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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Logistics, transportation scrutinised at 40th ASEAN meeting



Cambodia News | 29 March, 2021

Although ASEAN member states have already ratified several transportation framework agreements to boost cross-border transport and transit between member nations, the region has yet to take full advantages of the implementation of those agreements. Four transportation agreements have been established and signed in ASEAN to facilitate cross-border transports and transit. They are framework agreements on the facilitation of goods and transit, inter-states transport, multi-modal transport and passenger transport by road vehicle. “So far, three framework agreements have been ratified, with the exception of the agreement on the facilitation of passenger transport by road vehicle,” said Kong Sophal, deputy director general of the General Department of Land Transport at the Ministry of Public Works and Transport. “At present, we are preparing to implement these agreements. However, that implementation has been delayed by COVID-19. We have seen some transactions in the exchange of goods among the ASEAN countries, but the spread of COVID-19 has meant that the implementation of the agreement has been conducted slowly. We are pushing [the ASEAN member states] to implement the agreement,” Sophal added. He said that what makes an agreement on the facilitation of goods and transit difficult to implement, especially for Cambodia and

Lao PDR, is that the trucks which carry cargo generally are not modern. Sophal added this makes transit to other countries in the region difficult. In addition, the private sector is not interested in upgrading fleets to facilitate transport to anything but a neighbouring country where there is a significant amount of bilateral trade. Within the framework agreement on the facilitation of goods and transit, Cambodia and Thailand agreed on having 150 trucks per nation to facilitate bilateral cross-border transport, but Cambodia has only 50 trucks in service while Thailand has reached the 150 truck target. Cambodia and Vietnam provide for 500 trucks, while Cambodia-Lao PDR have only managed 4 trucks among the 40 trucks agreed to. He added that for the agreement on the facilitation of passenger transport by road vehicle, each country is considering the benefits of this agreement individually and that this process takes time. Sin Chanthy, president of the Cambodia Logistics Association, said that all agreements on the facilitation of goods and transit for cross-border transport in ASEAN and the Greater Mekong sub-region are in place, but the implementation has not been done in general despite the demand for transporting cargo from Thailand through Cambodia to Vietnam and China. Chanthy noted that there are some issues related to customs procedure that cannot be implemented yet and will need more study, but that cross-border transport between Thailand, Lao PDR and Vietnam is running smoothly. At the 40th ASEAN Transport Facilitation Working

Group meeting last week, which Cambodia chaired, the focus was on the current status of cross-border transport between countries in the region, the restoration of regional transportation of ASEAN member states, reviewing the recommendations and follow-up activities of the previous meeting and the status of ratification of the ASEAN Transport Facilitation Agreement as well as the establishment and implementation of relevant procedures in that particular agreement. The meeting also discussed reports on issues including customs, insurance, truck's transport permits, ASEAN's cross-border transport monitoring system, the development of a legal framework to support multimodal transport and the strengthening of coordination with sub-initiatives. According to reports from member nations, the transit of goods in each region is being studied further to find an emergency solution to the impact of the COVID-19 crisis.

Source:<https://www.khmertimeskh.com/50831298/logistics-transportation-scrutinised-at-40th-asean-meeting/>

Bidding opens for new 40 mW solar project



Cambodia News | 29 March, 2021

The public bidding for a 40 mW solar project in Kampong Chhnang province is now open. The winning bidder will receive financing from the Asian Development Bank (ADB). The project is the second stage of the Cambodia National Solar Park, which will provide a cumulative power of 100 mW once completed. Thai-owned renewable energy company

Prime Road Power Co won the bidding process for the first stage, a 60 mW solar power plant. It is being financed by the ADB via a concessionary loan. The first stage's bidding ended with Prime Road's lowest bid of \$0.3877 per kilowatt-hour being selected. The just-opened bidding process is expected to be complete next month, said Victor Jona, director-general of energy at the Ministry of Mines and Energy. "There are a few companies applied and the final declaration of a winner will be made by the ADB," he said. The second stage of the plant will be stationed in the same location as the 60 mW solar station. Jona said that the lowest price bid is the most likely to win the project. The Green Climate Fund has granted \$300 million to the ADB. The bank said the funds will be utilised to support green infrastructure projects in ASEAN member nations, specifically in Cambodia, Indonesia, Laos and the Philippines. Earlier this month, three separate solar-generated power stations were completed, including a 30 mW plant in Banteay Meanchey province invested in by Ray Power Supply Co Ltd, a 60 mW solar farm in Battambang province owned by Risen Energy Co Ltd and a 60 mW solar station in Pursat province, owned by Schneitec Renewable Co Ltd.

Source:<https://www.khmertimeskh.com/50831384/bidding-opens-for-new-40-mw-solar-project/>

New Km52 Service Unit building opens to promote business, production



Laos News / 30 March, 2021

Phongsavanh Bank's new office building for the Km52 Service Unit was officially opened in Phonhong district of Vientiane province on Friday to promote business sectors such as agriculture, processing, tourism and trade in the region. The event was attended by officials and representatives from Phonhong district and villages, Mr Bounmee Inthavong, Mr Inpaeng Southammavong, Mr Kongkham. The construction groundbreaking ceremony of the irrigated agriculture and rural development project in Savannakhet province. Inthapatha and customers. The representatives of Phongsavanh Bank present at the event were the Chief Risk Officer, Mr Geoffrey McAlister, the Chief Operating Officer, Mr Chng Hup Huat, and the Vice President and Acting Deputy Chief Operating Officer, Mr Sengkham Phanthavong. The Phonhong district representative, Mr Bounmee, said Phongsavanh Bank is a commercial bank that provides financial services and credit. The bank operates its business in accordance with the laws of Laos, and drives the country's economy. It offers credit services to the public and merchants to support local business operations. Mr McAlister and Mr Sengkham mentioned the importance of the opening of the service office in Phonhong district. The bank staff have paid a lot of attention to

performing their duties to increase the professionalism and effectiveness of the bank through product development and the use of new innovations to provide services in all areas and at all levels. The Km52 Service Unit and Phonhong Plus Service Unit have been serving the people and communities in the province for more than 10 years. The two units are constantly improving services to provide customers with the most comfort and satisfaction. With the opening of more bank service offices, there will be more promotion of business operations and production, which will drive the growth of the economy of Phonhong and Vientiane province. Phongsavanh Bank's service offices are open seven days a week, 8am-5pm, and are willing to give any information about its banking services. Currently, the bank has more than 40 service offices across the country. The bank has more than 300 POS machines and more than 100 ATMs that are linked to the ATMs of Bangkok Bank in Thailand. Lao customers can withdraw money from Bangkok Bank ATMs across Thailand. To improve services in 2021, the bank has raised the level of hygiene standards in the open field for safety. The buildings have been renovated and modernised with all facilities to ensure the maximum customer satisfaction. Every day, the staff does its best to adapt to the customers' service needs and to meet their trust in the bank. Phongsavanh Bank's credit cards can be used worldwide. It offers various products to its customers, such as deposits, loans, local and international remittances, and foreign exchange. It is

the first privately owned bank in Laos, and was registered with the Lao government and the Bank of Lao PDR in 2007. The bank officially opened in 2007 in Vientiane. Business operations have been growing satisfactorily. From the opening day, the bank has had good acceptance from customers and its reputation and image has become widely known nationally and internationally. Its business activities too have been growing in quality and quantity.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_New_62.php

KIA rumours close jade markets in Kyegaung



Myanmar News | 29 March, 2021

Due to the ongoing political crisis in Muse Township, all jade markets in Kyegaung Township, Myanmar-China border, closed this morning. The Chinese police also allegedly told Myanmar citizens not to hold public gatherings and are randomly checking phones of the people on the streets. There were rumours that the Kachin Independence Army-KIA will be coming to Muse Township, all jade markets were closed, an unidentified jade merchant from Kyegaung told Eleven Media Group. "We heard that KIA will come to Muse Township. So, all jade markets in Kyegaung are closed since this morning. We didn't take our jade products from our shops. But, Myanmar citizens already have been banned from public gathering and then Chinese police checked the phones of Myanmar citizens. If Myanmar citizen will post the stories about revolution, he or she must

be deported from Kyegaung," said unidentified jade merchant from Kyegaung. Moreover, there had been fighting between the military [Tatmadaw] and KIA in Muse Township, in the evening of March 28th. Muse residents heard the heavy weapons and then they tightened security measures at their wards. A hand grenade was thrown to the police station near Commerce Zone in Muse at night of March 28th. According to residents from 105 Trade Zone in Muse Township, a member of the police force was injured.

Source: <https://elevenmyanmar.com/news/kia-rumours-close-jade-markets-in-kyegaung>

Vietnam-Cambodia trade up 64 percent in two months



Vietnam News | 29 March, 2021

According to the Vietnamese trade affairs office in Cambodia, Vietnam exported \$728.4 million worth of goods to the neighbouring country in the period, a rise of 8.6 percent, while importing more than \$603 million, up 335 percent. Vietnam mainly shipped steel, oil and gas, garment-textiles, consumption goods, and other agricultural products like fish, meat and vegetables to Cambodia. It imported cashew nuts, rubber, wood and timber products from the country. Apart from boosting exports, Vietnam has offered tax incentives to Cambodian products. The Cambodian Ministry of Commerce last month issued a feedback document about the country's recent suspension of catfish imports from several neighbouring countries, including Vietnam, reaffirming Cambodia's commitment to complying

with and supporting the spirit of trade liberalization, the VNA reported. The Ministry of Commerce said the Cambodian side will exert efforts in internal consultations to seek appropriate solutions to the issue so as to resume normal bilateral trading activities, for the sake of the two countries' people. It also reiterated the commitment to complying with and supporting the spirit of trade liberalisation within the framework of the multilateral trading system and the ASEAN Economic Community. On January 8, the Cambodian Ministry of Agriculture, Forestry and Fisheries released an announcement about the suspension of the import of certain catfish species from some countries bordering Cambodia, including Vietnam. Facing this, Vietnamese Minister of Industry and Trade Tran Tuan Anh on January 19 sent a letter to Cambodian Minister of Commerce Pan Sorasak, saying that the import ban shows signs of running counter to the trade liberalisation spirit of the World Trade Organisation (WTO) and the ASEAN Economic Community, of which both are members. According to the Vietnamese ministry, in recent years, Vietnam has exported about \$60 million worth of aquatic products to Cambodia annually. Cambodia is not a major market of Vietnamese aquatic products, but its stable import demand has contributed significantly to cross-border trade development, as well as job creation and income generation for local residents./.

Source: <https://vov.vn/en/economy/experts-consider-how-vietnam-can-attract-greater-investment-from-global-firms-845168.vov>

UOB: Vietnamese economy predicted to post 7.1% GDP growth in 2021



Vietnam News / 29 March, 2021

Vietnamese GDP growth is anticipated to expand 7.1% this year, to be driven by strong exports and foreign investment attraction, according to the Quarterly Global Outlook 2021 recently released by the United Overseas Bank (UOB). The report states that Vietnamese exports during the opening two months of the year increased by over 20% compared to last year. Major export items were mobile phones, computer components, and machinery and equipment. Most notably, foreign direct investment (FDI) inflows have been encouraging, with the country attracting approximately \$5.5 billion of registered FDI capital during January and February. This marks an annual decline of only 15.6% despite border closures and travel restrictions, in comparison to the unprecedented 25% fall in 2020, VOV reported. Japan made up the largest source of registered capital during the first two months, pouring in roughly \$1.5 billion, followed by Singapore with \$861.1 million and China with \$374.9 million. According to industry experts, while the upward trend of economic activities remains on track, it is highly dependent on the containment of infections and vaccination globally. For the year ahead, Vietnamese GDP growth is forecast to grow at 7.1%, a rate which is higher than the 6% target set by the National Assembly. Previously, the World Bank forecasts that Viet Nam's GDP growth in 2021

is set to rebound to 6.6%, higher than the Vietnamese Government's target for the nation's economic growth this year. According to the international lender's East Asia and Pacific Economic Update April 2021, many of the economies in the region began to bounce back in the second half of 2020 after an initial slump. However, among major economies of the region, only China and Viet Nam have followed a V-shape recovery path with an output surpassing pre-COVID-19 levels in 2020. Against this backdrop, only China and Viet Nam are expected to grow strongly in 2021, by 8.1% and 6.6%, respectively, while the rest of the region is expected to grow by only 4.4%. Regarding the race between infections and vaccination in Viet Nam, the WB supposed that the nation is effectively pursuing COVID-19 elimination, has space to develop a more suitable vaccination strategy for its large populations. For example, even as the country moves quickly to vaccinate the more vulnerable, it may choose to implement mass vaccination gradually as it obtains better evidence on the efficacy of vaccines and against the variants of concern, the report writes.

Source: <https://vietnamtimes.org.vn/uob-vietnamese-economy-predicted-to-post-71-gdp-growth-in-2021-29853.html>
