, which produce the best silk. “Armed with new technology, silk activities are ready to launch. We appealed to all sorts of people to join us, both leaders in the silk industry and community people, especially the migrant workers from Thailand,” Mr Mey said. “Now, we have technology and the university has advanced its knowledge of the silkworm, providing a good foundation for an expanded silk sector in Cambodia. Our silkworms are disease-free, resistant to heat and, at the same time, more productive,” he added. Mey added that COVID-19 will create a “new normal” for Cambodia. “One learning is that Cambodia has to strengthen the rural economy, to make the economy more resilient to future shock. Within this context, silk could be one element. And we can explore the expansion of others, such as cashew nuts, fruits and vegetables. We are

preparing for the medium- to long-term. Now there are many returnees back in Cambodia too. It is time for us to think innovatively. Agricultural development will not happen easily. We need to plant good seeds,” he said. According to Mey, 400 tonnes of silk products are used in the country every year, most of them imported. “Silk production enables farmers to generate a sustainable income over the years where they can both sell mulberry leaves or cocoons to the factory in Kampong Speu, and earn about 500 riel per kilogramme of mulberry leaves and up to \$5 per kilogrammes of cocoons. In a day, farmers can earn \$25 per hectare of mulberry leaves,” Mey added. Farmers can earn between \$500 and \$600 every harvest cycle per hectare of mulberry land and if they do six cycles a year, they would earn \$4,500 per year compared with only \$700 per hectare of paddy rice in one season, Mey pointed out. “We know how to do it and, with the technology we have, we understand how to raise silkworms, produce healthy silkworms and have the techniques to grow mulberry trees with good yields, so community people now can join us,” he added. With the rainy season due to begin in May, Mey said that the university, together with three initial silk leaders in Kampong Speu, Monduliri and Battambang, will roll out the silk activities with about net 20 hectares of mulberry trees. He said that the three silk leaders will raise the silkworms and grow mulberry trees and produce cocoons within six cycles a year for silk production. “If other silk leaders and entrepreneurs want to join us, we welcome them because now we have good

silkworms, good mulberry trees and enough techniques to support the production,” Mey added. Phean Sophoan, one of the Rupp’s silk leaders at Mondulkiri, told Khmer Times that she has five hectares of mulberry trees and will work with the university to raise silkworms and supply the cocoon to the market, especially to the reeling facility at Kampong Speu and Lotus Silk. “We need hundreds of thousands of silkworms from RUPP’s Silk Research Centre this May,” Phean said. She added there are lots of silk leaders interested in RUPP’s silk worms and some have started growing mulberry trees. The industry also has by-products in the form of mulberry fruit for human consumption and for making wine. Silkworm cocoons are also used in high-end expensive cosmetics.

Source : <https://www.khmertimeskh.com/50715091/silk-could-be-a-slick-way-forward-post-covid-19/>

UN agency springs into action to aid agriculture sector



Cambodia News | 21 April, 2020

The International Fund for Agricultural Development (IFAD), a global finance organisation and a specialised United Nations (UN) agency, has announced plans to work with the Cambodian government to leverage “a programmatic approach” to ease the economic distress and prevent food security stresses caused by the COVID-19 pandemic. The collaboration will focus on addressing the immediate economic needs of rural communities by creating opportunities for returning

migrant agricultural workers and expanding prospects for smallholder farmers through enhanced production support. Meng Sakphouseth, IFAD’s country programme officer to Cambodia said that previously, the projects were implemented individually but the pandemic calls for a simultaneous approach. “Commodities with a short production cycle of about three months, such as vegetables and chicken raising, are our immediate concern. To keep disruption to a minimum and meet immediate shortfalls, both in terms of local and market demand, seeds, fertilisers and enhanced irrigation support will be offered,” he said. Meng added that an increased national demand for vegetables, caused by a drop in imported volumes of the produce due to restricted trade routes as a result of the pandemic, adds to the urgency of the work. The specialist UN agency has held regular consultations with the relevant departments within the Cambodian government to agree upon several plans, including the Ministry of Economy and Finance, the Ministry of Agriculture, Forestry and Fisheries (MAFF) and the Ministry of Commerce (MOC), plus the Ministry of Rural Development. The Agricultural Services Programme for Innovation, Resilience and Extension (ASPIRE) will be led by MAFF, and its immediate focus is maintaining the production of green leafy vegetables and chicken eggs as key components of the local diet. Simultaneously, the MOC-led Accelerating Inclusive Markets for Smallholders (AIMS) project will funnel some of its resources to provide on-farm irrigation

assistance to farmers to support in the production of these commodities. The initiative dovetails with Prime Minister Hun Sen's directive earlier this month to the Ministry of Agriculture, Forestry, and Fisheries and other stakeholders, to increase efforts in the farming, livestock and fisheries industries to boost growth and ultimately increase contribution to the national economy. Support will also be offered to existing and returnee migrant agricultural through online and tele-based services. IFAD and the Ministry of Agriculture are developing soon-to-be rolled out digital tools including an app which allows farmers to report issues with their crops and receive expert advice.

Source : <https://www.khmertimeskh.com/50715086/un-agency-springs-into-action-to-aid-agriculture-sector/>

Govt mulling compensation for unemployed workers



Laos News | 22 April, 2020

Employees who are members of their business's social insurance scheme may be eligible to receive about 500,000 kip as part of measures to help people affected by the Covid-19 outbreak, provided by the National Social Security Fund (NSSF). The businesses particularly affected by closure under the current lockdown are processing and garment factories, construction material manufacturers, restaurants and shops, as well as businesses inside and outside of special and specific economic zones. The NSSF will pay compensation to people who have become unemployed including those working for

garment factories, paying them for a two month period in May and June. Deputy Minister of Labour and Social Welfare, Mr Padeumphone Sonthany, reported on the matter at a meeting held on Monday when the national task force committee in charge of dealing with the impact of Covid-19 on the economy met with business representatives. The proposals put forward by businesses and the main points of discussion at the meeting will be tabled at the cabinet's monthly meeting scheduled for April 23. Mr Padeumphone said the payments would be made to assist people who were now unemployed after factories were ordered to temporarily shut down their operations because of the threat of the virus. The thousands of people now unemployed are in need of prompt financial assistance to cover their daily living costs. The NSSF under the Ministry of Labour and Social Welfare covers members of the state social insurance organisation and the social insurance schemes operated by businesses. However, only members of business-related social insurance schemes will be able to receive compensation from the NSSF. The policy does not cover people who are members of the state social insurance organisation because the government pays them a monthly salary, Mr Padeumphone said. Laos has at least 551,200 workers, about 70 percent of whom work in the industrial sector. The private sector called for the government to intervene in the current circumstances, asking for banks to extend the repayment period for loans and interest, and for microfinance institutions to provide emergency soft

loans for businesses. Businesses also asked the government to ease the situation with regard to the payment of taxes, tariffs and land leases for a six-month period to ease the financial burden on the commercial sector. Monday's meeting also reviewed the progress made in implementing the 10 policies and nine measures the government rolled out earlier to minimise the impact of the Covid-19 outbreak. These include a reduction of electricity charges, measures to assist workers, and support for businesses.

Source : http://www.vientianetimes.org.la/freeContent/FreeContent_Govt75.php

Local Workers on Lao-China Railway Say They Have Gone Without Pay For Months



Laos News | 21 April, 2020

Up to 30 Lao workers building a nearly completed railway project that will connect landlocked Laos with China say that they have not been paid in three to four months, because their Chinese employers left the area and went home early this year amid the spread of the coronavirus. Workers, especially heavy truck drivers, in Na Mo district of northwestern Laos' Oudomxay province, told RFA on Monday that their Chinese bosses neither have given a reason for the salary delays nor have informed them when they will be paid. "There are about 20 to 30 workers who have not been paid," said one Lao laborer who declined to give his name out of fear that he might lose his job. "The Chinese employers who were working on the

project when the disease outbreak occurred went back home without paying the workers. "They only told them to continue working," he added. A Lao truck driver who is among the workers that have not received their salaries said he did not know when he would receive payment. "Late — about three to four months," said the driver, who declined to give his name for fear he would lose his job. "Many workers are being paid late," he added. "We don't know when will get it, but we're still working as truck drivers as usual." Workers are concerned about the delayed salaries because they do not have money to buy food, pay their rent, or purchase essential items for their families, the truck driver said. Though some workers want to quit their jobs, they are putting up with the situation because they have nowhere else to turn for employment, he said. The truck driver said he did not know if Chinese employees working on the project in the area are getting paid or not. RFA was unable to reach the Vientiane officer of Lao Railways, the national rail authority, or Na Mor district's labor office for comment. Other Lao nationals working inside the country on the railway project also have reported not being paid their salaries by their Chinese employers. On April 1, a group of ethnic Hmong workers asked their Chinese supervisor for their salaries, and took a company truck as collateral until they were paid. Laos largely has been spared from the effects of the coronavirus, reporting only 19 cases since March 24, but no related fatalities. A government order limiting the number of workers and requiring nonessential workers to remain at home to

prevent the spread of the pathogen has led to the shutdown of some industries. The construction sector, however, has been allowed to continue operating, although with fewer laborers on hand. The Lao- China railway project — now 90 percent complete — is being touted as a boon for the impoverished nation of nearly 7 million people because it will lower the cost of exports and consumer goods while boosting socioeconomic development. The estimated U.S. \$6 billion project, whose construction began in December 2016, is part of a longer rail line that will link China to mainland Southeast Asia under Chinese President Xi Jinping's massive Belt and Road Initiative.

Source : <https://www.rfa.org/english/news/laos/railway-workers-04212020175011.html>

South Korean investments in Myanmar halted by pandemic



Myanmar News | 21 April, 2020

Inward investments from South Korea are now put on hold because of the COVID- 19 pandemic, the country's top diplomat in Myanmar told this newspaper during an exclusive interview at the sidelines of a donation ceremony in Yangon last week. South Korean Ambassador Lee Sang- hwa said loans and programmes undertaken by Korean International Cooperation Agency and investments plans of Korean companies are now either suspended or postponed by the global crisis. He added that Seoul has a plan to provide training for

businesses after the pandemic. The Myanmar economy can withstand the shock for now but may not be able to hold out if the crisis continues for a long time, the envoy warned. If that's the case, the Korean government will shore up support for the Southeast Asian country. Despite the fact that investment plans have taken a hit, bilateral trade has not halted but only declined. South Korea is among the top 10 sources of foreign direct investment approvals in Myanmar. Cumulative FDI commitments from the East Asian country have reached US\$4 billion as of March 2020, according to Myanmar Investment Commission statistics. Korean banks are among the seven Asian banks granted operating licences by the Myanmar authorities in early April. Industrial Bank of Korea and KB Koomin Bank were given preliminary subsidiary licences, which allow the two lenders to carry out wholesale and, from January 2021, onshore retail banking services. Korea Development Bank was awarded a preliminary branch licence for a range of wholesale banking activities. The three Korean banks have nine months to demonstrate they can fulfill business plans laid out in their application to the authorities before they will be given proper licences, according to the central bank's licensing committee April 9 statement. During the first quarter of 2019- 20 fiscal year, bilateral trade exceeded US\$337 million, with

exports amounting to \$178 million and imports amounting to \$158 million.

Source : <https://www.mmtimes.com/news/south-korean-investments-myanmar-halted-pandemic.html>

Oil price plummet impact on budget revenue not too big: official



Vietnam News | 21 April, 2020

Hanoi (VNA) – The plummeting world crude oil prices will not have too great impact on Vietnam’s State budget revenue, said Vo Thanh Hung, head of the State Budget Department under the Ministry of Finance. Hung made the comment after the price on the May futures contract for West Texas Intermediate (WTI), also known as Texas light sweet, on New York’s Nymex on April 21 fell into negative territory - minus 37.63 USD a barrel. “The sharp decline will certainly reduce State budget revenue as the 2020 State budget estimate is based on an estimated oil price of about 60 USD per barrel,” he said. “However, its impact will not be too big,” he noted, explaining that in recent years, there has been a change in the revenue structure, with revenue from crude oil currently accounting for less than 3 percent of the total. According to Hung, the proportion of revenue from crude oil in the total budget revenue sharply fell from 13 percent in the 2011-2015 period to 4 percent in 2016 - 2018, and 3.2 percent in 2019. In 2020, revenue from crude oil is estimated at 35.2 trillion VND (1.5 billion USD), making up only 2.3 percent of the total State budget revenue and representing a drop of 11.6 trillion VND compared to the previous

year, with domestic output expected to reach 9.02 million tonnes. Data from the Ministry of Finance shows that in the first quarter of 2020, budget revenue from crude oil approximated 14.6 trillion VND (622 million USD), equivalent to 41.4 percent of the estimate and up 7.3 percent year on year. Crude oil prices in the world market have plunged recently, but due to the delay in payment, the average price of oil from Vietnam from the beginning of the year to the end of March remained at 65 USD per barrel, 5 USD per barrel higher than the estimated price. Meanwhile, the country’s oil output was estimated at 2.8 million tonnes in the period, equal to 26.8 percent of the plan. Hung also said that Vietnam sees oil exports less than imports so its economy will benefit from low oil prices which help ease difficulties for production enterprises, thereby improving domestic budget revenue. According to the General Department of Customs, in the first quarter of 2020, Vietnam’s crude oil exports were estimated at 1.2 million tonnes, worth 532 million USD, up 11.6 percent in volume but down 8 percent in value over the same period last year. Meanwhile, the country spent over 1 billion USD importing 1.85 million tonnes of petroleum of all kinds, down 17.6 percent in value and 10.8 percent in volume year on year./.

Source : <https://en.vietnamplus.vn/oil-price-plummet-impact-on-budget-revenue-not-too-big-official/172101.vnp>

More than 56,000 tonnes of rice cleared for customs approval

*Vietnam News | 21 April, 2019*

HÀ NOI - Việt Nam has shipped nearly 57,000 tonnes of rice abroad as of 3pm on Tuesday, part of 400,000 tonnes of rice under quotas for this month, the General Department of Customs said on its website. Earlier this month, Prime Minister Nguyễn Xuân Phúc approved the Ministry of Trade and Industry's proposal to resume rice exports after a few weeks of suspension to make sure the country has sufficient food to cope with the coronavirus pandemic. According to the department, from April 11-12, local businesses have registered to export 399,999 tonnes of rice. The department said it has been updating information about the volume of rice exports on its official website at www.custom.gov.vn each hour. In the first quarter of this year, the country exported about 1.52 million tonnes of rice for US\$700.8 million, up 9 per cent in volume and 16 per cent in value year-on-year, the department's statistics revealed. — VNS

Source : <https://vietnamnews.vn/economy/715610/more-than-56000-tonnes-of-rice-cleared-for-customs-approval.html>
