

*Highlight News / March 16/2022*



- RCEP set to boost Cambodia exports by 9-18% yearly
- Full house: Cambodia records more than 250,000 tourists last week
- Govt eyes fuel price restructure to ease impact on the economy
- MoC facilitates daily imports of essential anti-COVID-19 equipment
- VinaCapital lowers Vietnam's estimated GDP rate to 6.5% this year
- Russia-Ukraine conflict represents a challenge for exporters



## RCEP set to boost Cambodia exports by 9-18% yearly



*Cambodia News | 15 March, 2022*

The Regional Comprehensive Economic Partnership will boost Cambodia's export by 9.4 percent to 18 percent yearly, contributing to up to 3 percent annual economic growth. Minister of Commerce Pan Sorasak made the remarks in a workshop on Comprehensive Economic Partnerships, Regional Consequences, Challenges and Future Economic Growth for East Asia and ASEAN on Monday. The latest study by the Economic Research Institute for ASEAN and East Asia (ERIA) shows that the Kingdom's export is expected an increase by at least 9.4 percent yearly under the RCEP agreement, he said. The figure was adjusted to the figures of 7.2 made in 2014 by the ERIA, he said. "Under the RCEP agreement, Cambodia will see a year's export growth at 9.4 percent to 18 percent, which will contribute to the national economic growth from 2 percent to 3.8 percent," Sorasak said. Signed on November 15, 2020, and entered into force on January 1, 2022, RCEP is a mega trade agreement between 10 ASEAN member states ( Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam) and its five major trade partners such as China, Japan, South Korea, Australia and New Zealand. RCEP covers approximately 30 percent of the world's population, accounts for about 30 percent of global gross domestic product, and represents some 28

percent of global trade. After it took effect, more than 90 percent of merchandise trade among members who approved the accord will eventually be subject to zero tariffs. The pact also creates other positive effects, including providing opportunities for redevelopment from the Covid-19 pandemic and post-pandemic structural evolution through job opportunities, investment promotion, and poverty reduction, Sorasak said. ERIA president Hidetoshi Nishimura said in the workshop that for ASEAN and East Asia, the Regional Comprehensive Economic Agreement is a trade agreement and a catalyst for regional economic recovery during and after the Covid-19 crisis. "The Regional Comprehensive Economic Agreement is expected to play an important role in regional integration and recovery in and after the Covid-19, as outlined in the ERIA RCEP book," Hidetoshi said. The Regional Comprehensive Economic Partnership, Consequences, Challenges and Future Economic Growth for East Asia and ASEAN aims to promote challenges, mechanisms, commitments and other technical aspects with discussions by national experts and international researchers on the relationship between the agreement and the regional-global trade model, with the participation of officials from inter-ministerial embassies, national and international institutions and the private sector.

Source : <https://www.khmertimeskh.com/501041189/rcep-set-to-boost-cambodia-exports-by-9-18-yearly/>

## Full house: Cambodia records more than 250,000 tourists last week



*Cambodia News / 15 March, 2022*

The tourism sector seems to begin to get back in full swing despite the Omicron spread in Cambodia, with the Ministry of Tourism recorded an increase of tourists on the second weekend of March. On March 14, Minister of Tourism, Thong Khon, said that on the second weekend of March, a total of 253,876 tourists were recorded, including 11,688 foreign tourists. The number of foreign tourists has remained fairly stagnant, with only the number of national tourists increasing. The number of national tourists on the first weekend was 188,338 compared to the 242,188 national tourists recorded last weekend. The province that received the greatest number of tourists was Preah Sihanouk with 37,110 tourists recorded; Pursat came in second with 28,724; Phnom Penh recorded 28,419 tourists; Siem Reap recorded 27,543 tourists; Battambang recorded 23,990 tourists; Kampot recorded 26,136 visitors; Kampong Speu recorded 12,509 tourists and Kep recorded 11,443 tourists. Minister Khon said that the flow of tourists last weekend has increased remarkably. The number recorded is 27.30 percent higher than the number of tourists recorded during the first weekend of March. The Minister said that the number of visitors is beginning to return to the pre-Omicron numbers. The momentum of tourists is expected to continue to grow with Cambodia beginning to get a handle on the Omicron spread.

Source : <https://www.khmertimeskh.com/501041576/full-house-cambodia-records-more-than-250000-tourists-last-week/>

## Govt eyes fuel price restructure to ease impact on the economy



*Laos News / 16 March, 2022*

Government bodies have been told to revise the price structure of fuel to minimise the impacts on the economy as well as ease the financial burden on ordinary people. Minister and Head of the Prime Minister's Office, Mr Alounxay Sounnalath, outlined the results of the government's monthly meeting held in Vientiane last week, chaired by Prime Minister Phankham Viphavanh. "The government acknowledges that the price of petrol is too high. The government may collect more revenue than expected from taxes and fees charged in the import and distribution of fuel, but the surge in the global oil price is severely impacting Lao consumers," Mr Alounxay said. With taxes and fees accounting for 31-46 percent of the oil price charged in Laos, it has become essential to review the price structure of fuel and encourage the use of electric vehicles in line with a resolution passed at last month's Cabinet meeting. Regulating the price of fuel is part of the government's national agenda to address economic and financial difficulties. The government is attempting to boost productivity and minimise imports, bolster revenue collection, create conditions conducive to more private investment, and reduce its debts. Since the introduction of the

national agenda last year, the investment climate has improved, Mr Alounxay told a press conference last week. “The procedures involved and the length of time it takes to approve a business licence has dropped from 173 to 17 days,” he said. “The government is attempting to address the problems facing Lao exporters and further promote commercial production.” The government has been concentrating on 33 iron ore mining projects, which have generated US\$46.6 million for the national budget. In addition, the government has focused on the development of infrastructure such as the new railway and expressway, to connect Laos with the rest of the region. Over the past year, the government has introduced an electronic system to modernise revenue collection and close loopholes to prevent financial leaks. The government has earned 45 billion kip from tariffs and 85 billion kip from taxes paid by the owners of unlawful vehicles. In addition, more income has been generated following the revision of service fees at the Second Lao-Thai Friendship Bridge, which links Savannakhet province to Mukdahan province in Thailand. The financial liquidity of the Lao Development Bank and Agricultural Promotion Bank has improved after private companies bought shares in the two banks. The banks’ business operations are now moving towards profitability after operating at a loss for many years. The government is working to help small and medium enterprises (SMEs) gain access to funding. As of the end of 2021, the number of loans given to SMEs represented 14.6 percent of all credit provided

by commercial banks. As of January this year, loans issued to the agriculture sector comprised 8 percent of the total.

Source : [https://www.vientianetimes.org.la/freeContent/FreeContenten\\_Govt\\_52\\_22.php](https://www.vientianetimes.org.la/freeContent/FreeContenten_Govt_52_22.php)

## MoC facilitates daily imports of essential anti-COVID-19 equipment



Myanmar News | 15 March, 2022

The Ministry of Commerce is overseeing the importation of essential medical supplies plus anti-COVID devices that are critical to the COVID-19 prevention, control and treatment activities, through trading posts, international airports and seaports. Two vehicles carrying 16 tonnes of masks were imported by one company via the Chinshwehaw trading post yesterday. Officials from relevant departments are cooperating to facilitate and expedite the standard operating procedures for the import process. It is reported that the Ministry of Commerce is coordinating with relevant departments and treatment of COVID-19 as well as contact persons for inquiries can be reached through the Ministry’s Website — [www.commerce.gov.mm](http://www.commerce.gov.mm). — MNA

Source : <https://www.gnlm.com.mm/moc-facilitates-daily-imports-of-essential-anti-covid-19-equipment-8/#article-title>

## VinaCapital lowers Vietnam’s estimated GDP rate to 6.5% this year



Vietnam News | 15 March, 2022

VinaCapital, one of Vietnam's most experienced asset management companies, has forecast that the country's GDP growth rate this year is likely to expand by 6.5%, or 1% lower than its previous forecast. Michael Kokalan, chief economist of VinaCapital, stated in a recently-issued report that the ongoing armed conflict between Russia and Ukraine has created shock waves in international financial markets, putting pressure on commodity prices. However, the conflict has had a negligible impact on the Vietnamese economy. In his opinion, direct economic relations between Vietnam and Russia remain relatively small, with two-way trade between both countries reaching approximately US\$3.2 billion last year, accounting for under 1% of total Vietnamese import and export turnover. Less than 4% of Russian tourists came to Vietnam during the pre-COVID-19 period. Though Vietnam produces significant amounts of oil, natural gas, and coal, it remains a net importer. Given high energy prices, people's spending will also shift from consumer goods to petroleum, a move that will consequently slow down the country's GDP growth this year, emphasised the chief economist. The most significant immediate risk is, according to the economist, that rising oil and commodity prices could increase Vietnamese inflation by 1 - 2%. The expert forecast that petrol prices could increase by 30% in Vietnam over the coming months, a factor that could cause inflation to rise by 1.5%. Petrol prices account for 3.6% of Vietnamese consumer price index (CPI) basket, with rising petrol prices indirectly impacting the national economy, thereby pushing up inflation, Kokalan explained. In addition, he said there could be a sudden

increase in the value of the US dollar that would cause the Vietnamese currency (VND) to depreciate by 1 - 2% against US\$. Furthermore, concerns regarding the expulsion of Russia from the SWIFT system have severely hampered the liquidity of US\$ in foreign markets, causing it to appreciate in value, he analysed.

Source : <https://vietnamnet.vn/en/business/vinacapital-lowers-vietnam-s-estimated-gdp-rate-to-6-5-this-year-822837.html>

## Russia-Ukraine conflict represents a challenge for exporters



*Vietnam News | 15 March, 2022*

HA NOI — There are going to be both ups and downs for Vietnamese exporters as the Russia-Ukraine conflict intensifies, said industry experts and policymakers. Economist Nguyễn Trí Hiếu said Russia's demand for Vietnamese products, especially agricultural products, seafood and electronics will likely see a sharp rise as supply from elsewhere suffers from disruptions caused by the ongoing conflict. Even if Vietnamese exporters stop sending their goods to Russia there are alternative markets to help absorb the damage as the Southeast Asian country signed a number of important trade agreements in recent years including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the European Union-Viet Nam Free Trade Agreement (EVFTA). "This is a good time for us to put a concrete effort in improving product quality, safety standards

and conform with international norms and regulations to find ways into new markets," Hiếu said. The conflict, however, will hurt a number of Vietnamese exporters in the short term, especially those who view Russia and Ukraine as their major markets. Đoàn Hoàng Chiển, director of Kiên Cường Seafood, one of Việt Nam's largest seafood exporters to Russia, said his firm has stopped all shipments to Russia since the country was cut off from the Society for Worldwide Interbank Financial Telecommunication (SWIFT), citing numerous difficulties in processing and receiving payments from Russian customers. Chiển said it has been a huge blow as Russia accounts for more than 30 per cent of Kiên Cường's business. Fortunately, he said, all shipments delivered prior to the Tết Holiday (starting February 1) were paid and finished. Sài Gòn Tâm Tâm JSC was another seafood and agricultural product exporter that has to stop doing business with Russia and Ukraine. Phạm Quốc Bình, deputy-director of Sài Gòn Tâm Tâm, said the firm was forced to send all shipments to storage as shipping companies refused to make deliveries. Bình said his firm has not been able to find other buyers. Trương Đình Hòa, general secretary of the Vietnam Association of Seafood Exporters and Producers (VASEP), said the conflict is unlikely to hurt the country's seafood export in the long term as both Russia and Ukraine are minor markets of Vietnamese

seafood products. VASEP, however, said it has always considered the two markets to have a lot of potential for growth and so far around 50 Vietnamese seafood firms have reported they suffered losses due to the conflict. The firms have been working closely with Russian and Ukrainian buyers on terms of payments for shipments that have been delivered. Meanwhile, they were forced to store undelivered shipments and recalled in-transit shipments. In the meantime, the Ministry of Industry and Trade has issued a warning to all Vietnamese exporters regarding delays in customs clearance and payment due to the conflict. Two-way trade between Việt Nam and Russia reached US\$7.1 billion in 2021. While a 26 per cent increase year-on-year, it only accounted for less than 1 per cent of Việt Nam's import/export. Ukraine, in comparison, was even smaller at just \$720 million. The pain, however, will come from indirect consequences of the conflict, said businesses. Chiển said shipping cost, already at a record-high level, will likely climb even further as global oil price surges, cutting deep into exporters' profit. He said extremely high shipping costs were a huge problem for Vietnamese exporters last year and has not been resolved. In addition, weaker demand due to slower recovery post-pandemic, uncertainties of the future and a rise in input materials will all further complicate and inflate costs for businesses. — VNS

Source : <https://en.nhandan.vn/business/economy/item/11042402-expert-highlights-three-factors-helping-vietnam-secure-fdi-inflows.html>

---