

Highlight News / September 07/2022



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Cambodia received \$18.4M from ADB trust funds in 2021



Cambodia News | 6 September, 2022

Cambodia received a total of \$18.4 million for 23 projects as part of the Asian Development Bank's trust fund, global fund, and special fund financing for projects and technical assistance, according to an ADB report. The top three Developing Member Country (DMC) recipients of trust fund, global fund, and special fund financing for projects and TAs in terms of volume in 2021 were India (\$41.5 million for 31 projects), Sri Lanka (\$32.3 million for 15 projects), and Fiji (\$27.9 million for 14 projects). The South Asia Department (\$41.2 million for 25 projects) and the Southeast Asia Department (\$34.6 million for 23 projects) complete the top three recipients by the department in 2021, it said. Some of the single-partner trust funds that provided assistance to Cambodia were the Australian Climate Finance Partnership, Canadian Climate Fund for the Private Sector in Asia II, Cooperation Fund for Project Preparation in the Greater Mekong Subregion and in Other Specific Asian Countries, Japan Fund for the Joint Crediting Mechanism, etc. The ADB Trust Funds Report also said its 2021 donor contributions totalled \$353.4 million, representing about a 49 percent decline from 2020 figures. It said that with the recovery from the coronavirus disease pandemic, the large donor contributions to ADB Trust Funds have eased. "This change in partners' contributions presents an opportunity to focus more

on another issue that threatens continuing efforts to reverse poverty and promote economic opportunities across Asia and the Pacific — climate change. Climate change, including building climate and disaster resilience, is a priority in ADB's Strategy 2030," the report pointed out. As of the end of December 2021, ADB is administering 44 trust funds and five special funds, and participating in six global funds, it said. The bank is also managing seven financing partnership facilities (clean energy, community resilience, health, regional cooperation and integration, urban, water, and ADB Ventures). It said three new trust funds were established during the year: the Artificial Intelligence and Digitalization and Innovation Fund, the Climate Action Catalyst Fund, and the Community Resilience Partnership Program Trust Fund under the newly created Community Resilience Financing Partnership Facility. Meanwhile, the Australian Technical Assistance Grant and the Integrated Disaster Risk Management Fund were closed last year. ADB said its 2021 contributions comprised \$330.7 million in new contributions and replenishments to 11 trust funds and one special fund and \$22.7 million of additional allocations from two global funds. Total financing for investment projects, technical assistance, and direct charges from ADB's administered funds amounted to \$283.9 million, a 63 percent decrease from the 2020 figure of \$772.1 million. "Disbursements for the project and direct charges expenditures in 2021 amounted to \$489.9 million, approximately 22 percent higher than

disbursements recorded in 2020, while administrative expenses amounted to \$22.1 million. Administrative expenses included ADB service fees, external audit fees, staff consultants, business travel, financial expenses, and provision for credit losses, among others," it said. "In the aftermath of the 26th United Nations Climate Change Conference (COP26) and consistent with our continuing climate action, ADB is committed to elevating our climate finance ambition to \$100 billion by 2030. With the support of our partners, ADB has made strides to achieve these goals. In 2021, ADB established three new trust funds and secured about \$20 million of trust fund contributions that aim to decrease the rate of climate change as well as scale-up climate adaptation solutions at the community level," Woochong Um, managing director general, ADB, was quoted as saying in the report.

Source : <https://www.khmertimeskh.com/501145513/cambodia-received-18-4m-from-adb-trust-funds-in-2021/>

China, EU remain potential markets for Cambodia's agri products



Cambodia News | 6 September, 2022

China and the European markets remain the potential markets for Cambodia's agricultural products, said key insiders, urging exporters and companies to focus on those two big markets for their processing of agricultural products. Song Saran, president of the Cambodia Rice Federation, has encouraged those wishing to start agro-

processing businesses for export to international markets shall try to grab the Chinese and European markets to sustain their exports. China continues to be the top buyer of rice from Cambodia, with 50 percent of the market share and more than 30 percent of the EU market. As the free trade agreement between Cambodia and China has pushed the bilateral trade between the two countries, especially factors of close relations between government and government, Saran said in a forum on business and investment opportunities in the agriculture sector held last Saturday. Speaking of the EU market, Saran said the EU market is a long-term market, although the level of growth does not exceed 200,000 to 300,000 tons per year. "These two markets are very potential markets for Cambodia, which can promote exports quickly and without wasting time," Saran said. "The model for those in the agro-food processing sector is only two markets that we must try to grab China and Europe which are possible. Other markets are still complex," he said. Cambodia exported more than 2.4 million tons of agricultural products to China from 2019 to June 2022, earning gross revenue of \$1.94 billion, Minister of Agriculture, Forestry and Fisheries. The Kampot Pepper Promotion Association president Nguon Lay said that about 70 percent of pepper from his association is sold yearly to the EU market. "We have many markets that exporting companies sell the GI pepper to. Among them, the EU shares the largest market," Lay said. The Kingdom had shipped 24 kinds of agricultural products to China,

read the report, adding that they included fresh bananas, milled rice, dried cassava chips, cassava starch, dried mangoes, fresh mangoes, dried rubber, cashew nuts, cocoa powder, among others. China remained the largest buyer of Cambodia's rice, followed by the European Union, the CRF said, adding that China accounted for 48.3 percent of Cambodia's total rice export volume during the January-July period. Cambodia exported 169,766 tons of milled rice to China in the first seven months of 2022, earning \$89 million in revenue. The country shipped 122,842 tons of milled rice to the EU market during the period, bagging \$86 million.

Source : <https://www.khmertimeskh.com/501145311/china-eu-remain-potential-markets-for-cambodias-agri-products/>

Vietnam, Laos aiming to 2 billion USD in bilateral trade



Laos News | 6 September, 2022

Laos is currently Vietnam's seventh biggest trade partner in the Association of Southeast Asian Nations (ASEAN) and the two countries are striving to raise two-way trade to 2 billion USD. Vietnam and Laos share a border of more than 2,300km which runs through 10 cities and provinces on each side. Notably, there are nine international border gates, six main gates, 18 auxiliary gates and many trails, along with nine border gate economic zones. Vietnam is among the three biggest investors in Laos. Bilateral trade reached 1.37 billion USD in 2021, a year-on-year rise of 33.32%, the highest over the past

decade. Vietnam's exports to Laos reached 594.7 million USD, up 4%, while imports hit 778.2 million USD, up 69.8%. In the first seven months of this year, trade revenue hit 948.9 million USD, representing an increase of 24.2% from the corresponding time last year, of which Vietnam's exports to Laos were valued at 362.9 million USD, down 1.6% year-on-year, while its imports stood at 586 million USD, up 48.2%. According to Do Quang Hung, deputy head of the Ministry of Industry and Trade (MoIT)'s Asia-Africa Market Department, the two countries have utilised trade agreements to achieve growth of over 10% over the past nearly decade. The target of 2 billion USD will be achieved soon, Hung said, urging Vietnamese firms to invest more in building their brands and raising their competitiveness in the host market. Enterprises should study the trade deals to facilitate customs clearance, and optimise trade promotions, he continued. Deputy Minister of Industry and Trade Do Thang Hai affirmed that Vietnam stands ready to share its experience and help Laos remove difficulties amid the complex development of the global economic and political situation. The MoIT will coordinate with its Lao counterpart to roll out measures to boost bilateral trade ties, he pledged. Hai noted that the two ministries have agreed to complete negotiations and sign a memorandum of understanding on border trade infrastructure development and connectivity between the two countries, and adjustments to the bilateral trade agreement to ensure the interests of

Vietnamese and Lao businesses and facilitate their sustainable development.

Source : <https://vietnamnet.vn/en/vietnam-laos-aiming-fo-2-billion-usd-in-bilateral-trade-2056831.html>

Broken rice export rising through Muse border



Myanmar News | 7 September, 2022

Export of broken rice to China via the Muse border has increased as it generated profit over the appreciation of the Chinese yuan, says U Min Thein, Vice-Chairman of the Muse Rice Commodity Exchange. In the past month, foreign exchange rates have risen in the domestic market and the Chinese yuan has also appreciated. Rice and broken rice are being exported. When we send it to China, we get Chinese yuan from them. It's convenient for us. There is no more profit for importers, he said. Exports including rice and broken rice are being delivered through the Muse-Kyinsankyawt route every day and about 50 trucks are going to China every day, he added. At the border, more broken rice is being exported than rice, and the price of a 50-kilogram bag of broken rice is 120 yuan in Muse and rice price is between 140-150 yuan, according to market reports. "More broken rice is exported. Sales of rice remain weak. Chinese traders give us at the normal rate," U Min Thein said. In the domestic market, prices of rice and broken rice are strong and the quality of rice is improving over the increase in broken rice prices, said traders. — TPT/GNLM

Source : <https://www.gnlm.com.mm/broken-rice-export-rising-through-muse-border/>

E-commerce: the key to increase bilateral trade between Viet Nam and the UK



Vietnam News | 6 September, 2022

HÀ NỘI — Vietnamese firms are urged to use online platforms to expand their market reach in the UK now that the UK-Viêt Nam Free Trade Agreement (UKVFTA) has come into effect, experts said. With revenue of US\$117.7 billion in 2021, the UK is the fourth largest market for e-commerce in the world, placing it ahead of Germany and behind Japan, according to global provider of market and consumer data Statista. Last year, the UK e-commerce market contributed to a worldwide growth rate of 15 per cent with an increase of 12 per cent, Statista said. The biggest player in the UK e-commerce market is amazon.co.uk. The store had revenue of \$17.1 billion in 2021. It was followed by tesco.com and argos.co.uk which gained respective revenue of \$9.5 billion and \$6.3 billion. Altogether, these top three stores account for 30 per cent of online revenue in the UK. Meanwhile, Viêt Nam is regarded as the second largest e-commerce market in Southeast Asia, only after Indonesia, according to a global e-commerce report in the first half of 2022 by Metric.vn. The prolonged COVID-19 pandemic has also given fresh impetus to the country's e-commerce industry which recorded growth of up to 53 per cent in 2021, making it the optimal form of transactions for individuals and firms. With such

rapid growth, experts said it is time for both sides to raise the bar on this platform in order to facilitate online business. According to Bùi Thanh Hằng, head of the International Cooperation Office under the Ministry of Industry and Trade's E-commerce and Digital Economy Agency, the UKVFTA has allowed new means of market entry to emerge, notably e-commerce. B2B and B2C are traditional forms of business for this platform, but new forms are also beginning to take root, including online showrooms and national pavilions, she said. In order to help firms keep pace with these innovations, the government is urged to continue to refine the legal framework and develop programmes that improve firms' capacity. At the same time, firms themselves should embrace digital transformation and put it on top of their agenda to be able to expand their market footprint via e-commerce. In a bright spot, Vietnamese businesses have effectively taken advantage of Amazon's innovations to strongly develop and build the "Made-in-Việt Nam" brand on the world map, thereby leaving a strong mark of the country's economy on the international market including the UK. At the same time, several Vietnamese goods have affirmed their positions in another e-commerce platform in the UK, alibaba.com. In 2021, the UK positioned itself among the top 10 buyers of food and beverage, top six for clothes, and came in fourth in terms of furniture from Việt Nam. Notably, it was the second-largest buyer

of Vietnamese cosmetics on that e-commerce website. — VNS

Source : <https://vietnamnews.vn/economy/1312561/e-commerce-the-key-to-increase-bilateral-trade-between-viet-nam-and-the-uk.html>

Industrial production recovers quickly with growth of 9.4% in eight months



Vietnam News | 6 September, 2022

Hanoi (VNS/VNA) - The index of industrial production (IIP) in the first eight months of 2022 surged 9.4% over the same period last year, according to the General Statistics Office (GSO). The office said that industrial production in August 2022 continued the trend of rapid recovery with an increase of 2.9% over the previous month and 15.6% year on year due to the efforts of enterprises in expanding production to offset the period affected by the COVID-19 pandemic. Compared to the same period last year, the IIP growth rate in August reached 16.2% for the processing and manufacturing industry; 14.8% for electricity production and distribution; 11% for water supply, and management and treatment of garbage and wastewater; and 10.2% for the mining industry. During the eight months, the processing and manufacturing industry posted the highest IIP growth of 10.4%. It was followed by electricity production and distribution (6.8%), water supply industry, garbage and wastewater treatment and management (5.8%) and the mining industry

(4.2%). The GSO report also showed that, in the past eight months, IIP of some key industrial products increased sharply compared to the same period last year, including beer (31.2%); processed seafood (20.7%); phone components (19.6%); automobiles (13.9%); casual wear (12.7%); leather shoes and sandals (12.5%); and tobacco (9.6%). Meanwhile, some other products saw a decline of IIP compared to the same period last year, such as iron and crude steel (12.3%); televisions (10.7%); fertiliser NPK (6%); fabrics made from man-made fibers (5.8%); mobile phones (5.4%); aquatic feed (4.9%); liquefied petroleum gas (LPG) (2.4%); and crude oil exploitation (1%). GSO also reported 61 out of 63 provinces and cities gained growth, while the rest of two localities had IIP reduction in the first eight months of 2022. Of which, some localities achieved a relatively high increase in IIP due to industrial production growth in the processing and manufacturing industries; and electricity generation and distribution industry. Meanwhile, some other localities had low manner in IIP growth rate or reduction in this index because the enterprises faced many difficulties from the impact of the pandemic. Bac Giang province achieved the highest IIP of 51% during the first eight months. Some other localities also had high IIP index due to strong recovery in the processing and manufacturing industry; and electricity production and distribution,

such as Lai Chau, Dak Lak, Son La, Quang Nam, and Khanh Hoa. Besides that, many difficulties in production and business activities made Tra Vinh and Ha Tinh provinces witness a reduction in IIP at 27% and 15%, respectively. The number of employees working in industrial enterprises as of August 1, 2022 increased by 0.6% on month and 23% on year. According to the Ministry of Industry and Trade, production in industrial centres is showing positive signs of recovery. However, the lack of human resources is one of the major obstacles that the enterprises are facing on the way of production recovery. Pham Thi Tinh from the Vietnam Alliance for Industrial Support said after a long break due to the pandemic, the skills of workers have decreased, so the enterprises must spend time and expense on retraining. The cost of labour in the industrial sector has increased, but it is still not enough to attract workers. In addition, the Ministry of Industry and Trade said that manufacturing enterprises need to diversify markets importing raw materials as well as exporting goods to avoid dependence. There should be more policies to develop *supporting* industries in Vietnam to gradually become self-sufficient in raw materials. This is the core issue for sustainable industrial development in Vietnam. The ministry also noted that it is necessary to continue changing industrial restructuring in the direction of developing the manufacturing industry

and reducing processing and assembling for industrial products made in Vietnam./.

Source : <https://en.vietnamplus.vn/industrial-production-recovers-quickly-with-growth-of-94-in-eight-months/236799.vnp>
