

Highlight News / March 1, 2021



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- FDI down 15.6 pct
- Vietnam-UK trade turnover soars after post-Brexit free trade deal



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Cambodia-Thailand trade continues contraction



Cambodia News | 26 February, 2021

Bilateral trade between Cambodia and Thailand has started early 2021 on a downward note with contraction continuing as the impact of the COVID-19 pandemic remains very much in evidence. Two-way trade was valued at \$653 million in January 2021, a year-on-year decrease of 10.6 percent, data from Thailand's Ministry of Commerce shows. Cambodia exports to Thailand in January totalled \$113 million, a slide down of 4.8 percent year-on-year, according to the report. Meanwhile Cambodia imported \$540 million of goods from Thailand, a decline of 11.7 percent compared with January of 2020. Last year, two-way trade was valued at \$7.236 billion last year, a decrease of 23 percent from 2019. These declines follow years of steady growth in the countries' bilateral trade. Lim Heng, vice-president of Cambodia Chamber of Commerce, said the trade decline can be attributed to the COVID-19 pandemic. He laid out high hopes for an increase in trade activities between Cambodia and its partners as the availability of virus vaccines widens. "Now that the availability of COVID-19 vaccines is under way, there will be movement towards the recovery of trade activities in 2021," Heng said. On Feb 24, Prime Minister Hun Sen called to remove the ban on the transport of cross-border goods by Cambodian traders and people in neighbouring countries. The move is aimed to keep business and trade activities

stable in the light of strict COVID-19 pandemic control measures. "So far, we have strengthened quarantines and the control of the entry and exit of people and set clear goals to strengthen the quarantine at all border areas to avoid the influx of disease from abroad into the country. But the transportation of goods and our business with neighbouring countries continues to be normal," Mr Hun Sen said. In 2015, the two governments of Cambodia and Thailand agreed to triple trade bilateral trade from the \$5 billion recorded that year to \$15 billion by 2020.

Source: <https://www.khmertimeskh.com/50818390/cambodia-thailand-trade-continues-contraction/>

Agreement to support Cambodia's private sector development signed



Cambodia News | 27 February, 2021

National Bank of Cambodia (NBC) and International Finance Corporation (IFC) have entered a Memorandum of Understanding (MoU) to implement a project on "Development of Financial Supply Chain Market". The MoU was inked virtually recently between Rath Sovannorak, Director General of Banking Supervision on behalf of NBC Governor and representatives of IFC. The project on development of the financial supply chain market will help support the Royal Government of Cambodia to further improve the private sector in the country. It is also aligned with the national strategic prior action plan on inclusive finance for 2019-2025 to promote credit productions for small and medium sized enterprises

(SMEs). The project will play a crucial role as a guiding document for the preparation of SME policy and financing ecosystem in Cambodia through the enhancement of regulatory support, and knowledge improvement. Lim Nary – AKP

Source: <https://www.khmertimeskh.com/50818714/agreement-to-support-cambodias-private-sector-development-signed/>

City roads upgraded to improve traffic flow



Laos News | 1 March, 2021

Many roads across the capital have been upgraded or repaired with the aim of improving traffic flow and making driving easier, especially in the rush hour. City authorities are currently supervising the upgrade of almost 500 metres of road between the Dongnasok traffic lights and Dongpasak village, where the damaged asphalt surface is being replaced with concrete. Work began on February 23 and is set for completion by the end of March. In addition to resurfacing, the road will be widened and the drainage channels will be improved, according to the Vientiane Public Works and Transport Department. The upgrade will cost about 2.4 billion kip. Funding will come from the department as one of 32 road upgrade projects in the capital. Motorists have been asked to avoid using this road while the work takes place. The department has completed the resurfacing and repair of several roads between

Tanmixay, Nathom and Nonsa-art villages in Xaythany district, after work began in November last year. Drainage has been installed and road surfaces paved with asphalt. The roads that were repaired measure 9km in length and run from the Tanmixay traffic lights through Nathom, Viengkeo, Nonsaengchanh and Huayteuy villages to the Nonsa-art traffic lights. Asphalt has also been laid on the road between Km 19 to Nasala-Phonngam-Naphork to Km 24 on Road No. 13 South in Xaythany district. The Ministry of Public Works and Transport is also upgrading National Road No. 13 which is a vital transportation and freight link between Laos and neighbouring countries. In October, work began on the upgrade of this road between Sikeuth in Naxaithong district, Vientiane, to the Phonhong section in Vientiane province. The road surface is being improved and drainage channels are being installed along both sides. The upgrade is taking place in three phases. The first phase covers Sikhai to Sikeuth in Vientiane's Naxaithong district, the second phase will see the repair of the road between Sikeuth and Phonhong district in Vientiane province, and the last section to be upgraded runs from Phonhong to Vangvieng district in Vientiane province. National Road 13 is the most important highway in Laos, connecting the country with China in the north and Cambodia in the south over a total distance of 1,500 km. Many sections of this road

require repair after suffering damage in the rainy season compounded by increasing numbers of heavy trucks. The highway serves as a vital logistics link between Laos and neighbouring China, Vietnam, Thailand and Cambodia.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_City_41.php

Farmers enjoy high yield of green gram



Myanmar News | 27 February, 2021

According to the local farmers, the farmers are happy with the high yield of green grams in U Yin Zin village, Minbu (Sagu) township in the Magway region, and their product's fair prices. The green grams are being grown by many farmers in that village, and they can earn a good price in the local market. Some are raising the green gram after monsoon paddy cultivation. Some are growing their bean species by supplying the irrigating water. The green gram needs water during its growing period, seed sowing period and blossoming period. However, the plant will grow well only with the right volume of water. Sufficient moisture should be available within two months of germination. There will be an abundant yield of the green gram if the soil is cool with a little soil moisture from blossoming to harvest season. The high temperature in the blossoming time may affect the yield. This year, the green gram price has dropped slightly from K41,000 per basket to K38,000 per basket, said Ko Bo Gyi, a

local farmer. Although there are many bean commodity depots in Minbu town, the gap between the different green gram prices is about K500 from one another. According to the local farmers, the green gram yields abundantly and has a fair price in Minbu (Sagu) township. Myanmar annually produced only over 300,000 tonnes of green grams earlier. Later, more than 600,000 tonnes of green gram were being produced. The country also exported green gram mostly to China, India, Indonesia, Malaysia and Europe. –Zeyar Htet (Minbu)/GNLM

Source: <https://www.gnml.com.mm/farmers-enjoy-high-yield-of-green-gram/#article-title>

FDI down 15.6 pct



Vietnam News | 20 February, 2021

Foreign direct investment pledges in the first two months fell 15.6 percent year-on-year to \$5.46 billion, according to the Foreign Investment Agency. The investment came into 17 sectors, led by manufacturing with over \$3 billion and the power sector with around \$1.44 billion and property with \$485 million. Japan was the leading investor with \$1.64 billion, followed by Singapore and South Korea. The investments went to 43 provinces and cities, including \$1.31 billion to Can Tho City, \$918 million to Hai Phong City and \$573 million to Bac Giang Province. Some of the major projects into which the FDI went include the \$1.3 billion O Mon 2 Thermal Power Plant in the southern city of Can Tho by a joint venture between Vietnam Trading

Engineering Construction JSC and Japan's Marubeni Corporation, a \$270-million plant to manufacture laptops and tablets in Bac Giang by Taiwan's FuKang Technology Company and \$750 million into LG Display's existing facility in Hai Phong. Foreign direct investment pledges fell by 25 percent 2020 to \$28.5 billion as the Covid-19 pandemic prevented air travel and dampened investor sentiment.

Source: <https://e.vnexpress.net/news/business/economy/fdi-down-15-6-pct-4240708.html>

Vietnam-UK trade turnover soars after post-Brexit free trade deal



Vietnam News | 28 February, 2021

Trade turnover between Vietnam and the U.K. in January increased by 78.6 percent from the same period in 2020, right after the UKVFTA came into effect. Citing data from Vietnam Customs, the Europe-America Market Department under the Ministry of Industry and Trade said export-import turnover between Vietnam and the U.K. in January reached over \$657 million. Vietnam exported to the U.K. over \$598 million worth of goods, an increase of 84.6 percent from January last year and 56.5 percent from December. This growth amid an ongoing Covid-19 pandemic showed the promise of Vietnam-U.K. Free Trade Agreement (UKVFTA), which came into effect on Dec. 31 last year, said the ministry. As per the agreement, the U.K. would remove import taxes on 99.2 percent of tariff lines within six years, equivalent to 99.7 percent of Vietnam's export

turnover to the country. The EU had already promised Vietnam a tariff rate quota (TRQ) with an import tax of 0 percent for some products, while export industries expected to benefit greatly from this agreement include seafood, rice, textiles, wood, vegetables and footwear. In January, the ministry said some major products exported from Vietnam to the U.K. included seafood, vegetables, phone parts, computers and electric components, all of which increased from the same period last year. In return, imports from the U.K. to Vietnam reached over \$59.3 million, a 34.3 percent increase year-on-year. Some major products included metal, pesticide and textile materials, according to the ministry. Last year, export-import turnover between the two countries reached \$5.64 billion, in which Vietnam's exports to the U.K. reached \$4.95 billion, resulting in a trade surplus of \$4.27 billion. The U.K. continued to be Vietnam's third-biggest trade partner in Europe, behind Germany and the Netherlands. By December last year, the U.K. had 411 investment projects in Vietnam with a total registered capital of \$3.84 billion, ranking it 15th among countries and territories investing in Vietnam. Important projects include those regarding finance, banking and renewable energy. The UKVFTA was signed in London on Dec. 29 last year to maintain Vietnam and the U.K.'s existing relationship once the Brexit transition period ends on Dec. 31.

Source: <https://e.vnexpress.net/news/business/economy/vietnam-uk-trade-turnover-soars-after-post-brexit-free-trade-deal-4241118.html>