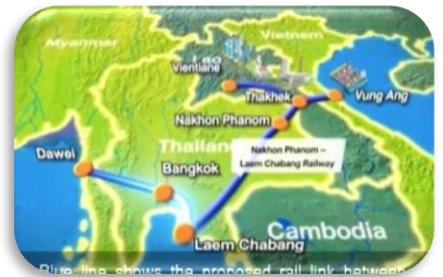


*Highlight News / March 17/2022*



- Tax collection rises 22% to \$512 million in two months
- Cambodia, Singapore to further boost bilateral trade
- Work on Vientiane-Vung Ang railway expected to start in November
- Chickpea prices rise to double this year
- Russia-Ukraine conflict forces Vietnam to look for alternative fertiliser suppliers
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## Tax collection rises 22% to \$512 million in two months



*Cambodia News | 16 March, 2022*

The General Department of Taxation collected KHR 2,074.66 billion (around \$512 million) in taxes for the first two months of 2022, increasing 22.69 percent compared to the same period in the previous year. In February 2022, revenue from five main types of taxes continued to increase significantly compared to February 2021. The income tax registered an increase of 14.18 percent, or KHR 23.61 billion, to KHR 190.15 billion in two months. The value-added tax rose to KHR 252.78 billion (an increase of KHR 13.23 billion riels or 5.52 percent), special tax up at KHR 105.67 billion (an increase of KHR 15.50 billion or 17.19 percent), payroll tax was at KHR 98.42 billion (an increase of KHR 18.51 billion or 23.17 percent), and duty on real estate transfer at 63.23 billion riels (an increase of KHR 9.18 billion or 16.98 percent). Kong Vibol, Director General of the General Department of Taxation, reminded the companies about tax compliance. He said, "A small number of enterprises did not register properly under the Tax Evasion Scheme. Fraudulent contracts and bills aimed at reducing taxes may be the target of criminal investigations and in some cases, money laundering." Hong Vannak, an economic researcher at the Royal Academy of Cambodia told Khmer Times that the tax sector plays a vital role in raising the national budget for current expenditures. "As we

have seen, tax collection has been increasing year by year. During the Covid-19 crisis, there was a slight slowdown in tax collection in 2020. But this year, the tax collection is increasing considerably." He said that the increase in tax collection is due to the reforms in the tax sector, especially in real estate, annual tax, stamp duty and tax collection on various dealers.

Source : <https://www.khmertimeskh.com/501042010/tax-collection-rises-22-to-512-million-in-two-months/>

## Cambodia, Singapore to further boost bilateral trade



*Cambodia News | 16 March, 2022*

Both countries are exchanging views on post-Covid-19 crisis recovery efforts and the progress of Asean's response to the Covid-19 crisis; review and approval of the recommendations of the 41st Meeting of the High-Level Working Group on Asean Economic Integration to the 28th Asean Economic Ministers' Meeting Cambodia and Singapore have reaffirmed their commitment to continue strengthening cooperation on trade and investment. Commerce Minister Pan Sorasak held a videoconference with Singapore's Trade and Industry Minister Gan Kim Yong on Monday. The meeting focused on strengthening Cambodia-Singapore trade relations and, in particular, Cambodia's readiness to organise and chair the 28th AEM Retreat, which will take place on Wednesday and Thursday. According to a press release from the

Ministry of Commerce, the two ministers exchanged preliminary views on a number of issues to be discussed at the meeting, including monitoring the follow-up work in line with the outcome of the 38th and 39th Asean summits. Both countries are exchanging views on post-Covid-19 crisis recovery efforts and the progress of Asean's response to the Covid-19 crisis; review and approval of the recommendations of the 41st Meeting of the High-Level Working Group on Asean Economic Integration to the 28th Asean Economic Ministers' Meeting. There are also preparations for the approval of relevant documents to officially announce the opening of negotiations on the improvement of trade agreements discussion on Asean strategies to enhance better relations with Asean partners, especially to expedite the timely completion of the Asean-Australia-New Zealand Free Trade Area upgrades; and Asean Leaders' Statement on Strengthening Asean Digital Transformation. The bilateral trade between Cambodia and Singapore reached \$4.2 billion last year. Singapore's investments in Cambodia reached \$1.29 billion between 1994 and 2020. Singapore will buy more of its agricultural exports from Cambodia, including Kampot pepper, palm sugar, mangoes and milled rice. Cambodia's imports from Singapore include oil, machinery, food and beverages, paper, precious stones and electronic equipment.

Source : <https://www.khmertimeskh.com/501042016/cambodia-singapore-to-further-boost-bilateral-trade/>

## Work on Vientiane-Vung Ang railway expected to start in November



*Laos News | 17 March, 2022*

Construction of a railway linking Vientiane with the Vung Ang seaport in Vietnam's central Ha Tinh province is expected to begin in November, an investor involved in the project has said. The railway, estimated to cost US\$5 billion, is a proposed line that the Lao and Vietnamese governments have agreed to jointly develop. It would enable landlocked Laos to access the deep seaport - the closest feasible seaport to Vientiane. A feasibility study on the 554km railway has been completed, Chairman of the Board of Directors of Petroleum Trading Lao Public Company (PetroTrade), Mr Chanthone Sittthixay, told the President of the National Assembly, Dr Xaysomphone Phomvihane, recently. The railway is part of the Lao Logistics Link project that PetroTrade - a subsidiary company of PTL Holding Company Limited - was given the green light to partner with the Lao and Vietnamese governments to develop. The Lao developer is about to submit the results of a feasibility study on the section of railway that passes through Laos to the Ministry of Public Works and Transport for approval. Meanwhile, a Vietnamese state enterprise has been hired to carry out a feasibility study on the section of the railway in Vietnam. The study is expected to be complete in June and will then be submitted to Vietnam's National Assembly for approval in the middle of this year. Previously, a feasibility study on the proposed

railway was conducted by the Korea International Cooperation Agency (KOICA), which found the project to be viable. Mr Chanthone, who is Vice President of the Lao National Chamber of Commerce and Industry, said his company spent millions of dollars on a further feasibility study on a different route based on site surveys. The findings of the study conducted by KOICA were also taken into calculation. He added that the Vietnamese government has recommended the FLC Group, one of Vietnam's top 10 largest enterprises and operator of Bamboo Airways, to partner with Laos in bringing the rail project to fruition. In this regard, the Lao and Vietnamese enterprises are expected to sign a joint venture deal by the end of this month during a planned visit to Laos by Vietnam's Minister of Planning and Investment. A concession agreement on the project is expected to be signed next month. Initially, the developer hopes to construct the section of the planned railway linking Mahaxay district in Khammuan province to the seaport. If the preparations go to plan, "A groundbreaking ceremony to kick off construction will take place in November," Mr Chanthone told the NA president. "If there are no problems on Vietnam's part, it will take two and a half years to complete construction of the railway from Mahaxay to Vung Ang Port." Dr Xaysomphone was briefed on the project during a working tour to the Thanaleng Dry Port and Vientiane Logistics Park in Vientiane, which is also part of the Lao Logistics Link. The railway will directly connect the cargo markets of Thailand and Myanmar with the

Vung Ang Port, in which Laos holds the larger share. The Vietnamese government has agreed that Laos can hold a 60 percent stake in the port. The Lao-Vietnam Vung Ang Port State Enterprise, a joint venture in which the Lao government holds a 51 percent stake and PetroTrade holds 49 percent, expects to assume management of the port in July. The port is well positioned to serve as a gateway between central Vietnam, central Laos, and northeastern Thailand. Shipping cargo through the port including from Thailand's Issan region to larger Asian markets such as China, the Republic of Korea, Japan and Hong Kong is a cost-effective option. Meanwhile, incoming cargo destined for Southeast Asian markets will also enjoy more efficient handling. The railway is also set to link with the Laos-China Railway and onwards to the interconnected rail network that could reach European markets.

Source : [https://www.vientianetimes.org.la/freeContent/FreeContent\\_Work53.php](https://www.vientianetimes.org.la/freeContent/FreeContent_Work53.php)

## Chickpea prices rise to double this year



*Myanmar News / 16 March, 2022*

The prices of chickpea soared nearly double on the back of strong domestic consumption, Mandalay traders stated. The prevailing prices of chickpea touched a high of K132,000 per three-basket bag whereas it fetched around K80,000 per bag, according to the Soe Win Myint depot. The majority of Myanmar people prefer chickpea for its nutrients and rich taste. Chickpea curry is one of the dishes in

the food donation as well. The high demand for chickpea in the domestic market prompts all the mills in Mandalay to run, creating job opportunities for the residents. Additionally, those merchants are filling the inventory although they need to put large capital in it. The buyers from India are also purchasing them. The yield is pretty high this year due to good weather and the peas are free from pests, he elaborated. Myanmar exported chickpeas to India, Pakistan, the UAE, Turkey and other foreign markets last year. The chickpeas are cultivated in Yangon, Mandalay, Bago, Sagaing and Ayeyawady regions and Nay Pyi Taw. There are 890,000 acres of chickpeas across the country. The peas are cultivated in October and November and they can be harvested in the January-April period. — KK/GNLM

Source : <https://www.gnlnm.com.mm/chickpea-prices-rise-to-double-this-year/>

## Russia-Ukraine conflict forces Vietnam to look for alternative fertiliser suppliers



*Vietnam News / 16 March, 2022*

Hanoi - The Russia-Ukraine conflict is forcing Vietnam to look for alternative suppliers of fertilisers to cope with the shortage of supply and rising prices. According to the Ministry of Agriculture and Rural Development (MARD), the Russia-Ukraine conflict is badly affecting the fertiliser market, which had already been suffering supply shortage and price increase from the prolonged COVID-19 pandemic as the supply chain was disrupted. Russia was one of

the world's major low-cost fertiliser exporters, ranking first in urea, NPK, among nitrate export, third in potash and fourth in phosphate. Late last week, Russia's trade and industry ministry recommended that the country's fertiliser producers temporarily halt exports in a move that threatened to shock the global market. China, a significant fertiliser exporter, tightened the export of 29 types of plant nutrition from mid-October last year to cope with the domestic shortage. Domestic fertiliser prices set a new high in the past 50 years. According to the ministry, fertiliser prices rose by more than 20 percent in recent months. The soaring prices of oil and gas, which accounted for a significant part of production cost, also pushed up fertiliser prices. The storm of fertiliser prices was forecast to continue when these export restrictions were still in place, causing a severe shortage of fertilisers, including potash and DAP. Vinacam Group Joint Stock Company, one of Vietnam's leading fertiliser importers, said that quotations of urea at 540-560 USD per tonne were all cancelled. Suppliers from Egypt increased quotation prices by 140 USD to 730 USD per tonne. This meant that in the short term, urea might climb to around 800-1,000 USD per tonne in April if the oil price reaches 150 USD per barrel. DAP was forecast to reach 950 USD per tonne in April and hit 1,200-1,500 USD soon. Vinacam predicted that the domestic market would see a severe shortage of DAP in the second quarter, and its price could soar to 25 million VND per tonne. Urea could return to the record of 18 million VND per tonne set in 2021. For

potash, Vietnam relied entirely on imports. Vinacam said that potash price might soon hit 15-20 million VND per tonne and set a new high of around 24-25 million VND. The skyrocketing prices of fertilisers are pushing farmers into a cost crisis, threatening to push up food prices. Fertilisers accounted for around 40-60 percent of the input cost of agricultural production. Worse, fertiliser prices soured when the summer-autumn crop was coming in April and May. The ministry pointed out that Vietnam uses around 10 million tonnes of fertilisers each year. Last year, the country consumed 10.7 million tonnes, up by 4.67 percent over 2020, the ministry pointed out, forecasting the domestic demand for fertilisers was stable this year. Domestic producers could supply major fertiliser products like phosphate, urea and NPK to meet the domestic demand. Domestic DAP production could meet around 60 percent of demand while potash and SA fertilisers were entirely dependent on imports. The Plant Protection Department said that it would keep a close watch on the global and domestic fertiliser market to timely raise measures to ensure agricultural production, urging import companies to look for alternative fertiliser suppliers, especially potash. The MARD urged the Ministry of Industry and Trade to consider lifting the imposition of trade defence measures on imported DAP and MAP while enhancing market inspections to prevent speculation and fake and low-quality fertiliser. The MARD said it was also necessary to review tax policies on fertilisers. It also said that farmers should increase the application of

new farming techniques to reduce chemical fertilisers and replace them with organic fertilisers. The ministry's statistics showed that Vietnam must import around 2.7-3.5 million tonnes of fertilisers each year, of which potash accounted for 25-28 percent and SA 25-31 percent. The fertiliser import from Russia made up around 130,000-380,000 tonnes, accounting for 3-9.5 percent of Vietnam's fertiliser imports, mainly potash, NPK and DAP. Last year, Vietnam imported more than 5.1 million tonnes, 31.1 percent of which was SA, and 25.3 percent was potash. Potash was imported from 30 markets. Vietnam imported 320,000 tonnes of fertilisers from Russia in 2021, mostly potash with 195,000 tonnes, accounting for more than 15 percent of potash import. In the first two months of this year, Vietnam imported more than 706,000 tonnes, 73,800 tonnes of which came from Russia worth 40 million USD. Potash import from Russia accounted for 18 percent of the country's potash import in the period.

Source : <https://vir.com.vn/russia-ukraine-conflict-forces-vietnam-to-look-for-alternative-fertiliser-suppliers-91979.html>

## UKVFTA boosts bilateral trade



*Vietnam News | 16 March, 2022*

HÀ NỘI — The UK-ViỆt Nam free trade agreement (UKVFTA) is like a two-lane freeway that helps balance the direction of bilateral trade, according to Deputy Minister of Industry and Trade (MoIT) Trần Quốc Khánh at a seminar on Tuesday. Khánh said although UKVFTA took effect at a time when the

pandemic was ravaging the two countries, bilateral trade still hit US\$6.6 billion, up 17 per cent compared to 2020. Vietnamese exports to the UK grew by over 16 per cent, with an increase of 24 per cent in the other direction. Notably, 48 UK direct investment projects in Việt Nam were approved in 2021, with total registered capital of \$53 million, up 157 per cent year-on-year. He admitted that room for bilateral trade growth is still ample, thanks to the FTA. “The agreement will open up more opportunities for the two countries to cement cooperation and rely on each other’s strength, adding more value to bilateral trade,” said the deputy minister. Graham Stuart, UK Prime Minister’s trade envoy to Việt Nam, Cambodia and Laos, underlined the agreement as the leading pillar of the joint commitment to deepen bilateral trade relationships. He revealed that the UK had recently secured a UK-linked offshore wind development project in Việt Nam. Once completed, the wind farm would generate enough electricity for 1.6 million homes. The UK is also supporting MoIT in building a national trade model to help Việt Nam comply with ASEAN commitments and improve ease of doing business and trade. Additionally, an English guidebook has been released to explain the FTA to any UK business looking to expand its trade to the country. Lương Hoàng Thái, director of Multilateral Trade Policy Department under MoIT, said that in the past, the UK had to support Việt Nam’s exports

through a Generalised Scheme of Preferences. Now, the UKVFTA is a mutual agreement bringing bilateral trade to the next level. Notably, Việt Nam exports to the UK hit \$5.7 billion in 2021, whereas the UK exports to Việt Nam grew 23.6 per cent in the same year. He also said that the UK has been assisting Việt Nam in developing an ASEAN-standard commercial portal on which information related to FTAs could be uploaded. The director also said there was still plenty of room for trade growth since several industries haven’t made the most out of UKVFTA, including rice and seafood. “In the short-term, both sides are going to hold the first meeting to review the one-year implementation of UKVFTA and propose amendments to the agreement if necessary,” the director added. Đinh Cao Khuê, vice president of Vietnam Fruit and Vegetable Association, said that Vietnamese fruit and vegetable firms had prepared themselves for trade integration for many years. Notably, they have developed growing regions, invested in cutting-edge machines, and trained farmers to expand their trade footprint in the UK market. Thanks to the efforts, Vietnamese agricultural exports to the UK grew by 67 per cent in one year after UKVFTA came into force. Director of the Center for WTO and International Trade Nguyễn Thu Trang said the UKVFTA was better than other FTAs in that it provided a five-month preparation window for

Vietnamese firms to adapt to the new trade rules. Additionally, Việt Nam normally faced trade competition from its partners under other FTAs, but such competition was absent under the UKVFTA due to the nature of Vietnamese and UK exports. "The UK and Việt Nam are not competing against each other in any industry. In contrast, they commercially complement each other. For example, Việt Nam needs pharmaceutical products, and the UK has an advanced pharmaceutical industry. Việt Nam exports textile, and the UK exports raw materials for textiles," the director said. Christopher Jeffery, chairman of the British Chamber of Commerce Vietnam, said that the chamber had been hearing considerable interest from UK firms wanting to invest and do business in Việt Nam. He said the bilateral cooperation would include finance, renewable energy, education, high-tech, fintech and many other fields. It is also worth noting that Standard Chartered Bank is working with financially supporting Vietnamese firms. Nguyễn Khánh Ngọc, deputy director of the European-American Market Department, said that the Ukraine-Russian conflict had driven the UK to redirect many investments to other countries. Such redirection of capital flows will open up more trade and investments opportunities to Vietnamese firms in the future. The signing of the UKVFTA took place on December 29, 2020, in London, with both countries temporarily applying the

agreement from January 1, 2021. It officially came into force on May 1, 2021, after each side completed domestic approval. — VNS

Source : <https://vietnamnews.vn/economy/1165295/ukvfta-boosts-bilateral-trade.html>

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