

Highlight News / December 7, 2021



- Cambodia's exports to Japan net \$1.4 billion
- Sihanoukville's sea port expansion in pipeline to contribute to cost cuts in shipping and attract investments
- Laos, China agree to extend cooperation in various fields
- Earning from export of Myanmar aquaculture products exceeds \$128 mln as of 19 November
- Việt Nam continues to meet US Treasury criteria for not being labelled a currency manipulator
- Vietnam's 2021 GDP estimated at 2%-2.5%



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Cambodia's exports to Japan net \$1.4 billion



Cambodia News | 06 December, 2021

Cambodia exports to Japan totalled \$1,487 million in the ten months this year, a 9.3% increase compared to the same period last year, according to the figures from the Japan External Trade Organization (JETRO), released last week. From January to October, the Kingdom imported \$447 million worth of goods from the East Asia nation, a year-on-year increase of 22.2%. This resulted in Cambodia's trade surplus with Japan at \$1,010 million. The main exports to Japan are garments, bags, footwear, furniture, cosmetics, paper and office supplies and leather goods. Cambodia imported machinery, automobiles, electronics, furniture, fabrics and plastics from Japan. Cambodia looks upon Japan as a prioritised trade partner for talks on a bilateral free trade agreement to be established, according to the Ministry of Commerce. The talks are set to be conducted soon as the Kingdom has already inked two bilateral FTAs – one each with China and South Korea. Cambodia will be able to attract more investment from Japan as the country has a leading front of Covid-19 herd immunity and new investment law, Japanese ambassador to Cambodia Mikami Masahiro said in a seminar on Law on Investment of Cambodia, held by the Council for the Development of Cambodia in November. "The new Investment Law of the Kingdom of Cambodia will be an effective and timely strategy for the socio-economic

rehabilitation after the Covid-19 pandemic and make Cambodia an attractive and highly competitive destination in the region for quality and sustainable investment," Mikami said. The Council for the Development of Cambodia (CDC) approved 146 Japanese qualified investment projects (QIP) as of October with a total investment capital of \$2,853 million. Of the approved investment projects, 66 with a cumulative investment of \$340 million are located inside special economic zones. Lim Heng, vice president of Cambodia Chamber of Commerce, said recently that exports to foreign countries –including Japan, showed the country's economic activities remain robust. "It is a good sign of having trade increase," he said. "With new trade pacts, more investments can be expected." CCC is also planning to set up foreign liaisons abroad to promote foreign investment, Heng said, citing that Japan is among the countries that CCC is planning to establish an office. In 2020, two-way trade between the two countries was valued at \$2.099 billion, an 8% drop compared to 2019. Japan is one of Cambodia's biggest markets after the US and EU.

Source:<https://www.khmertimeskh.com/50983025/cambodias-exports-to-japan-net-1-4-billion/>

Sihanoukville's sea port expansion in pipeline to contribute to cost cuts in shipping and attract investments



Cambodia News | 05 December, 2021

From 2022, Cambodia will rollout the expansion of the sea port at Preah Sihanouk province to reduce

sea transport cost and attract more foreign direct investments. The plan was shared recently with the media by Lou Kimchhun, Director General of Sihanoukville Autonomous Port, adding that the expansion will entail three main stages. According to the director general, current sea port at Sihanoukville can attract about 18 to 19 percent of the container ships in the Asia-Pacific region. The first-phase expansion of the sea port to 350 metres long and 14.5 metres deep that will begin in 2022 and complete in 2025 can allow around 93 percent of all cargo ship types in the region to dock. The expanded port, he continued, has the capacity to host up to 400 containers and can reduce the transport cost at an average of \$200 per container. While the first phase expansion targets at cargo ships in the Asia-Pacific, the second and third ones until 2030 aim at the ship types from the United States and Europe. The expansion (first and second phases) is estimated to cost over \$400 million, of which more than \$200 million is a loan from Japan. The expansion of the port will significantly reduce the sea transport cost and eventually attract more foreign investments to Cambodia, especially to Preah Sihanouk province which is being transformed into a multi-purpose special economic zone.

Source:<https://www.khmertimeskh.com/50982631/sihanoukville-sea-port-expansion-in-pipeline-to-contribute-to-cost-cuts-in-shipping-and-attract-investments/>

Laos, China agree to extend cooperation in various fields



Laos News | 07 December, 2021

Laos and China plan to continue to cooperate in many fields, especially in Mekong-Lancang Cooperation, it was stated during a recent videoconference between the two countries' Ministries of Foreign Affairs. During the meeting, Lao and Chinese officials reported on various aspects of social and economic development and shared ideas on ways to tackle the Covid-19 outbreak, as well as matters relating to investment, transport and education. The meeting took place as Laos and China celebrate the 60th anniversary of the establishment of diplomatic relations. Laos' Minister of Foreign Affairs Mr Saleumxay Kommasith said Laos was very grateful for China's assistance through the provision of medical experts and vaccine. He also noted that Lao students who had been awarded scholarships by the Chinese government were continuing their studies in China. Last month, the Ministry of Health received a donation of 700,000 doses of China's Sinopharm Covid-19 vaccine and medical supplies valued at 17 billion kip to assist government efforts to tackle the virus outbreak. The vaccine and supplies will be used in Luang Namtha, Oudomxay, Bokeo, Phongsaly and Luang Prabang provinces. The vaccine will primarily be given to people at high risk

of Covid infection and those who have not yet had two vaccinations. China has provided several shipments of vaccine and dispatched medical specialists and supplies to support the government's battle against Covid.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_Laos_China_agree_239.php

Earning from export of Myanmar aquaculture products exceeds \$128 mln as of 19 November



Myanmar News | 06 December, 2021

The value of Myanmar's seafood exports as of 19 November in the current mini-budget period (Oct 2021-March 2022) was estimated at over US\$128 million, which increased slightly from \$120.6 million in the corresponding period of last financial year 2020-2021, the Ministry of Commerce's data indicated. In order to fulfill the needs of the stakeholders included in the supply chain for the sustainable livestock, the Ministry of Agriculture, Livestock and Irrigation holds a monthly meeting as well. Myanmar produced 6,018 metric tons of fisheries in the 2019-2020 Financial Year, with over 4,800 MT of wild-caught fish and over 1,100 MT of farmed fish. The ministry is focusing on boosting production, exploring new markets, increasing export items, enhancing the livelihood of local people, providing financial assistance to the breeders, promoting the fish consumption of the people and tackling the challenges together with all the

stakeholders. Moreover, the Myanmar Fisheries Federation (MFF) is attempting to grow fishery export regardless of the COVID-19 disruption on maritime trade, closure of border gates and fuel oil price instability. The high input cost such as fishing net, oil price posed another burden for the industry, coupled with the devaluation of Kyat in the forex market, Mawlamyine Commodity Centre stated. The marketable fish products, especially fish, shrimp, eel and crab from Taninthayi and Ayeyawady regions and Rakhine State are primarily exported to foreign markets. Myanmar normally exports fisheries products, such as fish, prawns, and crabs, to markets of 40 countries, including China, Saudi Arabia, the US, Japan, Singapore, Thailand, and countries in the European Union. Chinese market constitutes about 65 per cent of Myanmar's fishery exports, which accounting for US\$254 million out of overall fishery export value of over \$850 million in the FY 2019-2020. At the present time, China shut down the border areas in wake of the COVID surge in Myanmar. The federation is turning to Bangladesh market with export potentials at present. The Myanmar Fisheries Federation stated that only G2G pact can tackle problems faced in the export of farm-raised fish and prawns and ensure smooth freight movement between countries to bolster exports. To ensure food safety, the foreign market requires suppliers to obtain Hazard Analysis and Critical Control Points (HACCP) and Good Aquaculture Practices (GAqP) certificates. The MFF is working with fish farmers, processors, and the Fisheries

Department under the Ministry of Agriculture, Livestock, and Irrigation to develop the GAqP system. Processors can screen fishery products for food safety at ISO-accredited laboratories under the Fisheries Department. There are 480,000 acres of fish and prawn breeding farms across the country and more than 120 cold-storage facilities in Myanmar. During the last financial year 2020-2021 (Oct-Sept), Myanmar shipped \$784.889 million worth of seafood, the Ministry of Commerce's data showed.—KK/GNLM

Source: <https://www.gnlnm.com.mm/earning-from-export-of-myanmar-aquaculture-products-exceeds-128-mln-as-of-19-november/>

Việt Nam continues to meet US Treasury criteria for not being labelled a currency manipulator



Vietnam News | 06 December, 2021

HÀ NỘI — Việt Nam continues to meet the US Treasury's criteria for not being labelled a currency manipulator, according to the US Treasury. In its latest report on forex and macro-economic policies of big trade partners of the US, the Treasury found that no major trading partners during the year through June 2021 sought to manipulate their currencies for a trade advantage or for preventing effective balance of payment adjustments. Việt Nam and Taiwan (China) have met all three criteria on trade and current account surpluses and foreign exchange market interventions. However, the

department said it would continue to work with Việt Nam and Taiwan to address US concerns. The Treasury said it was "satisfied with the progress made by Việt Nam to date" and would continue engagement started in May with Taiwan. Earlier in April, the US Treasury announced in a similar report that the US had removed Việt Nam from the list of economies it considered currency manipulators as there was insufficient evidence to conclude the country was manipulating its exchange rate in the reviewed period in line with the Omnibus Foreign Trade and Competitiveness Act of 1988. — VNS

Source: <https://vietnamnews.vn/economy/1094059/viet-nam-continues-to-meet-us-treasury-criteria-for-not-being-labelled-a-currency-manipulator.html>

Vietnam's 2021 GDP estimated at 2%-2.5%



Vietnam News | 06 December, 2021

HCMC – As the trajectory of the Covid-19 pandemic remains unpredictable, Vietnam's economic expansion this year is projected to slow to 2%-2.5%, said Tran Tuan Anh, head of the Party Central Committee's Economic Commission. At the Industry 4.0 Summit 2021, Anh said the pandemic had heavily impacted all aspects of the global economy. The world average GDP fell 3.1% last year, the average income declined 6% and the number of jobs plunged by 100 million. With the appearance of the heavily mutated Omicron variant of the coronavirus, the world's GDP growth may lose 0.2%-0.4% next year, Anh said, adding that Vietnam had also felt the

severe impact of the pandemic. Last quarter, its GDP fell 6.17%, the sharpest fall since the country calculated and announced the quarterly GDP, the local media reported. He stressed the need for solutions to help the economy recover and develop after the pandemic and create driving forces in the long term to boost industrialization and modernization in line with the new situation and development demand. Despite some achievements in the industrialization and modernization process, the post-pandemic socioeconomic recovery and development path has been bumpy. Specifically, the growth model does not depend on science, technology and innovation; the local economy remains dependent on external factors, and domestic value and supply chains are not paid much attention. In addition, industrial development has yet to meet the demand for industrialization and modernization and pursues short-term targets. Further, policies to develop industrial sectors have slowly been realized. At the summit, Deputy Minister of Planning and Investment Tran Quoc Phuong said a comprehensive program on socioeconomic recovery and development was vital. He pointed out five solution groups for the program, including reopening the economy in association with fighting the pandemic; social welfare and job support; supporting enterprises, cooperatives and household businesses; developing infrastructure; and improving policies, administrative procedures and the business environment. Speaking at the summit, HCMC Vice Chairman Vo Van Hoan also shared the

city's economic recovery plan with two phases. In 2022, the city will focus on dealing with the consequences of the pandemic, helping production recover, supporting enterprises and caring for local residents, while adapting safely to Covid. In 2023 and the following years, the city will deploy solutions to remove obstacles to the city's growth and improve the city's strengths to develop the city into a finance, innovation, service and culture hub of the country and Southeast Asia. The city is deploying seven main solutions, including restructuring industrial and export processing zones, encouraging enterprises to apply new technology, organizing the city's economic forum on digital transformation in April 2022, effectively using land funds and supporting enterprises, especially small and medium ones.

Source: <https://english.thesaigontimes.vn/vietnams-2021-gdp-estimated-at-2-2-5/>
