

*Highlight News / August 31, 2021*



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## 7-Eleven opens first store in Phnom Penh



*Cambodia News | 30 August, 2021*

CP ALL (Cambodia), a master franchise of 7-Eleven stores in Cambodia, debuted its first store yesterday in Phnom Penh's Chroy Changvar area. The opening ceremony was attended by Minister Chancellor (Commercial) at the Thai embassy in Phnom Penh Jirawuth Suwanna-Arj. The firm failed to open the first store at the promised date in June this year. The company said previously it planned to open its first store located in PTT petroleum station, located along the National Road Number 5 in Prek Phov district, northern Phnom Penh. The Cambodian master franchise was awarded to Thai stock exchange-listed (BKK: CPALL) CP All. It is the retail arm of Thai conglomerate Charoen Pokphand Group Co Ltd. CP All (Cambodia) Co Ltd and CP All (Laos) Co Ltd have each been granted franchising rights for 30 years to establish and operate 7-Eleven branches. The stores there serve as one-stop destinations for beverages, snacks, ready-to-eat meals, cosmetics, household goods, financial services such as banking and bill payments, digital technology and delivery – all of which the company plans to replicate for Cambodian customers. In Cambodia, 7-Eleven stores will compete with existing convenience stores such as local Smile Mini Marts and US-Canadian franchise Circle K, Kiwimart, Aeon MaxValu Express and Lucky Express. The firm said that more stores will be opened in Phnom Penh.

Source: <https://www.khmertimeskh.com/50925946/7-eleven-opens-first-store-in-phnom-penh/>

## CDC approves three factory investments valued at \$15 mn



*Cambodia News | 30 August, 2021*

The Council for the Development of Cambodia (CDC) has just approved three new investment projects worth almost \$15 million that will create more than 4,000 jobs. A final registration certificate has been approved for Shining Fashion Industrial Co Ltd to set up a garment factory at Trapeang Peuk village in Peuk commune, which is in the Ang Snoul district of Kandal province. The company plans to invest \$3.4 million and create 947 jobs. Kicyn (Cambodia) Co Ltd also got the nod from the CDC to set up a garment factory for \$6.7 million. It will employ 2,947 people at Trapeang Krasaing village in Trapeang Krasaing commune, which is in the Bati district of Takeo province. Phnom Penh-based Melyo Plastic Technology Co Ltd was also certified. It will build a factory to make ice buckets and other plastic containers in the Spean Po village of Sethy commune, which is in the Samaki Meanchey district of Kampong Chhnang province. It has investment capital of approximately \$4.7 million and can create 167 jobs. Last week the CDC approved seven new projects representing a total investment of \$63.5 million creating 870 local jobs. The CDC has approved projects that are expected to generate more than 15,000 jobs over the last two months. Last year more than 100 factories closed and the situation

continues to be tough for manufacturers, as the Coronavirus pandemic forces factories to suspend production because local cases and the spread of the Delta variant worldwide curbs consumer demand for Cambodia's key exports such as garments, travel goods and footwear. However the situation is slowly starting to improve as export demand picks up from last year's low levels. More than 9 million Coronavirus vaccinations have been administered across the Kingdom, helping to reduce hospitalisations and deaths and bringing down the infection rate. Industry observers say a lot still needs to be done to get manufacturing back on its feet. A total of 800,000 people worked in garment factories before the Coronavirus pandemic started to spread in Cambodia after the Feb 20 community incident in 2020, when some overseas Covid carriers bribed their way out of quarantine in Phnom Penh and visited various public areas in the capital and further afield.

Source: <https://www.khmertimeskh.com/50925298/cdc-approves-three-factory-investments-valued-at-15-mn/>

## US Ambassador: Laos-US comprehensive partnership yielding more fruit



*Laos News | 31 August, 2021*

Laos and the United States have recorded greater fruitful cooperation after the two sides elevated their bilateral relations to new heights, a US diplomat has said. In 2016, former President Bounnhang Vorachit

and then US President Barack Obama agreed to elevate bilateral relations to a comprehensive partnership, starting a new era of cooperation, when Mr Obama visited Laos that year. This year Laos and the United States are celebrating the 5th anniversary of their comprehensive partnership and 66th year of diplomatic ties, with many greater achievements recorded. "So far, the biggest cooperation and assistance project is likely to be the unexploded ordnance (UXO) left during the war," US ambassador to Laos Dr Peter M. Haymond told reporters last week. Laos was heavily bombed during the Indochina War. Large areas of the country remain contaminated with UXO, which Lao officials say will take dozens of years to clear. US assistance to help clear the deadly devices has increased over the past decade. More than 10 years ago, US assistance for UXO clearance stood at US\$2-3 million a year. This aid increased to five, nine and 15 million dollars a year until 2015, Ambassador Haymond said. When President Obama visited Laos in 2016, he announced that the budget for UXO clearance in Laos would be increased to US\$30 million a year over the next three years. This level of assistance continues to be provided during the administrations of former President Donald Trump and current President Joe Biden, Dr Haymond added. "This is to help the Lao government achieve the 18th Sustainable Development Goal to

completely clear UXO by 2030,” the top US diplomat in Laos said, adding that the US is expected to provide further assistance in this regard. The amount of future annual assistance provided will be determined by the US Congress. US assistance to clear UXO in Laos began more than 30 years ago, he added. In addition, the United States Agency for International Development (USAID) has expanded cooperation fields with Laos since the proclamation of the comprehensive partnership. It now covers the fields of health, nutrition, education, efforts to prevent human trafficking and the wild animal trade, business environment improvement, economic promotion, and legal aid access. In 2016, when the USAID opened an office in Laos, its budget was less than US\$5 million a year. This has increased to more than US\$30 million a year to finance various cooperation projects in numerous provinces. In addition to the planned cooperation projects, the US has also extended assistance to Laos via what the ambassador described as “unplanned assistance”, such as aid to help contain the Covid-19 outbreak. Since the pandemic surfaced, the US has provided millions of dollars of assistance, including aid in the form of medical equipment and funding to train staff in the Lao health sector, World Health Organisation, and Unicef in Laos. In addition, the US government has donated Covid-19 vaccine to Laos via the COVAX Facility a global partnership aiming to

ensure equitable access to vaccines. Some 1,008,000 doses of the Johnson & Johnson Covid-19 vaccine donated by the US government arrived in Laos last month. Ambassador Haymond said Laos can expect to receive more assistance from the US including Covid-19 vaccines. Marking the 5th anniversary of comprehensive partnership this year, the ambassador said “I would like the Lao government and people to know that the US intends to preserve further the comprehensive partnership.” Economically, although two-way trade between Laos and the US is much smaller than US trade with other countries in the region, the ambassador noted that Laos-US two-way trade reached at least US\$130 million in 2020, an increase of almost 100 percent over the past decade. The value of two-way trade stood at about US\$70 million in 2010. “It is expected that it (trade) will increase further in the future,” Ambassador Haymond said.

Source: [https://www.vientianetimes.org.la/freeContent/FreeContent\\_US\\_Ambassador\\_169.php](https://www.vientianetimes.org.la/freeContent/FreeContent_US_Ambassador_169.php)

## CMP garment exports plummet to US\$2.5 bln in current FY



*Myanmar News | 30 August, 2021*

Exports of garments manufactured under the cut-make-pack (CMP) system touched a low of US\$2.5 billion between 1 October and 30 June in the current FY2020-2021, according to data from the Ministry of Commerce. Myanmar’s garment exports witnessed

a decline of over 20 per cent in the past nine months compared with a-year ago period on the back of slump in demand by European Union market, the Ministry of Commerce stated. The figures plunged from over \$3 billion in the corresponding period of last FY2019-2020. The garment industry is facing cancellation of order and slump in output, new orders. However, The Swedish fashion retailer H&M is gradually placing orders from Myanmar again after it paused in March. Then, more international fashion retailers such as Primark and Bestseller started to resume new orders. Additionally, Germany will also continue its support for Myanmar garment businesses so that Myanmar women can continue their livings, Germany Embassy Yangon's Facebook posted. Nonetheless, the COVID-19 infections are spiking in the country and all the CMP factories are temporarily closed down during the official public holidays. The garment sector is among the prioritized sectors driving up exports. The CMP garment industry emerged as a promising one, with preferential trade from Western countries. But, we cannot expect normalcy for now due to the possible disruption in logistics and supply sector and other serious consequences amid the COVID-19 impacts, traders stressed. Myanmar's manufacturing sector is largely concentrated in garment and textiles produced on the Cutting, Making, and Packaging basis, and it contributes to the country's GDP to a certain extent. Myanmar mainly exports CMP garments to markets in Japan and Europe, along with the Republic of Korea, China, and the US. The

export value of CMP garments was only \$850 million in the 2015-2016 FY, but it has tripled over the past two FYs. In the 2016-2017 FY, about \$2 billion was earned from exports of CMP garments. The figure increased to an estimated \$2.5 billion in the 2017-2018 FY and \$2.2 billion in the 2018 mini-budget period (from April to September). It tremendously grew to \$4.6 billion in the 2018-2019 FY and \$4.8 billion in the 2019-2020 FY, according to the Commerce Ministry.—Htet Myat/GNLM

Source: <https://www.gnlim.com.mm/cmp-garment-exports-plummet-to-us2-5-bln-in-current-fy/>

## experts Industrial production for

### August drops 4.2 per cent



*Vietnam News | 30 August, 2021*

HÀ NỘI — The Index of Industrial Production for August has dropped by 4.2 per cent from July, and a 7.4 per cent decrease year-on-year. However, IIP for the year so far has increased by 5.6 per cent year-on-year. During the first eight months of the year, the country recorded a total of 1,135 new projects from foreign investors with total registered capital of \$11.33 billion. Foreign investors have also purchased shares and bonds worth \$2.81 billion. FDI for the first eight months of 2021 reached \$11.58 billion, a 2 per cent increase year-on-year. Commerce, transport and tourism continued to be hit hard by the pandemic, especially since the Government Directive 16 - a string of social distancing measures and restrictions on mobility designed to stop the spread of the virus - went into

effect in major cities and provinces across the country. In August, domestic retail of goods and services dropped by 10.5 per cent compared to the previous month and 33.7 per cent year-on-year. Export-import turnover totalled \$53.7 billion, a 5.8 per cent decrease from July. The number of passengers on all modes of transport dropped by 35.9 per cent while goods dropped by 11 per cent. During the first eight months of the year, exports totalled \$212.5 billion in August, a 21.2 per cent increase year-on-year with domestic firms contributing \$55.69 billion and foreign firms (including crude oil producers) \$156.86 billion. The US continued to be Việt Nam's largest export market with a net export of \$62.2 billion, followed by China with \$32.7 billion, the EU with \$26.2 billion, ASEAN with \$18.4 billion, Republic of Korea with \$13.9 billion and Japan with \$13.5 billion. Imports totalled \$216.26 billion, a 33.8 per cent increase year-on-year, with a large portion consisting of machinery, machine parts (\$96.6 billion), raw materials (\$107.56 billion) and consumer goods (\$12.1 billion). Việt Nam continued to heavily rely on China for its imports. The country imported \$72.5 billion worth of goods and services from its northern neighbour, followed by the Republic of Korea with \$34.6 billion, ASEAN with \$28.2 billion, Japan with \$14.5 billion, the EU with \$11 billion and the US with \$10.4 billion. The trade deficit for August reached \$1.3 billion, bringing the year's deficit to \$3.71 billion. CPI has seen a small uptick of 0.25 per cent from July but CPI for the first eight months of the year was at a 1.79 per

cent increase year-on-year, the lowest increase recorded since 2016. Inflation for the first eight months of the year has been kept largely in check with a small increase of 0.9 per cent year-on-year. More than 85,500 businesses closed in August alone, a 24.2 per cent increase from the same period last year, as the country struggled to contain yet another outbreak of the novel coronavirus. The southern economic hub HCM City was hardest hit with over 24,000 businesses forced to close their doors since strict social distancing measures and mobility restrictions have been put in place in July. In addition, more than 43,000 businesses in the city also had to shutter operations for the foreseeable future. In August, 5,671 new businesses (a 34 per cent decrease year-on-year) were registered across the country with a total registered capital of VNĐ68 trillion or US\$3 billion (a 44.6 per cent decrease year-on-year). In total, the country recorded over 81,600 new businesses during the first eight months of the year with a registered capital totalling VNĐ1.133 trillion and nearly 600,000 jobs, an 8 per cent decrease in the number of new businesses year-on-year and a 7.5 per cent decrease in capital. Public investment has also shown signs of slowing with State capital investment dropping by 7.1 per cent compared to July to VNĐ34.9 trillion and 24.7 per cent from the same period last year. Foreign investment, however, has seen an increase of 16.3 per cent in registered capital despite a 36.8 per cent decrease in the number of new projects. The

average registered capital for a project, consequently, has increased to \$10 million, nearly double the figure of 2020. A number of financial packages have been rolled out by the Government to support citizens and businesses since the fourth outbreak (in late April) including a VNĐ26 trillion package in accordance with government directives 68/NQ-CP and 23/2021/QĐ-TTg. — VNS

Source: <https://vietnamnews.vn/economy/1021621/industrial-production-for-august-drops-42-percent.html>

## Vietnam posts 3.71 billion USD in trade deficit in eight months



*Vietnam News | 30 August, 2021*

Hanoi (VNA) – Vietnam posted a trade deficit of 3.71 billion USD in the first eight months of 2021 as the country's imports rose 33.8 percent year on year to 216.26 billion USD while exports raked in 212.55 billion USD, up 21.5 percent, the General Statistics Office (GSO) announced on August 29. The country enjoyed a trade surplus of 13.69 billion USD during the same period last year. From January to August, the domestic sector also reported a trade deficit of 20.36 billion USD while the foreign-invested sector (including crude oil) gained a trade surplus of 16.65 billion USD. Thirty-three items recorded import turnover of more than 1 billion USD each and together they represented 88.7 percent of the total. Input materials accounted for the largest share of the total imports, or 204 billion USD, up 34 percent year on year. China remained Vietnam's biggest source of

imports, shipping 72.5 billion USD worth of goods to the Southeast Asian country, up 47.1 percent compared to a year earlier. It was followed by the Republic of Korea with 34.6 billion USD, up 20.5 percent; and ASEAN, 28.2 billion USD and 47.4 percent. Vietnam's export turnover in the first eight months of 2021 rose by 21.5 percent year on year to 212.55 billion USD, despite a decline of 5.4 percent in August. The US remained the biggest export market of Vietnam from January-August, buying 62 billion USD of Vietnamese goods, a year-on-year rise of 32.5 percent. China came second with 32.7 billion USD, up 19.8 percent. The EU and ASEAN followed with 26 billion USD and 18.4 billion USD, increasing by 14.5 percent and 23.3 percent, respectively. To boost overseas shipments, the Ministry of Industry and Trade said it plans to utilise opportunities from Free Trade Agreements which Vietnam is a signatory to make inroads into new markets and prioritise trade promotions at those recovering from the COVID-19 pandemic. Minister of Industry and Trade Nguyen Hong Dien has sent an official letter to his Chinese counterpart Wang Wentao and authority of Yunnan province, asking them to facilitate customs clearance of Vietnamese agricultural exports at border gates Vietnam share with the Chinese province and guaranteeing the highest COVID-19 preventive measures are in place to prevent new outbreaks in the border areas./.

Source: <https://en.vietnamplus.vn/vietnam-posts-371-billion-usd-in-trade-deficit-in-eight-months/207175.vnp>