

Highlight News / September 20, 2021



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

MFIs disburse \$7.73 billion in first semester in Cambodia



Cambodia News | 17 September, 2021

The Cambodia Microfinance Association (CMA) has disbursed a total \$7.730 billion in loan to a close of 2 million customers in the first half of this year. The association reported that some 2.8 million customers made deposits to the MFIs with a total amount of \$3.883 billion. CMA Chairman Kea Borann said in a virtual meeting held on Thursday that customers at the MFIs are mostly women who play important role in driving economic growth both in the urban areas and countryside. In 2020, 21 percent of the total loans were disbursed to customers for expanding businesses and trade, he said. To unload the burden of some sectors and individuals affected by the ongoing COVID-19 outbreak, the banking and financial institutions in Cambodia have restructured 577,673 loans equivalent to about \$6.6 billion, as of July this year. Chea Vannak

Source: <https://www.khmertimeskh.com/50936570/mfis-disburse-7-73-billion-in-first-semester-in-cambodia/>

International Mango exportation on the rise



Cambodia News | 17 September, 2021

The Ministry of Agriculture, Forestry and Fisheries (MAFF) has published a report regarding international fruit exportation and shows that mangoes have risen 251 percent which equates to 163,828 tonnes during the first eight months of this year. The Kingdom exported 14,087 tonnes of

mango jam and over 4,000 tonnes of mango syrup, up 195 and 79 percent respectively compared with the same period last year. The markets that import the most are Vietnam, Thailand, China, Korea, Hong Kong, Singapore, Kuwait, the Philippines, Japan, United Kingdom, the US, Kazakhstan, and Russia. China is the biggest importer of Mangoes from Cambodia after they signed a free trade agreement in May this year on 37 Cambodian mango growers being able to export to the country, and is expected to import 500,000 tonnes per year. Bananas are the second biggest export to China and the Pailin longan is set to be the third as the “Thai longen” was previously banished from the Chinese market because of a huge contamination of mealybugs in the produce since Aug 13. Vietnam comes in as the second biggest importer and in the first quarter of this year imported 142,000 tonnes, an increase of 239 percent on the previous year. Kampong Speu, Kampot, Battambang and Banteay Meanchey provinces are where the majority of Mangoes are grown on more than 100,000 hectares of land.

Source: <https://www.khmertimeskh.com/50937256/international-mango-exportation-on-the-rise/>

Agriculture, tourism key to Laos' prosperity: ADB



Laos News | 20 September, 2021

Raising competitiveness and strengthening the links between agriculture and tourism will contribute to post-Covid 19 recovery and inclusive growth in Laos, according to a report by the Asian Development

Bank (ADB) unveiled on Friday. The report, “Developing Agriculture and Tourism for Inclusive Growth in Laos”, examines how higher agricultural productivity and new markets for tourism can help reduce poverty rates. Agriculture employs 60 percent of the workforce in Laos. Meanwhile, about 42,000 people, 62 percent of whom are women, were employed in tourism before the pandemic hit. “The Lao PDR’s natural resource endowments have supported strong economic performance over the last three decades, but the country’s economic and job growth rates have not kept pace,” said ADB Country Director for Laos, Sonomi Tanaka. “Growth that generates sustainable and shared prosperity requires greater focus on the quality and quantity of jobs. Leveraging linkages between agriculture and tourism industries offers opportunities to build new and better livelihoods for a more resilient and inclusive recovery from the pandemic.” Speaking at the launch of the report in Vientiane, Deputy Minister of Planning and Investment, Mrs Phonevanh Outhavong, said “Creating quality and productive jobs is among the top priorities of the government’s policy agenda.” “It has now become even more important not only for recovery from the economic fallout due to the pandemic, but also for building forward better. Putting agriculture and tourism industries at the heart of our recovery, along with strategies to strengthen sectoral synergies, offers an

opportunity to kick-start a greener, more resilient economic recovery.” The report found that, in 2019, tourism in Laos supported growth in livestock and fisheries. A significant share of tourism businesses also purchased and advertised organic vegetables. Tourism businesses could be a part of new agricultural value chains, especially for vegetables and livestock. Tourism was growing fast before the pandemic. International tourist arrivals reached 4.1 million in 2018, contributing 12 percent of the country’s GDP. However, average spending per international tourist was less than US\$200, the lowest in Southeast Asia, pointing to a need to upgrade tourism infrastructure. Travel disruption during the pandemic has forced half of the 360 tourism businesses that were surveyed to temporarily close, with 70 percent of workers furloughed, according to the report. An immediate response is needed to shore up the tourism sector. This can include providing financial assistance to tourism businesses, speeding up Covid-19 vaccinations, and enabling a responsible reopening of travel through transparent, effective, and clear communication of health and safety protocols. In the longer term, the report recommends investing in agriculture and tourism, inclusive of interlinking industries such as transportation, irrigation, urban services, and digital connectivity infrastructure. Developing human capital to ensure high-quality services, expanding

visa exemptions, and promoting organic food production and certification are also among the policy recommendations to increase competitiveness.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_Agriculture_183_21.php

Thailand tops among trading partners in regional countries this FY



Myanmar News | 18 September, 2021

The bilateral trade with neighbouring Thailand, Myanmar's major trading partner among ASEAN, amounted to US\$4.117 billion in the past ten months (October-July) of the current financial year 2020-2021, the statistics issued by the Central Statistical Organization under the Ministry of Planning and Finance indicated. Thailand has been Myanmar's largest trade partner among the regional countries, followed by Singapore and Malaysia. Moreover, Myanmar's exports mostly go to Thailand after the main trade partner outside the region, China. The ministry reported that exports surpassed imports in trade with Thailand, with exports reaching over \$2.548 billion and imports valued at over \$1.569 billion. Thailand accounted for 18.48 per cent of total trade in the 2016-2017FY with an estimated trade value of US\$4.6 billion, 19.17 per cent in the 2017-2018FY with a trade value of \$5.57 billion, 40.38 per cent in the 2018-2019FY with \$5.46 billion and over 40 per cent in the 2019-2020FY with \$5.117 billion, respectively. Exports of natural gas from the

Taninthayi Region contributed to the enormous increase in border trade with Thailand in the previous years. The corn exports to Thailand has shown a significant increase since 2019, the Ministry of Commerce stated. Myanmar primarily exports natural gas, fishery products, coal, tin concentrate (SN 71.58 per cent), coconut (fresh and dried), beans, corns, bamboo shoots, sesame seeds, garment, footwear, plywood and veneer, broken rice and other commodities to Thailand. It imports capital goods such as machinery, raw industrial goods such as cement and fertilizers, and consumer goods such as cosmetics, edible vegetable oil and food products from the neighbouring country. Myanmar is carrying out border trade with the neighbouring country Thailand through Tachilek, Myawady, Myeik, Mawtaung, Hteekhee, Kawthoung and Meisei border areas respectively. Among them, Myawady performed the largest trade in border trade with Thailand, followed by Hteekhee. Nevertheless, the trading activity via the border is sluggish amid the COVID-19 surge. Consequently, the trade via land borders slightly declined in the current FY (2020-2021) as against last year. Apart from its main trade partner China, Myanmar's external trade was mostly carried out with the regional trade partners. — KK/GNLM

Source: <https://www.gnlm.com.mm/thailand-tops-among-trading-partners-in-regional-countries-this-fy/#article-title>

Myanmar rice export registers

\$642 mln this FY



Myanmar News | 18 September, 2021

Myanmar generated US\$642.2 million income from exports of rice and broken rice in the past ten months (October-July) of the current financial year 2020-2021, according to Myanmar Customs Department. The volume of rice and broken rice exported in the past eight months was estimated at over 1.2 million metric tons. Border trade disruption led to a sluggish market yet the flat price occurs in the border export market. The prices of white rice varieties range US\$375 to 405 per metric ton, the price of glutinous rice price was priced \$600-610 per MT and the broken rice fetched \$300-335 per MT depending on the different varieties and quality, according to the Myanmar Rice Federation (MRF). This year, rice shipment to European countries is declining. However, Myanmar is delivering rice and broken rice to China and Bangladesh. The market cools down for now owing to the transport difficulties amid the closure of the border posts. The prices of staple rice have stayed in the upward trend since May. Additionally, the restriction measures to contain the spread of COVID-19 and natural disasters affected the prices. The price is expected to remain bullish in the coming months, as per MRF. High-quality rice is demanded in the domestic market and the price moves in the range of K36,000-68,000 per bag depending on different varieties. The low-quality rice is priced between K23,000 and K28,800 per bag at present. The price indicated a gradual increase. The

federation conducted the virtual meeting with the committee members in the regions and states, exporters and the companies concerned regarding the rice production and price stability on 14 August 2021. They discussed matters related to the possible production drop in the 2021-2022 monsoon season amid the COVID-19 impacts and high input cost and plans for rice donations to those people in need and selling rice at an affordable price near the industrial zones. Consequently, MRF, Myanmar Rice and Paddy Traders Association, rice wholesale centre (Wahdan), traders and brokers sell the rice at a fairer price in Yangon Region starting from 14 September 2021. Ayeyawady Pawsan, Shwebo Pawsan, Pawkywel, short matured rice varieties (90 days) and sticky rice will be sold at a cheaper price between 23,500 and K54,000 per bag. Myanmar set the rice export target at only 2 million tonnes in the current FY as summer paddy growing acreage drops. Weather changes affected irrigation water resource availability in agriculture, as per MRF. Myanmar generated over \$800 million from rice exports in the previous FY2019-2020 ended 30 September, with an estimated volume of over 2.5 million tonnes. — KK/GNLM

Source: <https://www.gnln.com.mm/myanmar-rice-export-registers-642-mln-this-fy/#article-title>

Vietnamese consumers' demand for shopping groceries online soars amid COVID-19

*Vietnam News | 19 September, 2021*

Hanoi (VNA) - The ranking of e-commerce businesses in Vietnam's Map of E-commerce changed in the second quarter of 2021, with the volume of searches on Google for essential online stores skyrocketing, according to an iPrice Group study. The study showed that online grocery was the only category that has maintained steady and consistent growth since the beginning of the pandemic. This also partly explains the strong increase in demand for online stores selling essential products during the months of social distancing. Google searches related to online grocery stores increased by 223 percent in Q2, 2021. The number of searches increased 11 times in July compared to May and 3.6 times compared to June when the social distancing order under the Directive 16 was implemented in some provinces and cities. People pay more attention to fresh food, beverages, pre-packaged items, fruits and veggies as the searches of these items surge by 99 percent, 51 percent, 30 percent, and 11 percent, respectively, compared to the previous quarter. Thus, social distancing could be one of the factors driving the surge in demand for online supermarkets. With the growing necessity of purchasing essentials online, retailers are more likely to adapt to the digital platform. In addition, iPrice discovered that grocery items in Vietnam is among the cheapest in the ASEAN region after comparing the prices of popular offline grocery items in Southeast Asian countries from Numbeo, one of the world's largest user-

contributed databases. According to Numbeo users, the cost of these items in Vietnam is only about 1.2 million VND (54 USD). According to a study conducted by iPrice Group and SimilarWeb, the top 50 shopping sites' web visits in Vietnam's Map of E-commerce in the first six months reached more than 1.3 billion, the highest ever and up by 10 percent from the first quarter. Shopee Vietnam obtained 73 million visits in Q2, which increased by 9.2 million from Q1. Meanwhile, Lazada Vietnam's average website traffic increased by 14 percent compared to the first three months of the year, reaching 20.4 million visits. The average visits to the websites of two domestic e-commerce platforms Tiki and Sendo slightly decreased, reaching 17.2 and 7.9 million respectively./.

Source: <https://en.vietnamplus.vn/vietnamese-consumers-demand-for-shopping-groceries-online-soars-amid-covid19/208202.vnp>

HCM City under pressure to reopen economy: municipal leader

*Vietnam News | 19 September, 2021*

Ho Chi Minh City is committed to enforcing vigilant pandemic prevention measures when it reopens the economy after months of strict lockdown measures. Secretary of the municipal Party Committee Nguyen Van Nen recently said, "The city is under huge pressure to reopen the economy or it will be too

late."The level of suffering of the economy and people has reached its limit due to prolonged lockdown measures. As such, the city will develop a roadmap for reopening so that it can adapt to and live safely with the virus, he said. The city will gradually narrow down areas with very high risks and try to expand the number of low-risk areas, according to Nen. Vu Thanh Tu Anh, Director of the Fulbright School of Public Policy and Management, said that reopening for economic development and social security has become more urgent than ever as both businesses and people, especially the poor, are struggling due to the lockdowns. "The economic cost is huge if we delay the reopening further," he noted. He said it was too expensive to conduct large-scale testing for the city's entire population. In addition, the city's revenue and central government revenue are facing challenges as the cost of pandemic prevention has been extremely high. Anh called for the Ministry of Health to adjust regulations and safety criteria for the city's reopening. Prof. Dr. Tran Hoang Ngan, Director of the HCM City Institute for Research and Development, pointed out that "when the city's revenue is in trouble, it will also affect national financial resources." Economics expert Tran Du Lich has called on the city to change its pandemic fighting strategy and not focus on tracing all close contacts of positive cases. Le Truong Giang, Chairman of the HCM City Public Health Association, said although the city has applied strict measures for months, the number of cases has not fallen as planned. Vaccines and medicines are the "two

weapons to fight the pandemic," he said. "Testing will help to detect cases early so as to avoid the risk of becoming more seriously ill. It will also help bring the tested people back to normal life and restore social activities." "Though the city has not been able to contain the outbreak according to the Ministry of Health criteria, it must consider gradually opening up," he said. Prof. Tran Diep Tuan, Rector of the HCM City University of Medicine and Pharmacy, said the number of new cases had not reached a "safe level" under the ministry's criteria and the city must discuss the set of criteria and take adaptive measures. Le Hoang Ninh, former Director of the HCM City Institute of Public Health, said the city's strategy is to vaccinate everyone because the city cannot remain in lockdown forever. Ninh said it was important to focus on testing high-risk groups, instead of mass testing, which he said was a waste of resources. "The city must find ways to live with the virus because it is not going to be eradicated." Dr. Nguyen The Dung, former Director of the city's Department of Health, said the city needs to focus on setting basic goals such as reducing the number of deaths and seriously ill cases. The city initially planned to ease lockdown measures after September 15 but the deadline was extended until the end of the month. It is speeding up vaccinations for its adult population aged 18 and over and consulting with medical and economic experts about a vaccine green card system that would allow people to travel and work with fewer restrictions. According to the HCM City Centre for Disease Control, as of September 15, the

city had administered 8,452,609 vaccine shots, including 6.6 million first shots and 1.7 million second shots. Nearly 1 million people aged 65 and over and people with underlying conditions have been vaccinated. The rate of first-shot coverage in the city has reached 92.5%. The city has set a target to vaccinate all adults aged 18 and above by the end of the year.

Source: <https://english.vov.vn/en/economy/hcm-city-under-pressure-to-reopen-economy-municipal-leader-891877.vov>
