

Highlight News / April 26, 2022



- Cambodia, Vietnam eye \$10 billion bilateral trade in 2022
- Rosy prospects ahead for economic ties between China, other RCEP members
- Revamp of EDL seen as part of economic revival
- Seintalone mango varieties receive handsome price on low yield
- Vietnam forecast to achieve GDP growth of 6% this year: IMF
- Steel industry posts trade deficit of US\$ 800 million in first quarter



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Cambodia, Vietnam eye \$10 billion bilateral trade in 2022



Cambodia News | 25 April , 2022

Cambodia's Ministry of Commerce and Vietnam's Ministry of Industry and Trade talked about boosting trade activities, pledging to push the bilateral trade volume to \$10 billion by this year. The meeting, co-chaired by Cambodian secretary of state of the Ministry of Commerce Sok Sopheak and Tran Quoc Khanh, deputy minister of Industry and Trade, was held virtually on April 22. In the meeting, both sides discussed resolving the Extended Cumulation of Rule of Origin for bicycle products for export to the EU, cashew nut and sugar exports to Vietnam and establishing a framework for strengthening bilateral cooperation between the two countries. "The two sides exchanged views on finding a solution to the Extended Cumulation Rule for the production of bicycles that Cambodia exports to the EU after the Vietnam-EU Free Trade Agreement came into force in 2020 which regulation of the European Union requires the Cambodian-Vietnamese side to complete the necessary procedures to obtain Extended Cumulation rule," the ministry's statement said. "For the discussion on the issue of exporting cashew nuts and sugar from Cambodia to Vietnam, which has some technical obstacles, the two sides are committed to continue to work together to resolve the issues with high attention," the statement read. Although there are some trade issues between Cambodia and Vietnam, the trade volume between

the two countries has increased steadily. In 2021, the Cambodia-Vietnam joint trade volume reached nearly \$9 billion. For 2022, the two sides are committed to increasing trade volume to \$10 billion. In the first quarter of this year, the bilateral trade between Cambodia and Vietnam amounted to \$1.7 billion. Cambodia exported \$758 million worth of goods to Vietnam, a 3.9 percent increase while imported \$963 million, a 22.7 percent increase.

Source: <https://www.khmertimeskh.com/501063033/cambodia-vietnam-eye-10-billion-bilateral-trade-in-2022/>

Rosy prospects ahead for economic ties between China, other RCEP members



Cambodia News | 25 April , 2022

Xinhua – The Regional Comprehensive Economic Partnership (RCEP) that took effect some 100 days ago has strengthened the trade network between China and other member countries, quickening the pace of regional economic integration. The landmark RCEP is the world's largest free trade deal to date, featuring beneficial cooperation. It has injected strong impetus into the Asia-Pacific region, becoming a new driving force for the world economy, experts said at the Boao Forum for Asia Annual Conference 2022. The RCEP deal, covering 10 members of the Association of Southeast Asian Nations (ASEAN) and China, Japan, the Republic of Korea, Australia, and New Zealand, will eventually subject more than 90 percent of merchandise trade in the region to zero tariffs. China's trade with the

other 14 members states expanded 6.9 percent year on year to 2.86 trillion yuan (about 442.75 billion U.S. dollars) in the first quarter of 2022, accounting for 30.4 percent of the total, data from the General Administration of Customs showed. Zheng Zuguo, manager of a liquid-crystal display manufacturer in south China's Guangxi Zhuang Autonomous Region, said the implementation of the RCEP in Malaysia can help the company reduce millions of yuan in tariffs for its products each year. "Orders from Malaysia have risen about 20 percent year on year so far this year," Zheng said. Besides the direct "dividends" such as tariff reduction, the RCEP has also optimized trade rules among signatories, streamlined procedures to facilitate cross-border logistics and promote wider opening-up in the services-trade sector. With rules covering trade, investment and circulation facilitation, the RCEP will bring positive changes to the Asia-Pacific region and the global economy, said Shamshad Akhtar, under secretary general of the United Nations Economic and Social Commission for Asia and the Pacific, at the forum. Comprehensive and high-level plurilateral e-commerce rules have also taken shape in the Asia-Pacific region after the RCEP took effect.

Source:<https://www.khmertimeskh.com/501063032/rosy-prospects-ahead-for-economic-ties-between-china-other-rcep-members/>

EDL seen as part of economic revival



Laos News | 26 April, 2022

The government has formed a committee to overhaul the operations of Electricite du Laos (EDL) as part of its efforts to strengthen business operations across all state enterprises. The committee will suggest measures that will enable EDL to earn more revenue and pay off the debts it has accumulated. The new committee was established under a Prime Ministerial Decision, with Deputy Minister of Finance Mr Phouthanouphet Xaysombath appointed as Head of the Committee. Deputy Minister of Energy and Mines Mr Thongphath Inthavong has been appointed Deputy Head, while senior officials from other relevant bodies including EDL's Managing Director Mr Chanthaboun Soukaloun are also on the committee. A ceremony to announce the new committee was attended by Minister of Energy and Mines Dr Daovong Phonekeo, Minister of Finance, Mr Bounchom Oubonpaseuth and other senior officials. Dr Daovong said EDL, as a key state enterprise, plays a significant role in the national economy. Reform of the enterprise is essential to enable the enterprise to fulfil its duties and respond to the needs of local people. The reform of EDL is taking place after the government witnessed a large number of state enterprises performing poorly, making huge losses and creating massive public debt. National Assembly members have pushed for further reform of state enterprises in Laos after

learning that state enterprises in China and Vietnam have become the engines driving success for their countries, while in Laos they continue to make losses. The minister said the overhaul of EDL aims to prevent the loss of assets, create conditions that are conducive to strong business performance and comply with the rules of a market-based economy, and reduce the number of subsidies granted to certain individuals and groups. Dr Daovong said the Ministry of Energy and Mines and EDL must strongly participate in the reform process to ensure that the enterprise generates more income to repay its debts. The minister said he believed that the dedication and contributions of the reform committee would help to strengthen EDL's operations and contribute significantly to the country's socio-economic development. He called on the sectors responsible to join forces to overcome the difficulties and challenges facing the nation. In February this year, EDL announced its intention to significantly reduce expenditure in 2022 compared to 2021 in a bid to support government efforts to tackle economic and financial difficulties and stabilise macroeconomic growth. Addressing the company's annual meeting at its headquarters in Vientiane recently, Mr Chanthaboun said EDL had faced a number of challenges in recent years but was preparing to make sweeping changes to improve performance.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent78_Revamp.php

Seintalone mango varieties receive handsome price on low yield



Myanmar News | 26 April, 2022

SEINTALONE mango varieties fetched a high price in the domestic market during the early season as border trade to China is still suspended, U Kyaw Soe Naing, secretary of the Myanmar Mango Market and Technology Development Association (Mandalay). Prevailing prices of Seintalone mangoes are K33,000-K35,000 per 16-kilogramme basket, which contains 50-60 packed mangoes in protection bags. If mango quality is poor due to dropping and the absence of protective bags, it fetches only K300,000-K500,000 per tonne. "On 18 April, a strong wind (25-30 miles per hour) affected the surrounding areas near Mandalay city, resulting in dropping in mango farms. This year, the yield is likely to drop by 30 per cent compared to last year due to strong wind and pest impact. China's border remains shut down, so we must rely on the domestic market only according to the current market condition," he elaborated. Ko Than from Madaya Township, a mango farm owner, stressed that a strong wind dealt a massive blow to my farms, damaging about a half of the yield on two farms out of three farms. We started to send Seintalone to the Yangon market. The mangoes in protection bags are offered at a minimum of K30,000 and a maximum of K35,000 per basket. The prices of protection bags increased from K27 to K47 per bag this year. Some farm owners cannot bear the cost burden and make outright

mango purchases. — Min Htet Aung (Mandalay Sub-Printing House)/GNLM

Source: <https://www.gnln.com.mm/26-april-2022/#article-title>

Vietnam forecast to achieve GDP growth of 6% this year: IMF



Vietnam News | 25 April, 2022

A strategic shift towards living-with-Covid prompted by policy support and an impressive vaccination rollout will help Vietnam achieve GDP growth of 6% in 2022 and then accelerate. The International Monetary Fund (IMF) gave the forecast following discussions for the 2022 Article IV consultation with Vietnam during April 4-20. During the consultation, the IMF's team, led by its Division Chief in the Asia and Pacific Department Era Dabla-Norris, has exchanged views with senior officials of the State Bank of Vietnam (SBV), the Ministry of Finance (MOF), the Ministry of Planning and Investment (MPI), the Central Economic Commission (CEC), the National Assembly, and other government agencies. It also met with representatives from the private sector, think tanks, academics, and other stakeholders. According to Dabla-Norris, the conflict in Ukraine is expected to have a moderate impact on the pace of recovery and inflation. Despite rising commodity prices, inflation has been contained and is expected to remain below the government's 4% target, partly reflecting the remaining economic slack. This year, IMF predicted Vietnam's inflation to edge up to 3.9%. Meanwhile, IMF's report noted the

recovery has been so far uneven, with the service sector still lagging, while financial risks and inequality have likely risen. "The outlook is subject to significant risks. Growth risks are tilted to the downside while inflation risks are tilted to the upside. The most immediate risks include the intensification of geopolitical tensions and a slowdown in China. Other risks include a tightening of global financial conditions and developments in the domestic real estate and corporate bond markets," noted Dabla-Norris. Standard Chartered in its outlook report on Vietnam's economy also pointed out rising concern over the disruption of global supply chains and geopolitical risks that may further result in higher inflationary pressure in Vietnam. The bank opted for a more cautious view with estimated GDP growth of 4% for Vietnam in 2022, and 5.5% in 2023 to 7.2% in 2023.

Source: <https://hanoitimes.vn/vietnam-forecast-to-achieve-gdp-growth-of-6-this-year-imf-320607.html>

Steel industry posts trade deficit of US\$ 800 million in first quarter



Vietnam News | 25 April, 2022

VOV.VN - By the end of the first quarter, the steel industry had imported up to three million tonnes, worth US\$3.1 billion, with a trade deficit of US\$800 million, while exports brought in US\$2.3 billion, according to the Vietnam Steel Association (VSA). According to VSA's report on the local steel market in the first quarter of the year, GDP growth exceeded 5%, thereby showing that the national economy is on

the way to recovery, with efforts being made by the entire political system to promote economic development proving to be effective. Furthermore, steel production and trading activities throughout the reviewed period recorded positive signals, of which finished steel production reached 8,456 million tonnes, up 3.2% over the same period from last year. Elsewhere, finished steel sales were at 8.137 million tonnes, representing a year-on-year increase of 11.9%. Increased steel consumption, coupled with new projects on public investment in civil construction and infrastructure facilities also boosted steel imports. March alone saw imports of finished steel into the nation reach 1.1 million tonnes with a value of US\$1.14 billion, up 23% in volume and 22.36% in value over the same period from last year. In terms of exports, March witnessed steel exports enjoy a strong recovery, reaching 956,000 tonnes, up 75.41% over the previous month, despite being a decline of 22.8% on-year. In total, the opening three months of the year saw the nation export roughly 2,275 million tonnes of steel, worth US\$2.3 billion, a drop of 22.15% in volume and up 12.5% in value over the same period from last year. The country's leading export markets in the first quarter of the year primarily focused on ASEAN, making up 40.57%, the EU with 19.32%, the United States at 8.34%, the Republic of Korea at 6.97%, and Hong Kong (China) at 3.91%.

Source: <https://english.vov.vn/en/economy/steel-industry-posts-trade-deficit-of-us-800-million-in-first-quarter-post939405.vov>