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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Cambodia, Thailand agree to boost cross-border checkpoint trade



Cambodia News | 11 June, 2021

Cambodia and Thailand have pledged to facilitate the two nations' bilateral trade at cross-border checkpoints in order to boost it towards its previously set target of \$15 billion. The news was revealed at a meeting between Cambodia's Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation Prak Sokhonn and Thai Deputy Prime Minister and Minister of Foreign Affairs Don Pramudwinai. The two engaged in a sideline discussion at the sixth Mekong-Lancang Cooperation Foreign Ministers' Meeting held this week in Chongqing, China. According to a statement from the Ministry of Foreign Affairs and International Cooperation, "In order to reach the two-way trade target of \$15 billion set by the two nations' prime ministers at the third Joint Cabinet Retreat, the ministers encouraged the relevant authorities of both sides to double efforts in facilitating trade flow across the border checkpoints," read the statement. Both sides agreed to hold the 11th Meeting of the Joint Commission for Bilateral Cooperation between Cambodia and Thailand later this year or early next year in Cambodia, it continued. The trade target of \$15 billion was originally slated to be achieved by 2020, but the goal was a casualty of the unforeseen effects of Covid-19. Last year, two-way trade reached \$7.236 billion, half of the target. The time frame for achieving the \$15 billion target has been

reset to 2023. The two nations saw a decrease in trade in the first four months this year with about \$2.3 billion registered, a 5 percent drop compared with the same period last year. The decrease was largely down to travel and border closures because of the pandemic. Agricultural products accounted for the majority of Cambodian exports to Thailand, while Thai exports to Cambodia primarily consisted of energy resources, agriculture fertilisers, food supplies and cosmetics. Panyarak Poolthup, Thailand's ambassador to Cambodia, previously said the virus tightened border crossings, making it difficult for an easy flow of goods between the two countries. Thai investors and business people remain bullish on the potential for investment in Cambodia, with investment opportunities still being sought out, he said, adding that Thai companies operating in Cambodia are continuing their normal production chains despite the challenges of the pandemic. Cambodia's embassy in Thailand recently launched the Cambodian Business Council, to promote bilateral economic and trade activities between Cambodia and Thailand. The council will also provide information and knowledge related to business and improving the quality of goods and services, production and supply promotion among members.

Source: <https://www.khmertimeskh.com/50872147/cambodia-thailand-agree-to-boost-cross-border-checkpoint-trade/>

Economic diplomacy to boost Cambodian economy amid COVID- 19 crisis



Cambodia News | 12 June, 2021

Cambodia is promoting the economic diplomacy which will contribute significantly to boosting the economic growth amid the COVID-19 crisis. In a presentation at the 2nd Meeting on the implementation of the Economic Diplomacy Strategy 2021-2023 held here this morning via Videoconference, Prak David, Under Secretary of State at the Ministry of Foreign Affairs and International Cooperation (MFA-IC) said that Cambodia is adopting an open economy, but the COVID-19 crisis has adversely affected the global supply chain and international tourism, which has slowed down the Cambodian economy in 2020. "To continue the economic growth, Cambodia needs to continue to integrate its economy into the regional and global economy through its sharp tool, i.e. economic diplomacy strategy," he underlined. In his opening speech, Secretary of State for MFA-IC Nhim Khemara laid stress on the key role played by the private sector in effectively carrying out the economic diplomacy as well as the role of MFA-IC in coordinating the work with relevant national institutions and private sector so that all stakeholders better understand each other and cooperate more closely and effectively. Launched on Jan. 18, 2021 under the presidency of Prak Sokhonn, Deputy Prime Minister, Minister of MFA-IC, the Economic

Diplomacy Strategy 2021-2023 is aimed to contribute to achieving the Royal Government's vision in turning Cambodia into an upper middle-income economy by 2030 and a developed nation by 2050 through the promotion of international trade, attraction of direct foreign investment, enhancement of tourism sector, and boosting of cultural and sports exchange. Cambodian diplomats accredited to foreign countries and representatives of the Cambodia Chamber of Commerce and private sector attended the 2nd virtual meeting. The first one took place on June 9, 2021 in the presence of Ouch Borith, Delegate Minister Attached to the Prime Minister and Permanent Secretary of State for MFA-IC. C. Nika – AKP

Source: <https://www.khmertimeskh.com/50872700/economic-diplomacy-to-boost-cambodian-economy-amid-covid-19-crisis/>

US to donate 500 million doses of vaccine to 92 countries



Laos News | 14 June, 2021

US President Joe Biden on June 11 announced that the United States would purchase and donate 500 million doses of the Pfizer vaccine to 92 countries, including Laos, the US Embassy to Laos said. Shipping of the vaccines will start in August 2021. Some 200 million doses will be delivered by the end of this year and the remaining 300 million will be delivered in the first half of 2022. The US will allocate and deliver these vaccines to low and lower-middle

income nations around the world through COVAX a global initiative that distributes Covid-19 shots to low- and middle-income countries. The COVAX programme is led by the World Health Organisation and the Global Alliance for Vaccines and Immunisation (GAVI). The US said its donation would help supercharge the global fight against the pandemic. The US announcement came as countries around the world are escalating their actions to fight the pandemic. Globally, the virus has claimed more than 3.8 million lives with the total number of infections rising to more than 176.3 million. In Laos, the virus has killed three people while the total number of cases stood at 1,996 as of Sunday. The Lao government is intensifying action to contain the Covid-19 virus. Lao authorities attach great importance to the vaccination programme as a weapon for effective control of the outbreak, and everyone is being encouraged to get vaccinated. As of June 11, some 712,793 people in Laos had received the first dose of a Covid-19 vaccine, while 385,921 people had been given their second dose. Four types of vaccine – Sinopharm, AstraZeneca, Pfizer and Sputnik V – are being administered in Laos. The government has set an ambitious target to inoculate 50 percent (more than three million people) of the population by the end of 2021. To fulfil this target, the government has mobilised all resources to support the vaccination programme. It has

encouraged private companies that are considering buying vaccines to inoculate their employees, and several businesses have contributed in this regard. But the government has not given the green light to any business for the import of vaccines for commercial distribution.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_US_113.php

Tomato price rises by over K 10,000 this year



Myanmar News | 13 June, 2021

Earlier, the price of those tomatoes ranged between K23,000 and K25,000 per box (containing 18 visses). However, those tomatoes are now priced at K 33,000 or K 35,000 per box. Photo: Min Htet Aung

The harvested tomatoes are entering Thiri Marlar fresh foods wholesale market. The tomato price has been on the increase this year. This year, harvested tomato price rose by K10,000 from last year, said the tomato commodity depots. Around eight or ten 12-wheel trucks loaded with tomatoes from Nyaung Shwe Innlay region from Shan State are entering Thiri Marlar fresh foods wholesale market in Mandalay. Earlier, the price of those tomatoes ranged between K23,000 and K25,000 per box (containing 18 visses). However, those tomatoes are now priced at K33,000 or K35,000 per box, said U Aung Moe Naing from the Aung commodity depot in the Mandalay region. “Currently, the tomatoes from the Innlay region are mostly arriving at the market. The

prevailing price of tomatoes is different by K10,000 this year compared to that of last year. This year, the price is unexpectedly high. The price rise can be attributed to transportation. The tomatoes from other regions are not as good as those from the Innlay region. Tomatoes from the Innlay region are sustainable and convenient to send to the other regions," he added. The tomatoes from the Innlay region are entering the Mandalay market daily, and they are fetching good prices. In competition with the wholesale price, the highest price of the tomato was K1,000 per viss last year, but this year, the price ranges from K1,700 to K1,800 per viss. Besides, other raw vegetables such as cabbages, cauliflowers, and carrots also have a reasonable price. The growers are making a good profit by cultivating them. — Min Htet Aung (Mdy Sub-Printing House)/GNLM

Source: <https://www.gnlnm.com.mm/tomato-price-rises-by-over-k-10000-this-year/>

Price of exported low-quality rice stands at K23,000 per 108-pound bag due to bank withdrawal limit



Myanmar News | 13 June, 2021

About 80,000 rice and broken rice bags were earlier traded daily at the Bayintnaung Rice Wholesale Centre. But the trade volume plummeted to about 30,000 bags at present. The price of exported low-quality rice cannot go up and is fixed at only K23,000 per 108-pound bag because of the bank withdrawal

restriction, said Secretary U Than Oo of the Bayintnaung Rice Wholesale Centre. Although the rice traders have money in their savings account, they are limited in the withdrawal of cash from their accounts. Thus, they are being faced with limited trading and cannot make cash payment for their trading. "As for our exporters, we are trading the rice with foreign currency. Then, we have exchanged foreign currency for Myanmar Kyat and have to wait to get the cash from the bank. We have cash in our saving accounts. But we cannot withdraw enough amount of cash from the bank. We have tried to connect with the Myanmar Economic Bank and other private banks. Even the connected banks are not able to pay the cash. We have to pay for the rice here, but we cannot withdraw the money from the bank. This is the reason why the price of the rice cannot go up," said U Than Oo. Besides, there are only a few companies that buy rice to export. The companies are also buying rice to export it to Bangladesh. Therefore, the price of the exported rice is not very competitive, he added. "The price is not competitive in the rice market. Earlier, the purchasers bought the rice through border trade. The retail sellers bought back from the traders as well. The rice exporters have different foreign markets such as the European market, Asian market and Bangladesh market. Only a competitive market makes the rice sell well, and the price has also gone up," said U Than Oo. About 80,000 rice and broken rice bags were earlier traded daily at the Bayintnaung Rice Wholesale Centre. But the trade

volume plummeted to about 30,000 bags at present.
— NN/GNLM

Source: <https://www.gnlnm.com.mm/price-of-exported-low-quality-rice-stands-at-k23000-per-108-pound-bag-due-to-bank-withdrawal-limit/>

First-half GDP growth for Vietnam projected at 5.8%



Vietnam News | 13 June, 2021

VOV.VN - Vietnam's Gross Domestic Product (GDP) is predicted to expand 5.8% in the first half of 2021, a lower-than-expected growth compared to the set target, according to the Ministry of Planning and Investment (MPI). The figure is 0.42% less than the target the Government set in its resolution 01/NQ-CP and 0.12% less than the Government target revised after quarter 1. The MPI forecast agro, forestry and fishery sector would develop steadily in the first six months, but meet difficulties in consumption. The sector is projected to grow approximately 3% in the first half, 0.35% lower than expected. Similarly, the industrial and construction sector is anticipated to increase 7.85%, 0.71% lower than the set target. The emergence of the SARS-CoV-2 virus has slowed its growth despite its recovery efforts in recent times. Similarly, the services sector is likely to grow approximately 5%, or 0.33% lower than estimated. The MPI also forecast consumption would continue to bounce back, with total retail sales of goods and services expected to increase about 7.1%. However, a number of services such as tourism and transportation would continue to

experience difficulties due to the impact of the COVID-19 pandemic. It's worth remembering that the General Statistics Office, in an earlier issued report, announced Vietnam's GDP grew 4.48% in the first quarter of the year, or 0.8% higher than the figure recorded in the first quarter of 2020. The high rate demonstrated the adaptation, resilience and recovery of the national economy despite the impact of the coronavirus outbreak in late January. However, the latest COVID-19 outbreak, which started in late April and has since spread to 39 cities and provinces, seems to negatively impact the economy. The MPI's calculations show the economy is yet to completely get back on track and are putting mounting pressure on ministries, sectors and localities in the second half of the year, aiming to meet the 6.5% GDP growth target which has been set by the Government and later approved by the National Assembly.

Source: <https://english.vov.vn/en/economy/first-half-gdp-growth-for-vietnam-projected-at-58-865765.vov>

Vietnamese rice faces competition from India in Philippines



Vietnam News | 13 June, 2021

The Philippines is set to import a lot of rice from India at \$100 cheaper per ton than Vietnamese rice as it diversifies its supply sources. A report by the Agricultural Products Processing and Development Department (Agrotrade) shows that in the first five months of this year, Vietnamese rice exports reached 2.7 million tons at \$1.48 billion, down 11.3

percent in volume and 5 percent in value over the same period last year. There's no significant demand by foreign traders as they wait for the summer-autumn harvest season, the report said. On the other hand, the price of Vietnamese rice is much higher than that of India and Thailand. A ton of Vietnamese rice is \$20 higher than that of Thai rice and over \$100 per ton over Indian rice. On average, Vietnam's rice export price in the first four months of this year reached \$543 per ton, up 15.4 percent year-on-year. The Philippines is Vietnam's largest rice consuming market, accounting for 35.6 percent, but export to this market decreased 20.7 percent in volume and 4.9 percent in value over the same period last year. Similarly, rice exports to Indonesia also decreased sharply by 71.1 percent year-on-year. According to Agrottrade, market demand in the coming time will be high, but Vietnamese rice will face competition in the international market when the prices of Thai and Indian rice are more attractive to buyers. Recently, the Philippines eliminated import duties for ASEAN, non-ASEAN and "Most Favored Nation" (MFN) nations with the goal of increasing imports of cheaper rice from India and Pakistan. Specifically, the Philippines has lowered import duties for MFN on rice to a single rate of 35 percent. It had previously imposed a 40 percent in-quota tariff rate and 50 percent out-of-quota tariff rate. On June 7, Philippines Finance Minister Carlos Dominguez announced that the country would seek more rice from countries outside Southeast Asia with the goal of diversifying supplies and keeping import prices at

a reasonable price. Accordingly, India is a country with cheaper rice that can become a main supplier. Vietnam has been the main rice supplier to the Philippines so far. In addition, the Philippines also buys rice from Thailand and India, apart from other countries outside Southeast Asia. Vietnam is set to produce 43 million tons of paddy and export 6.5 million tons of rice this year, according to the Ministry of Agriculture and Rural Development. The nation was the world's second largest rice exporter last year at 6.25 million tons.

Source: <https://e.vnexpress.net/news/business/industries/vietnamese-rice-faces-competition-from-india-in-philippines-4293486.html>
