

Highlight News / June 04/2021



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Cambodia's border trade with Thailand down 4.5 percent in four months



Cambodia News | 03 June, 2021

Thailand's cross-border trade rose by 26.7 percent in the first four months of this year, raising its government's confidence that such trade will grow by 3-6 percent in 2021 after declining 1.7 percent last year. However, cross border trade with Cambodia dropped by 4.5 percent during the same period, due largely to border closures. Commerce Minister Jurin Laksanawisit revealed on June 1 that the country's overall cross-border trade, including transit trade, totaled 526 billion baht (16.86 billion USD) between Jan-April, 295 billion baht of which belonged to border trade, up by 17 percent year-on-year, and 231 billion baht from transit trade, a rise of 41.9 percent. For border trade, Malaysia remained the biggest partner of Thailand by value. Two-way trade between Thailand and Malaysia hit 107 billion baht in the period (up 52.9 percent), followed by Laos at 71.2 billion baht (up 13.5 percent) and Myanmar at 60.2 billion baht (down 0.002 percent). Meanwhile, transit trade of the Southeast Asian nation increased to all markets in the period, with trade to southern China posting a 54.3 percent rise to 102 billion baht, Singapore 34.6 percent to 36.2 billion baht, Vietnam 22.5 percent to 22.4 billion baht. The strong growth in cross-border trade is attributed to close cooperation between the ministry, related state agencies and the private sector through the

Joint Public and Private Sector Consultative Committee on Commerce to eliminate export obstacles and speed up reopening of border checkpoints, Jurin said. VNA

Source:

<https://www.khmertimeskh.com/50867316/cambodia-as-border-trade-with-thailand-down-4-5-percent-in-four-months/>

No work, no pay: GMAC rejects union call for full lockdown salaries



Cambodia News | 03 June, 2021

The Garment Manufacturers Association in Cambodia (GMAC) has rebuffed calls for workers to be paid in full for the lockdown period by saying that the "principle of no work, no pay must prevail". "Companies are under no obligation to pay wages during the lockdown period," Ken Loo, secretary-general of GMAC, told Khmer Times. "Employers are also in a very difficult position because of the reduced productivity and loss in purchase orders during the whole of 2020," he added. Thousands of garment workers and hundreds of factories were affected in April after thousands of Covid cases were found among the workers. As a result, all factories in the capital and Takhmao city were forced to close temporarily after an April 15 order. Loo said that consequently, some factories faced penalties for missing deliveries while others pay exorbitant freight charges to get products delivered. The Ministry of Industry, Science and Innovation last week revealed

that 203 garment factories had permanently closed since the first outbreak began. “We are at an extremely important juncture for the garment industry and at this point we have to consider the most sustainable path forward for all stakeholders, including garment workers. GMAC’s focus currently is to support workers and factories in the best way that we can. Garment manufacturing is a cornerstone of the economy and jeopardising it by applying measures haphazardly could be disastrous,” Loo stressed. Already, GMAC has urged factories to provide an allowance on humanitarian grounds, but companies’ ability to provide allowances is contingent on their individual finances, he said. The Labour Ministry previously said that there is no law on the books requiring that employees are paid their full salary during quarantine or lockdown periods. Previously, the government issued a \$40 stimulus to all workers in the garment sector and a further \$30 was provided by factory owners. In April, the Ministry of Labour and Vocational Training said that workers unable to work during lockdowns in Phnom Penh and Kandal province would receive 50 percent of their salary for that month. The Kingdom has registered substantial minimum wage increases over the last decade with Prime Minister Hun Sen brushing off pressure from trade organisations for more modest increases for nearly a decade. Cambodia’s minimum wage in 2011 was just \$61 per month and increased to \$192 per month this year. The wage is notably higher than other garment-producing nations such as

Bangladesh (approximately \$99), Sri Lanka (approximately \$50) and India (approximately \$2.80 per day or \$62 per month).

Source: <https://www.khmertimeskh.com/50867125/no-work-no-pay-gmac-rejects-union-call-for-full-lockdown-salaries/>

Govt bans Covid vaccines for commercial purchases



Laos News | 04 June, 2021

The government has banned privately-owned entities from purchasing Covid-19 vaccines with intent to sell them. Explaining the reason for the ban, Director General of the Department of Hygiene and Health Promotion under the Ministry of Health, Dr Phonepaseuth Ounaphome, told Vientiane Times on Wednesday that the government understood public concerns about a shortage of supply of vaccines. But, despite increasing demand, he said government stocks were sufficient and it was anticipated that more vaccines would be delivered in the near future. However, the government is allowing private entities to buy vaccines for their own use. “We think this is a good idea because more imported vaccines will supplement government stocks and companies can vaccinate their staff at a time where there is huge demand for vaccination,” Dr Phonepaseuth said. Extra supplies will also help the government fulfil its ambitious target to vaccinate 50 percent of the population against Covid-19 by the end of 2021. The government has banned the

purchase of Covid vaccines by private entities in order to stave off complaints from members of the public about unequal access to vaccines by poor and wealthy people. Health authorities acknowledged that a privately-owned company and a foreign-owned company, both in Laos, had asked permission from the Ministry of Health and the Ministry of Industry and Commerce to import vaccines for commercial purposes. Permission was denied but the government is allowing privately-owned companies to procure vaccines to immunise their own employees. The owners of such companies must submit a letter of intent to the government before purchasing any vaccine. This arrangement will bolster the government's efforts to accelerate the vaccination programme as Laos struggles to contain a widespread outbreak of Covid-19, which began in mid-April and resulted in the country being placed under lockdown. Some private enterprises have stumped up money for the purchase of vaccines in a move to help the government expedite its inoculation programme. Almost all of the vaccines provided to Laos have been donated by China and other countries, as well as the UN-led COVAX Facility, which distributes vaccines free to the poorest countries.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Govt107.php

YIA extends suspension of all incoming international flights till

30 June



Myanmar News | 03 June, 2021

Yangon International Airport (YIA) has extended the suspension of all incoming international flights until 30 June 2021, announced the Ministry of Transport and Communications. During the suspension of all international commercial passenger flights because of the COVID-19 period, YIA gave its services to other cargo planes or flights and relief flights. IndiGo airline has completed 100 trips to transport cargo in the suspension period of COVID-19. Department of Civil Aviation and the Ministry of Health and Sports announced that scheduled international passenger services had been suspended in Myanmar since 30 March 2020 due to the pandemic. However, for those who will come to Myanmar by relief flights over an emergency government duty or an emergency reason, foreigners, including diplomats and the officers and staff from UN agencies, need to contact Myanmar embassies in foreign countries or consulates in Myanmar to lift the visa restrictions. Furthermore, Myanmar Airways International (MAI) and Air KBZ have suspended their domestic flight operations to Tachilek, Kalay, Kengtung, Dawei, Myeik and Kawthoung Townships from 29 May to 8 June during the pandemic period. — ZYA/GNLM
Source: <https://www.gnlm.com.mm/yia-extends-suspension-of-all-incoming-international-flights-till-30-june/>

IPs set up, but Vietnam still needs to do more to attract investors



Vietnam News | 03 June, 2021

Hanoi (VNS/VNA) - There were positive developments of industrial parks in Vietnam in the first five months of the year, but experts still say the country should do more to attract big investors. According to CBRE, the industrial realty sector tended to increase just before the pandemic as Vietnam was said to be a promising destination for the wave of production relocation from China, with interest from many large corporations. The research firm said industrial real estate would be the "backbone" for any developing manufacturing economy, and Vietnam was no exception. Seeing the potential, many localities promoted the establishment and investment of infrastructure for industrial parks in the area. According to the latest report of the Ministry of Planning and Investment (MPI), as of May 2021, the country has 394 industrial parks established with a total natural land area of 121,900 ha. Of which, 286 industrial parks are in operation with an occupancy rate of 71.8 percent, creating 3.78 million direct jobs in the country. The report said by the end of 2020, there were 369 industrial parks established nationwide and in the first five months of 2021, 25 new industrial parks were established. According to a representative of the MPI, the number of IPs set up was impressive, as in the first six months of 2020, Vietnam established six new industrial parks. Tran Dinh Thien, former

director of the Central Institute for Economic Management, said: "Localities have correctly identified opportunities and that there will be investment booms in Viet Nam as they see the benefit of many free trade agreements." As the flow of investment in the world was shifting to other parts including Vietnam, IP developers and leaders of the localities understood they can promote the attraction of investment with their IPs. Though Thien appreciated the new establishment of IPs in Vietnam, he said such work must go in hand in hand with many other factors in order to be truly effective in attracting investment. He told local media: "IP developers should not be too impatient when waiting for good investors as low-quality investors can help fill the parks but it may not necessarily be a good thing for the future development." Thien said an IP with electricity, a fence or a nearby road was not enough, adding: "Big corporations need more for their IPs such as a national infrastructure connection as well as policies supporting their work such as human resources and environment-friendly facilities." "Otherwise, Vietnam will spend a lot of time living with low-level projects and environmental pollution." Le Thanh Van, a member of the Finance and Budget Committee of the National Assembly, said: "The IP model of Vietnam is outdated compared to the level of development of the world and the region." Van said: "Vietnam is deeply involved in value chains and the scale of IPs with some hundreds of hectares or 1,000-1,500 ha is no longer suitable. The current model of IPs is a perfect supply

chain with much bigger spaces. Some countries have IPs of about 20,000-30,000 ha each.”“As Vietnam does not have an industrial park of 1,000 ha and a new model, it would be difficult for us to call for a wave of investment,” adding: “We must create an attractive space with a new model in the planning of IPs,” she said. The latest report by Colliers Vietnam for the first quarter said co-industrial parks are a suitable model for sustainable development and are gradually being promoted by many businesses and manufacturers in the world. Ten years ago, the Asian Development Bank (ADB)'s handbook on the development of eco-industrial parks for developing countries in Asia already classified the type into five groups including agro-industrial parks, resource recovery parks, renewable energy industrial parks, petrochemical parks and power plant parks. Colliers Vietnam said the model of eco-IPs will play an important role in the sustainable development strategy in general, helping to reduce resource exploitation, limit the impact on the environment while still not affecting the performance of businesses. In addition, the environment contribution will also make a positive contribution to the efforts to combat climate change in Vietnam and globally. The report by Colliers Vietnam also said localities with IPs should regularly update the development of their parks with policies and best practices so that all could develop together, forming a synchronous system, adding that such sharing could help localities to solve many problems more effectively, make good use of the advantages of

each province, create harmony in the inter-regional development process and make positive contributions to the national socio-economic development strategy. The linkage between IPs was very important to develop logistics and commodity production chains, said the report, adding that this can help to improve the competitiveness of products, lowering production costs, and improving the sustainability of the whole industry./.

Source : <https://en.vietnamplus.vn/ips-set-up-but-vietnam-still-needs-to-do-more-to-attract-investors/202515.vnp>

Nearly 60,000 firms temporarily suspend, stop operations in five months



Vietnam News | 03 June, 2021

Hanoi (VNA) – As many as 59,800 businesses temporarily suspended or stopped their operations to await dissolution procedures and completed dissolution procedures in the first five months of 2021, up 23 percent year-on-year. The General Statistics Office (GSO) reported that nearly 12,000 businesses left the market on average each month. Meanwhile, nearly 55,800 were newly-established with a total registered capital of 778.3 trillion VND (33.8 billion USD) and a combined workforce of 412,400, up 15.4 percent in the number of firms and 39.5 percent in capital volume compared to the same period last year. Almost

22,600 enterprises resumed their operations, up 3.9 percent annually, raising the total new and back-to-work firms to 78,300 during the January-May period, or an average of 15,700 new companies each month./.

Source: <https://en.vietnamplus.vn/cement-exports-soar-by-50-percent/202519.vnp>