

Highlight News / November 17/2021



- End of quarantine means the country is truly ‘back in business’
- Preah Sihanouk province, the most visited destination last weekend
- Laos to increase agricultural production areas along China-Laos railway
- Laos, UN agree to boost sustainable development cooperation
- Myanmar bean market sees high potential on possible demand of India
- IHS Markit optimistic about Vietnam’s economic recovery from COVID-19 wave
- Vietnamese expect global travel to restart in next 6 months: Agoda



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (Aiti)

End of quarantine means the country is truly 'back in business'



Cambodia News | 16 November, 2021

The Prime Minister may have declared the country fully reopen for business on November 1 but international business leaders say November 15 marks the true start of the new normal. As of yesterday fully-vaccinated arrivals, whether locals or foreigners, tourists or business people, no longer have to quarantine. "This is a shot in the arm for the Kingdom's economy and is a much needed catalyst for the recovery in growth, especially in the most impacted sectors of real estate and construction and hospitality," said Anthony Galliano, President of the American Chamber of Commerce. "I applaud and commend the government in navigating the nation safely through the pandemic with the most minimal of casualties and especially the tenacity and practical management approach by the Prime Minister in such challenging and unprecedented circumstances." Flying into Phnom Penh, Siem Reap and Sihanoukville international airports still requires some paperwork. The Health Ministry said a PCR test valid for 72 hours and obtained prior to arrival is still needed. On arrival in Cambodia, passengers must take a rapid test at the airport and wait for around 20 minutes for the result. If it is negative visitors can travel anywhere in the Kingdom. Visitors who haven't been fully vaccinated still have to quarantine for 14 days. European Chamber of Commerce Advocacy Manager Noe Schellinck said it is important for those

rules to be publicised as widely as possible. "We are very pleased to see that one of the final hurdles has been taken. It will be important now to have a strong communication plan and to ensure the latest information about the current travel and vaccination requirements is widely disseminated," he said. "It finally becomes practically feasible for companies to invite international visitors and for management and staff to travel more freely to, for example, headquarters in Europe or sites in the region. This will have a positive impact on international businesses for sure; projects or negotiations that needed the final push of a face-to-face meeting are now within reach and new opportunities will be more easily explored," he said. With only a month and a half left in the year, AmCham's Galliano says the end of quarantine won't do much for this year's gross domestic product, but he says 2022 will be a very different story. "While I expect negative growth for 2021, economic growth should be very robust in 2022 and Cambodia will resume its position as one of the fastest growing economies and one of the most favoured destinations for foreign direct investment," Galliano said. "The aberration caused by the pandemic will only be an unpleasant blemish on the Kingdom's economic record as one of the best performing economies over the last 20 years. The business world should prepare and gear up for a spike in growth and investors should take advantage of the resumption of normality in the economy and the opportunities that will materialize as a result," he said. EuroCham Chairman Tassilo

Brinzer agreed that next year should see sterling growth in the Kingdom's economy now the last barrier to business has been removed. "For companies planning to invest, let's firstly look at the companies that are here already and that had to hold back during the closure of the country. They will certainly begin to look at upgrading their businesses with investments into productive assets such as staff and new equipment as they look for business expansion," he said. "In particular, we are all looking forward to 2022 possibly being a bumper year for Cambodia as it chairs ASEAN again and need to get ready for that, while upgrading to accommodate growing global requirements to green supply chains in production and in services such as tourism and hospitality." Schellinck, his EuroCham colleague, says the chamber is already planning to take advantage of the renewed ease of access to the Kingdom. "We ourselves are considering the organisation of a physical trade mission, after the success of our virtual trade mission to Cambodia with the EU-ASEAN Business Council just earlier this month. We are not only saying that Cambodia is 'back in business', it is actually the case now and we have to show it," he said, adding that tourism and hospitality will be the big winners. The President of the Cambodia Restaurant Association agreed, saying his members will finally start to win back the business lost by restaurant closures, customer limits, an alcohol ban and a lack of tourists, now all things of the past. "It's a very positive decision which pictures Cambodia as a safe destination for

travellers whilst strengthening the confidence of its residents that the country is moving ahead toward better days. In this context the restaurant industry will recover at a faster pace," Arnaud Darc said. Cambodia may be a few steps behind neighbours like Thailand, which opened its doors to vaccinated visitors at the start of the month but EuroCham's Brinzer said while the return of tourists may be gradual the effect on attitudes in the industry will be immediate. "This move comes at the perfect time as the region begins to open up. It is a logical consequence of the successful Cambodian containment and vaccination campaigns of the past nine months since the February [2020] outbreak," he said. "We need tourism and travel overall as a driver of incomes on the middle and lower levels of the economy, from where spending power rises upwards. I don't expect tourists to flush the country in the coming weeks and months but would be glad to be wrong. A gradual rise of visitor numbers will lift spirits, and business sentiment."

Source : <https://www.khmertimeskh.com/50971326/end-of-quarantine-means-the-country-is-truly-back-in-business/>

Preah Sihanouk province, the most visited destination last weekend



Cambodia News | 16 November, 2021

Preah Sihanouk coastal province was the most attractive destination among domestic tourists last weekend, according to the Ministry of Tourism. Phnom Penh capital and Kampot province were the

two runners-up, followed by Pursat and Siem Reap provinces, it added. The same source pointed out that a total of over 180,000 domestic visitors were recorded in the weekend of Nov. 13- 14, of them 175,801 were Cambodians and 4,495 were foreigners. The figure represents an increase by 3.29 percent compared to the previous weekend, it underlined. Tourism destinations as well as tourism-related businesses across the country have opened for visitors and been preparing for the upcoming Water Festival this week, the ministry said. On Sunday, Hun Sen announced the removal of quarantine requirement for all fully vaccinated incoming passengers, both Cambodians and foreigners, from Nov. 15 onwards. C. Nika – AKP

Source : <https://www.khmertimeskh.com/50971480/preah-sihanouk-province-the-most-visited-destination-last-weekend/>

Laos to increase agricultural production areas along China-Laos railway



Laos News | 16 November, 2021

Xinhua – VIENTIANE, The Lao government has planned to accelerating the allocation of agricultural production areas across the country, particularly priority areas in the provinces along the China-Laos railway and expressway corridors, and provinces with untapped potentials. According to a Lao News Agency report on Friday, Minister of Agriculture and Forestry Phet Phomphiphak told the second Ordinary Session of the Ninth National Assembly on

Thursday that his ministry set a focal agricultural development measure for 2022. The measure is designed to be in line with the ecosystem of crops and animals, that will be farmed for commercial and export purposes, and to attract domestic and foreign investments by devising enabling policies and creating conducive investment environment. The plan will also focus on boosting the processing industry by building modern facilities, developing production infrastructure including rice mills, sawmills, drying facilities, composting plants, slaughterhouses and goods loading stations at railway stations and applying modern production techniques to cut costs. “ We will continue to coordinate with relevant sectors to create favorable conditions for small and medium-sized enterprises, improve their access to funding and increase exports, especially to China,” said Phet. “At present and in the future, the Ministry of Agriculture and Forestry will focus on promoting livestock production and plantation to ensure income generation for people in rural and remote communities,” said the minister.

Source : <https://www.khmertimeskh.com/50971550/laos-to-increase-agricultural-production-areas-along-china-laos-railway/>

Laos, UN agree to boost sustainable development cooperation



Laos News | 17 November, 2021

The government and the United Nations on Tuesday signed the 2022- 2026 Lao PDR- UN Sustainable

Development Cooperation Framework (UNSDCF), highlighting the importance of Laos-UN cooperation to achieve Laos' development priorities. Minister of Foreign Affairs Mr Saleumxay Kommasith represented the government to sign the UNSDCF with UN Resident Coordinator to Laos Ms Sara Sekkenes in Vientiane. The signing ceremony took place a day ahead of the 13th High-Level Round Table Meeting at the Ministry of Foreign Affairs, with limited physical participation from both sides, acknowledging the ongoing rise of Covid-19 infections in Vientiane. The 2022-2026 UNSDCF is the first since the reform of the UN development system, ushered in by the adoption by UN General Assembly Resolution 72/279 in 2018, transforming the way the United Nations works, building a platform for greater coordination, coherence, effectiveness, and development impact. The implementation of UN reform through the UNSDCF is characterised by strengthened alignment to national development priorities, comprehensive and interconnected strategic priorities, a structure underpinned by results-based management principles, streamlined coordination mechanisms, and a practical and targeted monitoring and evaluation framework. Replacing the current Laos-United Nations Partnership Framework 2017-2021, the 2022-2026 UNSDCF emphasises the importance of cooperation between Laos and the United Nations to address the development needs and challenges in Laos in line with the overarching directions and six pillars of the 9th Five-Year National Socio-Economic

Development Plan for 2021-2025. The formulation process was highly consultative, with numerous exchanges held between UN entities, with the Lao government, development partners, and civil society, to reflect all views and aspirations, according to the Ministry of Foreign Affairs. The Cooperation Framework comprises four strategic priorities: 1) People's wellbeing; 2) Inclusive prosperity; 3) Governance and rule of law; and 4) Environment, Climate Change, and Resilience. The new generation of Cooperation Frameworks will be an important document for planning and implementing national development projects. It is part of the global United Nations reform, which strives to make the UN development system more coherent, efficient and effective, as well as enhance cooperation and support from UN agencies in Laos for the period 2022-2026, with the aim of fulfilling Laos' development priorities. On this important occasion, Mr Saleumxay said he highly valued and appreciated the continuing cooperation and support by the United Nations to Laos over past years, which has significantly contributed to socio-economic development. He looked forward to stronger support and cooperation from the UN country team on the ground in the future, especially in Covid-19 response and recovery efforts, climate change, sustainable development, Laos' graduation from the LDC status, and relevant development fields. To realise these ambitions, the UN country team will work collaboratively across four strategic priorities, bringing together Agencies, Funds, and

Programmes with specific expertise to help national counterparts advance development progress and tackle Laos' development challenges.

Source : https://www.vientianetimes.org.la/freeContent/FreeContent_LaosUN_225_21.php

Myanmar bean market sees high potential on possible demand of India



Myanmar News | 16 November, 2021

Myanmar beans and pulses market is expected to grow on the back of the prospective buyer India, the bean traders said. Indian growers experienced severe weather damage to beans. Consequently, the demand will certainly rise in the coming months. India's Ministry of Agriculture and Farmers Welfare approved to import of not only black gram but also other pulses from Myanmar, with relaxations of conditions regarding clearance consignment up to 30 December 2021. The prices of beans are positively related to the exchange rate and so, the price is unlikely to fall until December. Last September, the bean price reached an exorbitant high tracking the Kyat weakening in the local forex market. At present, Kyat is regaining in the local forex market and the prices of beans and pulses have decreased accordingly. The prices per basket stood at K44,000 for green gram (Shwe Wah) variety, 40,000 for green gram, 46,000 for black gram, K39,000 for black-eyed bean, K36,000 for cowpea, K50,000 for soybean and K59,000 for peanut. Despite the drop in bean prices, the agricultural input cost remains unchanged and stays high. The

local growers will face a high input burden in the coming cold crop season. Myanmar conveyed US\$1.57 billion worth of over two million tonnes of various pulses to foreign trade partners last financial year 2020-2021. The country shipped \$966.4 million valued at 1.24 million tonnes of pulses and beans to foreign markets through the sea route, and \$604.3 million valued 786,920 tonnes were sent to the neighbouring countries through the land borders. — NN/GNLM

Source : <https://www.gnlm.com.mm/myanmar-bean-market-sees-high-potential-on-possible-demand-of-india/#article-title>

IHS Markit optimistic about Vietnam's economic recovery from COVID-19 wave



Vietnam News | 16 November, 2021

VOV.VN - Latest economic data for the final quarter of 2021 are showing signs of recovering economic momentum, and the IHS Markit Vietnam manufacturing purchasing managers' index (PMI) for October 2021 indicated a strong rebound in the manufacturing sector. The remarks were made by the UK-based market research firm in a recent analysis published on [ihsmarkit.com](https://www.ihsmarkit.com). However, the article said the economic recovery still faces headwinds due to a renewed upturn in daily new COVID-19 cases as well as continuing supply chain disruptions. According to the article, with the domestic pandemic having remained contained, economic growth momentum strengthened in the first half of 2021. GDP growth in the second quarter

of 2021 rose by 6.6% year-on-year, improving on the 4.65% year-on-year growth recorded in the first quarter of 2021. A key driver of economic growth momentum was the rapid growth of exports, which rose by 28.4% year-on-year in the first half of 2021. The strong performance of industrial exports also boosted the industrial sector, with industrial production up 9.3% year-on-year in the first half of 2021. FDI inflows in the first half of 2021 remained resilient, at US\$ 9.2 billion, up 6.8% year-on-year. As daily new COVID-19 cases started to decline during the second half of September and early October, easing lockdown restrictions allowed the reopening of many factories, resulting in a sharp rebound in the IHS Markit Vietnam Manufacturing PMI to 52.1 in October, the article said. During the third quarter, severe disruption to supply chains were noted by firms in the PMI survey results. Companies linked longer lead times to difficulties with transportation both domestically and internationally due to the pandemic, as well as raw material shortages. Manufacturers were also faced with surging input costs. Shortages of labour also contributed to rising backlogs of work, as migrant workers returned to their home provinces and towns during the protracted lockdowns and widespread factory closures. It said the economic impact of the pandemic is expected to recede during 2022 as vaccination rollout becomes more widespread across the population of Vietnam. Over the medium-term outlook for the next five years, a number of key drivers are expected to continue to make Vietnam

one of the fastest growing emerging markets in the Asian region. Firstly, Vietnam will continue to benefit from its relatively lower manufacturing wage costs. Secondly, Vietnam has a relatively large, well-educated labor force compared to many other regional competitors in Southeast Asia, making it an attractive hub for manufacturing production by multinationals. Third, rapid growth in capital expenditure is expected, reflecting continued strong foreign direct investment by foreign multinationals as well as domestic infrastructure spending. Fourth, Vietnam is benefiting as a potential market for companies in the current wave of shifting productions to Asia. Fifth, many multinationals have been diversifying their manufacturing supply chains during the past decade to reduce vulnerability to supply disruptions and geopolitical events. Vietnam is also set to benefit from its growing network of free trade agreements, including the ASEAN Free Trade Agreement (AFTA), the Regional Comprehensive Economic Partnership (RCEP), and the EU – Vietnam Free Trade Agreement (EVFTA). Despite these near-term risks, over the medium-term economic outlook, a large number of positive growth drivers are creating favorable tailwinds and will continue to underpin the rapid growth of Vietnam's economy. This is expected to drive strong growth in Vietnam's total GDP as well as per capita GDP. Vietnam's total GDP is forecast to grow from US\$270 billion in 2020 to US\$433 billion by 2025, and rising to US\$687 billion by 2030. This translates to very rapid growth in Vietnam's per capita GDP, from US\$2,785 per

year in 2020 to US\$4,280 per year by 2025 and US\$6,600 by 2030, resulting in substantial expansion in the size of Vietnam's domestic consumer market. The country's role as a low-cost manufacturing hub is also expected to continue to grow strongly, helped by the further expansion of existing major industry sectors, notably textiles and electronics, as well as the development of new industry sectors such as autos and petrochemicals, the article said.

Source : <https://english.vov.vn/en/economy/ihs-market-optimistic-about-vietnams-economic-recovery-from-covid-19-wave-905282.vov>

Vietnamese expect global travel to restart in next 6 months: Agoda



Vietnam News | 16 November, 2021

HCM CITY — Many Vietnamese expect global travel to resume in the next six months though with some restrictions, a study by Agoda has found. With Viet Nam's prolonged lockdowns now in the rearview mirror for both Ha NOI and HCM City, the nation's attention can turn to when it is able to re-open its borders to international travellers once again, according to the Welcome Back Travel survey. It provides some fascinating insights into how people in Viet Nam expect this to unfold with at least 60 per cent expecting travel to resume in the next six months. Respondents aged 45- 54 were most optimistic about restriction-free travel within Asia (52 per cent) compared to only 38 per cent among

people aged 25-34. Interestingly, when asked about global restriction-free travel, the over 55-age group was most optimistic (54 per cent), followed by 45-54-year-olds (45 per cent). Though one respondent in 10 expected international visitors to be allowed into Viet Nam only after two years, the Government has announced it would begin opening certain destinations to international visitors in November beginning with Phu Quoc. But only 27 per cent believed full border reopening is likely by the end of this year. Some 20 per cent expected the opening to happen around June 2022, while 19 per cent said it would be two or three months before that. A full 20 per cent did not expect inbound travel to resume fully until 80 per cent of Vietnamese are vaccinated. Around 11 per cent expected international visitors to be allowed to travel to Viet Nam only after two years. Ha Noi respondents were the most conservative city with a quarter of respondents saying international visitation is seven to 11 months away. HCM City split the difference with 20 per cent each saying four to six months and seven to 11 months. VNS

Source : <https://vietnamnews.vn/economy/1080584/vietnamese-expect-global-travel-to-restart-in-next-6-months-agoda.html>