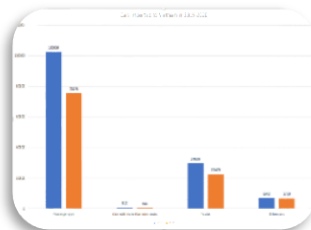




- Thai-Cambodia 2020 bilateral trade below goal by 50 percent
- Payments balance up Kingdom sees a 1.7 percent surplus in 2020
- Northern provinces' irrigation improvement for sustainable agriculture production
- Provinces suffer tourist slump as pandemic deepens
- Investors expect growth to accelerate in Myanmar over next three years
- Myanmar sees reduced trade for first quarter of 2020-21
- Vietnam spends US\$2.35 billion to import cars in 2020
- Global Times: Vietnam – a rising star in Southeast Asia



Thai-Cambodia 2020 bilateral trade below goal by 50 percent



Cambodia News | 26 January, 2021

Bilateral trade between Cambodia and Thailand for 2020 reached only half of the \$15 billion target set by the two governments in 2015. Those targets had set a goal of tripling two-way trade. Two-way trade between the two nations was valued at \$7.236 billion last year, a decrease of 23 percent, according to Thailand's Ministry of Commerce. Cambodia's 2020 exports to Thailand totaled \$1.148 billion, a huge drop of 49.5 percent from 2019 figures. Cambodia imported \$6.089 billion in goods from Thailand, a drop of 14.8 percent from 2019. The 2020 numbers represent a decline in bilateral trade after years of growth. Panyarak Poolthup, Thailand's ambassador to Cambodia said the virus tightened border crossings, making it difficult for an easy flow of goods between the two countries. He added that Thai investors and business people remain bullish on the potential for investment in Cambodia, with investment opportunities still being sought out. Thai companies operating in Cambodia are continuing their normal production chains, he said, despite the challenges of the COVID-19 pandemic. The Cambodian embassy to Thailand recently announced it would establish a representative office for the Cambodia Business Council in Bangkok. It will serve as a one-stop shop for business and trade between Cambodia and Thailand. The Cambodian ambassador to Thailand said that once operational

the business council trade office will help promote Cambodian products by providing information and training programmes to entrepreneurs and facilitate bilateral trade and investment between the two countries.

Source : <https://www.khmertimeskh.com/50807076/thai-cambodia-2020-bilateral-trade-below-goal-by-50-percent/>

Payments balance up Kingdom sees a 1.7 percent surplus in 2020



Cambodia News | 26 January, 2021

The Kingdom's balance of payments (BOP) saw a 1.7 percent surplus compared with its gross domestic product (GDP) in 2020 with growth supported by the in-flow of foreign direct investments and exports, according to a report from the National Bank of Cambodia (NBC). The NBC added the current account was estimated to suffer a deficit of 7.6 percent of GDP in 2020. It was 15 percent in 2019 compared with GDP because of the decrease of the trade deficit in commodities. It said total exports had increased 15.9 percent in 2020 because of a rise in exported gold, electronics, bikes, milled rice and rubber. However, exports of garment products dropped around 7.8 percent. The NBC report showed total imports to Cambodia fell 10.1 percent in 2020. They were up 18.3 percent in 2019 compared with 2018. The decrease was because of the slowdown of imported raw materials used in the garment, footwear, construction materials, automotives and fuel sectors. The report

said 2020's foreign direct investment in the Kingdom dropped 11.9 percent in 2020 mainly due to a decrease of investment in the banking sector (down 14.2 percent) and the non-banking financial sector (down 9.8 percent). It noted that major export market segmentation for Cambodia in 2020 was 30 percent to the US, 14 percent to Singapore, 6.2 percent to China, 6 percent to Japan and 5.5 percent to Germany. Cambodian imports broke down as 36 percent from China, 15 percent from Thailand, 14 percent from Vietnam, 5 percent from Singapore and 3.5 percent from Switzerland, with the remainder made up of imports from other nations. It also said the surplus in the Kingdom's balance of payments boosted its international reserves to \$21.3 billion, sufficient to guarantee 10 months of goods and services imports. This amount exceeds the three-month minimum requirement for developing countries. The NBC also stated that the level of international reserves on hand enables Cambodia to manage its exchange rate, stabilise the financial sector, increase national properties and build trust among the public. Hiroshi Uematsu, chief executive officer of the Phnom Penh Special Economic Zone (PPSEZ), said last week the total value of all exports from the zone for 2020 was \$611 million, up around 18 percent compared with 2019. Those exports mostly consisted of automobile parts, cosmetics, clothes, diamonds, electric and electronic parts, shoes and solar panels. He also said that with Cambodia being able to contain COVID-19 better than other countries, some companies have decided

to increase production in Cambodia. Another reason for the growth in 2020 exports is the zone has accommodated a variety of industries, providing a diversity of products including gaming device parts, do-it-yourself products and automobile parts, all of which have enjoyed increases in demand because of "stay home" and "social distancing" policies abroad. "This year will depend on how well COVID-19 is contained. We assume it will be hard to get new investors, but we have been lucky that some of our tenants' factories are planning for expansion. We will fully support their plans," Uematsu said. He added: "At the same time, we will keep increasing recurring income from utility, security, construction, accounting services and other sources.

Source : <https://www.khmertimeskh.com/50807074/payments-balance-up-kingdom-sees-a-1-7-percent-surplus-in-2020/>

Northern provinces' irrigation improvement for sustainable agriculture production



Laos News | 27 January, 2021

Farmers in four northern provinces can now increase the opportunities of sustainable agriculture production through the government's irrigation improvement project under the implementation for rural infrastructure development and sustainable watershed management plan. The Deputy Minister of Agriculture and Forestry, Mr Thongphat Vongmany recently accompanied by his delegation, monitored the preparation and implementation of the Namseng

Irrigation Project in Nan district, Luang Prabang province. Mr Thongphat visited parts of the project in four northern provinces of Luang Prabang, Xayaboury, Xieng Khuang and Huaphan According to the project's implementation coordination team who reported to the Deputy Minister of Agriculture and Forestry that the construction of Irrigation Projects in the northern provinces will be expected to supply water for planting rice in both rainy and dry seasons. The project is intended to address issues of rural infrastructure development and watershed management in the mountainous provinces of northern Laos by using an integrated land use planning approach that integrates efficient, sustainable, climate resilient watershed protection measures. For a rural ecosystem based sustainable development, infrastructure and the watershed have to be considered simultaneously. The expected impact of the project will be to achieve sustainable and inclusive development. The outcome of the project will be to enhance market oriented, sustainable agricultural production and natural resources management in selected watersheds. Agriculture experts mentioned the project will also boost the government's rice export target in this year to the world market. Laos plans to ship 2,000 tonnes of polished rice to China in January, which is part of a trade quota agreement between the Lao and Chinese governments. More rice will be sent to China to fulfill the total amount by the end of 2021, according to the Ministry of Industry and Commerce's report. However, Laos' rice production

is still challenged by weather extremes such as flood and drought. Almost 600 irrigation projects were affected by heavy flooding in 2019. The extent of the floods would have a long-term impact on food security projects as well as hinder efforts to boost agricultural production. In particular, the storms will have a bearing on the ministry's targets to ensure food security, and the nation's greater commercial production.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Norther18.php

Provinces suffer tourist slump as pandemic deepens



Laos News | 27 January, 2021

The number of domestic and foreign tourists visiting the provinces declined drastically last year compared to the same period of 2019 due to the effects of the Covid-19 pandemic. Champassak province received just over 117,000 visitors, down about 90 percent compared to 2019, an official from the province's Information, Culture and Tourism Department, Mr Soulichan Sombathduang, told Vientiane Times on Tuesday. But despite the severe drop in visitor numbers the province will forge ahead with efforts to revive tourism and upgrade visitor attractions in a bid to draw more visitors in the future. Provincial authorities will also explore the possibility of turning other locations into new tourist destinations, Mr Soulichan said. Champassak will also work with health officials to prevent the spread of Covid-19 at tourist sites, restaurants, hotels and

guesthouses. Luang Prabang province recorded 275,647 visitors in 2020, of whom foreigners accounted for 142,435, down by 68 percent compared to 2019. The number of visitors has plummeted due to international travel restrictions imposed as a result of the pandemic. However, the province is hopeful that tourism will pick up this year and is aiming for a target of 283,000 visitors in 2021, according to the Luang Prabang provincial Information, Culture and Tourism Department. Department Director Dr Soudaphone Khomthavong told Vientiane Times that most hotels and guesthouses have been trying to attract visitors by discounting room rates and placing a focus on cleanliness and safety at tourist sites. Provincial authorities are planning events to attract more Lao visitors, such as a folk art programme which will be held in Luang Prabang city from February 6-8. The event will feature street food, handicrafts, games for children, and fashion shows, and will shine a spotlight on traditional activities and products. Entrance will be free. Vangvieng district, Vientiane province, was also affected by the pandemic and last year received just over 80,000 tourists - a drop of about 35 percent. However, district authorities are hopeful that more people will visit the riverside hotspot this year and are targeting a figure of at least 300,000 Lao visitors. If the pandemic subsides, Vangvieng hopes to see at least 500,000 Lao and foreign tourists, district governor Mr Bounchan Malavong said. Oudomxay province is another area that has suffered from a dramatic decline in visitor

numbers and last year only just over 100,000 Lao and foreign tourists visited the province - a drop of about 40 percent compared to the figure for 2019. Deputy Head of the province's Information, Culture and Tourism Department, Mr Bounkuan Mitmeuangxay, said Oudomxay would speed up improvements to accommodation, organise new activities and improve the quality of service in order to attract more visitors this year.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Province18.php

Investors expect growth to accelerate in Myanmar over next three years



Myanmar News | 26 January, 2021

Investors expect business to return to normal in Myanmar by the third quarter of this year. Many also reckon that the technology, media and telecoms (TMT) sector would see the most investments or merger and acquisition activity in the next two years, according to polls taken at a conference held online by Ascent Capital Partners recently. Indeed, the Myanmar economy is expected to recover and reach growth levels of as much as 7 percent this year, U Thaung Tun, Union Minister for Investment and Foreign Economic Relations, said during the conference. U Thaung Tun said recovery will be backed by the government's Myanmar Economic Recovery and Reform Plan (MERP), which will prioritise sectors like manufacturing and services in the year ahead. Measures such as civil service

reforms and digital transformation will also be implemented by the government. Stanley Kyaw Khaing, managing partner of Ascent Capital, said the firm's three-year outlook for Myanmar is one of "cautious optimism. Myanmar's economy and business environment are still severely impacted by the COVID-19 pandemic, and it is unclear at this moment when full recovery will take place," he said. He added though, that Ascent Capital focuses on longer timeframes and that government initiatives like the MERP "are important catalysts to drive growth in the economy over the next three years and beyond." "As a Myanmar-focused investor with long-term plans in the country, we certainly intend to raise future funds but do not have the immediate need to do so," he said. In terms of exiting investments, "this would depend on the opportunities that present themselves at the right time. But our general outlook is for the long term, in the next seven to ten years," he added. Ascent Capital is a private equity firm registered with the Monetary Authority of Singapore. The firm manages a Myanmar-focused investment fund which it says is the largest Myanmar-focused investment fund globally. The fund, which prioritises the consumer, education, healthcare, financial services, logistics and TMT sectors, closed in October last year with US\$88 million in capital commitments. It is backed by the likes of Singapore's Temasek Holdings, the Asian

Development Bank and local drinks tycoon U Aung Moe Kyaw.

Source : <https://www.mmmtimes.com/news/investors-expect-growth-accelerate-myanmar-over-next-three-years.html>

Myanmar sees reduced trade for first quarter of 2020-21



Myanmar News | 26 January, 2021

Myanmar recorded US\$8.9 billion in total trade in the first quarter of fiscal 2020-21, \$2.5 billion less than the same period of last year. The fall was attributed to reduced exports of natural gas, gems, garment products and fishery and other animal products due to the COVID-19 outbreak. Imports also saw a decline with the country buying less raw materials for Cut-Make-Pack (CMP) products, construction materials, fuel and other crude oil products. The amount of trading transactions from October 1 to January 25 (beginning of this fiscal year) is \$8.9 billion in total. Export volume is \$1.1 billion less than that of last year and import is down \$1.4 billion as well. The whole trade sector saw a reduction of \$2.5 billion compared to the same period of the 2019-2020 fiscal year, said U Khin Maung Lwin, assistant secretary from the Ministry of Commerce. Myanmar, however, saw an increase in agricultural exports despite reports of logistics and transportation issues. "Although total trade volume is less, the export volume for agricultural products is \$4 million more

than last year. The export of vegetables, rice, and broken rice has increased”, he said, adding that export of other agricultural products like watermelon, chili, peanuts and maize grains are also on the rise. The Ministry of Commerce has projected Myanmar trade to hit \$34.7 billion for the 2020-21 fiscal year, according to earlier reports. Exports are forecast to total \$16.2 billion while imports are expected to hit \$18.5 billion, resulting in a trade deficit of \$2.3 billion for the period. - Translated

Source : <https://www.mmtimes.com/news/myanmar-sees-reduced-trade-first-quarter-2020-21.html>

Vietnam spends US\$2.35 billion to import cars in 2020



Vietnam News | 26 January, 2021

The Hanoitimes - The majority of imported cars in Vietnam in the final month of the year came from Thailand (7,696 cars), and Indonesia (2,353) and China (1,158). Vietnam imported over 105,000 cars in 2020 worth US\$2.35 billion, down 24.5% in volume and 25.6% in value year-on-year, according to the General Department of Vietnam Customs (GDVC). In December, the number of imported cars was 12,690 worth US\$308 million, up 3.7% month-on-month in volume and 12.8% in value. According to the GDVC, 88% of imported cars in Vietnam in the final month of the year came from Thailand (7,696 cars), and Indonesia (2,353) and China (1,158). Passenger cars made up the largest proportion in December with

7,168 units worth US\$141 million, accounting for 56.5% of the total imported volume and down 15.1% in quantity month-on-month. Customs statistics also showed that car accessories and parts worth US\$527 million were imported into Vietnam in December, up 23.4% month-on-month. Suppliers of those products were mainly from South Korea, earning US\$154 million, up 36.2% month-on-month; Japan, US\$93 million, up 17%; China, US\$88 million, up 16.7%; and Thailand, US\$87 million, up 0.6%. Overall, accessories and parts from these four countries accounted for 80% of total imported value in December, resulting in an import value of over US\$4 billion for accessories and parts in 2020, slightly down 3.8% year-on-year. Car sales surge 45% in December. Monthly data from the Vietnam Automobile Manufacturers Association (VAMA) revealed car sales in Vietnam surged 45% year-on-year to 47,865 units in December. Big sales promotion in the final month of the year and customers rushing to buy cars before the government's policy of reducing 50% of the registration fee for domestically-produced cars expired by the year-end were seen as key factor leading to a high number of cars sold in December. However, car sales in Vietnam in 2020 dropped 8% year-on-year to 296,634 units across all segments. Meanwhile, the sales of domestically assembled cars reached 187,688 units during the period, down

1% compared to the same period of last year, while imported completely-built-units (CBUs) totaled 108,485 units (-17%). Such decline in the number of car sales was significantly lower than VAMA's forecast of 15% decrease in the sale number for the year. As the pandemic continues to linger, expert suggested the year of 2021 is set to be another difficult one for Vietnam's car market as businesses opt to tighten their spending.

Source : <http://hanoitimes.vn/vietnam-spends-us235-billion-to-import-cars-in-2020-316043.html>

Global Times: Vietnam – a rising star in Southeast Asia



Vietnam News | 26 January, 2021

In its latest "Asia Economics Quarterly" report, the Hong Kong Shanghai Banking Corporation (HSBC) said Vietnam posted the fastest growth in Asia in 2020 and will once again be among the star performers in the region in 2021. On January 25, Global Times published an article titled "Vietnam, with surging GDP and stability, is a rising star in Southeast Asia", praising Vietnam's economic achievement despite of coronavirus pandemic. "Vietnam is recognized as a role model for its pandemic control measures, and for achieving an economic growth of 2.91 percent in 2020. The economy has maintained growth for three decades, overcoming the Asian financial crisis and global financial crisis, stepping to becoming a middle-income country from an impoverished society", the

article said. According to Global Time, Vietnam's rapid economic development has been driven by a range of factors. Vietnam's exports to the US surged 29.1 percent in 2019 and 24.5 percent in 2020. With exports valued at \$76.4 billion in 2020, Vietnam has become the second largest source of imports of the US. The large trade surplus with the US has ensured Vietnam's overall trade surplus reached consecutive growth in five years, reaching a record high of \$19.1 billion in 2020. Geographically positioned between ASEAN and China, Vietnam depends on the market advantage of regional integration and enjoys the facilitating conditions of zero tariffs on raw materials among ASEAN member economies. Vietnam's economic miracle also relies on reforms to promote a more modern business environment. Under the leadership of Communist Party of Vietnam (CPV), Vietnam enjoys political stability and social peace. The successful control against COVID-19 pandemic has won broad commendation. Vietnam unwaveringly opens its market and support free trade. Vietnam has almost signed free trade agreements with all major economies in the world. In 2020, Vietnam signed Regional Comprehensive Economic Partnership (RCEP), approved European Union-Vietnam Free Trade Agreement (EVFTA) and UK-Vietnam trade agreement, further expanding its export market. In order to better attract foreign investment, Vietnam has also revised the Investment Law and Law on Enterprises in 2020 to simplify the foreign investment admission process and improve business environment. However, Vietnam's

economic development also faces some challenges. In short term, the COVID-19 pandemic's impact on the world economy will linger, which means it's not time for the tourism industry to recover. Affected by shrinking consumer demand in the US and Europe, the textile and footwear sector, which accounts for a quarter of Vietnam's exports, experienced negative growth in 2020 for the first time in 25 years. Vietnam's exports to EU experienced a decline, with the proportion shrinking from 15 percent in past years to 12.7 percent. In the long run, Vietnam's development heavily relies on foreign investment and overseas market. Foreign companies in Vietnam take up 70 percent of Vietnam's foreign trade. Among this, Samsung takes 25 percent of Vietnam's total exports. Samsung's mobile phone sales fluctuation has caused economic instability in Vietnam. In 2017, the recall of Samsung's "Note 7" has pulled down the country's GDP growth rate, evoking Vietnam's reflection on its economic security. To conclude, the article said "The 13th National Congress of the CPV will be held from January 25 to February 2, and new leaders will be elected and the next five years of economic policy will be mapped out. Vietnam is a rising star which is worth watching."

Source : <https://vietnamtimes.org.vn/global-times-vietnam-a-rising-star-in-southeast-asia-27640.html>
