

Highlight News / February 15, 2021



- Cambodia scheduled to join Asean-Hong Kong Free Trade Agreement
- Cambodia, UK discuss sustainable investment opportunity in Cambodia
- Xekong to open first int'l border crossing with Vietnam
- Political unrest turns Myanmar's agriculture sector sour
- Vietnam exports 190 tonnes of dragon fruit to China on first lunar day
- PVEP to invest 380 million USD in exploring, exploiting new oil fields



Cambodia scheduled to join Asean-Hong Kong Free Trade Agreement



Cambodia News | 12 February, 2021

Exporters are being urged to use more privileges under the Asean-Hong Kong Free Trade Agreement (AHKFTA) as Cambodia is scheduled to join the pact starting tomorrow. According to Auramon Supthaweethum, director-general of the Trade Negotiations Department, Cambodia is the only Asean member that had not applied the conditions of the agreement. That country recently notified the Asean Secretariat it is ready to comply with AHKFTA, meaning the pact covers all Asean member countries from Feb 12. The AHKFTA was signed in November 2017 and enforced in June 2019 for Hong Kong and certain Asean members. According to Mrs Auramon, Thai exporters are entitled to myriad benefits from the pact, notably for trade in goods for which Hong Kong has already waived customs duties. This led to Thailand's outbound shipments to Hong Kong increasing significantly. For instance, exports of frozen pork rose to US\$105 million last year, up 3,596% from the period prior to the pact's enforcement. Shipments of aircraft and parts rose by 1,530% to \$436 million, while cosmetics, soap and skincare products gained 119% to \$169 million, frozen chicken increased 93% to \$40.1 million, and fax machines, telephones and parts were up 66% to \$412 million. For trade in services, she said Hong Kong opened the service sector to Asean members more than those committed to the World Trade

Organization, especially for content production for radio and TV broadcasters in Hong Kong. As a result, Thai operators are allowed to take a 100% stake in service businesses in Hong Kong, said Mrs Auramon. In addition, she said Hong Kong established the Hong Kong Economic and Trade Office in Thailand in February 2019, the third such office in Asean following Singapore and Indonesia. It is meant to foster deeper economic and trade relations between the two parties. The Commerce Ministry reported two-way trade between Thailand and Hong Kong was worth \$13.3 billion in 2020, with exports from Thailand amounting to \$11.3 billion. Key exports included computers and parts; gems and jewellery; aircraft and parts; telephones and parts; fresh, frozen and dried fruit; and electrical appliances and parts. Key imports were gold, fabric, chemicals and electrical machinery.

Source:<https://www.khmertimeskh.com/50813620/cambodia-scheduled-to-join-asean-hong-kong-free-trade-agreement/>

Sihanoukville wastewater facility nearly complete Cambodia, UK discuss sustainable investment opportunity in Cambodia



Cambodia News | 12 February, 2021

Cambodia and the United Kingdom (UK) have convened a meeting to discuss a sustainable investment opportunity in Cambodia. The meeting took place through a video conference under the presidency of Sok Chenda Sophea, Minister

Attached to Prime Minister and Secretary General of the Council for the Development of Cambodia (CDC). Kann Pharith, Cambodian Ambassador to UK, Mrs. Tina Redshaw, UK Ambassador to Cambodia, Heather Wheeler, MP and British Prime Minister's Trade Envoy to Cambodia, Laos and Vietnam, Mrs. Baroness Neville-Rolfe, Chair of UK-ASEAN Business Council, and representatives from the private sector also joined the virtual meeting. Speaking at the session, Chenda Sophea informed the participants about Cambodia's potential investment in all sectors, stressing that the Royal Government of Cambodia has drafted new laws and regulations on investment to facilitate and attract more investors to the country. He also underlined Cambodia's economic outlook in 2021 and after the COVID-19 crisis. According to CDC, in 2020, Cambodia licensed 238 investment projects with a total capital of \$8.2 billion, showing a fall of 12 percent compared to 2019. In January of 2021 alone, 20 investment projects worth \$621 million were approved, up from 17 projects worth \$93 million in January 2020. Lim Nary – AKP

Source:<https://www.khmertimeskh.com/50813485/cambodia-uk-discuss-sustainable-investment-opportunity-in-cambodia/>

Xekong to open first int'l border crossing with Vietnam



Laos News | 15 February, 2021

Xekong province will open its first international border crossing with Vietnam next month to ease the movement of goods and people between the two countries. The province's governor Mr Leklai Sivilay told Vientiane Times on Friday the Lao and Vietnamese governments had agreed to upgrade the existing Dakta-ok-Nam Giang border crossing between Xekong and Quang Nam provinces to international status. "We have agreed with Vietnam on the date to officially upgrade the status of this border crossing, which is slated for March 24," the governor said. The upgrade was originally scheduled for the end of last year but was postponed because of the Covid-19 pandemic. The Dakta-ok local border crossing is situated in Dakcheung district, about 120 km from the provincial capital of Xekong, according to Mr Leklai. Travel to Dakcheung district is now easier after a new bridge was built across the Xekong River together with a paved road leading to the district. All provinces – with the exception of Xekong – that share borders with Vietnam have international crossing points to the neighbouring country. Mr Leklai said the upgrade of the border crossing in Xekong would shorten the distance between Thailand and Vietnam through southern Laos by more than 100 kilometres. At

present, many trucks carry goods through the Vangtao-Chong Mek international border crossing in Champassak province to the Attapeu border crossing with Vietnam. However, travel between Thailand and Vietnam through Xekong will be shorter as the distance from Xekong to Danang province is just 230 km. Minister of Foreign Affairs Mr Saleumxay Kommasith visited Xekong province on February 5-6 to update officials about the complex changes occurring in the region and the world, especially in relation to the Covid-19 outbreak. The minister also touched upon issues relating to border demarcation between Laos and its neighbours as well as the elevation of the Dakta-ok border crossing to international status. Although the pandemic is widespread in the region, trade between Laos and Vietnam is continuing through the Dakta-ok-Nam Giang border crossing. Laos mainly exports agricultural produce to Vietnam while importing construction equipment needed for hydropower development and other mega projects. The upgrade of the border crossing will create more accessible links with Vietnam and Thailand and enable more Vietnamese investors and visitors to enter Laos when the pandemic has subsided. The expected surge in trade and the movement of goods should encourage local people to grow more crops for export so they can improve their living standards.

One of the main challenges for Laos now is how to improve tourist sites and provide transit services to benefit more from regional connectivity. As of January 2020, Laos had 26 international border crossings with its five neighbours – three with China, one with Myanmar, 11 with Thailand, eight with Vietnam, and one with Cambodia.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_Xekong31.php

Sales of Tatmadaw linked products decline



Myanmar News | 12 February, 2021

Myanmar's agriculture sector is turning sour due to the country's ongoing political unrest. The military's forced transfer of power on February 1 has severely hampered the country's agriculture sector. Exports have stalled while planned projects have been put on hold, said players in the industry. Myanmar Avocados Entrepreneurs Association's Chair Daw Sandar Myo said that discussions to set up a US backed avocado packaging factory in Southern Shan State have been pushed back. Discussions for a factory project for Wa fruits have also stalled, she said. "I also heard that international assistance will stop. This includes assistance from Denmark. I don't know if programs focusing on MSMEs like the Responsible Business Fund will stop," said the chair. German development agency Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) has also suspended its ASEAN Agriculture

Trade Project and other partnerships with Myanmar. They will make a decision to stop or continue co-operations in four weeks. The country's fruit exports have also hit a roadblock. Exports of avocados and ginger to Britain and muskmelons to the EU have been called off, said business people. Plans to export Myanmar watermelon to the UAE is also in doubt. There were plans and discussions to sell the fruits for export in the local market but this might not be feasible due to the large volumes of produce, said a central executive committee member of the Myanmar Fruit, Flower and Vegetable Producers and Exporter Association. - Translated

Source: <https://www.mmtimes.com/news/political-unrest-turns-myanmars-agriculture-sector-sour.html>

Vietnam exports 190 tonnes of dragon fruit to China on first lunar day



Vietnam News | 13 February, 2021

The first shipment of Vietnamese dragon fruit to China in the Lunar New Year was valued at VND2.8 billion (US\$121,512). Dozens of trucks carrying 190 tonnes of dragon fruit passed through customs at the Kim Thanh II International Border Gate in the northern border of Lao Cai and headed towards China on February 12 - the first lunar day. The shipment, the first exported to China in the Lunar New Year, was valued at VND2.8 billion (US\$121,512). It departed from the Mekong Delta province of Long An, with strict implementation of COVID-19 preventive measures, according to the

Lao Cai Border Gate Customs Sub-Department. In 2020, the Kim Thanh International Border Gate handled \$1.15 billion worth of goods, including \$606 million in export revenue, with dragon fruit making up \$337 million USD. Compared to rice, dragon fruit was very profitable, and farmers have massively increased the area of the fruit. According to the Ministry of Agriculture and Rural Development, the area stands at about 57,000 hectares and the output exceeds 500,000 tonnes, both 20 times up from a decade ago. To increase the value of the fruit, achieving excellence at every step in the value chain is critical to the long-term commercial success of premium fruits, experts said./.

Source: <https://vietnamtimes.org.vn/vietnam-exports-190-tonnes-of-dragon-fruit-to-china-on-first-lunar-day-28186.html>

PVEP to invest 380 million USD in exploring, exploiting new oil fields



Vietnam News | 13 February, 2021

Hanoi (VNA) – The PetroVietnam Exploration Production Corporation (PVEP) will invest about 380 million USD in exploring, exploiting and developing new oil fields this year, according to Deputy General Director Hoang Ngoc Trung. The move aims to allow the corporation to cope with the degradation of its existing oil fields after years of production, and weakening oil prices, Trung said, adding that the oil price has remained at a very low level since last year. The company has decided to pour a large amount of investments into such core activities to

ensure it will be able to fulfil its output goals in the following years, he said. He further noted that oil and gas exploration and production remain risky itself so it is important that the PVEP would receive support from authorities in removing legal barriers in investment policies and procedures. It will facilitate the corporation to quickly explore and exploit new oil fields. The PVEP is currently operating 35 oil and gas projects, including 29 at home and six abroad./.

Source: <https://en.vietnamplus.vn/pvpep-to-invest-380-million-usd-in-exploring-exploiting-new-oil-fields/196259.vnp>
