

Highlight News / October 15/2021



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Ministry of Tourism discusses strategy on safe reopening of tourism sector



Cambodia News | 14 October, 2021

Lead experts from the Ministry of Tourism met to discuss a strategic plan on safely reopening the country to tourists and reviving the tourism sector prior to the planned reopening of borders on November. On the morning of October 13, the Minister of Tourism, Thong Khon, and professional officers from the Ministry of Tourism attended a meeting on the reopening of the tourism sector. The meeting was chaired by the Deputy Prime Minister, Minister of Economy and Finance and Chairman of the Economic Policy Committee. And Finance (CSF), Dr Aun Porn Moniroth, with participation from people from relevant ministries and institutions. The meeting was focused on drafting two documents: 1. A strategic plan on safely reopening tourism (vaccine tourism.) 2. Policy measures to promote internal tourism movement in 2021-2023. The documents were prepared in accordance to the recommendation of Prime Minister Hun Sen. According to Mr Hun Sen, the reopening of tourism should be done in two phases. The first phase involves the reopening of domestic tourism. The second phase is to open vaccine tourism. With Cambodia set to reopen borders to international tourists, the ministries and departments relevant to the matter have done extensive planning to circumvent possible Covid-19 outbreaks from

foreign sources. The country encouraged the general population to get their third doses of the vaccine to fight against the Delta strain which were introduced to Cambodia via people from outside the country. In anticipation of foreigners flocking to their borders, provincial departments of tourism in the Kingdom have also prepped their respective jurisdictions for the influx. Multiple provincial departments of tourism have also announced their plans to only accept vaccinated tourists.

Source :<https://www.khmertimeskh.com/50951949/ministry-of-tourism-discusses-strategy-on-safe-reopening-of-tourism-sector/>

Investment projects declined in first three quarters this year



Cambodia News | 14 October, 2021

The Council for the Development of Cambodia (CDC) approved 134 investment projects in the first three quarters of this year, a 28 percent decrease compared with the same period last year. The approved investment projects were valued a total of \$3.3 billion, a year-on-year decrease of 48 percent. Of the projects, 101 are located outside the special economic zones and 33 others are located inside the special economic zones. A total of 111 investment projects went to the industrial sector and 12 projects to the agro-industry, while nine and two projects went to the infrastructure and tourism sectors respectively. The investment projects generated 85,572 jobs. The Cambodian economy continued to be affected by the Covid-19 crisis, especially the

Feb 20 community event, which is ongoing and putting pressure on key indicators of economic growth, the Ministry of Economy and Finance said in a report released earlier in October, adding that activities in the construction sector and foreign investment have been declining. Lim Heng, vice-president of the Cambodia Chamber of Commerce, said yesterday that the new registered investment projects showed positive signs although the number of investment projects decreased in the period. “In the Covid-19 context, the global economy drops. Cambodia saw a drop of investment projects registered, but it was small, which is a positive sign that the country still has new investment projects registered,” Heng said. Heng, however, remains optimistic that Cambodia will attract more investments driven by new investment law, trade preferences and a well-vaccinated population. The draft law on new investment was endorsed recently, offering further opportunities. “In addition to the new investment law, which is important in Cambodia, the population of [Covid-19]-vaccinated people is almost nationwide, which builds confidence in investors,” Heng said. Having trade preference statuses – the General System of Preferences, the Everything but Arms deal – as well as bilateral trade between Cambodia and China and South Korea, and the Regional Comprehensive Economic Partnership (a free trade agreement among the Asia-Pacific nations of Australia, Brunei, Cambodia, China, Indonesia, Japan, Laos, Malaysia, Myanmar, New Zealand, the Philippines, Singapore, South Korea,

Thailand and Vietnam) this will make Cambodia a potential source for investors, he added. Prime Minister Hun Sen said in September that the production chain in the garment sector in Cambodia has significantly surged as purchases increased. Output in garment-producing countries such as Myanmar, Brazil and Vietnam have not been adequate to supply enough goods because of the Covid-19 pandemic and orders have turned to Cambodia. Heng also shared the same sentiment. “The Covid-19 outbreak spread in countries such as Vietnam and Myanmar, which caused delayed purchase orders. Some factories have been reportedly relocated elsewhere. In Cambodia, because there is almost a fully vaccinated population, I believe that the delayed purchases will come to Cambodia,” he said. The Cambodian government is approaching its target for a vaccinated population by the end of October. With herd immunity, the government aims to reopen social and economic activities soon. Last year, the CDC approved 238 investment projects, registering a total of \$8.2 billion, a year-on-year decrease of 12 percent.

Source : <https://www.khmertimeskh.com/50951600/investment-projects-declined-in-first-three-quarters-this-year/>

Govt clamps down on illegal import of vehicles



Laos News | 15 October, 2021

The government has ordered steps to be taken against individuals and businesses that import vehicles illegally and to prevent the improper use of all types of vehicles, with the aim of ensuring that all customs duty and other taxes are paid. The Prime Minister recently issued an order to this effect in a bid to stop the illegal import of vehicles and tax evasion, so that the state receives the full amount of taxes owed on imported vehicles. Although the relevant bodies at the central and local levels have attempted to ensure compliance with the tax law and other laws, such as preventing the illegal import of vehicles and the misuse of vehicles, which has gone some way to ensure that more taxes are paid, illegal trade and tax evasion in this respect continues to be widespread across the country. The order instructs ministries, ministry-equivalent organisations, and local authorities at all levels to prevent and resolve the problem of the illegal import and use of vehicles. Any organisation or individual that uses a vehicle on which tax has not been paid must correct the situation and register their vehicles in accordance with the law. The owners of illegally imported and used vehicles that are traded and used as duty-free vehicles, or anyone who suspects a vehicle is being illegally used, should bring the relevant documents

and vehicles to central and local committees specially set up to deal with the problem, between October 20, 2021 and January 20, 2022. If vehicles are taken for registration during this period, the tax will be considered in accordance with the general rules and the owner will not be fined. However, if the owners of vehicles that have been imported and are in use illegally do not report to one of these committees within the set timeframe, legal action will be taken. If a vehicle is found to be in a person's possession illegally, it will be confiscated and become state property, as stipulated in the tax law, and the owner will be prosecuted. The order aims to bring the import, use, exchange, and sale of vehicles in line with the law, and is also part of efforts to fulfil the national agenda on addressing the country's economic and financial difficulties. Following the Prime Minister's Order, the Department of Finance in Champassak province on Tuesday instructed all departments, organisations, individuals and legal entities in nine districts to take any illegally imported vehicles to customs officials at the Tax Office in Lakmeuang village, Pakxe city, not later than November 5.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_Govt202.php

External trade down \$7.15 bln this FY



Myanmar News | 14 October, 2021

MYANMAR'S external trade between 1 October and 30 September in the financial year 2020-2021 indicated a significant down to US\$ 29.58 billion, a sharp drop of over \$ 7.15 billion compared to that of the last year, according to the Ministry of Commerce. During the same period in the previous FY, the trade stood at \$36.73 billion, according to data released by the ministry. Over the past months, Myanmar's export was worth over \$14.93 billion, which plunged from \$17.68 billion registered a year-ago period. Meanwhile, the country's import was valued \$14.66 billion, showing a significant decrease of \$19.05 billion compared with the last FY. Myanmar exports agricultural products, animal products, minerals, forest products, and finished industrial goods, while it imports capital goods, raw industrial materials, and consumer goods. The country's export sector relies more on the agricultural and manufacturing sectors. The Ministry of Commerce is focusing on reducing the trade deficit, export promotion and market diversification. The external trade stood at \$36.73 billion in the 2019- 2020FY, \$35.147 billion in the 2018-2019FY, \$18.728 billion in the 2018 six-month interim period, \$33.578 billion in the 2017- 2018FY and \$29.209 billion in the 2016-2017FY, respectively, as per the Commerce Ministry's statistics. —GNLM

Source : <https://www.gnlm.com.mm/external-trade-down-7-15-bln-this-fy/#article-title>

Chilli growers earn high profits as chilli prices soar



Vietnam News | 14 October, 2021

CHILLI growers from Pyawbwe township have been happy to see chilli prices soaring in the early harvesting season. U Khin Maung Tint, a grower from Khin Gyi Ya village said that we have cultivated two acres of chilli plantation. After growing chilli for three months, the plants could start harvesting. The fertilizer needs to be sprayed onto the plants when it is necessary. The chilli plant could be harvested once a week and each time, it could yield about 100 dried chillies. As of today, we have yielded the chilli five times already. If we can take good care, the chilli plants could yield five or six more times. The chilli traders are purchasing the chilli from the market in Pyawbwe township. At the beginning of the chilli season this year, the chillies are priced at K2,800 per viss, while the dried chillies are sold for K3,300 per viss. Most of the growers dry the chilli under sunlight to make dried chillies while only a few people are using the chilli-drying ovens. Myanmar also exports fresh chilli to China and Thailand. But, the fresh chillies are mainly exported to Thailand through the Myawady land border. — Min Min Htway (Pyawbwe)/GNLM

Source : <https://www.gnlm.com.mm/chilli-growers-earn-high-profits-as-chilli-prices-soar/#article-title>

Positive signs for year-end car shopping



Vietnam News | 14 October, 2021

HÀ NỘI — Car sales in Việ Nam increased by 52 per cent last month after five consecutive months of decline, showing positive signs for the car market at the end of the year. The Việ Nam Automobile Manufacturers' Association (VAMA) announced that vehicle sales of its members reached 13,537 last month, up 52 per cent compared to the previous month. The total sales of the entire market of VAMA members reached a total of 188,937 vehicles of all types in the first nine months of this year, a year-on-year increase of 5 per cent. Of which, there were 129,896 passenger cars, a year-on-year decrease of 0.3 per cent; 54,920 commercial cars, up 19 per cent and 4,121 specialised cars, up 56 per cent. Sales reports of companies showed that most of the car sales in the past month witnessed good growth, such as TC MOTOR whose sales grew by 87 per cent or VinFast also grew by 51.4 per cent compared with the previous month. Looking at the sales of automobile brands in Việ Nam last month, TC MOTOR has risen to lead in sales when selling 4,079 cars. The next position is VinFast, Toyota, Kia, and Mazda. Meanwhile, a look at the Vietnamese auto market last month showed that, due to the COVID-19 pandemic, sales of VAMA members in August only reached 8,884 cars, down 45 per cent compared with the previous month. August was also the fifth month in a row that the sales of VAMA members fell

and also the month with the lowest sales record in the Vietnamese automobile market since 2015. Businesses said that the growth in sales last month was due to the fact that the COVID-19 pandemic has been controlled thanks to the Government's pandemic prevention measures. At the same time, many provinces and cities across the country have relaxed social distancing after months of implementing pandemic prevention and control to enter a new normal state, which has boosted car sales. Some experts said that with the above growth rate and the pandemic situation gradually controlled, from now to the end of the year, there are nearly three months left which is also the peak shopping period. The Vietnamese auto market could grow at double digits by the end of the year. However, most consumers as well as many car manufacturers still expect the Government to soon agree to a 50 per cent reduction in registration fees as proposed by businesses two months ago to remove difficulties for businesses and customers and stimulate shopping demand in the last months of the year amid the pandemic. — VNS

Source : <https://vietnamnews.vn/economy/1058751/positive-signs-for-year-end-car-shopping.html>

SBV says no to more rate cuts this year



Vietnam News | 14 October, 2021

HCMC – The State Bank of Vietnam (SBV) will keep the current deposit interest rates and lending rates unchanged until the end of this year to ensure the

banking system's liquidity and benefits for depositors, said an SBV official at a press briefing held yesterday, October 12, on the banking sector's performance in the third quarter of the year. SBV is not planning further rate cuts as of now. The central bank will maintain the current lending rate and monitor and evaluate the developments of the Covid-19 pandemic to take appropriate management measures, Dao Minh Tu, Deputy Governor of SBV, said. Earlier, SBV had implemented three rate cuts with a total reduction of 1.5-2 percentage points per annum for regulatory interest rates, 0.6-1 point per year for term deposits of less than six months and 1.5 points annually for short-term deposits in priority sectors. As a result, the lending rates were adjusted downward by around 1 percentage point last year and some 0.55 points in the first half of 2021. Lending rates have fallen around 0.7 points and deposit rates have declined 0.4 points in the year to date. Credit institutions have offered loans with lower interest rates compared to that of the pre-Covid period, with accumulated loans exceeding VND5.2 quadrillion for 800,000 borrowers from January 23 last year to this September. They had also offered rate cuts and exemptions to some 1.7 million customers affected by the pandemic with a total outstanding loan balance of nearly VND2.5 quadrillion. Regarding credit, the deputy governor said the banking system's credit rose 7.42% between the end of last year to October 7 this year, which was 1.94 points higher than the same period in 2020. The total M2 payment instrument inched up 5.65% against the

end of 2020 and expanded 11.56% compared to the same period last year. Tu said the results were positive given the fact that many provinces and cities, including the two major cities of Hanoi and HCMC, enforced the stay-at-home mandate for several months under the prime minister's Directive 16. As for proposals to relax lending conditions, the SBV official said reducing the loan quality and conditions would not ensure the safety of the banking system. He said the central bank will create favorable conditions to expand credit if necessary but will not ease lending conditions.

Source : <https://english.thesaigontimes.vn/sbv-says-no-to-more-rate-cuts-this-year/>