

Highlight News / February 21, 2022



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RCEP, bilateral FTAs key to attract investments to Cambodia in post-pandemic era



Cambodia News | 19 February, 2022

The Regional Comprehensive Economic Partnership (RCEP) free trade pact and bilateral free trade agreements (FTAs) are one of the key factors attracting foreign direct investments to Cambodia in the post-COVID-19 era, a senior official said here on Friday. Cambodia has bilateral FTAs with China and South Korea as well as the RCEP free trade agreement, and “these pacts are a factor for the attraction of investments to our country,” Economy and Finance Ministry’s permanent secretary of state Vongsey Vissoth said in a press conference on the country’s macroeconomic management for 2022. RCEP is a mega trade pact between 10 ASEAN member states and the bloc’s five major trade partners, namely China, Japan, South Korea, Australia and New Zealand. RCEP and the Cambodia-China FTA entered into force on Jan. 1, 2022, while the FTA between Cambodia and South Korea is expected to take effect in the near future. Vissoth said that these free trade pacts are crucial to boost Cambodia’s economic growth in the long run. Cambodia’s national economy is forecast to grow by 5.6 percent in 2022, up from 3 percent in 2021, he said, adding that the growth is expected at a higher rate of 6.5 percent in 2023 and up to 7 percent in 2024. The economy is mainly supported by garment, footwear and travel goods exports, tourism, real

estate and construction, and agriculture. Vissoth said all these sectors will enjoy positive growth this year. He said the government had prepared a stimulus package of more than 1 billion U.S. dollars for 2022 to boost the economy and to mitigate the impacts caused by the pandemic. Meanwhile, the official noted that Cambodia’s high vaccination rates have allowed the country to fully resume its socio-economic activities in all areas since November last year. According to the health ministry, the southeast Asian nation has so far administered at least one dose of COVID-19 vaccines to 14.39 million people, or 89.9 percent of its 16 million population. Of them, 13.8 million, or 86.3 percent, have been fully vaccinated with two required shots, 6.23 million, or 38.9 percent, have taken a third dose or booster shot, and 739,201, or 4.6 percent, have got a fourth dose, the ministry said. Xinhua

Source: <https://www.khmertimeskh.com/501027994/rce-p-bilateral-ftas-key-to-attract-investments-to-cambodia-in-post-pandemic-era/>

Tax revenues reaches \$288 million in January 2022



Cambodia News | 20 February, 2022

The General Department of Taxation (GDT) of the Ministry of Economy and Finance collected \$288.23 million in the first month of this year. The figure was released in a monthly meeting held under the chairmanship of its General Director H.E. Kong Vibol. The earned revenue accounts for 10.22 percent of the yearly plan, and saw an increase of 32.70

percent compared to January 2021, he pointed out. Kong Vibol highly appreciated tax officials at all levels for their active efforts in collecting revenue with good results, he said, adding that it is a success and achievement of the General Department of Taxation, despite the COVID-19 pandemic. Phal Sophanith – AKP

Source:<https://www.khmertimeskh.com/501028271/tax-revenues-reaches-288-million-in-january-2022/>

Laos-China Railway to operate additional train



Laos News | 21 February, 2022

The Laos-China Railway Company has announced it will operate a slower-speed train in addition to the two existing high-speed EMU trains to meet the growing needs of passengers. The additional train, which will run at a speed of 120 km an hour and have a capacity of more than 1,000 passengers, arrived in Vientiane on Friday. It is scheduled to start services next month, the Vice Engineer of the Laos-Chin Railway Company, Mr Vongthong Souphanthong, told the media on Friday. The Laos-China Railway began its services on December 3 last year, and its trains have carried 124,225 passengers as of February 13. On an average, 1,725 passengers take trips on the trains every day, with daily numbers reaching more than 2,800 passengers on peak days. The rail link has transported 157,568 tonnes of goods as of February 13, equivalent to an average of 2,188 tonnes a day, with a daily peak of 6,748 tonnes.

Since February 14, the company doubled rail trip, from one to two a day, from Monday to Thursday, so that two services are provided on each day of the week. To meet growing needs, the company plans to increase services on weekends as there are usually more passengers on Saturday and Sunday, Mr Vongthong said. “If this is still not sufficient, we will connect two existing EMU trains into one, and that can double the carrying capacity to 1,400 passengers per trip,” he said. These plans would be adequate to meet the demands for passenger services, Mr Vongthong said. To facilitate customers, the company has announced it will soon start selling tickets at its authorised office at the Vientiane Center – a shopping mall in the city centre – so that ticket sales are not limited to train stations. The company is setting up an online system for selling tickets, which is expected to become operational in the middle of this year. The move is also expected to address the issue of some people buying tickets and reselling them at an inflated price. Mr Vongthong said his company is working with the security forces to investigate this issue and those found guilty will be punished in accordance with relevant regulations. “If our staff is found to be involved, we will enforce discipline on the wrongdoer,” he said. He called on the public to inform officials if they notice any irregularities in this regard.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_Laochina_35_22.php

Myanmar exports 51 tonnes of silage corn to China



Myanmar News | 21 February, 2022

Myanmar has exported 51 tonnes of silage corn to China, according to the Chinese Embassy in Yangon on 18 February. The silage corns are legally permitted to export to China through the Chinshwehaw border checkpoint between Myanmar and China for the first time. The silage corn, exported to China, are cut and stored, without being dried first, to feed cattle. On 15 November, six Myanmar businessmen have completely registered to export silage corn to China in the Chinese's General Administration of Customs China (GACC). Besides, the Ministry of Agriculture, Livestock and Irrigation (Myanmar) and The General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China signed together with an SPS protocol agreement on 31 January to legally export Myanmar maize to China. Regarding the agreement, Myanmar maize can be legally exported to China through maritime route and border route. It will boost legitimate agricultural trade between the two countries and bring benefits to local maize farmers. SPS protocol is essential for the legal export of Myanmar's agricultural products to China, the main trading partner. Myanmar targeted to export around 2 million tonnes of corn in the 2021-22 financial year, said U Min Khaing, Chairman of the

Myanmar Corn Industrial Association (MCIA). Currently, Myanmar corns are exported to Thailand through the Myawady border, while the country is conveying corns to the Philippines, India, Viet Nam, Laos and Singapore through the sea route. In addition, corn prices are on the rise this year compared to the previous year. This year, the corn seeds fetched a good price of US\$840-860 per tonne while the FOB corn was priced at \$270-290 per tonne. Last 2020-2021FY, Myanmar exported around 2.3 million tonnes of corn to external countries, according to the association. Of 2.3 million tonnes, Thailand is the largest importing country of Myanmar corn, whereas the remaining corn was conveyed to China, India and Viet Nam. Myanmar is the second-largest exporter of corn among regional countries. At present, corn is cultivated in Shan, Kachin, Kayah and Kayin states and Mandalay, Sagaing and Magway regions. Myanmar has three corn seasons – cold season, summer and monsoon. The country yearly produces 2.5-3 million tonnes of corn. — NN/GNLM

Source: <https://www.gnlm.com.mm/myanmar-exports-51-tonnes-of-silage-corn-to-china/#article-title>

Computer, electronic product exports could soon reach 60 billion USD



Vietnam News | 19 February, 2022

Hanoi (VNS/VNA) - Exports of computers, electronic products and components hit 50.82 billion USD last year, putting it in second position in the group of key

export products. Statistics of the General Department of Customs showed that the export turnover of this group of goods grew 14.05 percent year-on-year, equivalent to an increase of 6.25 billion USD, accounting for over 15 percent of the total export turnover of goods of the country. This export result exceeded the forecast made by the Ministry of Industry and Trade in the third quarter of last year, when it said that computers, components and electronic products could reach about 50 billion USD, a year-on-year increase of 13.5 percent. As the transport of goods to major markets faces many difficulties, the export turnover of computers, electronic products and components still grew in most key markets. The US market is leading the import turnover of this group of goods from Vietnam, accounting for 25 percent of the export proportion. Exports to China reached nearly 11.1 billion USD, although only increasing by less than 1 percent, this still accounted for 21.83 percent of the total export turnover of the whole industry. The third largest market is Hong Kong, which grew by 50 percent, bringing turnover to 6.3 billion USD, the EU ranked fourth with 5.9 billion USD, up 2.59 percent, and the Republic of Korea ranked fifth, reaching 3.49 billion USD, up nearly 22 percent. Four other markets with export turnover from over 1 billion USD to approximately 2 billion USD, respectively, are the Netherlands with 1.8 billion USD, up 5.2 percent; Mexico with 1.35 billion USD, up 17.4 percent; Poland with 1.14 billion USD, up 14.9 percent and Slovakia with 1.04 billion USD, up 27.7 percent. In

addition, there are a series of markets with import turnover of nearly 1 billion USD, including Japan (996 million USD), Taiwan (938 million USD), Singapore (924 million USD), and India (828 million USD). The electronics industry grew strongly due to the demand for consumer goods for communication as well as means of work in the context of social distancing due to the impact of COVID-19 over the last two years. This industry has made good use of the opportunity to accelerate exports during the pandemic. The Ministry of Industry and Trade said that the production of computers and electronic components in Vietnam is mainly dominated by foreign companies, especially multinational companies. Although the number of foreign-invested enterprises (FDI) is only a third of the total number of electronic enterprises in Vietnam, the export proportion of these enterprises has accounted for more than 90 percent of total export turnover and covers 80 percent of domestic market demand from 2016 to 2021. In Vietnam, the electronics industry has enjoyed high export growth, thanks in large part to the presence of multinational technology groups leading global value chains and shifting orders out of China. The electronics manufacturing industry still has a positive outlook when the investment shift of transnational corporations opens up great opportunities for Vietnam. For example, LG has moved its entire production line to Hai Phong, Apple has moved iPad and MacBook production lines from China to Vietnam, and Panasonic has stopped producing washing machines and refrigerators in

Thailand to consolidate equipment assembly in Vietnam. With an increasingly important position in the global supply chain, Vietnam continues to be an important order address for large corporations and enterprises. Accordingly, the export turnover of computers, electronic products and components is forecast to continue to grow strongly this year and the export milestone of 60 billion USD is not out of reach./.

Source: <https://en.vietnamplus.vn/computer-electronic-product-exports-could-soon-reach-60-billion-usd/222319.vnp>

VN's economy to grow at 6.7 per cent in 2022: Standard Chartered



Vietnam News | 20 February, 2022

HÀ NỘI — Việt Nam's economy is predicted to bounce back strongly, growing at 6.7 per cent this year and 7.0 per cent in 2023, according to Standard Chartered Bank. The global economy, meanwhile, has been forecast to grow at a 4.4 per cent rate this year, said Edward Lee, chief economist for ASEAN and South Asia at Standard Chartered Bank, against the 5.8 per cent growth rate in 2021. High base effects, tighter monetary and fiscal policies, global supply-chain disruptions, and elevated inflation are expected to moderate the recovery momentum, following a strong bounce earlier in 2021 driven by initial vaccine rollouts and government stimuli were contributing factors. Việt Nam's economic recovery should kick into high gear by the end of the first quarter of 2022, gaining momentum for the rest of the

year as well as for the medium-term growth, said Tim Leelahaphan, economist for Vietnam and Thailand at Standard Chartered Bank. Leelahaphan said he expected the South East Asian country to remain a key part of the global supply chain as rising wages in China, US-China trade tensions have compelled companies to relocate their production centres out of China or to opt for a China+1 strategy. As this diversification process continues over the medium term, Việt Nam has a strong appeal to become an alternative manufacturing base. Ben Hung, CEO for Asia at Standard Chartered Bank added: "The future of sustainability and our journey towards net-zero require joint efforts and collective action." Việt Nam is an important market in Standard Chartered's Asia footprint and we are committed to investing in the country to help finance its sustainable development and secure greater economic prosperity. "We will continue to connect Việt Nam with the world and provide sustainable finance to areas where it matters most. And we believe that the Government's enhanced focus on greening the economy will offer businesses and investors increased confidence to invest more into Việt Nam's sustainability agenda for the long term." Michele Wee, CEO at Standard Chartered Bank Vietnam commented, "The Vietnamese economy is now on a recovery trajectory. In our market research, our clients have told us that Việt Nam holds tremendous potential for growth and investment attraction." The country is playing an increasingly important role in international

trade and the global supply chain. As a leading international bank in Việt Nam, we remain fully committed to supporting the country's strong, sustainable recovery and growth in 2022 and the years to come."The recovery process was discussed at a forum in Hà Nội last week organised by the bank and Ministry of Foreign Affairs as part of the bank's ongoing efforts to support the country's sustainable development process. In November, the bank teamed up with the Ministry of Planning and Investment and the Embassy of Việt Nam in the UK to organise a conference in the UK with the Prime Minister of Việt Nam on securing a prosperous and sustainable future through private investment. As part of this event, the bank exchanged MoU worth US\$8.5 billion with three Vietnamese businesses on projects to support their sustainability goals. Aspiring to become the world's most sustainable bank, it has set out its ambitious new targets to reach net-zero carbon emissions from its activities by 2050, including interim 2030 targets for the most carbon-intensive sectors. The bank also plans to mobilise \$300 billion for green and transition finance by 2030.

VNS

Source: <https://vietnamnews.vn/economy/1156427/vns-economy-to-grow-at-67-per-cent-in-2022-standard-chartered.html>
