

Highlight News / April 27/2020



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)



Logistics providers in Cambodia face bankruptcy because of COVID-19



Cambodia News | 27 April, 2020

Cambodia Logistics Association (CLA) has voiced its concern over the severe impact on the logistics and transport sector stemming from COVID-19 pandemic. “We face imminent bankruptcy while some have already folded and declared they are bankrupts.” Sin Chanthy, president of Cambodia Logistics Association told Khmer Times that the outbreak of COVID-19 has affected all sorts of businesses; especially logistics and transportation globally as well as Cambodia. He said that this sector has been continuing to impact the sector significantly. “CLA is asking for more assistance from the government and relevant stakeholders to solve the critical issues during the hard-hit situation,” Sin said. According to Sin, hundreds of logistics and transportation companies employees in Cambodia are losing their jobs, and will soon close business operations and activities if the situation drags on with no solutions in sight. At present, airline companies have started to suspend or cut back on their operations and activities while the prices of air transport is rising dramatically. Plus, border transports are either closed or restricted. Sin said that a lot of logistics and transportation companies are incurring additional costs on face masks, gloves, and alcohol-gel-sanitisers, to protect their staff from getting infected by the COVID-19 virus and some are deskbound, further impacting their business a

activities as there are no takers for their services. “The landlords have also not reduced rentals and while we are incurring losses and face imminent bankruptcy, we still have to pay our rentals. The landlords are not sympathetic to our cause and are insisting on we paying rental as usual although we have hardly any income.” He said that the suspension in order of goods by garment factories, footwear, and travel bags from buyers in the US and EU markets has also affected the transport businesses and activities. In addition to this, the delayed payment from customers, has affected the cash flow of the transport and logistic companies and some are not able to pay their bank loan. CLA said that the ongoing tax audit from the taxation department in both the capital and provinces and expense on the administration and commission fee for releasing the cargos for shipment are major impediments to the transport and logistics companies. “The Tax Department have a task to do to collect revenue for the state budget. However, they should be more sensitive to our plight and should delay the audits until we are back on our feet. Rising costs, almost zero revenue, lack of support from the port authorities are affecting us to the extend that some have already gone bankrupt,” Mr Sin says.

Source: <https://www.khmertimeskh.com/50716985/logistics-providers-in-cambodia-face-bankruptcy-because-of-covid-19/>

FDI into Cambodia keeps rolling in with another \$3.6 million worth of projects licensed



Cambodia News | 26 April, 2020

The Council for the Development of Cambodia (CDC) has given the green light to two new investment projects with a total investment capital of \$3.6 million. According to the council's press release issued Friday, the new projects approved are expected to create some 525 jobs for the locals. The two projects cover the production of doorframes, windows, plywood, and pet foods and materials. The projects belong to Mountain Moon Millwork Co., Ltd. and Lodi Pet Products (Cambodia) Co., Ltd. in Preah Sihanouk province. Such investment amid COVID-19 outbreak demonstrates confidence of foreign investors in Cambodia's macroeconomic, political and social stability though threatened by the pandemic. The diversification of FDI is also another key encouraging factor as it breaks away from the traditional garments, footwear or travel goods and bags investments which are still flowing in despite the challenges the industry is facing as a whole. Phal Sophanith/AKP

Source: <https://www.khmertimeskh.com/50717014/fdi-into-cambodia-keeps-rolling-in-with-another-3-6-million-worth-of-projects-licensed/>

Chinese govt extends support for Laos' fight against Covid-19



Laos News | 27 April, 2020

A second group of Chinese medical experts, along with essential supplies, has arrived in Vientiane to help Lao authorities in their efforts to combat the Covid-19 outbreak. An official ceremony to welcome five Chinese army medical specialists took place at Wattay International Airport in Vientiane on April 24 in an atmosphere of warm friendship between Laos and China. The event was attended by Chinese Ambassador to Laos Mr Jiang Zaidong and personnel from the Lao People's Army. The Chinese specialists will be working with their Lao counterparts at the 103 Hospital in Vientiane. They brought supplies including 10,000 PCR kits, 10,000 KN95 masks, 30,000 face masks, 200 protective goggles, 10,000 sets of protective clothing, 10,000 medical hats for surgery, 10,000 kits of medical gloves, 1,000 bottles of gel hand-rub, 100 temperature testing kits, 50 hospital beds and 100 bins for hospital use. The first group of Chinese medical personnel (12 doctors and other medical staff), along with essential supplies, arrived in Vientiane on March 29 and worked alongside Lao medical staff until April 10 to reinforce the efforts of local authorities to combat the Covid-19 outbreak. Chinese and Lao medical personnel jointly screened numerous individuals and identified people infected with the virus, tested samples taken from people with Covid-19 symptoms, and treated hospital patients.

The Chinese doctors and officials shared their knowledge of the virus and appropriate prevention and treatment methods with medical staff in Vientiane, which they will use to control and prevent the spread of the virus. The Chinese team, working in two groups, also went to Luang Prabang and Champassak to help authorities in these two provinces curb the spread of Covid-19. Their main work involved examining and evaluating places at high risk for the disease in the two provincial capitals. They also conducted training courses for Lao doctors and nurses on appropriate care for Covid-19 patients in provincial hospitals. The Chinese advisers helped Lao medical officials to improve their methods of preventing and controlling Covid-19. Recently, Vietnam's Ministry of National Defence also provided medical specialists and equipment worth more than one billion kip (VND 3 billion) for Laos to assist in the country's efforts to stem the outbreak. The Vietnamese experts and officials are sharing their experiences and lessons learnt in dealing with and managing the coronavirus. They also brought 100,000 cloth face masks, 30,000 surgical face masks, 2,000 items of protective clothing, 5,000 bottles of dry antiseptic solution, and 500 kg of chlorine for use as disinfectant. Most of the equipment is made in Vietnam and is currently in high demand.

Source:http://www.vientianetimes.org.la/freeContent/FreeConten_Chinese_78n.php

Myanmar growth to rebound next year if virus is confined quickly: ADB



Myanmar News | 25 April, 2020

Economic growth for Myanmar will slow significantly to 4.2 percent this year under the global health crisis but could rebound to 6.8pc in 2021 if the virus is confined quickly, according to a report by the Asian Development Bank (ADB). The ADB's annual Asian Development Outlook report, released this month, puts Myanmar's GDP growth forecast in 2020 as the second highest in Southeast Asia, after neighbouring Vietnam, which is estimated to grow at 4.8pc. Overall, ADB expects growth in Asia to slow sharply to 2.2pc in 2020 because of the COVID-19 pandemic and to recover to 6.2pc in the following year. Forecasts are based on the assumption that countries seriously affected, including the major economies of the US, Europe, and China, will have their outbreaks come under control in three to six months and that activity will gradually return to normal GDP growth picked up to 6.8pc in fiscal year 2018-19 from 6.4pc in the previous year. Growth accelerated in agriculture, reflecting improved weather and export demand, and industry, as garment manufacturing and construction expanded. The pickup in growth was accompanied by sharply higher inflation, surging from 5.9pc in 2017-18 to 8.6pc in 2018-19 as prices for food and imported fuel rose. The report notes that although agricultural production expanded, higher external and domestic

demand pushed up prices for some major food items despite exchange rate stability in 2019. Myanmar inflation rates are forecasted to ease slightly, at 7.5pc in 2020 and 2021, while per capita GDP growth is expected at 3.3pc in 2020 and 5.9pc in 2021. “The current account deficit will widen as exports and service receipts weaken, while the fiscal deficit will remain manageable. Empowering the rural economy and reducing poverty depend on creating jobs and building climate change resilience,” the report says. Looking ahead, the ADB expects a pickup in industry and a gradual rebound in investment and exports to support Myanmar’s economic recovery next year. Growth in agriculture will decelerate to 1.3pc this year, owing to the impact on exports of primary products. As of January 2020, foreign direct investment (FDI) commitments in Myanmar had increased from \$1.3 billion a year earlier to \$2.1 billion. The Manila-based lender says FDI inflows will be supported by the finance industry liberalisation, tax reforms, improved electricity supply and other policies. It adds that uncertainty about the direction of government economic policy remains during the political transition starting from parliamentary elections scheduled towards the end of this year. “The evolution of the global pandemic and thus the outlook for the global and regional economy is highly uncertain. Growth could turn out lower, and the recovery slower, than we are currently forecasting. For this reason, strong and coordinated efforts are needed to contain the COVID-19 pandemic and minimise its economic impact,

especially on the most vulnerable,” said ADB Chief Economist Yasuyuki Sawada.

Source: [https://www.mmtimes.com/news/myanmar-growth-rebound-next-year-if-virus-confined-quickly-
adb.html](https://www.mmtimes.com/news/myanmar-growth-rebound-next-year-if-virus-confined-quickly-adb.html)

Yuzana Plaza plans to reopen after

April 30



Myanmar News | 25 April, 2020

Yuzana Plaza will be reopened after April 30 although it was initially planned to be reopened on April 24, said MP Hla Htay of No.1 Mingala Taungnyunt Constituency. The decision is made after a discussion was being made between MPs and the committee for Yuzana Plaza. “We are glad that the committee decided to reopen after April 30. We give a respect to their decision. The decision not to open the plaza is considered after people concerned about COVID-19 virus. We welcome their decision to cooperate,” said the MP. Locals worried about the announcement which said the plaza will be reopened on April 24 and owners of some shops in the plaza are against the decision to reopen the plaza on April 24. Mingalar Taungnyunt management committee instructed all shopping centers in the township to close temporarily from March 31 to April 18 now it is extended to April 30.

Source: <https://elevenmyanmar.com/news/yuzana-plaza-plans-to-reopen-after-april-30>

Additional 38,000 tonnes of rice to be exported



Vietnam News | 25 April, 2020

Hanoi (VNA) – Online customs declaration services will be made available for exports of additional 38,000 tonnes of rice at 0:00 am on April 26, according to the General Department of Vietnam Customs. The volume is part of Vietnam's 400,000-tonne-rice export quota for April. Earlier this month, the government of Vietnam has limited the export rice volume to 800,000 tonnes for April and May as a measure to ensure sufficient domestic supplies amid high global demand caused by the COVID-19 pandemic. This volume is reduced by 40 percent compared to that in April and May 2019. It is also 35.7 percent and 21.7 percent lower than the same period in 2018 and 2017, respectively. Meanwhile, the national rice reserves will increase from 300,000 to 700,000 tonnes./.

Source: <https://en.vietnamplus.vn/additional-38000-tonnes-of-rice-to-be-exported/172355.vnp>

Vietnam to export first batch of litchi to Japan in late May



Vietnam News | 20 April, 2019

Hanoi (VNA) – Vietnam is due to export the first batch of fresh litchi to Japan in late May this year. Minister of Agriculture and Rural Development Nguyen Xuan Cuong on April 26 visited the northern province of Bac Giang to inspect the preparation for export. Local authorities said the province had

cooperated with the ministry's Plant Protection Department to select 19 area codes for 103 hectares with an estimated output of 600 tonnes in Yen The and Luc Ngan districts, and asked the Japanese side to approve these codes. Chairman of the provincial People's Committee Duong Van Thai said the province has been ready to ship the high-quality fruit to the market. He added that three local enterprises have signed contracts to bring the fruit to Japan. Meanwhile, Vice Chairman of the committee Lai Thanh Son said specialised agencies are supporting businesses to export the fruit as required by the Japanese market. In 2020, Bac Giang has 28,000 hectares of litchi, including over 160,000 hectares for harvesting, up 10,000 tonnes compared to the previous year. The area of litchi produced according to VietGAP standard is estimated at 15,000 hectares with an output of 110,000 tonnes, accounting for 53 percent and 69 percent of the total, respectively. As many as 80 hectares of litchi are planted under GlobalGAP practices with an estimated output of 500 tonnes to serve high-end markets./.

Source: <https://en.vietnamplus.vn/vietnam-to-export-first-batch-of-litchi-to-japan-in-late-may/172368.vnp>