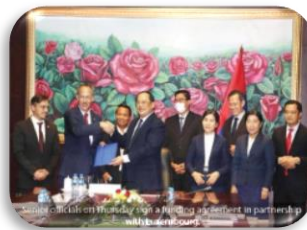


Highlight News / July 15/2021



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FDI flow drops 50 percent Jan-May



Cambodia News | 08 July, 2021

Foreign direct investment (FDI) fell 50 percent Jan-May from the same period in 2020, according to the Ministry of Economy and Finance. Investment projects for the first five months of 2021 were valued at \$825 million, a 59 percent drop from results for the same period in 2020. The projects are expected to create 30,000 local jobs. The huge drop was attributed to the pandemic but key insiders expect a recovery in FDI as the vaccination rate grows and the new investment law is drafted. Lim Heng, vice-president of the Cambodia Chamber of Commerce, is optimistic about growth on the strength of the new investment law. “The law can boost economic growth, the production chains of small and medium enterprises (SMEs) and attract more foreign direct investments,” Heng said yesterday. The new draft is on the agenda of the upcoming plenary session of the Council of the Ministers scheduled for Friday. The current investment law was approved and ratified in 1994. The updated law has been timed to launch in conjunction with bilateral trade deals with China and South Korea moving to full ratification and signing status respectively, as well as to accelerate the pace of trade negotiations with India, Japan and the Eurasian Economic Union. It could also spark momentum towards the multi-country ratification of the RCEP agreement. Asked about fair treatment between local and foreign investment, Heng stated the law will level the playing field regardless of

investors' countries of origin. In 2020, 238 approved investment projects, inside and outside special economic zones (SEZs), totalled \$8.2 billion. This figure represented a 12 percent decrease compared with 2019 results.

Source : <https://www.khmertimeskh.com/889495/fdi-flow-drops-50-percent-jan-may/>

Rice exporters set to grab larger share of global market: Report



Cambodia News | 08 July, 2021

Cambodia's rice exporters look set to cash in on rising global grain demand and falling market share for the world's top producers. A report by the Organisation for Economic Cooperation and Development (OECD) and the UN's Food and Agriculture Organisation (FAO) forecasts a shrinking slice of the global market for India, Thailand, Vietnam, Pakistan and the US over the next 10 years. “India, Vietnam and Thailand will continue to lead global rice trade, but Cambodia and Myanmar are expected to play an increasingly important role in global rice exports,” the organisations said in their latest annual agricultural outlook, released on Monday. The report forecasts a 21 percent increase in world trade of cereals, including rice, saying 542 million tonnes of grains will be shipped around the world by 2030. Rice exports are expected to rise 35 percent to 62 million tonnes by 2030, with the annual pace of growth increasing from 1.5 percent over the past 10 years to 2.6 percent in the coming decade. “The export share of the top five major rice exporters,

India, Thailand, Vietnam, Pakistan and the United States, is expected to fall from 74 percent to 70 percent,” the report said. Cambodia’s rice exports have been falling this year. It exported 233,031 tonnes of milled rice in the first five months of 2021, down by almost 35 percent. Forty-five countries buy Cambodian rice, with more than half of it going to China. Fragrant and premium fragrant rice make up almost two thirds of the Kingdom’s exports. France is the biggest buyer after China, followed by Gabon, Malaysia and the Netherlands. Premium fragrant rice exports to Europe were hit hard this year because of a shortage of containers and higher shipping costs. The OECD and the FAO say Asia’s less developed countries (LDCs), including Cambodia will take market share from larger economies as they become more competitive. The report says shipments from Asian LDCs will more than double to 10 million tonnes by 2030.

Source : <https://www.khmertimeskh.com/50889686/ice-exporters-set-to-grab-larger-share-of-global-market-report/>

Laos, Luxembourg reaffirm development cooperation



Laos News | 08 July, 2021

The Grand Duchy of Luxembourg has reaffirmed its strong commitment as a reliable and long-term partner for Laos by signing a new five-year agreement worth 1.68 trillion kip (95 million Euro). The funding agreement was signed on Thursday during the 13th Bilateral Partnership Commission

meeting between the Lao and Luxembourg governments. The new Fifth Indicative Cooperation Programme, ICP V (2022-2026), will focus on the same development priority areas as the current ICP IV, namely health and nutrition, local development, vocational training, and promotion of the rule of law and inclusive governance, with a main geographic focus on the provinces of Bokeo, Borikhamxay, Khammuan and Vientiane. Aligned with the 9th National Socio-Economic Development Plan, NSEDP (2021-2025), Luxembourg hopes to contribute to Laos’ continuous efforts to achieve poverty eradication and graduate, when conditions are right, from least developed country status. The meeting was co-chaired by Deputy Prime Minister and Minister of Planning and Investment, Mr Sonexay Siphandone, and Minister for Development Cooperation and Humanitarian Affairs, Mr Franz Fayot. Mr Fayot said “Luxembourg’s interventions within the framework of ICP V are resolutely aimed at eradicating extreme poverty. Developing human capital by building capacities and strengthening governance that is “leaving no one behind” are crucial elements of lasting social change.” Mr Sonexay thanked the Luxembourg government for their long-term commitment and underlined the importance of the Laos-Luxembourg partnership in support of the 9th NSEDP implementation, in the achievement of the national development priorities and the Sustainable Development Goals under the Agenda 2030. The meeting took stock of the key achievements of the current fourth Indicative

Cooperation Programme ICP IV (2016-2021), which has a total budget of about 94 million Euro and aims to pave the way forward for the timeframe 2022-2026. Lao line ministries provided a sectoral overview of the ICP IV implementation and noted that even with the challenges of Covid-19 pandemic excellent results have been achieved. The two sides discussed the Covid-19 pandemic. Luxembourg's delegation praised the government and people of Laos for the, so far, successful handling of their Covid-19 response and the relatively small number of fatalities. The Lao side thanked Luxembourg, which has since the beginning of the pandemic in spring 2020 allocated over 4 million Euro to Laos' Covid response by providing urgently needed supplies such as state-of-the-art ultra-cold freezers, decontamination materials, testing materials and consumables, personal protective and other equipment, as well as emergency food aid to four provinces. Luxembourg is also a donor to COVAX, the global vaccine alliance.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Asean131.php

Sesame seeds export tops

US\$287.75 mln in seven months



Myanmar News | 09 July, 2021

Sesame is cultivated in the country throughout the year. Magway Region, which has gained a reputation as the oil pot of Myanmar, is the main producer of sesame seeds. Myanmar's sesame seeds export has earned US\$287.75 million in the

seven months (October-April) of the current financial year 2020-2021, according to data released by Myanmar Customs Department. Chinese buyers hesitate to buy sesame amid transportation difficulties triggered by the COVID-19 resurgence. The price is on the bear market in July, said an exporter. The export price of sesame seeds dipped to K130,000-148,000 per bag on 8 July owing to Kyat weakening against the dollar in the local forex market, whereas it fetched about K135,000-160,000 in the last week of June, according to Mandalay commodity depot. Normally, Myanmar exports about 80 per cent of sesame production to foreign markets. China is the main buyer of Myanmar sesame, which was also shipped to markets in Japan, South Korea, China (Taipei), the UK, Germany, the Netherlands, Greece, and Poland among the EU countries. The EU markets prefer organic-farming sesame seeds from Myanmar. Japan prefers Myanmar black sesame seeds, cultivated under good agricultural practices (GAP), and purchases them after a quality assessment. Black sesame seeds from Myanmar were previously exported to South Korea and Japan. China usually purchases various coloured sesame seeds from the country, yet, the trade is quite sluggish for now. This year, Japan has not purchased Myanmar's sesame yet. Sesame is cultivated in the country throughout the year. Magway Region, which has gained a reputation as

the oil pot of Myanmar, is the main producer of sesame seeds. The seeds are also grown in Mandalay and Sagaing regions. Of the cooking oil crops grown in Myanmar, the acreage under sesame seed is the highest, accounting for 51.3 per cent of the overall oil crop plantation. The volume of sesame exports was registered at over 96,000 metric tons, worth \$130 million, in the financial year 2015-2016; \$100,000 tonnes, worth \$145 million, in the 2016-2017FY; 120,000 tonnes, worth \$147 million, in the 2017-2018FY; 33,900 tonnes valued \$43.8 million in the 2018 mini-budget period, 125,800 tonnes, worth \$212.5 million in the 2018-2019FY and over 150,000 tonnes of sesame, worth \$240 million in the previous 2019-2020FY, the trade data of Central Statistical Organization indicated. – KK/GNLM

Source : <https://www.gnln.com.mm/sesame-seeds-export-tops-us287-75-mln-in-seven-months/>

Rubber price stays on rise, hit over K900 per pound



Myanmar News | 09 July, 2021

Rubber is primarily cultivated in Mon and Kayin states and Taninthayi, Bago, and Yangon regions in Myanmar. As per 2018-2019 rubber season's data, there are over 1.628 million acres of rubber plantations in Myanmar with Mon State amounting to for 497,153 acres, followed by Taninthayi Region 348,344 acres and Kayin State with 270,760 acres. Rubber prices constantly rose and jumped to over

K900 per pound, Mawlamyine Commodity Depot data indicated. Natural quality rubber was priced at K710 per pound while the ribbed smoked sheet (RSS) hit K720 per pound in late January 2021. But it soared to K930 per pound for natural quality rubber and K940 per pound for RSS currently. According to National Enlightenment Institute (NEI) last year's Myanmar rubber analysis data, the price of rubber has risen as rubber production has declined in the off-season in June, July and August. This is the reason why the rubber prices are likely to rise this year's rubber off-season. Further, another reason for the increase in rubber prices this year is raising demand for rubber from international countries to produce rubber gloves needed to prevent COVID-19 disease. Presently, there is steady demand for rubber from China and Thailand. Mon State has the largest sown acreage of rubber in Myanmar with the production of over 240 million pounds of rubber, according to the 2020 official statistics of Mon State Agricultural Department. Rubber is primarily cultivated in Mon and Kayin states and Taninthayi, Bago, and Yangon regions in Myanmar. As per 2018-2019 rubber season's data, there are over 1.628 million acres of rubber plantations in Myanmar with Mon State amounting to 497,153 acres, followed by Taninthayi Region 348,344 acres and Kayin State with 270,760 acres, according to the MRPPA. Besides, about 300,000 tonnes of rubber is

produced annually across the country. Seventy per cent of rubber made in Myanmar goes to China. It is also shipped to Singapore, Indonesia, Malaysia, Viet Nam, the Republic of Korea, India, Japan, and other countries, according to the MRPPA. Myanmar annually exports over 200,000 tonnes of raw rubber to foreign countries generating over \$200 million.—

NN/GNLM

Source : <https://www.gnln.com.mm/rubber-price-stays-on-rise-hit-over-k900-per-pound/>

Vietnam's economy to rank fourth in ASEAN: experts



Vietnam News | 08 July, 2021

Hanoi (VNA) – Vietnam's economy would grow from 6-6.5 percent in the next decade, DBS Bank experts said. If the country maintains its growth rate of 6-6.5 percent, it will surpass Singapore by 2030, the experts noted. Last year, Vietnam's economy was worth 343 billion USD against Singapore's 337.5 billion USD and Malaysia's 336.3 billion USD, ranking 40th globally and fourth in the Association of Southeast Asian Nations (ASEAN). In their latest forecast, the International Monetary Fund (IMF) and the Asian Development Bank (ADB) said Vietnam would still outpace the two countries this year. Despite impacts from two waves of COVID-19 outbreaks in the first half of this year, especially on industrial hubs, Vietnam still posted gross domestic product (GDP) growth of 5.64 percent and its export

revenue rose 28.4 percent over the same period last year. Although the GDP expansion was lower than the target set by the Government, it was much higher than 1.82 percent recorded in the same period last year. This showed the effective policies, strategies and directions from the central to local levels with the implementation of "dual targets" of controlling the pandemic and ensuring socio-economic development at the same time./.

Source : <https://en.vietnamplus.vn/vietnams-economy-to-rank-fourth-in-asean-experts/204334.vnp>

Việt Nam now world's second-largest fuel pellet exporter



Vietnam News | 08 July, 2021

HÀ NỘI — Việt Nam exported about 3.2 million tonnes of fuel pellets of various types last year, making it the world's second-largest exporter of the product, according to the General Department of Customs. The Việt Nam Timber and Forest Product Association (VIFOREST) reported Vietnamese pellets were mostly exported to Japan and South Korea for thermal power production. Pellets are biomass fuel generally made from wood waste, such as wood shavings, sawdust, and logging residues; and agricultural waste, for example, rice husks, corn stover, sugarcane bagasse, and coffee pulps. The country's shipment of pellets rocketed to 3.2 million tonnes last year from just 175.5 tonnes in 2013. The export revenue increased 15.3 fold from nearly US\$23 million in 2013 to \$351 million in 2020. Việt

Nam has about 80 pellet factories and production facilities, mostly in the southeastern and northeastern regions, with a combined capacity of close to 4.5 million tonnes per year. VIFOREST has forecast the global demand for pellets is likely to increase about 250 per cent over the next decade, to 36 million tonnes in 2030. — VNS

Source : <https://vietnamnews.vn/economy/988017/vietnam-now-worlds-second-largest-fuel-pellet-exporter.html>
