

*Highlight News / September 28/2022*



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## China-ASEAN economic cooperation contributes to development, prosperity in region: Cambodian official, experts



*Cambodia News | 27 September, 2022*

The economic cooperation between China and the Association of Southeast Asian Nations (ASEAN) has provided a lot of benefits to all, contributing to common development and prosperity in the region, Cambodian officials and experts said. China and ASEAN became each other's largest trading partner in 2020. Trade between China and ASEAN reached 544.9 billion U.S. dollars in the first seven months of this year, 13.1 percent year on year, while the cumulative two-way investment exceeded 340 billion dollars, according to an official report. Cambodian Ministry of Commerce's undersecretary of state and spokesman Penn Sovicheat told Xinhua in an interview that China-ASEAN economic cooperation is very close thanks to the China-ASEAN Free Trade Agreement (CAFTA). "China is a very close partner of ASEAN and a big market one," he said. Sovicheat said the CAFTA has created a huge market for a combined population of more than 2 billion and has eliminated most of the tariffs between the two sides. "Everyone stands to gain from the Chinese market with a strong purchasing power," the spokesman said. The official also highlighted that China is the major supplier of raw materials to factories across the world, saying that without raw materials from China, factories will face difficulties in their

production. Thong Mengdavid, a research fellow at the Phnom Penh-based Asian Vision Institute, said China-ASEAN economic cooperation is stronger against the backdrop of rising unilateralism and protectionism. "There are several reasons that contribute to China-ASEAN closer economic cooperation, including China's mutual support to ASEAN during the COVID-19 pandemic era, mutual respect for mutual benefits and win-win result, and firm promotion of trade and investment liberalization agendas such as the CAFTA, the Regional Comprehensive Economic Partnership (RCEP) and the Lancang-Mekong Cooperation," he told Xinhua. Joseph Matthews, a senior professor at the BELTEI International University in Phnom Penh, said China has been the biggest trading partner of ASEAN for more than a decade. "Thus, the ASEAN economic future is connected with the Chinese economic outlook and growth," he told Xinhua. Matthews said China-ASEAN relations have brought about economic, social, technological, and infrastructural development in the region. "Chinese initiatives such as the Belt and Road, global development, connectivity, and poverty alleviation, among others have directly contributed to socioeconomic development and the improvement of people's livelihoods in ASEAN," he said. The professor said both China and ASEAN have shared common development, promoting win-win cooperation, mutual respect, multilateralism, openness, inclusiveness, and common value of peace and stability. "Close China-ASEAN economic

cooperation has not only brought about peace, stability, sustainable and inclusive development and prosperity for both sides, but also for the region and the world,” he said. ASEAN groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. Xinhua

Source : <https://www.khmertimeskh.com/501157600/china-asean-economic-cooperation-contributes-to-development-prosperity-in-region-cambodian-official-experts/>

## AmCham to hold joint forum on Tax Updates and Audits



*Cambodia News | 27 September, 2022*

The American Chamber of Commerce and General Department of Taxation will hold a joint forum on Wednesday, September 28th titled “Tax Updates and Audits”. The event will be held at the “Raffles Le Royal Hotel”, starting from 8am and ending around 12pm. The keynote speech will be delivered by Kong Vibol, Delegate of the Royal Government in charge as Director-General of the General Department of Taxation (GDT). Clint O’Connell, Chairman of the AmCham Tax Committee, will speak on “Recent Tax Updates”. Mr. O’Connell is expected to cover recent progress between the GDT and the Tax Working Group, especially Shareholder Loan documentation requirements and applicable interest rates, Cash Advances, tax treatment of deposits on Leases, the new availability of Voluntary Disclosure, Prakas on VAT on E-Commerce, Annual Account Filing with the

Accounting and Auditing Regulator, Transfer Pricing, Trust Law, and much more. Transfer Pricing expert Kieron Gaffney Director at Hybrid Tax Global, will participate in a panel discussion and elaborate further on Transfer Pricing procedures, documentation requirements, and tax applications. AmCham President, Anthony Galliano will moderate two panel discussion focusing on “E-Commerce” and “Transfer pricing and other key issues in Tax Audits”. In addition to O’Connell and Gaffney, senior official from the GDT will participate in the panel discussions. For E-Commerce; Ken Sambath, Deputy Director General of GDT, Lim Delux, Deputy Director General of GDT and Eng Ratana, Director, Department of Large Taxpayer. For Transfer pricing and other key issues in Tax Audits; Roth Mony, Deputy Director General of GDT, Eng Ratana, Director, Department of Large Taxpayer, Te Jeudi, Director, Department of Enterprise Audit, and Traing Lay, Cheif of Bureau, Department of Enterprise Audit. Oknha K M Tan, Tax Partner Baker Tilley, will join the E-Commerce panel. Galliano commented, “It is an honor and privilege to collaborate with the General Department of Taxation on what is expected to be a very informative and educational event, with expert speakers from the GDT and the private sector. “I am especially thankful and appreciative to have the esteemed His Excellency Kong Vibol present and also to deliver the key note speech. With the recent achievements from the GDT with the Tax Working Group, the issuance of the VAT on E-Commerce Prakas, Transfer Pricing Regulations,

and other recent updates, this is an essential forum to attend to keep aligned and informed of recent tax developments in the Kingdom.”

Source : <https://www.khmertimeskh.com/501157747/amcham-to-hold-joint-forum-on-tax-updates-and-audits/>

## Slower growth projected for Lao economy: World Bank



*Laos News | 28 September, 2022*

Economic growth in Laos is expected to be slower than forecast in April due to both external and internal factors, according to a report issued by the World Bank on Monday. The World Bank's East Asia and Pacific October 2022 Economic Update lowered the gross domestic product (GDP) growth forecast for Laos in 2022 to 2.5 percent from the earlier 3.8 percent projection and 3.8 percent for 2023. According to the World Bank, economic performance across developing East Asia and the Pacific, including Laos, could be compromised by slowing global demand, rising debt, and a reliance on short-term economic fixes to cushion against food and fuel price increases. “Beyond the end of 2022, three factors could be a drag on growth: global deceleration, rising debt, and policy distortions,” the report stated. “Current measures to contain inflation and debt are adding to existing distortions in the markets for food, fuel and finance in ways that could hurt growth. In each case, more efficient measures could address current difficulties without undermining longer-term objectives.” Growth in

developing East Asia and the Pacific outside of China is forecast to accelerate to 5.3 percent in 2022 from 2.6 percent in 2021. China, which previously led recovery in the region, is projected to grow by 2.8 percent in 2022, a sharp deceleration from 8.1 percent in 2021. For the region as a whole, growth is projected to slow to 3.2 percent this year from 7.2 percent in 2021, before accelerating to 4.6 percent next year, the report states. The report also noted that Laos, Mongolia and Myanmar have faced more significant exchange rate and inflation pressures than the rest of the region. Laos and Mongolia are most vulnerable in these respects, because they were already struggling with high debt. Growing debt service is straining the finances of governments and firms and hence limiting public and private investment, according to the World Bank. In Laos, the weakening exchange rate is contributing to inflation, ramping up pressure on low-income families and hindering their chances to rise above poverty. The global economic slowdown is beginning to dampen demand for exports of commodities and manufactured goods in the region. “Rising inflation abroad has provoked interest rate increases, which in turn have caused capital outflows and currency depreciations in some East Asia and Pacific countries. These developments have increased the burden of servicing debt and shrunk fiscal space, hurting countries that entered the pandemic with a high debt burden,” the report stated. As countries in the region seek to shield households and firms from higher food and energy prices, current policy

measures provide much-needed relief, but add to existing policy distortions. Controls on food prices and energy subsidies benefit the wealthy and draw government spending away from infrastructure, health and education, according to the World Bank.

Source : [https://www.vientianetimes.org.la/freeContent/FreeContent188\\_slower.php](https://www.vientianetimes.org.la/freeContent/FreeContent188_slower.php)

## Broken rice price soars to K45,000 per bag



*Myanmar News | 27 September, 2022*

The price of broken rice hit a high of K45,000 per bag in the domestic market, according to Rice Wholesale Centre (Wadan). On 1 September, broken rice fetched only K32,000 per 108-pound bag whereas the price rocketed to K45,000 per bag on 26 September. Figures showed a sharp increase of K13,000 per bag within one month. Foreign demand pushed up the price, traders shared their opinions. More than 20,000 bags of broken rice are sent to China through the Muse border. At present, the export value of broken rice to China is 128 Yuan per 50-kilogramme bag. Myanmar's broken rice exports to China brought in a decent income on account of the Kyat devaluation against the Yuan. Therefore, the broken rice price is higher than those of other low-grade rice prices on the back of strong foreign demand. Despite the price hike of broken rice, the prices of rice do not shoot up tremendously. On 26 September, the prices of high-grade Pawsan varieties were constant at K93,000 per bag from the Shwebo area, K63,000 from the Dedaye area,

K65,000 from Pyapon, Myaungmya and Patheingyi areas and K63,000 from other areas. Meanwhile, the prices of short-mature rice (90 days) touched a high of K48,000 per bag. The prices of low-grade rice varieties such as Ngasein and Emahta moved in the range of K43,500-46,000 per bag respectively. Therefore, Myanmar Rice Federation, Myanmar Rice and Paddy Traders Association, Myanmar Rice Millers Association, and traders involved in rice wholesale centres (Wadan and Bayintnaung) have offered the rice at a cheaper rate from 3 August every day between 9 am and 3 pm except for office holidays. Ayeyawady Pawsan, Shwebo Pawsan, Pawkywe and short-mature rice varieties (90 days) will be sold at a cheaper price between K35,000 and K77,000 per bag. Each household is entitled to buy one rice bag only and those resellers, traders and retailers are excluded from this scheme. — NN/GNLM

Source : <https://www.gnlm.com.mm/broken-rice-price-soars-to-k45000-per-bag/#article-title>

## European enterprises optimistic about Vietnam's economy: EuroCham



*Vietnam News | 27 September, 2022*

Hanoi (VNA) – European firms have shown their optimism about the Vietnamese economy, which is recovering strongly after the COVID-19 pandemic, Vice Chairman of the European Chamber of Commerce in Vietnam (EuroCham) Nguyen Hai Minh has said. According to Minh, despite the global supply disruptions induced by the pandemic,

Vietnam still exported more than 35.1 billion USD worth of goods to the EU in 2020 and over 40 billion USD last year. Meanwhile, the Southeast Asian nation imported 14.6 billion USD and 16.7 billion USD worth of commodities to the bloc in the two years, respectively. In the first eight months of this year, Vietnam's export revenue to the EU was valued at 31.9 billion USD, up 23.6%, resulting in a trade surplus of up to 21.6 billion USD, a rise of 46.4%. The figures have reflected positive impacts of the EU-Vietnam Free Trade Agreement (EVFTA), he noted. However, Minh said, European enterprises in Vietnam said they have benefited more from the EVFTA as the country's export to the EU mainly came from FDI firms. EuroCham member businesses and even those that have yet to invest in Vietnam expressed their hope that the EU-Vietnam Investment Protection Agreement (EVIPA) will soon be approved and take effect, paving way for European firms to expand investments in the Southeast Asian nation. Minh also cited the Business Climate Index (BCI) released by EuroCham showing that European business stakeholders' confidence in Vietnam's investment environment declined slightly in the second quarter of this year to 68.8% due to external factors. Up to 60% of respondents predicted that the Vietnamese economy would stabilise or improve in the third quarter of 2022, 45% were significantly or moderately satisfied with Vietnam's efforts to attract and retain foreign direct investment (FDI), and 76% expected to increase FDI in the country before the end of the third quarter. 55% of

respondents said Vietnam improved its FDI attraction and retention capabilities since the first quarter. Regarding the link between green growth and FDI, nearly 90% of respondents said that Vietnam should increase green economy development to attract more foreign investment. Minh said apart from the above-said advantages, Vietnam's improved administrative procedures have also helped to attract foreign investors, including those from the EU. He also noted that many EU enterprises are still concerned about specialised inspections in Vietnam, which remain overlapping./.

Source : <https://en.vietnamplus.vn/european-enterprises-optimistic-about-vietnams-economy-eurocham/239016.vnp>

## Vietnam's economy to expand 7.2% in 2022: WB



*Vietnam News | 27 September, 2022*

Vietnam's economy is expected to grow by 7.2% in 2022, on the back of a strong rebound in domestic demand and continued solid performance by export-oriented manufacturing, according to the World Bank East Asia and Pacific Economic Update, October 2022. The economy rebounded strongly from COVID-19-related lockdowns in the third quarter of 2021, expanding by 6.4% in the first half of 2022, the report said. The WB attributed the rebound to a recovery of exports and the release of pent-up demand following the removal of COVID-19-related mobility restrictions and, more recently, the

gradual return of foreign tourists. In the medium to long term, achieving Vietnam's goal to become an upper-middle income economy will depend on transitioning to a productivity and innovation-led growth model based on a more efficient use of productive, human, and natural capital, the bank said. The WB forecast that growth in the region is projected to decelerate from 7.2 percent in 2021 to 3.2 percent in 2022, which is about two percentage points slower than was expected in April 2022. Potential output in the region is now projected to expand 4.6% year-on-year over the 2022-2030 period, down from 6.5% in the decade preceding the pandemic. According to a forecast by the WB in April, East Asian and Pacific countries can achieve an economic growth of 5% in 2022.

Source : <https://en.nhandan.vn/vietnams-economy-to-expand-72-in-2022-wb-post118336.html>

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