



- Industry 4.0 impact will transform skills and jobs, says ADB
- 'Rielisation' and dollars provide Kingdom with an economic 'moat'
- Oudomxay expedites smart city plan to spur regional development
- Xi Jinping congratulates Laos' Thongloun, calls for advancing ties
- Over \$1.4bn worth's of capital goods imported in over three months
- Vietnam to become 'global base' for phone and laptop production
- Nation records trade deficit of US\$250 million in first half of January



Industry 4.0 impact will transform skills and jobs, says ADB



Cambodia News | 21 January 2021

A new study by the Asian Development Bank (ADB) suggests that Cambodia should consider developing industry transformation maps in key sectors and plan for adequate investment in skills development for new and repositioned jobs in order to enable the Kingdom's transition to the fourth industrial revolution (4IR). The finding is one of six key recommendations emerging from ADB's Reaping the Benefits of Industry 4.0 through Skills Development in Cambodia study. It is part of a four-country study of ASEAN nations that also includes Indonesia, the Philippines and Vietnam. The study examines the garment and tourism industries in Cambodia, both of which are important in the nation's growth, employment, international competitiveness and transition to a 4IR-driven economy. The study found that 4IR technologies will eliminate jobs in the garments and tourism industries, but these losses would be offset by an increase in demand arising from higher productivity. That could potentially generate net job increases of 39 percent in the garments sector and 2 percent in tourism employment. While the government and industry are keen to promote 4IR skills, employer surveys in the two industries reveal a limited

understanding of the associated technologies. Only 28 percent of the garment manufacturers and 35 percent of the tourism employers surveyed agreed or strongly agreed when asked whether they had a good understanding of 4IR technologies and their relevance to their companies. The study found that employers in Cambodia displayed a much lower understanding of 4IR than those surveyed in Indonesia, the Philippines and Vietnam. ADB Country Director for Cambodia Sunniya Durrani-Jamal said while 4IR could be transformative for jobs and skills in Cambodia, it will be necessary to address its potentially disproportionate impact on women. "We must improve knowledge of 4IR technologies and their benefits, support enterprises in their adoption of advanced technologies and offer support for re-training and reskilling programmes... to ensure no one is left behind," said Durrani-Jamal. Despite the overall positive net employment effect in both industries, the study warns there is no guarantee that displaced workers can seamlessly move into newly created jobs without adequate and timely investments in skills development. The study showed job displacement will disproportionately affect women, who make up around 81 percent of Cambodia's garment manufacturing industry. It calls for Cambodia to develop technical and vocational education and training programmes, with dedicated

4IR credentials in garment manufacturing and tourism as well as flexible and modular skills certification programmes that recognise skills attainment outside traditional education channels. The study also recommends the implementation of incentive schemes for firms to train their employees in 4IR that could be led by the Cambodia Skills Development Fund. In tourism, policymakers are urged to leverage growth of app developers to build 4IR readiness to ensure training in communication and social skills and to foster stronger coordination between training institutions and employers. Ninety percent of garment manufacturing employers surveyed and 79 percent of tourism employers reported that graduates hired in the past year were not adequately prepared for entry-level positions. This contrasts with the perception of training institutions, almost 60 percent of which stated their graduates were adequately prepared. ADB Principal Education Specialist Shanti Jagannathan said as 4IR technologies spread rapidly, extensive investments in digital skills will improve the chances of the young and old to access higher quality jobs and lower the risk of job losses. "Now is the time to re-think the delivery of skills using virtual platforms and mobile technologies to develop agile training institutions with courses and credentials that match market needs," she added. The Royal University of Phnom

Penh (RUPP) initiated a direct path to the nation's eventual embrace of the Fourth Industrial Revolution by offering a new online course entitled Digitalised Manufacturing for Industry 4.0. It was undertaken in cooperation with DMG MORI, the Japanese-German manufacturer of advanced technologies and automation and digitalisation solutions, as well as with the support of the Japanese government. That course will commence next month at the RUPP campus.

Source: [https://www.khmertimeskh.com/50805649/industry-4-0-impact-will-transform-skills-and-jobs-says-adb//](https://www.khmertimeskh.com/50805649/industry-4-0-impact-will-transform-skills-and-jobs-says-adb/)

'Rielisation' and dollars provide Kingdom with an economic 'moat'



Cambodia News | 21 January 2021

As Cambodia works towards its goal of de-dollarising the economy, its dual-currency system is bolstering the population's purchasing power while other emerging economies struggle to keep pace with the rising greenback. A Bloomberg report from earlier this week said most developing nations' currencies have experienced a slump over the past two weeks while the US dollar has been on a steady rise since Jan 6 because of newly inaugurated US President Joe Biden's proposed \$1.9 trillion stimulus package. "Cambodia is in a flexible and favourable position with its dual-currency system," Cambodian Derivatives Exchange Director Lawrence Kook said. "The rising dollar does more good than bad for Cambodia because, in theory, currency depreciation bodes well

for countries such as Cambodia that rely on exports that may ultimately help balance out the Kingdom's trade deficit," he added. The New York-based MSCI Emerging Market (EM) Currency Index, which measures returns for 25 emerging economies relative to the US dollar, shows a negative correlation between the greenback's and EM currency performances. Although Cambodia's riel is not included in MSCI's index, data from the National Bank of Cambodia (NBC) supports Bloomberg's analysis. NBC exchange rates show the riel fell to 4,055 KHR/USD from 4,030 KHR/USD – a 0.61 percent decline over a four-week period. Conversely, the US Dollar Index saw a 0.13 percent surge over the period to 90.77 on Monday, before seeing traders begin shorting the currency upon the confirmation of Janet Yellen, incoming chair of the US Federal Reserve on Tuesday. Kook said via telephone that Cambodia's dual-currency system allows the Kingdom greater flexibility when it comes to navigating volatility in the foreign exchange market, as we have seen in recent weeks. "The two-currency system gives businesses, governments and merchants flexibility when they are conducting a transaction," he said. "We have seen that when EM currencies drop, Cambodia has the option of switching back to the riel when it is favourable to conduct business in local currency or vice versa," he added. The Kingdom's export market may see net benefits because of the falling riel, according to Kook, who noted conventional economic theory states that devaluation of a currency often results in increased market exports – which may serve as a much-needed relief after the Everything But Arms preferential

treatments were partially revoked and, subsequently, the economic devastation brought on by the COVID-19 pandemic. Cambodia adopted the US dollar after the fall of the Khmer Rouge in 1979 to ensure consumer confidence in the economy after that regime's attempt to abolish money. In the years since the regime's downfall, the Kingdom has seen sustained growth and registered record gross domestic product (GDP) growth consistently, reporting GDP growth of 7 percent a year for nearly a decade before the pandemic. While the NBC has yet to set a specific date on de-dollarising the economy, it has made strides towards achieving that goal. Last year it encouraged the public to use the riel by discouraging retailers from exchanging dollars in cash transactions below \$10. In 2016, the NBC mandated that microfinance institutions and commercial banks provide at least 10 percent of their lending in riels by 2020. The NBC also launched its blockchain-based Bakong payment system last year, in part to promote the use of the riel. As a result, derivatives trading is common in the Kingdom, although it is not done through conventional means using large financial institutions. Foreign exchange (Forex) traders often monitor exchange rates to exchange riels to dollars and vice versa through informal moneychangers when the opportunity to make a profit strikes. Forex traders have largely been trading on speculation surrounding vaccine developments since rollouts began with the dollar rising on positive developments before dipping when negative news arises. That is similar to market action on gold, which rises in value when consumer confidence dips. "I predict that the price of gold will

rise this year if the vaccines doesn't work to their expectations. When they were first introduced, gold went down and saw a sharp drop, but when we saw that not all of the vaccines were as effective as previously thought, the dollar followed gold and saw a sharp rise," said Kook. The riel, however, may see a comeback because of the very reason that it experienced a pullback. Biden's hefty stimulus package may lead to inflation and eventually power the riel to recovery.

Source : <https://www.khmertimeskh.com/50805815/rielisation-and-dollars-provide-kingdom-with-an-economic-moat/>

Oudomxay expedites smart city plan to spur regional development



Laos News | 22 January 2021

Oudomxay is speeding up efforts to create a smart city as part of a master plan to transform the province into a socio-economic development hub for the northern region, the province's Party leader has said. Addressing the recent 11th Congress of the Lao People's Revolutionary Party, provincial Party Committee Secretary Khamphanh Pheuyavong said the planned smart city would be comprehensively systematic. It will comprise industrial, logistics, trade, residential, service and green areas. A survey has been conducted on 12,000 hectares of land in Namor district where the smart city will be built, according to Mr Khamphanh, who is the governor of Oudomxay province. The smart city will be closed linked to a station on the Laos-China railway, which is slated for completion by the end of this year. It will also connect to the province's airport and the

planned Vientiane-Boten expressway running from Vientiane to the Chinese border. Mr Khamphanh told the congress that work on the section of the expressway that passes through Oudomxay is expected to start this year following completion of the first section between Vientiane and Vanvieng district in Vientiane province. The government recently approved the corridor of the second section of the expressway between Vangvieng and Luang Prabang province, which will eventually link to the section in Oudomxay. Thanks to its strategically important location and untapped development potential, the government has decided to develop Oudomxay, which is home to 350,670 people, as a socio-economic development hub for the northern region. Surrounded by five other provinces and bordering on China, Oudomxay is regarded as suitable for development as a hub for various reasons. One important consideration is that the 2E-2W roads connecting Vietnam to Thailand and Myanmar run through the province. In light of this, Mr Khamphanh said Oudomxay "can be built as an integration and connectivity hub for trade, investment and tourism services between the provinces and countries such as China, Vietnam, Thailand and Myanmar." Oudomxay also has untapped development potential thanks to its mineral resources, forests and rivers, which can be used to promote ecotourism. Mr Khamphanh added that the province has the necessary political stability, social security and order conducive for extensive business operations. In pursuit of its ambition to

create the development hub, the government has initiated many projects to spur growth in surrounding provinces. An agricultural demonstration centre has been built in Oudomxay to provide professional training for local farmers and students in nine northern provinces. An animal feed factory and a vocational school have also been established, according to the governor. The governor underlined the need to speed up human resource development to meet accelerating development needs and to streamline public services in order to attract investment to drive socio-economic development in the province.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_Oudomxay15.php

Xi Jinping congratulates Laos' Thongloun, calls for advancing ties



Laos News / 22 January 2021

Chinese President Xi Jinping, also general secretary of the Communist Party of China Central Committee, on Thursday congratulated Thongloun Sisoulith on his election as general secretary of the Lao People's Revolutionary Party (LPRP) Central Committee. Xi made the remarks in a phone conversation with Thongloun. During the call, the two leaders also announced the launch of China-Laos Friendship Year and agreed to hold a series of celebrations. Expressing confidence that LPRP would be able to unite the Lao people and the country as one under Thongloun's leadership, Xi said he believes the targets set by the LPRP's 11th congress will be

achieved. Xi said China and Laos are friendly neighbors and the bilateral ties are at the best time in history. Faced with unprecedented global challenges and the impacts brought by COVID-19, China is willing to work with Laos to enhance high-level exchanges and strengthen strategic communication, he said. Xi also called on the two countries to push forward the development of China-Laos Economic Corridor and China-Laos railway as well as the Belt and Road Initiative (BRI). He said the two countries should also strengthen cultural exchanges to enrich the concept of "China-Laos community with a shared future." Xi said China will continue to support Laos in its fight against the pandemic and will actively consider offering a batch of vaccines to the country. For his part, Thongloun thanked China for its help in the country's fight against the pandemic and agreed to enhance bilateral cooperation under the BRI framework.

Source: <https://news.cgtn.com/news/2021-01-21/Xi-Jinping-congratulates-Laos-Thongloun-calls-for-advancing-ties-XeQHs8Qh6E/index.html>

Over \$1.4bn worth's of capital goods imported in over three months



Myanmar News / 21 January 2021

Myanmar has imported capital goods worth over US\$1.4 billion over the past three months this fiscal year falling over US\$510 million when compared to the same period of last year, according to the Ministry of Commerce. From October 1 to January 8 in the current 2020-2021 financial year, US\$1.475 billion worth of capital goods were imported. In the

same period of the previous fiscal year, the amount was US\$1.993 billion. According to the Directorate of Investment and Companies Administration, Myanmar had seen over US\$25.5 billion in foreign investment from 2016-2017 fiscal year to 2020. Those foreign investments mainly came to 11 sectors such as manufacturing, transport and communications, housing development, energy, hotel and tourism, livestock and fisheries, oil and gas, agriculture, mining and services. Manufacturing sector saw the largest investment with over US\$6.289 billion by 719 businesses accounting for over 26 percent of the total investment. Twenty nine businesses invested US\$6.135 billion in the transport and communication sector accounting for over 25 percent.

Source : <https://elevenmyanmar.com/news/over-14bn-worths-of-capital-goods-imported-in-over-three-months>.

Vietnam to become 'global base' for phone and laptop production



Vietnam News | 21 January 2021

Several Samsung and Apple products are all being produced in Vietnam. It is expected that there will be many other leading technology brands to move their production line to the country. MacBook, iPad... “made in Vietnam” On January 18, Bac Giang granted the investment registration certificate to the Fukang Technology Factory implemented by Foxconn Singapore PTE Ltd in Quang Chau Industrial Park with registered investment capital of 270 million USD, equivalent to 6,233 billion VND. The

project aims to produce tablets and laptops, with a production scale of about 8 million products/year for Apple. At the same time, Bac Giang also gave investment licenses to three other projects, including Ja Solar PV Vietnam (photovoltaic cell technology) of Ja Solar Investment (Hong Kong) Limited; Risesun New Material Vietnam Factory, and Kodi New Material Vietnam factory of Risesun Investment Pte. Ltd (Singapore), bringing the total registered capital of 4 new projects to nearly 570 million USD. All 4 projects are related to electrical and electronic fields. Meanwhile, Hon Hai Technology Group (Foxconn) has invested in Vietnam since 2007 with the first two factories in Bac Ninh and Bac Giang. As of December 2020, the total investment capital in Vietnam of Hon Hai Group reached 1.5 billion USD. Previously, the government portal reported that the total investment capital of Samsung in Vietnam by mid-2020 was 17.363 billion USD. Currently, in Hanoi, Samsung Vietnam is building a new research and development center with the largest scale in Southeast Asia, which is expected to be completed by the end of 2022. Thereby, Samsung hopes to enhance the research capacity of Vietnamese engineers in trending fields such as 5G, AI, big data. New investment wave in technology Vietnam has received a wave of investment in technology lines from a series of big names such as Canon, Microsoft, Nokia, Intel, LG, especially Samsung. And now Apple has joined this list. There is the next wave of investment in the high-tech sector pouring into Vietnam, especially when companies are seeking

ways to expand their lines out of China. Reports from international organizations suggest that Vietnam is an attractive destination for companies from the US and Europe that are looking to diversify the supply chain in Asia. Economist Intelligence Unit also shares the point, commenting that Vietnam shall be a favorable replacement for China's production lines. This view was demonstrated by the fact that a series of new projects are established and numerous on-going projects are being expanded. In mid-January, Dong Nai granted investment license for 2 projects of Hansol Electronics Vietnam Company Limited (under Hansol Technics Group - Korea), and the production plant of Platel Company. Foxconn also recently had a survey team to explore investment opportunities in manufacturing electronics in Thanh Hoa province. LG Electronics Vietnam Co., Ltd Hai Phong will establish an information technology research and development center in Da Nang City. Previously, Nikkei Asia analysis also stated that by 2030, half of the laptops sold globally will be produced by Southeast Asian countries. This journal lists a series of computer projects manufactured in Vietnam such as Taiwan's Wistron Company, Compal Electronics,... Global base of new generation electronic & technology production Prof.ScD. Nguyen Mai, Chairman of the Association of Foreign Investment Enterprises, said that the "wave" of FDI in the technology sector pouring into Vietnam has been previously planned. As the whole world faces the COVID-19 pandemic, many large foreign investors have chosen Vietnam to

cooperate, newly invest or expand on-going investment. However, the fact that Foxconn moves to Vietnam will create great expectations, as almost 15 years ago when Samsung opened its factory in Vietnam. Bac Giang can totally learn from Bac Ninh's experience as this province already succeeded in getting more investment from Samsung. Sharing the same point of view, Mr. Do Khoa Tan, Deputy General Secretary of the Vietnam Electronic Enterprises Association, said that with the participation of main Apple product lines, Vietnam in the coming time will attract a series of high tech companies. "It can be said that Vietnam has gradually become a global base for mobile phone and computer production. Many of those projects have foreign investment, but all human resources are Vietnamese. Once we get experienced labor force, technology transfer will become the biggest advantage that we receive when offering attractive incentives for foreign technology corporations to invest".

Source : <https://vietnamtimes.org.vn/vietnam-to-become-global-base-for-phone-and-laptop-production-27509.html>

Nation records trade deficit of US\$250 million in first half of January



Vietnam News | 22 January 2021

VOV.VN - The country recorded a trade deficit of US\$250 million during the first half of January, with the country's total import and export turnover reaching US\$26.05 billion, according to statistics compiled by the General Department of Vietnam Customs. In line with these figures, the country exported goods worth a total of US\$12.9 billion while

spending US\$13.15 billion on imports. Indeed, export turnover throughout the reviewed period increased by approximately US\$2 billion, equivalent to over 18.3%, an increase which can be considered highly impressive compared to the growth rate of 7% seen during the same period last year. During the first half of January, the nation had four groups of goods with export turnover reaching over US\$1 billion, with the new category of machinery, equipment, tools and spare parts enjoying robust growth in export turnover, grossing US\$1.45 billion, representing a sharp increase of 72% compared to the same period from last year. The remaining three commodity groups also maintained a turnover of over US\$1 billion, including phones and accessories, computers, electronic products and components, garments and textiles, of which phones and components were export items with the largest turnover of US\$2.86 billion. Import turnover also saw a rise of some US\$2.2 billion compared to the same period from last year, equivalent to an increase of more than 19%.

Source : [https://english.vov.vn/en/economy/nation-records-trade-deficit-of-us250-million-in-first-half-of-january-](https://english.vov.vn/en/economy/nation-records-trade-deficit-of-us250-million-in-first-half-of-january-832166.vov)

832166.vov
