

Highlight News / January 04, 2021



- Cambodia, Thailand bilateral trade valued at \$6.6 billion in first 11 Months
- NBC: Kingdom's economy to grow by 4 percent
- China to help Laos get access to Covid-19 vaccine
- Myanma Tourism Bank grants loans to souvenir shops
- Retail market size to hit \$350 bln by 2025
- Tax from online ads on Facebook, Google in Vietnam hits US\$42.8 million



Cambodia, Thailand bilateral trade valued at \$6.6 billion in first 11 Months



Cambodia News | 01 January, 2021

Bilateral trade between Cambodia and Thailand was valued at \$6.6 billion in the first 11 months this year, sliding down 22 percent compared to the same period last year. Figures from Thailand's Ministry of Commerce showed that from January to November this year, Cambodia exported \$1,071 million worth of products to Thailand, a year-on-year decrease of 51 percent. Meanwhile, Cambodia imported \$5,580 million worth of products from Thailand, inching down 12 percent compared to that last year. The trade between the neighboring Kingdoms was hit hard by the COVID-19 pandemic. However, trade activities would be recovered in the post-COVID-19 crisis. In a letter on the special occasion of the 70th anniversary of the establishment of diplomatic relations between Thailand and Cambodia to Prime Minister of Cambodia Hun Sen, Gen. Prayut Chan-o-cha, Prime Minister of Thailand affirmed that the relationship between Thailand and Cambodia has never been stronger, with expanding cooperation and mutual benefit in all fields. "Remarkably, our bilateral trade has grown exponentially from around \$300 million twenty years ago to well over \$9 billion in 2019. Thai Investment in Cambodia has been on the increase, contributing positively to Cambodia's economy, while Thailand's economy has benefited greatly from Cambodia's workforce and economic

cooperation," he wrote. The two countries also made significant progress in enhancing connectivity, exemplified by the first Thailand-Cambodia Friendship Bridge (Ban Nong Ian –Stung Bot) linking Sa Kaeo and Banteay Meanchey provinces, and revival of a railway service that will soon connect many Thai and Cambodian communities and contribute to more efficient trade flows, Gen. Prayut Chan-o-cha said. Last year, the two-way trade between the two Kingdoms rose by 12 percent to \$9.2 billion.

Source:<https://www.khmertimeskh.com/50799739/cambodia-thailand-bilateral-trade-valued-at-6-6-billion-in-first-11-months/>

NBC: Kingdom's economy to grow by 4 percent



Cambodia News | 01 January, 2021

The National Bank of Cambodia says the Kingdom's real economic growth is estimated to recover by 4 per cent in 2021, according to NBC's Macroeconomic and Banking Sector Update 2020 report. The prediction for the positive economic growth rate is based on effective COVID-19 vaccines available to prevent the COVID-19 in the first half of the year. Last year, government forecasted that the country's economy contracted by 1.9 percent. NBC's forecast is similar to international financial institutions which had predicted the country's economic growth will be 4 per cent to 6.8 per cent respectively in 2021. "The prediction will depend solely on the effectiveness of the vaccines, the

speed of recovery of Cambodia's economic partners and the strengthening of the domestic economic foundation," NBC said. NBC added that the continued strengthening of domestic economic activities will support and mitigate the impact on Cambodia's economy due to the slowdown in external exports. The implementation of the government policy to promote the development of small and medium enterprises, to boost the innovation, and the use of technology in all the sectors is significant to strengthen the local-based growth activities. The central bank said that agriculture will be the main sector and high potential which could absorb some parts of the crises such as unemployment and support the livelihood of the poor. Moreover, speeding up the diversification of the economy and the implementation of the industrial sector would help the country's economy recover fast from the current crises. "The revenue from oil production would also provide an additional source of revenue for the national budget to develop in the prioritised sector," the Central Bank said.

Source: <https://www.khmertimeskh.com/50799755/nbc-kingdoms-economy-to-grow-by-4-percent/>

China to help Laos get access to Covid-19 vaccine



Laos News | 04 January, 2021

China will support developing and least developed countries including Laos to access Covid-19 vaccines, Chinese ambassador to Laos Jiang

Zaidong has said. China is a participant in the Covax programme – a global initiative working for global equitable access to Covid-19 vaccines. Chinese support will include financial assistance, the ambassador told Lao and Chinese reporters in an online press conference. Jiang gave an interview as Laos and China joined the world in welcoming 2021 – the year that will see the 60th anniversary of diplomatic ties between Laos and China. China remains committed to continue working with Laos to fight the pandemic amid the rising number of infections and deaths in many countries. "We are pleased to continue cooperating with Laos through bilateral channels to ensure the safety of the lives and health of our two peoples, " Jiang said in Chinese, which was transcribed later. We acknowledge the urgent need for (Covid-19) vaccines by the Lao side." China is one of several countries that are in the process of developing Covid-19 vaccines. The vaccine developed by Sinopharm China National Pharmaceutical Group Co Ltd can induce neutralising antibodies in 99.52% of recipients and has a 79.34% efficacy rate, according to midterm clinical results, the China Daily reported on Wednesday. Several pharmaceutical research groups have already claimed success in developing a Covid-19 vaccine and some countries are now carrying out vaccinations. Mass vaccination across the European Union bloc of 446 million people

began early yesterday. This comes after the European Medicines Agency and the European Commission authorised the German-US Pfizer-BioNTech vaccine, according to the BBC. The UK and the US are also vaccinating their citizens. Prime Minister Thongloun Sisoulith recently told Lao authorities to prepare to receive the vaccines and to be ready for the rollout of vaccinations in the general population. Vaccinations are expected to begin in April with 20% of the population likely to be immunised initially, Deputy Minister of Health Dr Phouthone Muongpak said. At-risk groups including front line officials will be given priority. — Vientiane Times/ANN

Source: <https://www.thestar.com.my/aseanplus/aseanplus-news/2021/01/04/china-to-help-laos-get-access-to-covid-19-vaccine>

Myanma Tourism Bank grants loans to souvenir shops

 Myanmar News | 03 January, 2021


Myanma Tourism Bank (MTB) is giving out loans to souvenir shops which are members of the Myanmar Souvenir Entrepreneurs Association (MSEA). The bank signed a memorandum of understanding on December 30, 2020 to grant the loans, with the aim of boosting the development of the souvenir production sector. As the tourism industry was badly hit by the pandemic, MTB will provide as many loans as possible to support the industry, according to the

statement of the bank. "During the COVID-19 pandemic, the tourism industry has completely come to a halt and all the businesses from this sector are experiencing financial difficulties. So, we provide such loans for their survival," the bank said. There are more than 26,000 members in the MSEA and their operations were suspended during the COVID-19 outbreak. The MTB also signed an MOU for a Financing Facility and Lending with the Association of GTI Old Students and Union of Myanmar Travel Association. The MTB will provide financial assistance to members via these MOUs, said U Yan Win, chair of MTB.

Translated

Source: <https://www.mmtimes.com/news/myanma-tourism-bank-grants-loans-souvenir-shops.html>

Retail market size to hit \$350 bln by 2025

 Vietnam News | 03 January, 2021

An expanding middleclass and increased incomes will see Vietnam's retail and services revenues rise 1.6 times that of 2020 to \$350 billion by 2025. The revenues reached VND5,060 trillion (\$219.6 billion) in 2020 and is set to record a growth rate of 9-9.5 percent in the 2021-2025 period, analysts with stock brokerage VNDirect say in a report, citing projected growth figures from the Ministry of Industry and Trade. Vietnam's nationwide social distancing period in 2020 lasted only 22 days, considerably shorter than other countries, and this has reduced pressure on domestic consumption growth, the report

says. Consumer confidence in the country fell just 5 percent year-on-year in the second quarter, compared to the 26 percent drop in Singapore and 19 percent in Indonesia, according to market research company Nielsen. With Vietnam able to contain two major Covid-19 outbreaks, the retail sector is set to see a jump in growth next year as consumer confidence rises and a vaccine becomes available, the report said. VNDirect forecasts a 8.5-9 percent growth in revenues from the retail and services sector in 2021, compared to 2.6 percent in 2020. The report says this growth will be achieved by several factors, one of them the expansion of major retailers such as electronics seller Mobile World and jewelry company Phu Nhuan Jewelry. Mobile World increased its share of electronics consumption from 39 percent to 42 percent in the first six months of 2020. Phu Nhuan Jewelry has expanded its market share from 23 percent in the first quarter of 2020 to nearly 36 percent by the third quarter. Another growth driver for the sector will be the expansion of foreign retail chains. Japan's Muji in 2020 opened its first outlet in Vietnam, also its largest in the Southeast Asia. Another Japanese company, medical and cosmetic chain Matsumoto Kiyoshi, also opened its first store in HCMC, while fashion brand Uniqlo opened new outlets in Hanoi and HCMC. Commercial rents in Hanoi and HCMC are still among the lowest in ASEAN cities, and this means that when the Covid-19 pandemic is contained, revenues and profits of retail real estate companies will soon recover to pre-

pandemic levels and achieve strong growth afterward, the report says.

Source: <https://e.vnexpress.net/news/business/industries/retail-market-size-to-hit-350-bln-by-2025-4214029.html>

Tax from online ads on Facebook, Google in Vietnam hits US\$42.8 million



Vietnam News | 03 January, 2021

The total amount of tax paid by individuals who have conducted transactions through Google and Facebook platforms during the 2019-2020 period reached some VND 1 trillion (roughly US\$42.8 million), the General Department of Taxation reported. According to Dang Ngoc Minh, Deputy General Director of the General Department of Taxation (GDT), those individuals have made tax declaration and payment voluntarily, or been defined by tax agencies. The effects of the COVID-19 pandemic have led to changes in traditional business forms, he said, noting that digital business has posted a sharp rise. People have moved towards online shopping and entertainment activities, and cashless payment. Meanwhile, enterprises have shifted their operation towards digitalisation, Minh went on. The official predicted that the figure will continue to increase in the time ahead thanks to the rapid development of digital economic services. "Together with the global trend, Vietnam would take the lead in digital economic services, which is expected to facilitate domestic business

and production this year," he said. "This is a good premise for the development of the digital economy, as well as the expansion of the country's revenue in the future." Minh, however, pointed out challenges brought about by the new business model to both firms and tax agencies. Given this, the GDT has instructed tax agencies to establish working groups to study virtual business systems, while joining hands with market management units and payment intermediary companies to seek solutions in order to manage revenue sourced from digital services, he said. Minh has regarded the legal corridor and technological assistance as the most important factors to tax management, explaining that they would help to prevent tax avoidance. The department has also adopted new regulations on digital management, especially cross-border transactions, and plans to issue a number of circulars stipulating the responsibility of parties in tax administration. For foreign businesses providing platforms in Vietnam, the agency intends to work with consulting and auditing companies to invite businesses, including: Netflix, Amazon, Google and Youtube to discuss tax obligations and administration methods under the new regulations. Minh added that tax authorities would coordinate with banks to trace back abnormal income of individuals and businesses on social networks such as YouTube, Google and Facebook. Those who avoid paying taxes will receive administrative fines, and even face criminal prosecution, he warned./.

Source: <https://vietnamtimes.org.vn/tax-from-online-ads-on-facebook-google-in-vietnam-hits-us-428-million-27023.html>
