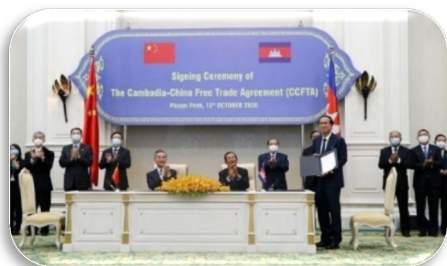


- Economy to grow 2.8 percent this year, AMRO says
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Economy to grow 2.8 percent this year, AMRO says



Cambodia News | 23 November, 2021

Cambodia's economy will recover from last year's 3.1 percent contraction, according to the ASEAN+3 Macroeconomic Research Office (AMRO), after a successful vaccination campaign allowed factories to reopen and easing supply-chain bottlenecks helped increase exports. "Recovery from the pandemic is expected to gradually gain momentum in 2021, notwithstanding a recent spike in global infections," AMRO said. "Although the outbreak has reduced economic activity, Cambodia is projected to grow by 2.8 percent in 2021 led by a robust recovery in manufacturing, boosted by increased demand for garments and other manufactured exports as global demand rebounds," it said in its annual consultation report on Cambodia. There are now only an average of 47 Covid-19 infections a day in the Kingdom and 86 percent of the population has been fully vaccinated against the Coronavirus. Prime Minister Hun Sen has declared the country fully re-open to business and the government has scrapped quarantine for fully-vaccinated visitors, allowing investors and tourists alike to return to the country but AMRO warns that, for a country so heavily reliant on tourism and a large-pool of factory workers, a resurgence of Covid could kill off the tentative recovery. "The economy's high reliance on contact-intensive services sector and a labour-intensive manufacturing sector renders the economic

recovery more vulnerable to sudden outbreak of infection given a relatively weak public health system. Extended lockdowns and uncontrolled resurgence of infections could result in severe damages to many service businesses as well as export companies," it said. With large-scale lockdowns back in force across Europe and travel restrictions being tightened in China, Cambodia's vaccination success will not necessarily ensure a tourism recovery AMRO warns. "Given the importance of tourism in Cambodia's economy, the significant uncertainty over the resumption of international travel presents a key risk to the growth outlook for Cambodia. Prospects for the resumption of international travel remain bleak amid the resurgence in infections and slow vaccination in many countries, as well as the emergence of more infectious variants," it said. In March last year the National Bank of Cambodia told all financial institutions to restructure loans to help debtors and maintain financial stability. The NBC directive allowed banks to reduce repayments, cut interest rates and extend deadlines, giving a grace period of up to six months. This is due to expire at the end of the year. "Given active loan restructuring by financial institutions, the differentiated recovery could lead to a further deterioration in credit quality," AMRO said. "The difficulty in assessing the credit worthiness of restructured loans, combined with the possibility of inadequate provisioning ahead of an eventual unwinding of regulatory forbearance, could lead to a build-up of risks." AMRO warns that Covid could

leave permanent scars on the economy unless the government and private sector provide new avenues of employment, for example by retraining people to give them the skills needed to take advantage of the booming digital economy. “Factory and business closures have led to sizeable job losses. Unless idle resources and labour are properly redirected to sectors with growth potential, the economy’s productive capacity will decline over time and result in permanent damage,” it said. The government expanded this year’s stimulus package from \$719 million to \$1.454 billion and AMRO said more spending is needed but must be targeted on training and moving workers into key industries. “As the economic recovery gains momentum, existing short-term crisis support measures should be carefully reviewed and recalibrated to focus more on bolstering economic recovery, while ensuring continued support for priority target groups,” it said. “For example, emergency wage subsidies could be gradually scaled back and replaced with expanded vocational and skills training programs to help displaced workers upskill and reskill. This will assist them in finding employment in productive sectors. Additional resources should also be directed to job search and matching programs to facilitate workers’ transition towards expanding sectors and to reduce frictions in the job market.” Along with continuing fiscal stimulus AMRO recommends the NBC maintains its loose monetary policy and keeps a close eye on the state of the banking industry. “As demand for liquidity remains elevated,

accommodative policy measures should be maintained to ensure sufficient funds are available to productive sectors during the recovery. With the more accommodative financial conditions, the authorities should continue to closely monitor credit risk developments at banks, particularly those with thin capital buffers or high exposure to risky sectors,” it said. AMRO welcomed Cambodia’s new law on investment, saying it may encourage more foreign capital to flow into priority sectors. The Singapore-based research group also advised the government to focus on maintaining and improving its sustainable development goals of ensuring a social safety net for the poor and unemployed, investing more in healthcare and education and bringing in structural reforms to help the sectors likely to contribute most to Cambodia’s economic revival.

Source : <https://www.khmertimeskh.com/50975264/economy-to-grow-2-8-percent-this-year-amro-says/>

China-Cambodia FTA to take effect on Jan 1, 2022



Cambodia News | 23 November, 2021

The free trade agreement (FTA) signed between China and Cambodia will take effect on Jan. 1, 2022, according to the Ministry of Commerce (MOC). The agreement, which was officially signed on Oct. 12, 2020, brings the proportion of zero-tariff products in the goods trade between China and the southeast Asian nation to more than 90 percent for both countries, the ministry said. In the document, the two countries agreed to open up to each other as much

as possible in the service trade sector. Meanwhile, the two sides also agreed to deepen cooperation in investment, the Belt and Road Initiative, e-commerce, and economic and technical sectors, according to the MOC. The FTA is a new milestone in the development of bilateral economic and trade relations, and will help enhance the well-being of enterprises and people of both countries, the MOC said.

Source : <https://www.khmertimeskh.com/50975664/china-cambodia-fta-to-take-effect-on-jan-1-2022/>

Mapping Present, Future of Lao Agriculture, Land Use Insights with LRIMS



Laos News | 23 November, 2021

Lao Agriculture looks to future as Land Resources Information Management System (LRIMS) permits public access to detailed future scenarios amid climate change for free with help from Food and Agriculture Organization of the United Nations (FAO) and the Global Environment Facility (GEF). Access to climate data is critical for planning the future of agriculture and forestry amid climate change. In Laos, the capacity to produce agro-environmental datasets has increased drastically over the last few years. The results are found in the Land Resources Information Management System (LRIMS), the first big data system in the South-East Asian nation that has now been launched. Maps on cropland areas, soil, land use, and livelihood of farmers are now available. In addition, modelling of climate change

and future crop scenarios can also be produced. The tool and all the data contained on it are produced and managed by Lao experts. A presentation on LRIMS was made by Vice Minister at the Minister of Agriculture and Forestry Mr. Kikeo Singnavong at an online gathering of policymakers and experts on Thursday 18th of November. Mr. Kikeo confirmed that the information provided by LRIMS will be available for public use. This can lead to better-informed decisions, and for the government, a stronger basis for evidence-based policymaking. He added that this data will support reaching the objectives of the 9th National Socio-Economic Development Strategy (9th NSEDP) for Lao PDR. The GEF-funded project “Strengthening agro-climatic monitoring and information systems to the adaptation to climate change and food security in Lao PDR” (SAMIS project) has been ongoing for four years. The project is implemented by FAO and led by the Department of Meteorology and Hydrology. LRIMS has been developed by the Department of Agricultural Land Management (DALaM) of the Ministry of Agriculture and Forestry. LRIMS is available at the URL: <https://lrims-dalam.net> and a mobile phone app are also under development. Such tools provide the agronomic data backbone for various applications including the quantification of land productivity as well as several key information for agricultural and rural investment planning. The tool allows actors to prioritize areas for investment, including knowing more about where land may be suitable for agricultural production over

the longer term. This will help also in the preparation for new economic corridors, allowing to plan for zones with better productivity that are also nearby to special economic zones or train stations. FAO Representative Mr. Nasar Hayat said that FAO is also supporting the preparation of the second phase of the SAMIS project. "This is a tool that can support a completely different method for making decisions because it explores the potential expansion or contraction of crops in the land." Mr. Nasar said FAO would continue to work to support agricultural sector information systems improvement. Lao Climate Service for Agriculture (LaCSA) & LRIMS have been financed via the FAO's GEF-funded project "Strengthening agro-climatic monitoring and information systems to the adaptation to climate change and food security in Lao PDR" (SAMIS project).

Source : <https://laotiantimes.com/2021/11/23/mapping-present-future-of-lao-agriculture-land-use-insights-with-lrims/>

Laos to See Mineral Earnings of USD 463 Million in Fourth Quarter



Laos News | 23 November, 2021

Laos expects to earn USD 463 million in the final quarter of this year from mineral sales both domestically and for export, after earning USD 1.464 billion in the first nine months of 2021. Deputy Prime Minister Dr. Sonexay Siphandone told the National Assembly last week that the value of mineral sales this year is expected to exceed targets by over 15

percent, Vientiane Times reports. Minerals produced in the first nine months of the year were valued at LAK 12.601 trillion (USD 1.18 billion), while the figure for the whole year will reach LAK 15.889 trillion, according to Dr. Sonexay. There are 124 mining companies operating 209 projects including exploration and processing of minerals, with 14 companies now constructing new facilities, says the Ministry of Energy and Mines. From 2021 to 2025, Laos is expected to produce mineral products valued at USD 7.832 billion, increasing by four percent from the previous five years. The Lao government has allowed foreign and domestic investors to undertake mining operations since 1990, with mineral resource deposits found at over 570 locations across the country. Mining operations now excavate gold, copper, zinc, potassium, limestone, and lead. The government hopes to increase the country's mineral processing capacity to reduce the number of raw minerals exported, adding value by exporting processed minerals. Mineral and mining projects in Laos cover a land area of over seven million hectares throughout the country or over 30 percent of the total land area.

Source : <https://laotiantimes.com/2021/11/23/laos-to-see-mineral-earnings-of-usd-463-million-in-fourth-quarter/>

Myanmar-China Kyinsankyawt border post to resume operations on 25 Nov



Myanmar News | 23 November, 2021

Kyinsankyawt border post between Myanmar and China will be reopened commencing from 25 November, said U Min Thein, vice-chair of the Muse rice depot. On 22 November, the border crossing will resume on a trial run starting from 1 pm in the afternoon for three days. "If the trial run of the border post is successfully completed, the border checkpoint will resume its operation on 25 Nov as it is set to be," U Min Thein elaborated. About 10,000 trucks load of goods, which have been stockpiled in the respective warehouses in Muse 105 mile, will be delivered first, he continued. China has closed down the remaining land borders (Kyinsankyawt, Wamting) from 8 July 2021 following the COVID-19 cases in Myanmar. On 30 March, Mang Wein, which is a major border crossing between Muse and Kyalgaung areas, was suspended owing to the COVID-19 cases. On 1 April, Nantaw and Sinphyu border checkpoints were suspended operations. As a result of this, the border trade between Myanmar and China was completely halted. The closure of the Sino-Myanmar border trade resulted in job loss of about 400,000-600,000 workers engaged in the Muse land border. Furthermore, the short-haul trucks from Muse to China were also affected by this consequence. Additionally, traders from the Muse border post were also battered by trade suspension, causing a revenue loss. Myanmar exports agricultural products, including rice, beans and corns, and fishery products such as crab, prawn, etc. Furthermore, Myanmar's natural gas export to China is also conducted through the Muse-Ruili

border. The raw CMP materials, electrical appliances and consumer goods are imported into the country. The land borders next to the Muse border are Nantaw, Sinphyu, Mang Wein, Kyinsankyawt-Wamting and Panseng-Wamting. — NN/GNLM

Source : <https://www.gnlm.com.mm/myanmar-china-kyinsankyawt-border-post-to-resume-operations-on-25-nov/#article-title>

Seven commodities with export value hitting over US\$10 billion each



Vietnam News | 23 November, 2021

VOV.VN - Vietnam has boasted seven commodities with an export turnover exceeding US\$10 billion each as of November 15 following the post-pandemic resumption of various businesses. The first two weeks of November saw Vietnam rake in US\$14.61 billion from exports, raising the country's total export value since the beginning of the year to US\$284.45 billion, a year-on-year increase of 17.7%. Most notably, iron and steel joined the US\$10-billion export product club for the first time, alongside six other groups of commodities, namely phones and components, computers, electronic products and components, machinery, garments and textiles, footwear, and timber and wood products. Among the key hard currency earners, phones and computers recorded the highest earnings of US\$48.8 billion and US\$43 billion respectively, while machinery and equipment ranked third with turnover of US\$31.77 billion. They

were followed by garments and textiles that grossed US\$27.52 billion and timber and wood products that bagged US\$12.67 billion in export value. During the reviewed period the export value of iron and steel products by mid-November reached US\$10.27 billion, representing a year-on-year rise of 136.6%. According to the Vietnam Steel Association (VSA), iron and steel exports since the beginning of the year have enjoyed a number of advantages, particularly as the consumption demand in several foreign markets has bounced back. The recovery of the global construction markets has facilitated export activities of large local enterprises, including Hoa Phat, Nam Kim, and Ton Hoa Sen. Robust export growth has also been recorded in markets such as Europe, the United States, ASEAN member states, and China.

Source : <https://english.vov.vn/en/economy/seven-commodities-with-export-value-hitting-over-us10-billion-each-906875.vov>

Vietnam - US trade likely to reach 100 billion USD this year



Vietnam News | 23 November, 2021

Hanoi (VNA) – Vietnam–US trade could hit 100 billion USD in this year, up 221 times against the figure in 1995 when the two countries normalised relations. The first eight months of this year saw bilateral trade of 73 billion USD, Hoang Quang Phong, Vice Chairman of the Vietnam Chamber of Commerce and Industry (VCCI), said at a recent

forum on promoting Vietnam-US trade in the new context. Despite the prolonged COVID-19 pandemic and its complicated developments which disrupted the supply chains, 2020 was the first year that the total trade turnover between Vietnam and the US has exceeded the 90 billion USD benchmark, reaching 90.8 billion USD, compared to 451 million USD in 1995, he said. Phong said that trade has become a pillar of the growing bilateral relationship between Vietnam and the US. Vietnam has been attractive to US businesses with a market of nearly 100 million consumers, positive growth, open policies, close connection with the Association of Southeast Asian Nations (ASEAN) market and other major markets in the world thanks to a network of free trade agreements, he said. Vietnam has become the 10th largest trading partner of the US, while the US is also the largest trading partner of Vietnam. Vietnam is one of the first countries in Asia to sign a trade agreement with the US. Many commercial investment opportunities between the two countries will be opened up when there is a regular direct flight of Vietnam Airlines connecting the two countries, Phong said. Vietnam's export turnover to the US has increased by 230 percent, while exports from the US to Vietnam have also grown by more than 175 percent over the past five years. Key Vietnamese products exported to the US are machinery, equipment, tools, and spare parts. Experts

suggested that businesses pay attention to meeting requirements on products' quality and dealing with technical barriers./.

Source : <https://en.vietnamplus.vn/vietnam-us-trade-likely-to-reach-100-billion-usd-this-year/215948.vnp>
