

Highlight News / May 28/2021



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Economic recovery linked to Chinese development



Cambodia News | 27 May, 2021

With China's development projected to drive regional growth this year, Cambodia's post-pandemic recovery continues to hinge on its continued partnership with the world's second-largest economy, according to experts. Global foreign direct investment (FDIs) fell by 48 percent to \$846 billion last year – its lowest level since 2015, according to Organisation for Economic Co-operation and Development data. FDIs account for 13.5 percent of Cambodia's gross domestic product. Inflow from the mainland was valued at approximately \$860 million last year – down from \$3.6 billion in 2019, according to previously reported figures. "Regional growth in Southeast Asia, especially in light of tensions in US-China relations will be heavily dependent on how well China recovers this year. As the largest emerging market in the region, it is likely that countries such as Cambodia, which are dependent on Chinese investments and trade, will look to their closest regional power for support coming out of the pandemic," Bradley Parks, executive director of AidData, told Khmer Times. Parks and his colleagues from The College of William & Mary in Williamsburg, Virginia, in the US, developed the nonprofit organisation to make Chinese development aid data publicly available. "China suffers from domestic overproduction of industrial

inputs – such as aluminium, cement, glass, iron, steel and timber – because many of its state-owned companies are over-leveraged, inefficient and unprofitable. The authorities in Beijing understand that if these companies cannot find buyers for their excess production, they are more likely to default on their loans and shutter their factories, thereby creating higher levels of unemployment," Parks said. He added that the economic rebound, particularly in the Kingdom's manufacturing and construction sector, may end up benefiting from the oversupply of Chinese construction materials and may result in increased FDI to compensate. The Kingdom has experienced a rapid period of industrialisation over the last decade. National Bank of Cambodia (NBC) data shows that the export of electrical machinery and vehicles overtook more agrarian products such as rubber and fish between 2010 and 2018. FDI in industries such as machinery and equipment over a 15-year period went from negligible to \$407 million, according to data. "Cambodia's economic structure has undergone a gradual industrialisation process from agriculture-based to more industry-oriented as a result of the government's economic liberalisation policy. Exports of industrial products largely contribute to the country's high growth and industrial development," Maria Yang, author of an NBC report on Cambodia's export diversification, wrote. However, with the Kingdom instituting travel restrictions, lockdowns after the Feb 20 event and only recently re-issuing visas for visitors, FDIs are unlikely to return to pre-pandemic levels until travel

returns to normal, according to The Wall Street Journal. The Feb 20 event refers to the date four Chinese nationals bribed their way out of quarantine at a Phnom Penh hotel and went clubbing. Two of them suffered from Covid-19, subsequently infecting more than 25,000 people. The Ministry of Health reported on Monday that about 23 percent of the population had been inoculated with at least one dose of a Covid-19 vaccine. By contrast, approximately 39.5 percent of the US population is fully inoculated, according to data from Johns Hopkins University in the US. Source: <https://www.khmertimeskh.com/50863169/economic-recovery-linked-to-chinese-development/>

Domestic husbandry reduces reliance on imports



Cambodia News | 27 May, 2021

The Cambodian agricultural sector, particularly the husbandry of animals such as pigs, chickens and ducks, has grown because of regulations and policies directed from the central government, according to Srun Pov, president of the Cambodian Breeders Association. Because of the spread of Covid-19 and the consequent adverse economic effects on the agricultural sector, the government has encouraged special lending programmes through the Development and Agricultural Bank of Cambodia, as well as other lending institutions, to small and medium enterprises. This has enabled the agricultural and livestock sector to grow. Tan

Phannara, director general of the general directorate of animal health and production at the Ministry of Agriculture, Forestry and Fisheries, said before the pandemic the country was reliant on the import of pigs, but the significant increase in domestic livestock production had reduced that necessity to a minimum. Cambodia previously spent roughly \$400 million annually on pork imports, averaging around 8,000 pigs per day, specifically from Thailand and Vietnam. Reducing Cambodia's reliance on imports was necessitated also by the resurgence of African Swine Fever (ASF), in the region. Vietnam has suffered several ASF outbreak, most recently on May 4. It was forced to cull 43,150 pigs between January and August 2020. The resulting reduction in production raised the price of pork in Cambodia. The Ministry of Agriculture, Forestry and Fisheries has forbidden the illegal importation of pigs, pork and pork-based products to avoid the spread of ASF to Cambodian pigs, particularly from areas bordering Vietnam.

Source: <https://www.khmertimeskh.com/50863218/domestic-husbandry-reduces-reliance-on-imports/>

More than 84,000 people driven into poverty due to pandemic



Laos News | 27 May, 2021

Statistics indicate that 84,418 people are unemployed and suffering severe financial hardship across the country as a result of the Covid-19 pandemic, including many who have been laid off from jobs in other countries. The figures were

obtained by village authorities after they surveyed poor and lower-income households in an attempt to assess the number of people in urgent need of government assistance. The surveys were carried out from May 5 to 15 and the results will be used by the government to draw up measures to help those in need. An official from the Ministry of Labour and Social Welfare, who spoke on condition of anonymity, said the lockdown of towns and businesses and travel restrictions were closely linked to rising poverty and food shortages. Based on the information collected in the surveys, the ministry will submit a proposal to the government concerning viable forms of assistance for impoverished households. If the proposal is approved, the prime minister will issue a decree to put the plan into practice. Assistance is essential to ease people's hardships amid the restrictions placed on travel, employment and economic activities, the official said. Deputy Minister of Labour and Social Welfare Mr Padeumphone Sonthany told reporters that after receiving information about the number of people affected in each province and Vientiane, the government will consider emergency and primary levels of assistance. The Ministry of Labour and Social Welfare will provide food and funds as approved by the government for each province and Vientiane. A senior official from Vientiane's Xaysettha district said that because of the pandemic, many poor people were unemployed but were ineligible for government subsidies. Most of those suffering deprivation live in Vientiane, followed

by Champassak, Bokeo, Oudomxay, Attapeu and Xekong provinces. So far, about 1,216 families in Vientiane have been classified as poor with 30,698 individuals unemployed across the capital's nine districts. In Champassak, 2,472 families have been classified as poor, comprising 9,934 unemployed individuals in the province's nine districts. In Bokeo, 1,528 families have been classified as poor, with 6,213 family members unemployed in the province's five districts. In Oudomxay, 3,133 families have been classified as poor, comprising 11,753 unemployed people across the province's seven districts. In Attapeu, 780 families have been classified as poor and have 3,168 unemployed family members in the province's five districts. In Xekong, 171 families have been classified as poor, comprising 2,693 unemployed people across the province's four districts. Assessments carried out in the remaining 12 provinces among families and lower-income households that have been further impoverished as a result of the pandemic indicate lower levels of poverty.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Funds101.php

Lemon growers in Kyaukse happy with good sale of lemon fruits



Myanmar News | 27 May, 2021

The lemon tree is a perennial plant that grows well in well-drained soils. If the lemon is well-planted, the plant will bear the fruits for nearly the whole year. The

lemon growers are quite happy with a good sale of lemon fruits in Kyaukse town, Mandalay region, said a local lemon grower. The lemon tree is a perennial plant that grows well in well-drained soils. If the lemon is well-planted, the plant will bear the fruits for nearly the whole year. It is also a kind of plant that earns the growers a daily income because the yield is high, and the fruits can be sold almost every day. "This time, there is hot weather, and the cold drink makers come to buy the lemon right in the farmland. I also sell the fruits in the market daily. The price of the lemon fruit is K100-150 per one depending upon the lemon size," said Ko Thar, a lemon grower and seller from Tada Lae village. Lemon is fresher and more fragrant. It is approximately 6 cm in diameter. Lemon is also used as an ingredient in cooking, and when used in drinks and sauces, it creates a fresh taste. If lemon is grown, it should be planted 5 to 8 feet apart, depending on the soil type and sunlight. After growing the lemon tree, the extra weeds and twigs have to be cleared to improve tree growth. The growers need to take care of the tree, spraying the pesticide and fertilizer if it is necessary. There are two types of lemon plant, including the grafting plant. After eight months of grafting, the lemon plant will start to blossom. After one year, the tree can yield the fruits for selling the latter in the market. — Thet Maung (Kyaukse)/GNLM

Source: <https://www.gnlm.com.mm/lemon-growers-in-kyaukse-happy-with-good-sale-of-lemon-fruits/#article-title>

Singapore tops list of foreign investors over five-month period



Vietnam News | 27 May, 2021

VOV.VN - Foreign investors have pumped approximately US\$14 billion into the nation during the opening five months of the year, marking an annual rise of 0.8%, with Singapore taking the lead after making a total investment of US\$5.26 billion. According to data released by the Ministry of Planning and Investment, between the beginning of the year and May 20, the disbursement of foreign direct investment (FDI) projects have increased by 6.7% to US\$7.15 billion compared to the same period from last year. The country was home to 33,615 valid FDI projects and had recorded a total registered capital of US\$396.86 billion by May 20. In relation to the figure, a total of 613 new projects were licensed, with various schemes in Hanoi making up roughly US\$8.83 billion, an increase of 18.6% compared to the same period from last year. Furthermore, 342 operating projects were registered to have raised investment capital by US\$3.86 billion, while foreign businesses also invested a sum of US\$1.31 billion throughout the reviewed period through capital contribution and share purchases. Foreign financiers invested in 18 local industries during the course of the five-month period, of which the processing and manufacturing sector topped the list with US\$6.14 billion, followed by power production and distribution, real estate business, along with the wholesale and retail

sectors. Singapore topped the list among the 70 countries and territories currently investing in the nation with US\$5.26 billion, accounting for nearly 37.6% of total investment capital, followed by Japan with US\$2.59 billion, and the Republic of Korea with US\$1.83 billion. Most notably, the Mekong Delta province of Long An topped the list of 56 provinces nationwide in terms of luring FDI inflows with a total registered investment capital of US\$3.35 billion, making up 23.9% of total capital, followed by Ho Chi Minh City with US\$1.34 billion, Can Tho with US\$1.32 billion, along with Binh Duong, Hai Phong, and Bac Giang.

Source : <https://english.vov.vn/en/economy/singapore-tops-list-of-foreign-investors-over-five-month-period-861182.vov>

Vietnamese agricultural products favoured in China



Vietnam News | 27 May, 2021

Vietnamese agricultural products have won the taste of Chinese consumers in recent years due to their quality as well as improvement in businesses' supply capacity, a trade promotion official has said. Deputy head of the Trade Promotion Agency under the Ministry of Industry and Trade Le Hoang Tai said at an online conference held on May 26 that China is the second largest export market of Vietnam, with export turnover in the first four months of this year topping US\$16.8 billion, up 32.4% year-on-year. Besides, this is the largest source of imports for

Vietnam, he said, pointing out purchase from China surged 47.8% in the reviewed period amidst the pandemic. Vegetables, coffee, rice, cassava and products made of cassava, and seafood always make a lion share of Vietnamese shipments to China, he added. The Ministry of Industry and Trade has carried out a wide range of uniform measures to boost exports to China, including food quarantine, origin tracing, brand development and issuance of certificate of eligibility, Tai said.

Source: <https://vov.vn/en/economy/vietnamese-agricultural-products-favoured-in-china-861199.vov>