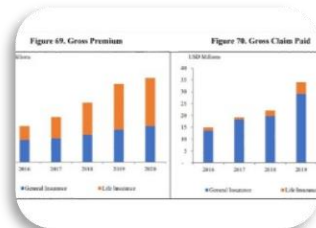


Highlight News / June 10/2021



- 4.1 million tonnes of agricultural products exported in first five months
- Customers and retailers urged to pay online to help prevent COVID-19 spread
- Funds rolled out for agriculture competitiveness project
- Over K77 bln loans to be disbursed to farmers to grow monsoon crops this year
- Myanmar iron, steel materials imports exceed \$315 mln in five months
- Vietnam, Japan to work closely for effective implementation of CPTPP
- Wood exports post 50.5-percent surge in four months



## China's General Science to build \$202mn tyre plant in Cambodia



*Cambodia News | 09 June, 2021*

General Science Technology is to build a \$202,312,500 plant in Cambodia with the capacity to produce 6 million passenger car tyres annually, the Chinese tyre maker announced. It will be located in the Sihanoukville special economic zone, in southwest Cambodia. The plant is expected to take 15 months to complete and is set for operation in September 2022. Once fully operational, the plant will create nearly 800 new jobs, and generate about \$25.6 million average annual net profit on more than \$212 million annual sales, said General Science. The decision to build the plant follows moves by the Cambodian government to support the growth of the natural rubber industry in the country, the company noted. The country, it went on to say, is setting up a rubber industry association to ensure stable production and exports. The new factory is the latest in a series of intentional expansion moves by Wuxi-based General Science. Last year, the company opened its first overseas tyre plant in Thailand, which is expected to produce 1 million truck and bus tyres and 6 million passenger car tyres by the fourth quarter of 2021.

Source : <https://www.khmertimeskh.com/50870839/chinas-general-science-to-build-202mn-tyre-plant-in-cambodia/>

## Insurance penetration less than 1 percent in kingdom



*Cambodia News | 09 June, 2021*

The insurance sector in Cambodia proved resilient in 2020 despite the pandemic, with total gross premiums nationwide increasing by 7.8 percent to \$264.9 million. However, there remains ample room for growth, as Forte Insurance Group Chief Executive Officer Youk Chamroeunrith told Khmer Times that insurance penetration in the country is still at less than 1 percent. According to figures released in the National Bank of Cambodia's Financial Stability Review, general insurance sales grew by 10.5 percent in 2020, with the biggest increases seen in property insurance, which represented 6.4 percent of total growth, medical insurance (2.2 percent) and miscellaneous insurance (1.9 percent) leading the way. Property and medical insurance represented the largest percentage of premiums, at 35.4 percent, followed by general insurance, which accounted for 18.4 percent of total premiums. General insurance companies saw an increase of 0.2 percent in the amount of claims paid in 2020, which rose from \$29.1 million in 2019 to \$29.2 million in 2020. Chamroeunrith said medical insurance has been rising in popularity as a result of Covid-19 as customers have started realising the importance of protecting their health and finances. But the vast majority of the population remains uninsured, representing a massive opportunity, he said. "Insurance penetration in Cambodia is still very low

compared with neighbouring countries. It is lower than 1 percent. Hence, there is huge potential for insurance to grow faster in the future. Factors that will continue to contribute to the growth of insurance include favourable macroeconomic conditions, political stability, a growing middle class, a more robust regulatory framework and support from relevant regulators to promote the growth, awareness and understanding as well as trust in the insurance industry," he said. He added that not being able to physically meet potential customers has hurt business because selling insurance often requires in-person communication. Moreover, as incomes have dropped, so have insurance policies while fewer potential first-time homebuyers are able to afford it. "Clients' financial situations are a very important factor in determining whether they can renew their insurance policies. We have seen a number of clients who wanted to renew their insurance policies but, because of their financial condition, they were not able to do so. The negative financial impact has also affected new take-up rates of insurance," he said. The seismic shift in the rules of business brought about by Covid-19 forced Forte to go online, where the company has found some success, he said. "During this pandemic, we have initiated and developed new products to be offered purely online. One of our big milestones is serving as consortium leader for the Covid-19 insurance product offered to overseas travellers coming to Cambodia. This product is purchased purely online from a platform we developed and manage," he

said. Other companies are also sensing opportunity in the Cambodian market. Speaking at a webinar about a potential Canada-ASEAN free trade agreement last week, Manulife emerging markets General Manager Sachin Shah said Manulife was the leading provider of life insurance in Cambodia and expected the industry to grow further in the region in the future. He said Asia represents 40 percent of the company's business, while the United States accounts for 30 percent and Canada accounts for the other 30 percent. ASEAN states account for about 20 to 25 percent of business in Asia and, over the next three to five years, Shah said he expects it to grow to 30 to 40 percent of Manulife's Asia footprint. He added that, as people begin to have more disposable income, with that grows a desire to save and make major purchases such as motorcycles, cars or homes. In addition, they think of investing in their health, in education for their children and in their retirement. Shah said a free trade agreement between Canada and ASEAN could accelerate this process, which would naturally open the door for more opportunities in the insurance sector.

Source : <https://www.khmertimeskh.com/50870668/insurance-penetration-less-than-1-percent-in-kingdom/>

## Lao Airlines, bus companies delay resumption of services



*Laos News | 10 June, 2021*

Vientiane's Northern Bus Station has closed again after a failed attempt to run bus services because

most passengers had not had two doses of Covid-19 vaccine at least a month prior to travel. Bus station director Ms Chithpasong Luangdethmixay told Vientiane Times that the station would continue to suspend services until June 19, when it is expected that the government will ease more of the restrictions imposed under lockdown measures. Most people wanting to travel on buses have homes in the provinces but have not yet been vaccinated against Covid-19. Director of Lao Airlines' Commercial Department, Mr Noudeng Chanthaphasouk, told Vientiane Times the airline had planned to resume domestic flights this week but had also had to cancel the plan because most passengers had not had two doses of Covid-19 vaccine. Meanwhile, the Southern Bus Station announced on June 5 that bus services would resume but revoked the statement later that day, saying that most people who turned up to catch buses had not had two doses of a Covid-19 vaccine. Bus station authorities say buses will not run until more of the lockdown restrictions are lifted and passengers can comply with the rules. The government recently authorised road and air travel between Vientiane and the provinces but only for passengers who have had two doses of a Covid-19 vaccine at least one month prior to travel. Passengers no longer need to quarantine for 14 days on arrival. This means individuals and commercial traffic can now travel freely, except in areas of the country where there are ongoing virus outbreaks. The government has authorised passenger transport by road between provinces where there is no

outbreak of the virus and quarantine is no longer required. Drivers of transport trucks and their assistants may now drive to their destination province without having to unload goods and change trucks as before. They are also not required to be tested for Covid-19 or spend 14 days in quarantine. Although some restrictions have been lifted, everyone is required to continue to comply with basic Covid-19 prevention and control measures, including social distancing of one metre, temperature checks, wearing of face masks and regular handwashing. Only two cases of Covid-19 were reported in Laos on Tuesday, both in Vientiane. The cases were identified during the testing of 1,845 samples in the previous 24 hours.

Source : [https://www.vientianetimes.org.la/freeContent/FreeContenten\\_Lao111.php](https://www.vientianetimes.org.la/freeContent/FreeContenten_Lao111.php)

## Imports down by \$3.3 bln as of 28

### May, MoC reports



*Myanmar News / 09 June, 2021*

Meanwhile, Myanmar imported consumer products worth \$2.08 billion, including pharmaceuticals, cosmetics, and palm oil. The imports of consumer products showed a slight decrease of \$189 million compared with the same period in the previous FY. The value of Myanmar's imports between 1 October and 28 May in the current financial year 2020-2021 stood at US\$10 billion, a sharp drop of \$3.338 billion from \$13.397 billion registered in the year-ago period, according to data released by the Ministry of

Commerce. The value of imports in the consumer, capital, intermediate goods, and CMP businesses groups declined in the current FY. The drop in foreign direct investment this year negatively affected the trade. In nearly eight months of the current FY, capital goods, such as auto parts, vehicles, machines, steel, and aeroplane parts, were brought into the country. Their import value was estimated at \$3.6 billion. The figure was over \$1.556 billion lower than those registered in the same period of the previous FY. Meanwhile, Myanmar imported consumer products worth \$2.08 billion, including pharmaceuticals, cosmetics, and palm oil. The imports of consumer products showed a slight decrease of \$189 million compared with the same period in the previous FY. Intermediate goods make up the second-largest share of Myanmar's imports, with petroleum products and plastic raw materials being the main import items. This year, imports of raw materials plunged to \$3.34 billion from \$4.45 billion registered during the year-ago period. During the same period, \$989 million worth of raw materials were also imported for the Cut-Make-Pack (CMP) garment sector. It showed a decrease of \$488 million compared with the last budget year. At present, the CMP garment sector, which contributes to 30 per cent of Myanmar's export sector, is struggling due to the cancellation of order from the European countries and suspension of the trade by western

countries amid COVID-19. Therefore, import values of raw materials by CMP businesses have been dropping. The top 10 import countries to Myanmar are China, Singapore, Thailand, Malaysia, Indonesia, India, Viet Nam, Japan, the Republic of Korea and the US, as per data of the Ministry of Commerce. — GNLM

Source : <https://www.gnlnm.com.mm/imports-down-by-3-3-bl-in-as-of-28-may-moc-reports/>

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## Apple partner Pegatron injects additional US\$101million into Vietnam



*Vietnam News | 09 June, 2021*

VOV.VN - Taiwan has granted approval for a further investment of US\$101 million by Pegatron Corp, a major manufacturing partner of Apple which operates in Vietnam. According to information provided by Reuters, Pegatron's investment in its subsidiaries in Hai Phong port city is set to be used to manufacture and sell computers, peripherals, communication equipment, and electronic components, although currently Pegatron has yet to unveil details about this investment. Most notably, the firm also intends to invest in a research and development (R&D) centre in Vietnam at an appropriate time in the future. Last September Pegatron announced its tentative plan to pour US\$1 billion into production lines specialising in computer manufacturing, communications, and consumer

electronics in Vietnam. It has developed two projects in Hai Phong, with one capitalized at US\$481 million at Deep C Industrial Park under the Dinh Vu - Cat Hai economic zone. The third project estimated at US\$500 million is yet to be unveiled. Pegatron is best known for Apple's key manufacturing partner, along with Taiwan's Foxconn and Wistron Corp. Indeed, it is currently one of the three largest iPhone manufacturers in China and India. In its 2020 annual report, Pegatron also announced intentions to continue expanding its Vietnamese and Indian production facilities as part of efforts to meet the dramatic changes in the supply chains.

Source : <https://english.vov.vn/en/economy/apple-partner-pegatron-injects-additional-us-101million-into-vietnam-864673.vov>

percent of the corresponding figure last year. As a result, revenue from passenger transport stood at 44.7 billion VND (1.9 USD), equivalent to 55.4 percent of the figure of the same period last year. According to VNR, a decline in revenue and demand for transportation and travel is attributable to travel restrictions prompted by outbreaks of COVID-19 in many localities across the country. The VNR curtailed most of its operations in May. It is currently operating only one train on the Hanoi-Ho Chi Minh City route. Also due to the COVID-19 resurgence, more than 11,300 tickets were returned on the occasion of the Reunification Day (April 30) and May Day (May 1) holidays, worth about 4 billion VND (174,900 USD)/.

Source : <https://en.vietnamplus.vn/vnr-faces-difficulty-due-to-drop-in-passengers/202781.vnp>

## VNR faces difficulty due to drop in passengers



*Vietnam News | 09 June, 2021*

Hanoi (VNA) - Vietnam Railway Corporation (VNR) announced that its revenue in the first five months of 2021 decreased strongly to only 51.4 percent of the figure of the same period last year, due to the impact of the COVID-19 pandemic. The railway served about 1.147 million passengers, a reduction of 35.4 percent compared to the same period last year, bringing in over 400 billion VND (17.4 million USD) in revenue. In May, which saw the peak of COVID-19 outbreaks in the latest resurgence wave, the number of passengers was only by 132,300, equal to 48.4