

Highlight News / June 08, 2020



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- Export of fresh chili on the rise
- Japan grants over 123 billion kip for Covid-19 response
- Myanmar sugar production to hit lowest level in seven years
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Cambodia to lose \$3bn in revenue from tourism sector



Cambodia News | 7 June, 2020

Cambodia will see a huge loss in revenue generated from tourism sector of around \$3billion this year due to the pandemic spread, according to the Minister of Tourism. Minister Thong Khon said during the launch of additional safety measures for tourism-based business that the global virus has hit the tourism sector the hardest around the world and Cambodia will see it's foreign and local visitors decline by about 70 percent and 50 percent respectively this year, causing the country to lose \$3billion. During the first four month, Cambodia welcomed 1.16 million foreign visitors, a decline of 52 percent compared with the same period last year, according to Minister. The ministry of Tourism this week has introduced additional safety measures for hotel and guesthouse, restaurant, transportations and resorts to contain the pandemic spread after signs of that tourism activity is rebounding. So far around 2,956 tourism-related business in Cambodia has been closed, leaving a further 45,405 people unemployed, according to the Minister.

Source:<https://www.khmertimeskh.com/50730893/cambodia-to-lose-3b-in-revenue-from-tourism-sector/>

Export of fresh chili on the rise



Cambodia News | 1 June, 2020

The export of Cambodian fresh chili has seen a remarkable increase in the past five years, said Veng Sakhon, Minister of Agriculture, Forestry and

Fisheries. According to the Minister, some 55,513 tonnes of fresh chili were exported in 2019, up from 15,494 tonnes in 2018, 1,750 tonnes in 2017, 1,490 tonnes in 2016, and 1,002 tonnes in 2015. The main market for Cambodian fresh chili is Thailand, the minister added. In the first five months of this year, Cambodia shipped about 30,852 tonnes of fresh chili to Thailand, he pointed out. Cambodia has been working hard to diversify its exported products, especially the agricultural ones, and to expand the markets. C. Nika/AKP

Source:<https://www.khmertimeskh.com/50731084/export-of-fresh-chili-on-the-rise/>

Japan grants over 123 billion kip for Covid-19 response



Laos News | 8 June, 2020

The Japanese government has provided grant aid worth over 123 billion kip (JPY 1.5 billion) for the purchase of medical equipment to support Laos' efforts to cope with a further outbreak of Covid-19. An Exchange of Notes for the grant aid project titled "Economic and Social Development Programme" was signed at the Ministry of Foreign Affairs in Vientiane on Friday. The notes were signed and exchanged by Laos' Deputy Minister of Foreign Affairs, Mr Thongsavanh Phomvihane, and the Ambassador of Japan to Laos, Mr Takewaka Keizo, witnessed by representatives from Lao line ministries. The grant aid of JPY 1.5 billion (US\$13.7 million) will be used to provide the Lao government

with equipment such as ambulances and hospital beds. While Laos has managed to contain the spread of Covid-19, it is critical to strengthen the health system nationwide in preparedness for a possible second wave of the virus. The global spread of Covid-19 poses a profound threat to both the economies and people of all nations, including Laos and Japan, so it is essential to make a concerted effort to minimise the impacts of the deadly disease. Japan has been making a continuous effort towards the realisation of Universal Health Coverage as part of the Sustainable Development Goals. In line with the concept “No One Left Behind”, the medical equipment provided under this project is expected to be utilised effectively throughout Laos, especially in local communities where the healthcare system is particularly vulnerable. This year marks the 65th anniversary of Japan-Laos diplomatic relations and the 5th anniversary of the bilateral strategic partnership. Speaking at the signing ceremony, Ambassador Keizo said “Japan, as a strategic partner of Laos, pays respect to and supports the efforts of the Lao government to overcome this difficult situation. Through this grant aid, we wish to go forward hand in hand beyond the current difficulties.”

Source:http://www.vientianetimes.org.la/freeContent/FreeContent_Japan_108.php

Myanmar sugar production to hit lowest level in seven years



Myanmar News | 7 June, 2020

Over the past week, Parliament has approved some US\$2.5 billion in funds to cover public expenses, including money to finance the government’s response to COVID-19, said U Maung Maung Win, deputy minister of Planning, Finance and Industry. Funds targeting COVID-19, including \$700 million from the International Monetary Fund (IMF), ¥30 billion from the Japan International Cooperation Agency (JICA) and \$250 million from the World Bank’s International Development Association, have been approved. Meanwhile, financing for the longer term growth and development of the Myanmar economy was also approved. These include \$60million from the Asian Development Bank to establish Myanmar’s first Credit Guarantee Corporation and €33 million from Austria’s Unicredit Bank to create e-IDs for the country’s population registry. The government will also borrow K1.3 trillion from the Central Bank of Myanmar (CBM) to plug the budget. Sugarcane production in Myanmar is expected to decline to its lowest levels in seven years in fiscal 2020-21 as a result of poor demand, said U Win Htay, vice chair of the Myanmar Sugar and Sugarcane Product Entrepreneur Association “Demand for sugar is too low now and traders are rushing to sell what’s left in the warehouses at fire sale prices to avoid getting caught in the glut,” he said. Myanmar exports raw, unrefined sugar, which

is produced from sugarcane, to China. However, China has raised import duties on Myanmar sugar to 85 percent and cracked down on illegal traders by blocking off their usual trade routes since 2017, leading to the current oversupply. Myanmar must also apply for permission to export fixed quantities of sugar to China and adhere to procedures in accordance with rules set by the General Administration of Customs of the People's Republic of China, such as obtaining AQSIQ certificates, which affirms that traders have followed specified requirements. As a result, sugar exports have dwindled over the past two years and recently ground to a halt. Going forward, insiders expect farmers to gradually reduce growing sugarcane, leading to a shrinking of sugarcane plantations in fiscal 2020-21 to just over 350,000 acres. That's a decline of more than 20 percent compared to seven years ago, and a record low for the industry, according to the association. The other reason for the decline is a lack of global demand for unrefined sugar, which Myanmar produces. Among the 29 factories in the country which produces sugar, only two factories owned by Myanmar Economic Corporation and a Thai business, produce refined sugar, respectively. Other than China, few countries import unrefined sugar from Myanmar. As such, most of the sugar being produced now is being used for domestic consumption. "As the plantation area is reduced, factories will gradually shut down and if this continues, we might have to import sugar for consumption instead as sugarcane farmers will not

plant if it is not profitable," U Win Htay said. To revive the local sugar market, Myanmar should invest in upgrading local factories and getting access to higher quality sugarcane seeds. Currently, local food and beverage businesses are permitted to import refined sugar for their needs and the country imports some 10,000 tonnes of refined sugar from Thailand alone. But these policies can, and should change. "If the demand is for refined sugar, the government should set new policies to upgrade at least two local factories to enable them to process refined sugar. If local businesses require refined sugar, they can contract with these factories for supply. This will help the local sugar industry to add value and reduce reliance on imports," U Win Htay said.

Source: <https://www.mmtimes.com/news/myanmar-sugar-production-hit-lowest-level-seven-years.html>

Vietnam's rice export revenue increased 18.9% in the first five months



Vietnam News | 7 June, 2020

Vietnam exported a total of 2.9 million tonnes of rice in the first five months of 2020, bringing in US\$1.41 billion, an increase of 5.1% in volume and 18.9% in value. According to the Ministry of Industry and Trade (MOIT), Vietnam is seeing plenty of opportunities to outstrip Thailand in rice exports this year thanks to more competitive prices and a strong rally in shipment volume after the removal of the export quota. During the first four months of 2020, the Philippines was the largest buyer of Vietnamese rice,

purchasing 902,100 tonnes for US\$401.3 million, up 11.4% in volume and 26% in value. Vietnam also saw substantial increases in rice shipments to China, Indonesia, Taiwan (China) and Ghana, but exports to the Ivory Coast fell sharply by 44.5%. As Vietnam fully resumed rice exports from May 1, prices of the Vietnamese grain during the month rose to the highest level for years, reaching an average of US\$527 per tonne, up 5.6% from the previous month and 21.4% compared to a year earlier. Vietnamese rice prices in the first five months of 2020 averaged at US\$485 per tonne, up 13% compared with the same period of last year.

Source: <https://vnexplorer.net/vietnams-rice-export-revenue-increased-18-9-in-the-first-five-months-a202047999.html>

Vietnam's agriculture to be world's top 15 most developed



Vietnam News | 7 June, 2019

Hanoi (VNS/VNA) - Vietnam will strive to be among the world's top 15 most developed countries in agriculture by 2030 with agricultural processing to rank in the world's top 10. The goals were set in Government Directive No25/CT-TTg, setting out several tasks and solutions to develop the processing industry of agro-forestry-fishery products and mechanisation of agricultural production issued this week. The directive has also set a target for Vietnam to become a deep processing and logistics centre of the global agricultural trade. Although in recent years, the mechanisation of agriculture and

processing industry has achieved remarkable achievements, the development has not matched the inherent potential of the agricultural sector and strengths of many localities, stated the directive. The Prime Minister requested ministers, heads of ministerial-level agencies, heads of government-attached agencies, and chairs of people's committees in localities to work on their assigned functions and tasks to focus on directing, implementing orientations on promoting the development of processing industry and agricultural mechanisation. The Prime Minister asked the Ministry of Agriculture and Rural Development (MARD) to review previously promulgated plans related to agricultural mechanisation and processing industry to integrate into national sector planning, regional planning, provincial planning; coordinate with ministries, sectors and localities in formulating and submitting for approval national plans in the 2021-2030 period as assigned according to the Law on Planning, including the content of development of agricultural mechanisation and processing industry. The MARD was specifically requested to promptly build projects to develop the agricultural processing industry, striving to rank among the world's top five countries in the processing of vegetables, tubers, fruits, seafood, wood and wood products. These projects must be submitted to the Prime Minister in the fourth quarter of this year. Meanwhile, the progress of key projects in agricultural processing should be accelerated in alignment with promoting the productivity of current

processing plants to serve demand for domestic consumption and export. The MARD is also directed to coordinate with the Ministry of Science and Technology to implement the national technology innovation fund and the national product development programme to support enterprises in improving agricultural processing and preservation technologies. The two ministries are also assigned to build a set of criteria for evaluating the capacity of the agricultural processing industry and agricultural mechanisation. The Ministry of Industry and Trade will work with MARD to implement solutions to make good use of opportunities from signed free trade agreements, especially the European Union-Vietnam Free Trade Agreement (EVFTA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), for processed agricultural products. The Ministry of Planning and Investment will balance and allocate investment capital for development of a project on three branches of processing vegetables-fruits, aquatic products, timber and wood products after being approved by competent authorities in accordance with the Law on Public Investment and in accordance with the medium and annual public investment plan./.

Source: <https://en.vietnamplus.vn/vietnams-agriculture-to-be-worlds-top-15-most-developed/174497.vnp>
