

Highlight News / March 10/2021



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AiTi)

Cambodian exports to US continue to grow in January 2021



Cambodia News | 9 March, 2021

Cambodia's exports to the world's largest economy are on the rise again, continuing a pattern of consecutive growth reflecting strong demand for the Kingdom's products in the US. Data from the US Census Bureau showed that Cambodia exported just over \$580 million worth of goods to the US in January of 2021, up nearly 31 percent year-one-year. Two-way trade between the nations rose by almost 5 percent (4.89) to \$614 million over the measurement period, according to the US census bureau's data. The nation's trade with the US is expected to continue to grow in 2021 as the availability of COVID-19 vaccines boosts economic activity, said Lim Heng, the vice-president of the Cambodia Chamber of Commerce. "Throughout the hard times of the COVID-19 pandemic, Cambodia's exports to the US have continued to rise, with US demand for made-in-Cambodia products still growing," Heng said. Cambodia's main products exported to the US are primarily garments, footwear and travel bag products. US imports to the Kingdom are mostly vehicles, animal feed and machinery. The garment, footwear and travel bag sectors have seen particular strength in US demand over recent years. Vongsey Vissoth, permanent secretary of state at the Ministry of Economy and Finance, said in late January that Cambodian product exports to the US will likely

increase due to the recovery of the US economy in 2021.

Source : <https://www.khmertimeskh.com/50822337/cambodian-exports-to-us-continue-to-grow-in-january-2021/>

Cambodia adopts work-from-home practice for a week



Cambodia News | 9 March, 2021

Prime Minister Hun Sen has advised all government institutions as well as the legislative body to adopt the work-from-home practices and to have only 10 percent of their personnel stand by at their workplace for a week-long period. "This is not the total institutional shutdown, but the reduction of personnel present at the workplace to at least 90 percent," underlined the Premier in a voice message shared this evening. For the private institutions, if possible, they should reduce the number of staff at the workplace and let them take turns to work to avoid congestion in the workplace and on the street, he continued. "This is for at least seven days, and after seven days, I'll inform them more," he said. Hun Sen made the order after the detection of close to 50 new infections in Phnom Penh capital, and Preah Sihanouk, Prey Veng and Kandal provinces, as of late last night. "This order is only for the civil institutions. For the armed forces and health staff, they need to continue their work as usual," he stressed. Mr Hun Sen took the opportunity to ask Preah Sihanouk provincial authorities to further strengthen the restriction of people's traffic, without

obstructing the import and export of goods. The Prime Minister reaffirmed not to shut down markets and factories, but urged for more vigilance and strict adherence to the health safety rules. C. Nika – AKP
 Source : <https://www.khmertimeskh.com/50822294/cambodia-adopts-work-from-home-practice-for-a-week/>

Govt legislates penalties against illegal foreign workers, business operators



Laos News | 10 March, 2021

The government has imposed the penalties on illegal foreign workers and businesses operators in a bid to regulate the issue and ensure that expatriates in Laos comply with the law. Any foreigner or stateless person who undertakes a job that is not legally permitted by the relevant authorities will be fined and further penalised. Those committing a first violation will be fined 2 million kip, according to Article 16 of Decree No. 21, which the government issued recently on fines and measures against individuals who violate the laws and regulations regarding exit and entry into Laos, and the management of foreigners in Laos. The fines will rise further to 3 and 5 million kip respectively for a second or third breach of the rules. Those committing a third violation will have their residence permit revoked and will be deported and prohibited from reentering Laos. The 13-page decree, which comes into force on March 12, is part of government attempts to more strictly regulate illegal foreign workers and business

operators. It comes in the wake of previous reports which suggested that many people from neighbouring countries are working in Laos illegally. Some entered Laos as visitors but did not return home, while some came in as legal workers with development projects but did not return home after the projects finished. Instead, they found other work or carried out a business illegally, often doing jobs or operating small-scale businesses in fields reserved for Lao nationals. Lao authorities warned that foreigners and stateless individuals operating a business without a licence or business registration would be fined and further penalised. Repeated violations would incur a harsher penalty. Foreign nationals running a business without a licence will be fined 4 million kip for a first violation. The fine will rise to 7 million kip for a second offence and the business operation will be suspended, according to the decree's Article 17. A separate regulation issued previously by authorities in charge of regulating illegal foreign workers and businesses specify the criteria that businesses must fulfil in order to legalise their operations. These require the value of the business to reach a certain level before the operator can apply for a licence and registration with the relevant authorities. The decree states that the fine will rise to 10 million kip for foreigners who commit a third violation in this regard and their business will be shut down. In addition, offenders will be deported and prohibited from reentering Laos. Foreigners who unlawfully lease a business licence from another person, entity or organisation will also face legal

action. A first offence will incur a fine of 5 million kip. The fine will increase to 10 million kip for a second infringement and the offender will be deported and banned from reentering Laos. Anyone who illegally leases a business licence to a foreigner will also be fined and further penalised. The fines rank from four to seven and 10 million kip for first, second and third violations respectively. The owner of the business licence may lose the licence if the offence is repeated.

Source : https://www.vientianetimes.org.la/freeContent/FreeContent_Govt_48.php

Elephant foot yam factory in Mon State suspended due to lack of raw material



Myanmar News | 9 March, 2021

The lack of fresh elephant foot yam in Mon State led to the closure of the elephant foot yam processing factories, a factory stated. All the yams are out of stock in Mon State. The yams are harvested between August and mid-December. Moreover, the processors cannot purchase the raw materials from other areas owing to the transaction problem amid the closure of private banks. Before the coronavirus pandemic, the price of fresh yams reached the maximum of K2,300 per viss (a viss equals 1.6 kg). This year, it fell to K1,700 per viss in early January. There are currently about ten factories for drying elephant foot yams in Myanmar. Myanmar's elephant foot yams are primarily purchased by China, Japan, and the Republic of Korea. Japan offers higher

prices than China for the yams. "Japan and China produce them by adding value to snacks, noodles and medicines, etc. It is low-fat food and has many health benefits. There is valued-added production of elephant foot yam in Myanmar as well. However, the yams are not that popular in the country as local people do not know the health benefits of elephant foot yams," U Nyi Nyo Lwin, a factory owner elaborated. Elephant foot yam production has become a lucrative business. Therefore, value-adding technology is crucial for boosting elephant foot yam production and expanding its market, according to the Myanmar Fruit, Flower, and Vegetable Producer and Exporter Association. According to the association, Myanmar is mostly exporting only raw yam, and value-added products made from yam will help the market grow in the long term. Myanmar is only producing semi-processed yam at present. Elephant foot yams are the main product of Chin State, where they are cultivated on over 8,800 acres of land. The Kanpetlet, Mindat, and Matupi townships produce about 1 million visses (a viss is equal to 1.6 kg) of elephant foot yams. Elephant foot yams can be planted across the country. In addition to Chin State, yams are being grown in Kayin, Mon, and Shan states, and Taninthayi and Bago regions. Yams produced in Chin State are getting a higher price than those from other regions as they have better quality and taste, said the traders. Myanmar exported 4,200 tonnes of elephant foot yams in the 2014-2015 financial year, 1,300 tonnes in the 2015-2016FY, and 20,000 tonnes

in the 2016-2017FY, according to data from the Ministry of Commerce.—KK/GNLM

Source : <https://www.gnlm.com.mm/elephant-foot-yam-factory-in-mon-state-suspended-due-to-lack-of-raw-material/>

Vietnamese rice records new price peak



Vietnam News | 9 March, 2021

VOV.VN - The prices of Vietnamese rice has reached a new record of US\$567 per tonne, whilst continuing to exceed regional peers such as Thailand, India, and Pakistan, according to figures released by the Ministry of Agriculture and Rural Development. This comes following the Vietnam Food Association (VFA) unveiling on March 7 that local rice export prices reached between US\$513 and US\$517 per tonne for 5% broken rice and between US\$488 and US\$492 per tonne for 25% broken rice. Other types of rice such as Jasmine fluctuated from US\$ 563 to US\$567 per tonne, whilst 100% broken rice is being sold at between US\$438 and US\$442 per tonne. With regard to the same type of rice, the price of Vietnamese rice is being traded at US\$5 to US\$7 per tonne higher than that from Thailand, and is far exceeding that of both India and Pakistan. In comparison to regional peers, the price of 5% broken rice in Thailand is currently being put on sale at between US\$508 and US\$512 per tonne, while Indian and Pakistani rice is being traded at US\$398 to US\$402 per tonne and US\$438 to US\$442 per tonne, respectively. The VFA believe that free trade agreements (FTAs) has served to open doors to boost Vietnamese rice

exports. During the opening days of the year, several companies won a large bid from the European market and other locations participating in the Regional Comprehensive Economic Partnership (RCEP). Nguyen Nhu Cuong, director of the Department of Crop Production, said the nation exported over 608,768 tonnes of rice of all types worth US\$336.1 million during the opening two months of the year, representing a decline of roughly 34% in volume and a rise of 22% in turnover. Vietnamese rice has so far failed to achieve such a high price due to its high value and improved quality, Cuong noted. Assoc. Prof. Dr. Dao The Anh, deputy director of the Vietnam Academy of Agriculture Sciences, said this year is likely to witness rice exports continue to enjoy impressive growth in value and outstrip other countries, including Thailand. Furthermore, the enforcement of the EU-Vietnam Free Trade Agreement (EVFTA) is anticipated to help the country make further inroads into the European market. Dr. Anh therefore advised Vietnamese enterprises to seize upon opportunities to dominate this market amid regional rivals facing an array of difficulties. He also underlined the need to focus on overall product quality and form close linkages between enterprises and farmers as a means of establishing a stable material zone.

Source : <https://vov.vn/en/economy/vietnamese-rice-records-new-price-peak-841926.vov>

**Vietnam to grow 6.5 pct annually
in next decade: Fitch**

*Vietnam News / 9 March, 2021*

The Vietnamese economy will grow by 6.5 percent a year over the next decade as the government diversifies export markets and improves infrastructure, Fitch Solutions has forecast. The forecast by the market research company is at the lower end of the government's 6.5-7 percent growth target for 2021-25. Vietnam's free trade agreements would help it expand external market access and avoid overdependence on a single trade partner, Fitch said in a note. The country plans to prioritize imports of machinery and high-tech equipment, it said. "A key difference in the economic strategy going forward is the government's aim to ascend the value chain and grow its high-tech industry." However, this would require an increase in skill levels, which could only improve slowly over the coming decade, it said. "We expect the skills shortage to pose an impediment to the country's ascension up the value chain." In terms of infrastructure development, in the next five years, Vietnam plans to complete the eastern cluster of the North-South Expressway, the first phase of the Long Thanh International Airport and over 1,700 kilometers of a coastal road from the northern province of Quang Ninh to the southern province of Ca Mau. But tardy permit approvals and land acquisition are likely to delay infrastructure projects. The government targets a budget deficit of 3.7 percent of GDP in the

next five years. "This implies that the government intends to borrow more to fund expenditures over the coming years." The government also targets keeping public debt at 47.5 percent of GDP, below the 65 percent limit, which Fitch said is an achievable target given the strong economic growth potential. Vietnam's GDP growth was just 2.9 percent last year due to Covid-19 though it was one of the few economies in the world to achieve growth.

Source :

<https://e.vnexpress.net/news/business/economy/vietnam-to-grow-6-5-pct-annually-in-next-decade-fitch-4245706.html>
