



MLC-CBEC

ENHANCING SERVICES RELATED TO
INVESTMENT AND TRADE FACILITATION
CONTRIBUTING
TO THE PROMOTION OF
CROSS-BORDER ECONOMIC
COOPERATION

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Project approved under the Agreement on Special Fund for
Mekong-Lancang Cooperation dated 12 September 2021

First Edition

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DISCLAIMER:

The findings, interpretations, recommendations, and conclusion expressed in this Interim Report are those of the individual authors' own and do not reflect the position of Project Team ESTIF-PCBEC (Enhancing Services related to Trade and Investment Facilitation contributing to the Promotion of Cross-Border Economic Cooperation), or the views of Project Director. The authors of the report also wish to exonerate those who have commented upon it from responsibility for any outstanding errors or omissions.

INTRODUCTION

Nations under the Framework of Mekong-Lancang Cooperation have annually sustained high rates of economic growth, making this sub-region one of the greatest development areas in Asia and beyond. Geographically, it's connected by Mekong-Lancang River, the MLC countries share the same vision in developing economy and improving the livelihood of their people. At the same time, they are all challenged by the declining global and regional economy, as well as non-traditional security threats, impeding the cross-border economic activities, such as terrorism, natural disasters, climate change, and pandemic diseases. In addition, MLC countries has yet to realize its most efficient economic outputs because of the fragmented investments depending on population density and disconnected accesses to transport, logistic infrastructure, electricity, and investment-related services in the urban areas as well as border towns. Thus, promoting cross-border economic cooperation and unimpeded trade as well as advancing regional economic integration and is of major significance for the industrial development of the sub-region. MLC Countries need to work together for effective implementation of the Regional Comprehensive Economic Partnership (RCEP) to improve the level of investment and trade liberalization, facilitation, and promotion along the border areas which are potential spots for stimulating flows of goods, services, and labor. Attaching great importance to the Five- Year Development Plan for MLC Cross-Border Economic Cooperation, this project is conducted under the spirit of key bilateral documents including the Agreement on the cooperation on projects of the Mekong-Lancang Cooperation Special Fund which will be executed and proven to be beneficial to MLC countries in jointly speeding up a resilient pandemic recovery, foster development pace under South-South cooperation, as well as promote and facilitate investment and trade. The report will be developed with the collation of up-to-date inputs, policies, and regulations related to MLC cross-border economic activities to leverage subregional comparative advantages, such as by facilitating investment and trade, lifting restrictions on foreign capital, expanding production bases, and developing resilient supply chains that can help local areas access larger markets.

The report will cover prominent sectors such as cross-border investment and trade facilitation, custom, Sanitary and Phytosanitary Standard (SPS), cross-border logistics and transport. Country perspectives and prospective will be incorporated into progress report while other updated policies, legislative revision, improved regulatory frameworks and administrative procedures will also be included in the interim and draft final report. MLC countries are encouraged to regularly update the project implementation working group through their respective focal points in order to facilitate the project implementation.

Chapter 1: The Background and Outline of the Project

1.1. Background of the Project

Driving in line with MLC key documents such as Sanya Declaration, Phnom Penh Declaration, Five Year Plan of Action on Mekong-Lancang Cooperation (2018-2022), Joint Ministerial Statement on Strengthening Cross-Border Economic Cooperation (CBEC) among MLC countries, this project will be implemented under the Joint-Working Group on Cross-Border Economic Cooperation fulfilling development goals of the Five-Year Development Plan for MLC CBEC (2019-2023). Sharing the view that if countries are able to attract direct investments in areas located near the cross-border economic cooperation zones, it will serve to stimulate cross-border investment and trade facilitation, transport, logistics, SMEs development, human resource development, migrant workers, technical and knowledge exchanges. With this view of facilitating investment services and promoting more investment activities along the cross-border economic cooperation zones and industrial cluster zones, this project serves to conduct consultations and compile policy compendium to provide information related to investment and trade facilitation services among MLC countries that contributes to the promotion of cross-border economic cooperation with favorable conditions to further attracting cross-border investment and facilitating trade flows.

1.2. Purpose of the Project

The main purpose of this project is to enhance services related to investment and trade facilitation among MLC countries contributing to the promotion of Cross-Border Economic Cooperation. The project aims at enhancing the connection of national development strategies and leveraging the preferential policies for cross-border economic activities through streamlining services and procedures for the collaborative facilitation of cross-border investment and trade. This study could assist the Mekong-Lancang countries to better facilitate and streamline services related to investment and trade through consultations and policies exchange among key policymakers and practitioners. At the end of the project, the study also enables investors to be aware of the potential cross-border economic zones that they can position their investments in the cluster areas with a supportive ecosystem, seamless investment and trade facilitation, and unobstructed logistics and free flows of goods, services, personnel, and capital.

1.3.1. Investment Promotion Agency of Cambodia

The main purpose of this project is to enhance services related to investment and trade facilitation among MLC countries contributing to the promotion of Cross-Border Economic Cooperation. The project aims at enhancing the connection of national development strategies and leveraging the preferential policies for cross-border economic activities through streamlining services and procedures for the collaborative facilitation of cross-border investment and trade. This study could assist the Mekong-Lancang countries to better facilitate and streamline services related to investment and trade through consultations and policies exchange among key policymakers and practitioners. At the end of the project, the study also enables investors to be aware of the potential cross-border economic zones that they can position their investments in the cluster areas with a supportive ecosystem, seamless investment and trade facilitation, and unobstructed logistics and free flows of goods, services, personnel, and capital.

- Coordinate the implementation of the Project on “Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation” to achieve fruitful results in line with the spirit of the Agreement on Special Fund for Mekong-Lancang Cooperation Projects in 2021;
- Coordinate with relevant stakeholders in carrying out all project activities effectively;
- Finalize progress report of the project implementation and circulate to the management regularly for further perusal;
- Monitoring and Evaluating the execution of project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation.

1.3.2.1. Project Implementation Working Group

The Mekong-Lancang Cooperation Project Implementation Working Group has been established to oversee overall coordination with relevant stakeholders to ensure the successful of implementation of the project under Mekong-Lancang Cooperation Special Fund approved by the agreement between the Ministry of Foreign Affairs and International Cooperation of the Kingdom of Cambodia and the Ministry of Foreign Affairs of the People’s Republic of China dated 12 September 2021. The Composition of the Working Group is as follow:

1. Suon Sophal,	Project Director (Team Leader)
2. Heng Bunhong,	Project Manager
3. Ros Chantreangsey,	Project Coordinator
4. Samath Chan Somanith,	Project Administration Officer
5. Leng Tepy,	Project Accounting/Finance Officer
6. Lim Nidadane,	Project Procurement Officer
7. Chea Lokotarapramoj,	Project Evaluation Officer
8. Cheng Mengladine,	Project Monitoring Officer
9. Moeng Sokvisal,	Project Technical Officer
10. Sam Chanmoney,	Project Coordinator
11. Siem Pichnorak	Project Monitory and Evaluation Officer

The core team has been assigned to undertake the research and data collation related to investment and trade facilitation for preparing this inception report, progress report, interim and final report include Mr. Heng Bunhong, Mr. Samath Chan Somanith, Mr. Ros Chantreangsey, Mrs. Leng Tepy, Dr. Moeng Sokvisal, and Mr. Sam Chanmoney.

In the course of implementation and for smooth operation of the organization of consultation workshop, meeting in hybrid format, the specialist in information technology, Mr. Cheng Mengladine, will be engaged throughout the project life span. Other staffs maybe needed to help ensuring the smooth facilitation of the project. Contact persons from relevant ministries/ institutions/agencies will be assigned in due course.

1.3.2.2. Project Implementation Focal Persons

With the aim to facilitate a smooth implementation of the project, Mekong-Lancang countries focal persons have been engaged with the project implementation working group through regularly communication with project coordination officers. The following are the list of focal persons from Mekong-Lancang countries:

A. Focal Persons from the People's Republic of China

- 1) Mr. Yu Xiang, Deputy Director General of Ministry of Commerce
- 2) Mr. Ling Xiao, Director of Ministry of Commerce
- 3) Mr. LIU Jie, Director of Department of Commerce, Yunnan Provincial Government of China

B. Focal Persons from the People's Democratic Republic of Lao

- 1) Mr. Khamsonvanh Phutdavong, Deputy Director of Planning and Cooperation Department, Ministry of Industry and Commerce
- 2) Mr. Vanaxay Soukhaseum, Director of Economic and Trade Cooperation Division, Department of Planning and Cooperation Department, Ministry of Industry and Commerce
- 3) Ms. Phapathson Louangphinith, Trade official, Department of Planning and Cooperation Department, Ministry of Industry and Commerce
- 4) Mr. Bounnam, Trade official, Department of Planning and Cooperation Department, Ministry of Industry and Commerce,
- 5) Ms. Dalyvanh Bounvongsay, Trade official, Department of Planning and Cooperation Department, Ministry of Industry and Commerce

C. Focal Persons from the Republic of the Union of Myanmar

- 1) Dr. Htein Lynn, Deputy Director General, Myanmar Trade Promotion Organization
- 2) Mr. Aung Min Thyke, Director, Department of Trade
- 3) Ms. Khine Zar Win, Deputy Director, Department of Trade

D. Focal Persons from the Kingdom of Thailand

- 1) Ms. Buniga Chamsai, Deputy Director General, Ministry of Commerce

E. Focal Persons from the Socialist Republic of Viet Nam

- 1) Mr. Nguyen Phuc Nam, Deputy Director General, Ministry of Industry and Trade

Representatives from knowledge platform will also be engaged throughout the project period.

Chapter 2: Project Activities

2.1. Achievement of Output 1

2.1.1. Design and Develop MLC-CBEC Website

The main objective of MLC-CBEC Website development is to set up a portal where information related to investment and trade facilitation contributing to the promotion of cross-border economic cooperation (e.g. investment incentives, trade facilitating regulatory procedures and practices, transports, economic zone mapping...) from all Mekong-Lancang countries could be accessible to policymakers, practitioners, investors, and the public in the timely and consistent manner.

To be constructed in English, the website will serve as both information portal and database for economic zones. The information portal will provide regular updates of information related cross-border economic cooperation between and amongst MLC countries as well as materials (e.g. presentations, project reports, information booklets, images, e-newsletters) accumulated throughout the project implementation. The database, in addition, will provide searchable information regarding potential economic zones and key operators in MLC countries.

2.1.2. Regular Update of Website

As laws, regulations and information related investment and trade facilitation contributing to the promotion of cross-border economic cooperation continue to change, regular update to the website is also key to keep the website fresh and relevant. The website will also be updated to provide time-bounded information about the project implementation.

2.1.3. Database/Content Management

On top of the website construction and regulation update, another important of the website is data and content management. The content will be created and posted to support the communication and outreach of the project. The data generated by the website will be hosted in multiple databases locally in Cambodia and abroad to ensure smooth service provision to all users in different countries.



2.2. Achievement of Output 2

2.2.1. Planning and Convening of Consultations

Holding thematic consultations on enhancing services related to investment and trade facilitation contributing to the promotion of cross-border economic cooperation is another key output of the project. To accumulate insightful and useful information on the topics, the consultations on key topics with the participation from experts, policymakers and policy practitioners in all MLC countries will be held. Speakers and presenters will be invited to share their professional insights and best practices to fellow practitioners and exchange thoughts on how to best enhance economic cooperation between and amongst MLC countries, particularly in their respective fields ranging from trade, customs and excise streamlining, investment facilitation as well as logistic and transport.

To be conducted using English as the main medium of communication, the consultations will take place in different MLC countries to provide opportunities for participants to engage in meaningful and intriguing discussions with local policy makers, practitioners, and key stakeholders. Due to the on-going COVID-19 situation, some consultations will be held in hybrid formats with some participants joining physically and some via online conferencing.

The potential topics and outlines of the consultation will be elaborated in the following sections.

2.2.2. Combine and Prepare Reports on Results of the Consultations

Following each consultation session, presentations and information including keynote speeches and policy intervention accumulated on thematic topics will be collected and combined in reports. Speakers and presentations will be invited to submit their respective presentations and key analyses on the topics to contribute the richness of the reports. The reports will also feature the project progresses and upcoming plans.

2.2.3. Print and Disseminate Reports on Results of the Consultations

After the reports on consultations results are combined and prepared, they will be disseminated both online through the project web portal and hard copy dissemination to key stakeholders. For the hard copy send-in, key stakeholders in MLC countries will receive fair numbers of copies depending on the actual availability of reports.

Chapter 3: Implementation Results of the Project Activities

3.1. Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation

OPENING SESSION

9:00 – 9:10 Welcoming Remarks

Mr. KHUON Virak
Deputy Director General of International Trade, Ministry of Commerce

9:10 – 9:20 Congratulating Remarks

Mr. LIN Ruihua
Counsellor of the Embassy of the People's Republic of China to Cambodia

9:20 – 9:30 Opening Remarks

H.E. Mr. PRAK David
Undersecretary of State
Ministry of Foreign Affairs and International Cooperation

9:30 – 10:00 Photo Session and Coffee Break

10:00 – 10:30

Overview of the Project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation

H.E. Dr. SUON Sophal
Project Director and Director of Public Relations and Promotion of Private Investments, Council for the Development of Cambodia

Session 1: Updates on Policy Measures related to Investment and Trade Facilitation in time of COVID-19 crisis and in the post-COVID-19 recovery

10:30 – 11:00	Presentation on Policy Measures related to Trade Facilitation and Digitalization in Cambodia	Mr. KHUON Virak Deputy Director General of International Trade, Ministry of Commerce Kingdom of Cambodia
11:00 – 11:30	Presentation on Policy reform related to Investment and Trade Facilitation in China	Mr. YU Xiang Deputy Director General of Asian Affairs Department, Ministry of Commerce People's Republic of China
11:30 – 12:00	Presentation on Policy Measures related to Trade Facilitation Priorities in Lao PDR	Mr. KHAMSONEVANH Phutdavong Deputy Director General of Planning and Cooperation Department, Ministry of Industry and Commerce Lao PDR
12:00 – 13:00	LUNCH BREAK	
13:00 – 13:30	Presentation on Myanmar's Trade Facilitation Services to promote Cross-Border Economic Cooperation	Dr. HTEIN Lynn Deputy Director General Trade Promotion Organization, Ministry of Commerce Republic of the Union of Myanmar
13:30 – 14:00	Presentation on Policy Measures related to Investment and Trade Facilitation in Viet Nam: Post-COVID-19 Recovery Prospects on Viet Nam's Subregional Trade	Ms. PHAM Thi Mai Thanh, Head of CLMV Section of Asia-Africa Markets Department, Ministry of Industry and Trade Socialist Republic of Viet Nam

Session 2: Action Plan and Activities of the Project

14:00 – 14:30 Presentation on the Project Activities and Ways Forward
Dr. MOENG Sokvisal
Project Technical Staff
Official of the Legal Affairs and Investment Law Department
Council for the Development of Cambodia

14:30 – 14:45 Coffee Break

Session 3: Open Discussion

14:45 – 16:00

Participants may wish to discuss on how the project implementation could contribute to the promotion of cross-border economic cooperation while attracting cross-border investment and facilitating trade flows.

The Discussion will also focus on possible next steps to conduct concrete trade and investment collaboration activities under the Joint Working Group on Cross-Border Economic Cooperation of the Mekong-Lancang Cooperation to respond to the COVID-19 Pandemic and promote inclusive of cross-border economic cooperation. The facilitation of the Implementation of Regional Comprehensive Economic Partnership (RCEP) and other Regional Free Trade Agreements among MLC Countries could also be potential topic to elaborate further.

Each representative from MLC countries is given 15 minutes to interact in this discussion.

Mr. SAMATH Chansomanith will moderate this session.

Session 4: Sharing Session

16:00 – 16:15 Law on Investment of the Kingdom of Cambodia

Mr. HENG Bunhong
Project Manager and Assistant to Deputy Secretary General of Cambodian Investment Board, Council for the Development of Cambodia

16:15 – 16:30 Closing Session

H.E. Dr. SUON Sophal
Project Director and Director of Public Relations and Promotion of Private Investments, Council for the Development of Cambodia



Mr. KHUON Virak
Deputy Director General of International
Trade, Ministry of Commerce

**WELCOMING REMARKS BY
MR. KHUON VIRAK DEPUTY DIRECTOR GENERAL
MINISTRY OF COMMERCE
ON**

**INCEPTION WORKSHOP OF THE PROJECT ON ENHANCING SERVICES RELAT-
ED TO INVESTMENT AND TRADE FACILIATION CONTRIBUTING TO THE PROMO-
TION OF CROSS-BORDER ECONOMIC COOPERATION**

30 September 2022, 9:20-9:30 AM, Hyatt Regency Phnom Penh Hotel

- H.E PRAK David, Undersecretary of State, Ministry of Foreign Affairs and International Cooperation
- H.E WANG Wentian, Extraordinary of Plenipotentiary Ambassador of the People's Republic of China to the Kingdom of Cambodia
- Distinguished presenters, Excellencies, Ladies and Gentlemen
- Representatives from Mekong-Lancang Countries!

Very good morning!

- First and foremost, I wish to warmly welcome our organizers, presenters and distinguished participants from the Council for the Development of Cambodia, relevant ministries and institutions from Mekong-Lancang countries to today's inception workshop.
- On behalf of H.E Pan Sorasak, Minister of Commerce of Cambodia and Chair of ASEAN Economic Ministers' Meeting for 2022, I have a great pleasure and honor to deliver my remarks this morning for the project on Enhancing Services Related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation.

Today's inception workshop would not be possible without the active work and support from the Council for the Development of Cambodia and the Embassy of the People's Republic of China in Cambodia. I take this opportunity to express my sincere appreciation to CDC for organizing such an important workshop to raise public and business sectors'

awareness on the project, as well as to the Embassy of the People's Republic of China for your continuous and unwavering support extended to the Ministry of Commerce throughout the years as well as the assistance under the Mekong-Lancang Cooperation Framework.

Excellencies, Ladies and Gentlemen!

- Investment and trade facilitation continue to be the engine of growth and viable development strategies. As such, we ought to strengthen our resilience by promoting investment policy and trade facilitation in the region, like the one we are having today, to ensure that we all benefit from it.
- As you are already aware, the Lancang-Mekong area is one of the regions with great development potential in Asia and beyond. Trade and Investment have been keys to stimulate economic development in the region, contributing to economic growth and poverty reduction. Therefore, streamlining the services and procedures to enhance the cross-border trade and investment, is a priority and will further boost economic activities and enhance private sectors participation along the borders among Mekong-Lancang countries.
- For Cambodia, we are committed to sustaining open and liberalized markets for trade and investment in the efforts to restore regional and global economies. In the meantime, Cambodia is also committed to promote regional supply chain resilience by further integrating into regional and global economies through the existing ASEAN FTAs+1 as well as through the full and effective implementation of RCEP.
- Over the years, Cambodia's government has spared no efforts in improving and creating a more enabling environment conducive to trade and investment, particularly on the protection of legitimate rights and interests to investors in Cambodia, as evidenced by key legislations such as new Law on Investment, Law on Public-Private Partnership, Laws on Competition and Consumer Protection, among others. With the ongoing political stability, strategic location, a young and dynamic workforce, special and differential treatment, a huge market access, investment incentives plus a stable macro-economic environment, Cambodia is well positioned to become a potential hub for business and investment in the region and could serve as a production base for manufacturing and re-export.

Excellences, Ladies and Gentlemen!

- Ministry of Commerce of Cambodia attaches great importance to further elevate the partnership under Mekong-Lancang Mechanism to a new height towards sustainable development as well as to safeguard our common interests.
- I strongly believe that today's workshop will offer all participants not only the in-depth understanding of the key concepts of the project but also on the policy measures on Promotion and Facilitation of trade and investment among Mekong-Lancang countries and how we can move forward to facilitate cross-border economic cooperation. With that, I encourage everyone presenting here as well as online to actively engage with our presenters and experts so that we can discuss and jointly address any challenges hindering investment and trade facilitation in our region.
- Let me conclude my remarks by once gain expressing my sincere thanks to CDC for organizing this inception workshop. I look forward to seeing more and more cooperation between Mekong countries and People's Republic of China in the future. Please stay safe and I wish you all a fruitful discussion.

Thank you very much!

Congratulating Remarks by Counsellor Lin Ruihua at the Opening Session of the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation

Your Excellency, Mr. Prak David, Undersecretary of State, Ministry of Foreign Affairs and International Cooperation,
Your Excellency, Mr. Khuon Virak, Deputy Director General of International Trade of the Ministry of Commerce,
Distinguished Guests, Ladies and Gentlemen,
Good morning!

It is a great pleasure to attend today's workshop. On behalf of the Chinese Embassy and H.E. Mr. Wang Wentian, Ambassador of the People's Republic of China to the Kingdom of Cambodia, I would like to congratulate Cambodia on the convening of the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, and I would also like to thank leaders and experts of Cambodia, Laos, Myanmar, Thailand and Vietnam for your participation and contribution.

The project on enhancing services related to investment and trade facilitation contributing to the promotion of cross-border economic cooperation is one of the 12 projects supported by Lancang-Mekong Cooperation Special Fund 2021.

The theme of the project demonstrates the common will and efforts of the LMC countries to strengthen cross-border economic cooperation, which has been identified as one of the five priority areas of the LMC since the beginning. On July 26th 2017, the Joint Working Group of the LMC on Cross-border Economic Cooperation convened its first meeting in Kunming, the capital of southwest China's Yunnan province. After that, two meetings were convened and the Joint Working Group has been functioning well. At these meetings, the LMC countries have exchanged in-depth views and reached broad consensus on the formulation of cross-border economic cooperation plans, trade promotion, e-commerce, economic and technological cooperation, industrial park cooperation, and regional trade facilitation, which paves the way for our future economic cooperation.

With concerted efforts of all countries in the sub-region, it has become a highland of development and promising land for cooperation. Trade between China and countries along the Mekong River has continued to surge despite the impact of the COVID-19 pandemic and the sluggish global economic recovery. The volume of trade between China and the five Mekong countries hit almost 400 billion U.S. dollars in 2021, up 23 percent year on year.

Early this year, the Regional Comprehensive Economic Partnership agreement, or RCEP, the world's largest free trade deal, and the Cambodia-China Free Trade Agreement, the first free trade agreement signed by China after the outbreak of the COVID-19 pandemic, both officially came into force, injecting strong impetus to regional development. Distinguished Guests, Ladies and Gentlemen,

Economic recovery is a shared hard task that all countries are facing today. The LMC countries are contributing our experience and wisdom. At the 7th LMC Foreign Ministers' Meeting held in Bagan, Myanmar this July, ministers agreed to deepen cooperation on the key elements conducive to economic resilience and post pandemic economic recovery including but not limited to connectivity, trade, digital economy, finance and financing for development, production capacity, and the supply chain resilience, cross-border economic cooperation and intra-regional investment, green finance, improvement of cross-border trade facilitation and harmonization of rules and regulations, and encouraged to expedite the development of innovation corridors and the joint development of the Lancang- Mekong Economic Development Belt.

With the positive being said, the sub-regional economy still faces growing risks, with disruptions to the stability of regional supply chains and unabated noises of “decoupling” and “severing supply chains”. To rise up to the drastic changes unseen in a century, President Xi Jinping put forth the Global Development Initiative, to pool consensus and strength for the collective efforts of the international community to meet challenges, drive global economic recovery and accelerate the implementation of the UN's 2030 Agenda for Sustainable Development. We are ready to work with Cambodia and other sub-regional countries to match the Initiative with national strategies, to enable post-pandemic economic recovery with the epidemic control bearing in mind, to boost regional development and security of all countries along the Lancang-Mekong River, making contribution to our Lancang-Mekong community with a shared future. In conclusion, I wish the project substantial progress and our cross-border economic cooperation prosperity for the benefit of the people of the LMC countries. May the China-Cambodia friendship last forever!
Thank you!



Opening Remarks by
H.E. Mr. PRAK David
Undersecretary of State
Ministry of Foreign Affairs and
International Cooperation

Opening Remarks
by **H.E. Mr. PRAK David**,
Under Secretary of State of MFA&IC at the Inception Workshop on
“Enhancing Services related to Investment and Trade Facilitation Contributing to
the Promotion of Cross-Border Economic Cooperation”

Funded by the Mekong-Lancang Special Fund 2021
30 September 2022, Hyatt Regency Phnom Penh Hotel, Cambodia

- Mr. LIN Ruihua, Counsellor of the Embassy of the People's Republic of China to the Kingdom of Cambodia,
- Mr. KHUON Virak, Deputy Director General of International Trade, Ministry of Commerce,
- Dr. SOUN Sophal, Project Director and Director of Public Relations and Promotion of Private Investments, Council for the Development of Cambodia
- Focal Points of the Mekong-Lancang member countries
- Excellencies, Distinguished Guests, Ladies and Gentlemen

A very good morning!

1. It is my great honour and pleasure to attend today's Inception Workshop on “Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation” organized by the Council for the Development of Cambodia with support from the Mekong- Lancang Cooperation Special Fund 2021.

2. On behalf of H.E. Mr. PRAK Sokhonn, Deputy Prime Minister, Minister of Foreign Affairs and International Cooperation, and H.E. Dr. Sok Siphana, Chairman of the National Secretariat of Cambodia for Mekong-Lancang Cooperation (NSC-MLC), I would like to express my sincere appreciation to the government of the People's Republic of China for providing the Special Fund to support many projects under Mekong-Lancang Cooperation frameworks, including this important project.



3. On this positive note, I would like to congratulate the Council for the Development of Cambodia for organizing this important workshop, aiming to compile policy compendium which provide information related to investment and trade facilitation services among MLC member countries that contributes to the promotion of cross-border economic cooperation with favorable conditions to further attract cross-border investment and facilitating trade flows.

Excellencies, Distinguished Guests, Ladies and Gentlemen

4. At the 2nd MLC Foreign Ministers' Meeting in 2016 in Siem Reap, the MLC Special Fund was officially launched with the amount of USD300 million committed to supporting small and medium-sized cooperation projects with a strong emphasis on practicality, development-focused cooperation, and the promotion of people-to-people connectivity, and delivering tangible benefits for the people of the MLC member countries. Indeed, as today's event demonstrates, the peoples of the MLC member countries continue to receive socio-economic benefits from these projects, with far-reaching impacts that will remain for decades to come.

5. In this context, allow me to highlight the outcomes of the 3rd MLC Summit on "Enhancing Partnership for Shared Prosperity" which was held in August 2020. During the said meeting, the Leaders noted with satisfaction of the progress of MLC's 5 Years Plan of Action (2018-2022) which led to fruitful outcomes, and contributed to building of trust and mutual understanding as well as promoted harmony and shared prosperity in MLC member countries. Similarly, the recent 7th MLC Foreign Ministers' Meeting on 4 July 2022 in Bagan, Myanmar, has also accomplished several positive outcomes and promoted the idea of good neighborhood, where neighboring countries help each other moving towards the prioritization of development and regional integration. The Ministers appreciated the MLC Special Fund's support for over 128 projects during this year in the areas of agriculture, tourism, ICT, education and research, water resources, rural development, air connectivity, cultural exchanges and people to people exchanges. In this connection, H.E Wang Yi also proposed 06 Prioritized Areas of Cooperation namely (1) strengthen strategic guidance, (2) deepen economic integration, (3) expand agricultural cooperation, (4) adhere to green development, (5) promote digital cooperation, and (6) keep closer cultural and people-to-people exchanges which mutually benefited the people by empowering the capacity in reducing poverty and advancing socio-economic development.

6. These accomplishments, undoubtedly, have served as a strong and effective foundation for the MLC Framework to maintain and grow its relevance.

Excellencies, Ladies and Gentlemen,

7. Over the past few years, Cross-Border Economic Cooperation has fulfilled development goals of the Five-Year Development Plan on MLC Cross-Border Economic Cooperation (2019-2023) in attracting direct investments in areas located near the cross-border economic cooperation zones, and serving to stimulate cross-border investment and trade facilitation, transport, logistics, SMEs development, human resources development, migrant workers, technical and knowledge exchange.

8. I firmly believed that this project will enhance the connection of the national development strategies and leverage the preferential policies for cross-border economic activities through streamlining services and procedures for the collaborative facilitation of cross-border investment and trade will achieve fruitful results.

Excellencies, Ladies and Gentlemen,

9. Taking this opportunity, once again, I would like to thank China for its leading role in advancing the MLC framework, and commending the active engagement and strong commitment of all Mekong member countries in making the initiative the success we can see today.

10. I also want to thank the MLC National Secretariat team of the MFA.IC for well coordination and cooperation with all relevant line ministries as well as all MLC Embassies in order to have smooth the progress of our MLC Framework.

11. Cambodia always stands ready to work closely with all MLC member countries to realize our Leaders' vision of building a Community of Shared Future of Peace and Prosperity among Mekong-Lancang Countries as embodied in Sanya Declaration.

12. To this end, I would like to conclude my remarks by wishing this inception workshop a great success.

Thank you!



Photo Session



Overview of the Project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation

Staff Biography
H.E. Sun Sopha, Assistant Member of the Supreme National Economic Council and Director of Public Relations and Director of Private Investment of the Council for the Development of Cambodia

Sun Sopha has held a number of leadership roles in the public and private sectors. He is currently involved in regional economic integration, including ASEAN Investment Area, the Greater Mekong Sub-region (GMS) Economic Cooperation Program, UNCTAD Asia-Pacific Foreign Direct Investment (FDI) Network, AECMC, the Mekong-Lancang Cooperation and World Trade Organization (WTO). Before assuming his current position in CDB, he worked for Ministry of Economy and Finance.

He worked extensively on economic development in various financial institutions including the Credit Committee for Rural Development, the World Bank, the Asia Development Bank, and the International Bank for Reconstruction and Development. He was also a member of the Board of Directors of the Asian Infrastructure Investment Bank (AIIB), the Asian Development Bank (ADB), the East Asia Economic Cooperation and East Asia Short-term Group. He was also the former Executive Director for the Japan-East Asia and Latin America Cooperation Association in Tokyo.

He holds a Doctor Degree of Business Administration from the Republic of Korea, Master Degree in Public Management from Singapore - Lee Kuan Yew School of Public Policy and MBA from National Taiwan University of Economics. He served as the Director of Economic and Social Research and Planning (ESRP) a division of the East Asiatic Centre in Denmark specializing in economic development with a focus on investment promotion in Asia.

PROJECT IMPLEMENTATION

ENHANCING SERVICES RELATED TO INVESTMENT AND TRADE FACILITATION CONTRIBUTING TO THE PROMOTION OF CROSS-BORDER ECONOMIC COOPERATION IN MEKONG-LANGCANG COUNTRIES

Talking Points

- Background of Cross-Border Economic Cooperation under the Mekong-Lancang Cooperation
- Overview of the Project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation under Mekong-Lancang Cooperation Special Fund
- Activities and Work Progress of the Project Implementation

Background of MLC Cross-Border Economic Cooperation

- Second Meeting of the Joint Working Group on Cross-Border Economic Cooperation (JWG-CBEC-2)
 - Host: Kunming, PRC
 - Date: 19-20 June 2018
 - Chairmanship: Cambodia (COC) and China (HOCOM)
 - Outcome: The work of the Initiative on Smart Trade Network Cooperation under the Framework of Mekong-Lancang Cooperation
- Commitments further strengthen economic and trade cooperation were made while jointly discussing the possibility to build the Mekong-Lancang economic development belt, and shape the Mekong-Lancang community of shared future so as to deliver benefits to the people of the MLC countries.
- Promotion of investment cooperation including construction of cross-border economic zones, economic and trade cooperation zones and industrial parks. Further promote trade facilitation in the region by making use of advanced technologies while taking into account domestic capacity and the interests of each Party.
- MLC countries issued the China-Lao-Myanmar Regional Code of Origin in November 2018.

Background of MLC Cross-Border Economic Cooperation

- First Meeting of the Joint Working Group on Cross-Border Economic Cooperation (JWG-CBEC-1)
 - Host: Kunming
 - Date: 16th July 2017
 - Chairmanship: P.R. China (HOCOM)
 - Outcome: Study of Systems and joint Ministerial Services provided and subsequently followed during the Joint MLC Under-5 Working in Hanoi, Viet Nam on 12-13 January 2018. The conclusion of the working visit, business visit, promoting investment and consulting as well as exchanging governmental, academic and development visits by Joint Regional Economic
- Highlighting the commitments to further deepening Cross-Border Economic Cooperation under the Belt and Road Initiative through promoting the contribution of development strategies among MLC countries.
- Commitments to cooperate, investment cooperation, industrial cooperation zones were put into further consideration to move the cross-border economic cooperation forward.
- Five Years Plan of Action was to be developed.

Background of MLC Cross-Border Economic Cooperation

- 3rd Meeting of the Joint Working Group on Cross-Border Economic Cooperation (JWG-CBEC-3)
 - Host: Vietnam, Lao PDR
 - Date: 8-10 October 2019
 - Chairmanship: Lao PDR (HOC) and P.R. China (HOCOM)
 - Outcome:
 - Establishment of the Five-Year Development Plan for MLC Cross-Border Economic Cooperation
- Commitments Discussing the mechanism for the effective implementation and the plan for further cooperation.
- Promote trade and investment as well as leveraging the regional industrial linkage.

Project Overview & Background

- Cambodia proposed a cooperation project on "Enhancing Services related to Trade and Investment Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation" to assist the Phnom Penh authorities to better facilitate and streamline services related to investment and trade through regular consultations and policy exchanges among key policymakers and practitioners
- Drawing on the 5th MEC Int. Agreement such as Single Declaration, Revised First Declaration, Five Year Plan of Action on Trading Facilitation Cooperation (2017-2021), Joint Ministerial Declaration on Strengthening Cross-Border Economic Cooperation (CMEC) among MEC countries, this project will be implemented under the Joint Working Group on Cross-Border Economic Cooperation following development plans of the Five Year Development Plan for MLC (2019-2023)
- During the course of its execution the aim to attract direct investment or other business with the cross-border economic cooperation areas, as well as to stimulate cross-border investment and trade facilitation, improve logistics, SMEs development, human resources development, improve workers, to enhance knowledge exchange



Anticipation from the project

- Expectation
 - Local and foreign investors regarding the anticipated stream-lined to investment and trade facilitation during the FDI promotion
 - Public interest to be aware of the potential cross-border economic areas that they also believe that investment projects to be located in or along the border areas with a supporting infrastructure, create employment figures and the flow of goods, services, personnel and capital as well as increase investment and trade to business



Project Overview & Background

- With view to further strengthen services and promote more investment services along the corridor for business cooperation areas and industrial clusters zones, this project serves as a catalyst to further similar and complex policy cooperation to provide investment related to investment and trade facilitation among MLC countries that contribute to the promotion of cross-border economic cooperation with favorable condition to further enhancing cross-border investment and trading trade flows
- This project is the first of its kind which has been proposed by Cambodia (the Council for the Development of Cambodia) to be implemented under the Joint Working Group on Cross-Border Economic Cooperation in fulfillment of the development goal of the Five Year Development Plan for MLC (2019-2023)
- In April 2018, the Council for the Development of Cambodia reported the guidelines to submit the project proposal on "Enhancing Services related to Trade and Investment Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation" as its implementation under the Trading Facilitation Cooperation (Sector Year 2017)



Project Milestones

- Cambodia proposed a cooperation project on "Enhancing Services related to Trade and Investment Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation" to assist the Phnom Penh authorities to better facilitate and streamline services related to investment and trade through regular consultations and policy exchanges among key policymakers and practitioners
- 27 April 2018, the project proposal was submitted
- 22 September 2018, project approved to utilize the Special Fund (2017)
- 14 December 2018, inter-ministerial meeting hosted by MLC to announce and brief about the operationalization of the project
- 11 December 2019, CDC issued a document to form the project implementing working group



Project Objectives

- Vision
 - An enhanced service related to investment and trade facilitation among MLC countries contributing to the promotion of Cross-Border Economic Cooperation
- Objective
 - The project aims to enhancing the operational of bilateral development strategies and benefiting the professional skills for cross-border economic services through strengthening bilateral and procedures for the collaboration activities of cross-border investment and trade
 - Further strengthening the role of E-Trade Desk at the Council for the Development of Cambodia (CDC) and to foster MLC countries where possible to providing cross-border economic cooperation
- Results
 - Enable key stakeholders to improve mutually partnerships (business, government) as well as private sector services during time to time the cross-border economic cooperation



Project Focal Points

- Cambodia – Dr. SEON Sopha, Lead for JWG-CMEC and Project Director
 - HMG Working Group Project Director
- PH. Chen – YU Xiang, Lead for JWG-CMEC
 - HMG Vice-Team Leader for MLC-CMEC-2017 project
- Lao PDR – KHAMPONEVANH Phommavong, Lead for JWG-CMEC
 - Working Group Lead for MLC-CMEC-2017 project
- Myanmar – Dr. HTHIRI Hye, Lead for JWG-CMEC
 - MLC Working Group Member Lead Partner for MLC-CMEC-2017 project
- Viet Nam – Nguyen Thanh Nam, Lead for JWG-CMEC
 - MLC Working Group Member Lead Partner for MLC-CMEC-2017 project



Project Focal Points - Cambodia

No.	Name	Designation	Contact
1	Dr. Sun Soara	Project Director	sunsoara@un.gov.kh
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4	Ms. Chhel Lakthasornmal	Evaluation	chhel@un.gov.kh
5	Ms. Lang Vay	Assistant	langvay@un.gov.kh
6	Ms. Lin Hokalean	Procurement	linhokalean@un.gov.kh
7	Ms. Maling Sokmal	Website	maling@un.gov.kh
8	Ms. Ching Mengkathin	IT Supporter	ching@un.gov.kh
9	Ms. Sam Chhannonea	Coordination and Monitoring	samchhannonea@un.gov.kh

Suggested collaboration

- Focal points of the PVG as C-CEC shall be actively involved throughout the scope of project implementation.
- Representatives from relevant ministries and private sector of the PRC countries shall be invited to share information and update local policy related to investment and trade facilitation.
- Progress of the project implementation should be reported to the Planning of the joint Working Group on Cross-Border Economic Cooperation under Thailand-Laoing Cooperation.

Work Progress

- The project implementing working group has proactively coordinated with the National Secretariat of Cambodia for the Thailand-Laoing Cooperation to seek guidance on the preparation process of response progress and final report. Adjustment of advanced payment, procurement on basis of technical equipment and facilities, and the opening of temporary workshop.
- The team also has been engaged to undertake the research and data collection related to investment and trade facilitation as well as to invite a workshop for capacity support.
- The core team has also prepared a list of local persons from Thailand-Laoing countries to be consulted and engaged through regular communication with project communication officer with the aim to facilitate a smooth implementation of the project.
- The programme administration, workshop needs, business agenda, executive letters list of participants, booklet and annual background of the response workshop has been prepared by the team.

THANKS



Contact the project officer
tel: 94960013.gov.kh

Better together through further enhancement

Work Progress

- The programme information, agenda and business agenda, executive letters list of participants, booklet and annual background of the workshop workshop has been prepared by the team.
- The team also worked to formalize bid, procurement for the procurement of IT equipment and other supporting facilities and send to local media outlets.
- In accordance with the SOBs for public procurement, the team also formulated an internal decision to establish procurement committee to prepare bid documents as well as oversee procurement process and goods delivery.

CAMBODIA



COUNTRY REPORT: CAMBODIA

I. Summary

As a member of World Trade Organization (WTO) since 2004, Cambodia, currently a least developed country, had witnessed a strong economic growth rate of an average of 7.7 percent annually for over two decades. Of that, Cambodia underwent a prominent transition that reaches the status as a lower middle-income country in 2015. With this robust performance, the Royal Government of Cambodia has set a target of becoming an upper-middle-income country by 2030 and high-income country by 2050. Like other developing countries, under WTO framework, Cambodia has enjoyed trade preferences and flexibilities that have contributed to underpinning a robust growth of its economy. Four sectors that is backbone of economy are agriculture, tourism, manufacturing, and construction.

The unprecedented outbreak of Covid-19 pandemic has pushed global economy toward the downward trends. Cambodia as a small nation's economy has experienced its worst economic performance since 1994 the contraction of 3.1 percent of GDP in 2020. In order to curb the situation, the Royal Government of Cambodia has set an emergent measure namely "Strategic Framework and Programs for Economic Recovery in the Context of Living with Covid-19 in a New Normal 2021-2023" that believes to stimulate some key growth drivers including garment, non-garment, tourism, and agriculture sectors.

II. Current Status of Economy

As projected by the Ministry of Economy and Finance of Cambodia in June 2022, the economic growth is expected to continue to grow in 2022 supported by the global demands, high vaccination rate, and the full reopening of country. The total export as of June 2022 (excluding gold) has reached 10,080 million dollars, 37.1 percent increase compared to the same period last year, driven by the increase of garments, bicycles, agriculture, and other export goods while the total import has achieved 13,001 million dollars, increased by 21.4 percent compared to last year due to the increase of import of construction equipment, petroleum, and other products.

Regarding the tourism sector, total international arrivals were 507,000 tourists, rised by 393.9 percent as of June 2022 compared to the same period last year, mainly thanks to the increase of Thai and Vietnamese tourists. At the same time, the total investment projects have reached 75 projects, also increased by 22 projects compared to the same period last year while the total number of construction proposals reached 2,000 projects, declined by 251 projects.

III. The Facilitation of Trade in Time of Covid-19

In the case of Cambodia, we attach great importance to the roles of business and private sectors in spurring economic growth. The government has spared no efforts in improving business and investment environment as evidenced by the adoption of key legislations such as new Law on Investment, Law on Public-Private Partnership, Law on the Amendment of Commercial Enterprises, and Law on Competition, among others, that would facilitate and create a more enabling environment conducive to businesses and investors. As you all know, Covid-19 pandemic has adversely affected and disrupted global economic activities, including business and private sectors. Collective efforts and collaboration are needed more than ever in order for us to recover, restore growth and advance regional economic integration. It is imperative that all relevant stakeholders promote and support business and private sector during this unprecedented challenge so that they could remain thrived and competitive and become more resilient for future crisis. In order to address the challenges, Cambodia continue to implement the strategies Recovery Framework, including maximizing the potential of intra-region market and broader economic integration, accelerating inclusive digital transformation and the consolidated strategy on the Fourth Industrial Revolution, and advancing towards a more sustainable and resilient future.

In addition, in order to ease the business activity, the government has lifted the travel restrictions. According to the Cambodia Economic Update released on June 2022, Cambodia's economy will grow by 4.5 percent in 2022 but it is unclear for the road ahead. The findings also mentioned about the economic performance that is expected to grow at roughly 6 percent annually over the medium term derived from the bilateral free trade agreement between Cambodia-China and Cambodia-Korea, Regional Comprehensive Economic Partnership (RCEP), and the new Law on Investment, just to name a few. With this, it is strongly believed that investment and trade will be boosted.

IV. Reference

- Socio-Economic Trends, June 2022, by Ministry of Economy of Finance of the Kingdom of Cambodia.
- <https://www.worldbank.org/en/country/cambodia/overview>

Presentation Slide

**Trade Facilitation and E-commerce
in Cambodia**

Presented by: **Khuon Virak**
*(Deputy Director General of International Trade, Ministry of
Commerce)*

Content

- I. Introduction
- II. The Current Status of Cambodia's Economy
- III. The contribution of Trade Facilitation to Cambodia's Economy
- IV. E-commerce in Cambodia

I. Introduction

- Cambodia has become a member of WTO since 2004.
- As a least developed country, had witnessed a strong economic growth rate of an average of 7.7 percent annually for over two decades.
- Cambodia underwent a prominent transition that reaches the status as a lower middle-income country in 2015.

I. Introduction (cont.)

- Cambodia underwent a prominent transition that reaches the status as a lower middle-income country in 2015.
- With this robust performance, the Royal Government of Cambodia has set a target of becoming an upper-middle-income country by 2030 and high-income country by 2050.
- Cambodia has enjoyed trade preferences and flexibilities that have contributed to underpinning a robust growth of its economy.

II. The Current Status of Cambodia's Economy

- As projected by the Ministry of Economy and Finance of Cambodia in June 2022, the economic growth is expected to continue to grow in 2022 supported by the global demands, high vaccination rate, and the full reopening of country.
- The total export as of June 2022 (excluding gold) has reached 10,080 million dollars, 37.1 percent increase compared to the same period last year, driven by the increase of garments, bicycles, agriculture, and other export goods.

II. The Current Status of Cambodia's Economy (cont.)

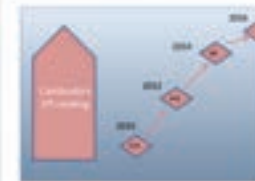
- The total import has achieved 13,001 million dollars, increased by 21.4 percent compared to last year due to the increase of import of construction equipment, petroleum, and other products.
- Total international arrivals were 507,000 tourists, roused by 393.9 percent as of June 2022 compared to the same period last year, mainly thanks to the increase of Thai and Vietnamese tourists.
- Total investment projects have reached 75 projects, also increased by 22 projects compared to the same period last year while the total number of construction proposals reached 2,000 projects, declined by 251 projects.

III. The contribution of Trade Facilitation to Cambodia's Economy

- In the case of Cambodia, we attach great importance to the roles of business and private sectors in spurring economic growth.
- The government has spared no efforts in improving business and investment environment as evidenced by the adoption of key legislations such as new Law on Investment, Law on Public-Private Partnership, Law on the Amendment of Commercial Enterprises, and Law on Competition, among others, that would facilitate and create a more enabling environment conducive to businesses and investors.

III. The contribution of Trade Facilitation to Cambodia's Economy (cont.)

- In order to address the challenges, Cambodia continue to implement the strategies Recovery Framework. According to the Cambodia Economic Update released on June 2022, Cambodia's economy will grow by 4.5 percent in 2022.
- The findings also mentioned about the economic performance that is expected to grow at roughly 6 percent annually over the medium term derived from the bilateral free trade agreement between Cambodia-China and Cambodia-Korea, Regional Comprehensive Economic Partnership (RCEP), and the new Law on Investment, just to name a few.



Cambodia's ranking in the World Bank's Logistics Performance Index (LPI)

From 129 in 2010 - to 83 in 2014 - to 73 in 2016

- Physical inspection reduced to below 20% of import and export shipments
- 90% of SAD lodged are processed and cleared within 1 day (based on TRS)
- Clearance procedures become more expeditious and transparent
- Cambodia's LPI 2016 Rank 73 from 129 in 2010

Customs Tariff of Cambodia

- ASEAN Harmonized Tariff Nomenclature (AHTN) 8-digit code (Consistent with WCO HS): Currently AHTN 2017.
- All of Cambodia's import tariffs are applied on an ad valorem basis.
- Customs collect 1. Customs Duty, 2. Excise Tax and 3. VAT on imported goods, as well as Export Tax on exported goods.

Tariff Classification

The Customs duty rates on imported goods:

0%	• for goods such as primary products, raw materials, medical products, educational materials
7%	• for semi-finished products as raw materials, foodstuff and some construction materials ...
15%	• for machinery and equipment and Electronics
35%	• for finished products, alcohol, petroleum products, vehicles, precious metals and gambling items.

IV. E-commerce in Cambodia

1-Law on Electronic Commerce (2019)

- Law on Electronic Commerce (E-Commerce Law) was promulgated by His Majesty the King by Royal Kram No. NS / RKAM / 1119/017, dated 2 November 2019.
- The law is divided into 12 Chapters and 57 Articles which will serve as a legal basis and fulfill the lack of e-commerce legislation that is very needed for the support and management of e-commerce activities in Cambodia.
- The law aims to:
 - govern electronic commerce in the Kingdom of Cambodia and with the international;
 - create legal certainty in the civil and commercial transactions by electronic system;
 - give confidence to the public in the usage of electronic communication;
 - promote consumer protection in e-commerce.



2- E-Commerce Sub-Decree (2020)

- Sub-Decree No. 134, dated 27 August 2020, on the Determination of Types, Forms and Procedures for Issuance of Permission Letter or Licenses to Intermediaries and Electronic Commerce Services Provider and Exemptions was issued by the Royal Government of Cambodia to effectively strengthen the mechanism for managing e-commerce and to ensure the implementation of the law on e-commerce in the Kingdom of Cambodia.
- The SD determines certain conditions for applying for an E-Commerce Permission Letter and/or License. It also provides an important legal exemption to an individual or a sole proprietorship for applying for E-Commerce Permission Letter.
- Besides, the SD provides that persons who obtained an E-Commerce Permission Letter and/or License may voluntarily apply for an E-Commerce Trustmark to certify their compliance, trustworthiness, and safe and secured transactions.



3- E-Commerce Prakas (2020)

- Prakas (Proclamation) No. 290, dated October 9, 2020, on the Issuance of Electronic Commerce Permission Letter or Licenses was issued by the Ministry of Commerce to ensure certainty, transparency, and convenience for applying for an E-Commerce Permission Letter and/or License.
- The Prakas determines required documents and clear procedures for applying for an E-Commerce Permission Letter and/or License.
 - For example, if a company applies for an e-commerce license, it will be required to submit its business model and/or consumer protection measures to ensure that it fully complies with provisions of the law on e-commerce and law consumer protection.



II. E-Commerce Strategy (2020)

- Cambodia's E-Commerce Strategy was officially launched on November 25, 2020, as a guiding map for e-commerce development under the harmonized and well-coordinated framework. The strategy aims to promote and achieve competitive growth of trade, and as well as the country's economic and digital development agenda.
- The Cambodian E-commerce strategy is consisted of 10 components of e-commerce ecosystem:
 1. Strategy and Policy focus and institutional coordination
 2. Legal and regulatory framework
 3. MSB regulations
 4. Information and communication technology (ICT) infrastructure
 5. Digital knowledge/skills development
 6. Payment systems
 7. Domestic e-commerce trade logistics
 8. Cross border trade
 9. Access to finance
 10. Trade information and in-market support



E-Commerce Development Project (Go4eCAM)

- The project aims to promote increased sales, business expansion and job creation for Cambodian SMEs, with a focus on digitalization of SMEs, especially provincial and women-owned SMEs, by leveraging B2B2C e-commerce for domestic and cross-border trade; strengthening entrepreneurship skills; access to finance; and increased capacity for government to attract additional supports.
- The project contains 4 important parts:
 - **The Cambodia Marketplace**
 - Increase domestic sales
 - Regulatory compliance
 - **The SMEs eMarket**
 - Increase international sales
 - Small loan programs for digital SMEs
 - **The Investor Pitch Deck**
 - Increase investment
 - Increase government support
 - Supporting national economic recovery and job creation
 - **The Management Component**



IV. MOC's Public Services Automation Systems

- Online Business Registration
 - <http://www.construction.com.cn/ico/home/> (CamDQ)
 - <http://www.businessregistration.moc.gov.kh/> (MOC System)
- Certificate of Origin (CO) Automation System
 - <http://co.moc.gov.kh/>
- Online Mark Filing System
 - <http://mfiling.commerce.gov.kh/mfiling/>
- Secured Transactions Filing Office (SETFO)
 - <http://www.setfo.gov.kh/>
- CambodiaTrade (e-commerce marketplace)
 - <http://www.cambodiaintrade.com/home.aspx?site=www.khcntr.com/cambodiaintrade>




Yu Xiang, Deputy Director General of the Department of Asian Affairs, Ministry of Commerce of the People's Republic of China (MOC/COM)

He graduated from Beijing Foreign Studies University, majoring in English. He received his Master Degree of World Economy in Renmin University of China. He was qualified for certificate of advanced interpretation from EC Interpretation of the European Commission (ECI).

Yu Xiang joined the Department of Asian Affairs, Ministry of Trade and Economic Cooperation of China (MOT/TEC) in 2000. Before the current position, Mr. Yu had various working experience at the Chinese Embassy in the Republic of India, Department of Asian Affairs of MOC/COM, the Chinese Embassy in the United Kingdom, and General Office of MOC/COM.

He was appointed as the Deputy Director General of the Department of Asian Affairs of MOC/COM since Dec. 2021.



Policy reform related to Investment and Trade Facilitation in China
 Dear colleagues, ladies and gentlemen,
 Good afternoon!



I would like to express my sincere appreciation to the Council for the Development of Cambodia (CDC) for inviting me to this workshop. This is the first workshop under the program organized by Cambodia and supported by Mekong-Lancang Special Fund. On behalf of the Department of Asian Affairs of the Ministry of Commerce of China, I would like to congratulate the Cambodia side on the successful convening of the event, and I believe that effective communication among us would play a key role in enhancing economic and trade cooperation among MLC countries.

Mekong-Lancang Cooperation is a new sub-regional cooperation mechanism jointly initiated and developed by China, Cambodia, Laos, Myanmar, Thailand and Vietnam to deepen neighbourliness and pragmatic collaboration among the six MLC members, and promote socio-economic growth to build an economic belt along the river and develop a Mekong-Lancang community of shared destiny. This in turn drives consolidation of ASEAN community and regional integration, advances South-South Cooperation, contributes to the implementation of UN 2030 Sustainable Development Agenda and also jointly safeguards and promotes sustained peace, prosperity and development in our region.

In November 2021, President Xi Jinping and Leaders of ASEAN countries attended the ASEAN-China Special Summit to commemorate the 30th Anniversary of ASEAN-China Dialogue Relations.

This Summit announced the establishment of the Comprehensive Strategic Partnership (CSP) between China and ASEAN, marking a new milestone in the relations between the two sides. Under the Leaders' strategic guidance, China and ASEAN continue to jointly promote high-quality Belt and Road Cooperation; the Regional Comprehensive Economic Partnership (RCEP) entered into force; the joint feasibility study on ASEAN-China Free Trade Area (ACFTA 3.0) was carried out; China is expanding its import of more quality products including agricultural products from ASEAN member countries; we are joining hands with our ASEAN neighbors to construct new International Land-Sea Trade Corridor and establish Demonstration Zones for Economic and Trade Innovative Development. Connected by land and sea, China and MLC members enjoy strong economic complementarity and share huge potentials in economic and trade cooperation.

Trade between China and Mekong countries maintains rapid growth. In 2021, the aggregate trade volume between China and the five countries along the Mekong River totaled USD 398 billion, rising by 23.2% year on year to a new historic record. From January to July 2022, the trade volume continued to grow to USD 236.1 billion. President Xi Jinping announced that in the next five years, from 2022 to 2026, China would import USD 150 billion-worth agricultural products from ASEAN and solid progress is now being made in this effort. China has imported USD 21.58 billion agricultural products from ASEAN from January to July this year, of which USD 8.46 billion from Thailand and USD 3.72 billion from Vietnam. Fresh durian alone from Thailand accounted for USD 3.09 billion, and banana from Cambodia and other ASEAN member states accounted for over USD 700 million. This reveals immense potentials and a promising prospect in economic and trade cooperation among us.

Investment flows between the two sides keep rising. As of now, with more than USD 45 billion cumulative direct investment from China to the five Mekong countries, and about USD 5.5 billion cumulative investment the other way around, the mutual investment has exceeded USD 50 billion. The industrial parks and zones jointly developed by China and our partners have produced comprehensive benefits and leverage effects, which contribute to local employment as well as socioeconomic growth. China-Laos Railway, now in full operation, is being integrated into regional rail networks China partnered with Singapore to plan for a new International Land-Sea Trade Corridor. The consistently increasing level of connectivity in Mekong-Lancang Region is going to unleash more dynamics in regional investment collaboration.

In combating COVID-19, China and Mekong countries demonstrate solidarity through mutual support and assistance. When China was experiencing a challenging time, the Mekong countries were among the first to express their support and offer donations. In the face of pandemic, China did its best for the five neighbors, sharing our experience against COVID-19 with our Mekong brothers and provided vaccines for the ASEAN members to forge a solid protection against the pandemic.

In the hard-won battle against COVID-19, Chinese government, guided by the principle of "people first, life first", upholds scientific and precise Dynamic Zero-COVID Policy. Through careful coordination between the necessity of pandemic prevention & control and the need for socio-economic development, strategic success has been achieved. Chinese government has taken considerable measures to stabilize and promote foreign trade and investment: First, Adopt a series of measures to sustain the resilience of foreign trade: speed up incubation of new business forms and models such as cross-border e-commerce and market procurement trade; provide support for priority sectors such as new energy vehicle by streamlining the order placing channels for import and export traders; facilitate participation of enterprises in exhibitions and match-makings and help the businesses to build capacity against foreign currency exchange risks. Second, step up the efforts in providing services to foreign investment: provide incentives to facilitate investment in manufacturing sector and encourage establishment of foreign-funded R&D centers; strengthen services for the whole process and guarantees in all aspects to ensure the landing of a group of key foreign investment projects. Meanwhile, provide targeted services to address the bottlenecks faced by foreign-invested companies, including facilitating the entry-into/departure-from China of their management staff under pandemic conditions; encourage such platforms as national economic development zones to play a better role in attracting foreign investment. Third, effectively boost consumption: enhance consumption in key areas such as automobile, household electrical appliances and items; increase targeted assistance to struggling sectors for recovery in catering, accommodation and other related industries; facilitate sustained consumption under the precondition of responsible pandemic prevention and control; optimize urban and rural commercial distribution systems to boost rural consumption.

Ladies and gentlemen,

Cross-border economic cooperation under the framework of Mekong-Lancang Cooperation covers extensive areas. Not just limited to trade, logistics and investment in border areas among MLC members, it also focuses on collaborative development of industrial and supply chains for the regional industrial growth. It is our shared hope and responsibility to promote post-pandemic economic recovery in this region. I believe that with committed support and participation from all sides, the efforts to promote trade investment facilitation services and boost cross-border economic cooperation spearheaded by the CDC will provide valuable insights into the best practices to this end, foster synergy to upgrade cross-border economic cooperation and make significant contributions both to the collaborative growth of Mekong-Lancang region and to the building of a closer China-ASEAN community with a shared future.

Thank you!

Enhancing Services Related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation

Mr. YU Xiang
Deputy Director General
Dept. of Asian Affairs
Ministry of Commerce of China

(Sept. 20th, 2022)

Mekong-Lancang Cooperation



Mekong-Lancang Cooperation is a new sub-regional cooperation mechanism jointly initiated and developed by China, Cambodia, Laos, Myanmar, Thailand and Vietnam to deepen neighbourliness and pragmatic collaboration among the six MLC members, and promote socio-economic growth to build an economic belt along the river and develop a Mekong-Lancang community of shared destiny. This in turn drives consolidation of ASEAN community and regional integration, advances South-South Cooperation, contributes to the implementation of UN 2030 Sustainable Development Agenda and also jointly safeguards and promotes sustained peace, prosperity and development in our region.

Commemorative Summit: 30th Anniversary of ASEAN-China Dialogue Relations

In November 2021

The Summit announced the establishment of the Comprehensive Strategic Partnership (CSP) between China and ASEAN



- China and ASEAN continue to jointly promote high-quality Belt and Road Cooperation
- Regional Comprehensive Economic Partnership (RCEP) entered into force
- The joint feasibility study on ASEAN-China Free Trade Area (ACFTA 3.0) was carried out
- China is expanding its import of more quality products including agricultural products from ASEAN member countries
- China is joining hands with ASEAN neighbors to construct new International Land-Sea Trade Corridor and establish Demonstration Zones for Economic and Trade Innovative Development

Trade between China and Mekong countries maintains rapid growth.

Trade Statistics of 5 Countries around Lancang-Mekong River from January to December 2021

	Total	China	Other
Vietnam	202.2	141.79%	133.1
Thailand	111.2	77.4%	86.1
Burma	101.1	71.3%	71.9%
Cambodia	101.1	71.3%	71.9%
Laos	101.1	71.3%	71.9%

From January to July 2022, the trade volume continued to grow to USD 236.1 billion.

Trade Statistics of 5 Countries around Lancang-Mekong River from January to July 2022

	Total	China	Other
Vietnam	126.4	91.8%	114.0
Thailand	66.1	46.8%	54.8
Burma	61.1	43.3%	51.9%
Cambodia	61.1	43.3%	51.9%
Laos	61.1	43.3%	51.9%

China and the five countries along the Mekong River totaled USD 398 billion, rising by 23.2% year on year

Trade between China and Mekong countries maintains rapid growth.

President Xi Jinping announced that in the next five years (from 2022 to 2026) China would import USD 150 billion-worth agricultural products from ASEAN.

China has imported USD 21.58 billion agricultural products from ASEAN from January to July 2022.

Jan-July, 2022, USD 8.46 billion agri-products from Thailand.

Fresh durian alone from Thailand, accounted for USD 3.09 billion.

USD 3.72 billion agri-products from Vietnam.

Banana from Cambodia and other ASEAN member states accounted for over USD 700 million.

Investment flows between the two sides keep rising. As of now, with more than USD 45 billion cumulative direct investment from China to the five Mekong countries, and about USD 5.5 billion cumulative investment the other way around, the mutual investment has exceeded USD 50 billion.



Industrial Parks

The industrial parks and zones jointly developed by China and our partners have produced comprehensive benefits and leverage effects.



China-Laos Railway

Now in full operation, and being integrated into regional rail networks.



China partnered with Singapore to plan for a new International Land-Sea Trade Corridor.

Consistently increasing level of connectivity in Mekong-Lancang

In combating COVID-19, China and Mekong countries demonstrate solidarity through mutual support and assistance.



Adopt a series of measures to sustain the resilience of foreign trade

Speed up incubation of new business forms and models such as cross-border e-commerce and market procurement trade;

Provide support for priority sectors such as new energy vehicle by streamlining the order placing channels for import and export traders;

Facilitate participation of enterprises in exhibitions and match-makings and help the businesses to build capacity against foreign currency exchange risks.



step up the efforts in providing services to foreign investment:



- Provide incentives to facilitate investment in manufacturing sector and encourage establishment of foreign-funded R&D centers;
- Strengthen services for the whole process and guarantees in all aspects to ensure the landing of a group of key foreign investment projects.
- Encourage such platforms as national economic development zones to play a better role in attracting foreign investment.

effectively boost consumption:



- Enhance consumption in key areas such as automobile, household electrical appliances and items;
- Increase targeted assistance to struggling sectors; facilitate sustained consumption under the precondition of responsible pandemic prevention and control;
- Optimize urban and rural commercial distribution systems to boost rural consumption.



Dr. Aislin Lynn
 Deputy Director General
 Myanmar Trade Promotion Organization
 Ministry of Commerce

Dr. Aislin Lynn, Deputy Director General, Myanmar Trade Promotion Organization, Ministry of Commerce has been working as lecturer at the Yangon Institute of Economics for 12 years and moved to Ministry of Commerce since 2008.

He obtained Master of Commerce from Yangon Institute of Economics in 1996 and hold PhD in Economic from Yangon Institute of Economics and Goettingen University, Germany in 2006.

He is responsible for promotion of Myanmar's products, cooperation with international organizations for trade promotion activities, implementation of National Export Strategy, and coordination with private sector for participation in Trade Fairs/Exhibitions.

He is a focal person for implementation of joint working group on GMS Border Economic Examination in Myanmar and participates in capacity strengthening project on Improving Rubber Quality and Market Research for Rubber Industry in Myanmar with the support of Cairngrove, Making Special Cooperation Fund.

COUNTRY REPORT: MYANMAR
Overview of Myanmar's Economy

Since the beginning of 2022, Myanmar's economy has faced a series of external and domestic shocks. Notwithstanding these shocks, some parts of the economy have stabilized and even recovered somewhat since late 2021, demonstrating the resilience and adaptability of Myanmar's businesses. Firms have reported operating at higher capacity in 2022 than in 2021, particularly in the manufacturing sector. The manufacturing Purchasing Managers' Index reached neutral levels in the first half of 2022, after a long period of contraction. Garment manufacturers – mainly reliant on external demand – seem to have recovered relatively strongly, as demonstrated by the ongoing expansion in manufactured exports since mid-2021. This improvement in economic activity has been supported by a rise in mobility, with workplace mobility returning to pre-pandemic levels in June after substantial dips in 2021.

Current Situation of Covid-19

The fourth wave of COVID-19 had a more limited impact than previously expected. Confirmed cases rose from an average of 155 cases per day in January to an average of 1642 cases per day in February before declining sharply in March. This fourth wave was less severe than expected, with the number of recorded cases and rates of hospitalization and death significantly lower than during the third wave in mid-2021. Consequently, mobility only declined slightly in February. In April, restrictions on public gatherings were lifted, and Yangon International Airport reopened after having suspended operations for over two years due to the pandemic.



National vaccination rates have improved, with 49 percent of people having received double doses of the COVID-19 vaccine (up from 29 percent in early January) and another 11 percent having received partial vaccination.

International Trade in brief

After stabilizing at relatively low levels in late 2021, Myanmar's international trade increased in the first half of 2022 (Q1 2022) but remained below pre-COVID-19 levels. Compared with the same period last year, exports and imports increased by 12 percent and 20 percent respectively in Q1 2022 – resulting in a 16-percent increase in trade values. With imports increasing by more than exports, Myanmar recorded a goods trade deficit of US\$159 million in Q1 of 2022. Myanmar's international trade rose steadily in the March quarter of 2022, but trade moderated in the June quarter with the impacts of foreign exchange restrictions and trade license requirements beginning to become evident.

Sea trade – which accounts for more than 70 percent of Myanmar's total trade – has increased, but land trade has declined. Compared with the same period last year, sea-bound trade (in US dollar value terms) rose by 37 percent in Q1 2022, but land trade declined by 25 percent. Sea-bound exports increased by 47 percent in Q1 2022, consistent with the trend in container exports via Yangon ports, which increased by 53 percent in the first five months of 2022 compared to the same period last year. According to shipping operators, the freight cost of a 20-foot container has dropped around 30 to 40 percent across multiple destinations since the beginning of 2022 compared to the 2021 cost.¹ Sea-bound imports increased by 30 percent in Q1 2022. The weakness in land trade was largely due to COVID-19-related border disruptions with China.

Exports through land trade were 24 percent lower in Q1 2022 than in the same period last year, while imports through land trade remained stable at relatively low levels. Disruptions at the border with China included the closure of several land border posts; restrictions on Myanmar drivers and trucks entering via the Chinese border,² and China's suspension of seven types of imports (including rice) over the land border, starting from mid-March 2022.³ Exports to Thailand over the land border were broadly stable, but imports declined in Q1 2022. Reports indicate that border trade with Thailand has been impacted by conflict in border areas which has disrupted transport links and caused the temporary closure of border gates.

Manufacturing exports have picked up strongly, returning to pre-COVID-19 levels. Garment exports have driven the overall increase in manufacturing exports. The price competitiveness of garment exports has received a boost from kyat depreciation through 2021 and early 2022, with the historical relationship between garment export values and the exchange rate suggesting that this depreciation likely to have supported the recent recovery in garment exports.

Agricultural export values recovered over the six months to March 2022 but have subsequently declined. Reports indicate that since early 2022, rice export prices have risen strongly, and bean and pulse export prices have also increased. Volumes of beans and maize exports have also risen since late 2021. Market diversification may have helped to support agricultural exports.

COVID-19 Economic Relief Plan (CERP)

In an effort to meet the current exigencies faced by Myanmar as a result of the COVID-19 pandemic, the Myanmar Government had, on 27 April 2020, launched the COVID-19 Economic Relief Plan (CERP). The CERP comprises seven goals, 10 strategies, 36 action plans and 76 actions, each with an estimated timeline and designated authority in charge, covering a range of fiscal and social measures.

The CERP contains measures to mitigate the range of COVID-19 effects on our economy while leaving us in a position to bounce back to strong economic growth as soon as possible.

The CERP is a timely intervention by the Myanmar Government to cushion the financial, social and economic impact of the COVID-19 pandemic. Several of the measures have already been implemented and has gradually aided the management of the crisis.

It has received a positive response from the public as it benefits both businesses and individuals. The CERP will see the government increasing its spending to the extent necessary to support the Myanmar economy and its people.

The measures are targeted at both large and small enterprises as well as the at-risk population who are undoubtedly feeling the adverse impact of the pandemic harder.

Facilitate Importation Processes

- (a) Expedite and facilitate the process for the importation of medical-related products for COVID-19 prevention, control and treatment
- (b) Waive import licensing and FDA requirements, as long as the products are FDA approved in another country

Facilitate Exportation Processes

- (a) Review all export applications, licenses and permits, and remove those that are not required to maintain market access or to protect health, safety and security
Immediate Ministry of Commerce.
- (b) Facilitate rice exports to maintain incentives for farmers to plant this planting season



Trade facilitation efforts prompted by COVID-19 pandemic

Myanmar's trade facilitation efforts prompted by COVID-19 pandemic are also remarkable. Several measures have been introduced to mitigate the negative impacts of the pandemic on businesses and ensure the smooth flow of essential goods and supplies into and from Myanmar since 2020. Myanmar Customs Department has made commitment to ensure supply chain connectivity during the COVID-19 pandemic and has been operating customs clearance daily at all clearance sites across countries to accelerate the import procedures and rapid release of goods imported to fight against COVID-19 (UNCTAD 2020; MACCS 2022). An online licensing system has been implemented in Myanmar to improve trade facilitation while keeping social distancing during the COVID-19 pandemic, and export/import licenses can be applied via Trade Net 2.0 starting from December 2020. In addition, Food and Drug Administration (FDA) of Myanmar has established E-submission system⁴ since the end of 2020 to facilitate making submissions to FDA. Thus, import recommendation, import health certificate, export health certificate can be applied for via FDA Online Service Portal and payment for laboratory testing fee, application assessment fee, and notification fee can be done digitally since the beginning of 2021. Likewise, the Department of Agriculture has also established an electronic application system⁵ for issuing relevant endorsements for importation and exportation of seeds, fertilizer, and pesticide. Although some other major agencies still left behind for full implementation of their electronic system for applications and approval, UNESCAP (2021) stated that Myanmar, despite being a small economy, performs well in facilitating paperless trade and the movement of essential supplies within ASEAN to address the challenges posed by the COVID-19 pandemic. The National Trade Repository (NTR) was established to improve transparency and the trade facilitation environment in Myanmar.

Ease of Doing Business

Myanmar's efforts to enhance the business environment have been recognised internationally. Since 2013, Myanmar has been included in the World Bank's Doing Business report. The country climbed steadily in the rankings, from 182 in 2013 to 165 in 2018. The implementation rate increased by 15 percentage points (from 26% in 2015 to 41% in 2017).

Indicators	2020	2019	2018	2017	2016
Time to export: Documentary compliance (hours)	144	144	144	144	144
Time to export: Documentary compliance (hours)	48	48	48	48	48
Time to export: Border compliance (hours)	142	142	142	144	144
Time to import: Border compliance (hours)	230	230	230	232	120
Cost to export: Documentary compliance (\$)	140	140	140	140	140
Cost to import: Documentary compliance (\$)	210	210	210	210	115
Cost to export: Border compliance (\$)	432	432	432	432	432
Cost to import: Border compliance (\$)	457	457	457	457	367

Source: World Bank Ease of Doing Business - Trading Across Border (2015-2020)

Despite significant improvement, there is still ample room for Myanmar to strengthen its reforms. The country has made limited progress in reducing compliance costs, as reflected in the World Bank's Ease of Doing Business trading across borders indicator. Similarly, Myanmar's rank in the World Bank's Logistics Performance Index reports slipped from 113 in 2016 to 131 in 2018.

Cross-border coordination and transit facilitation

Myanmar's performance in cross border coordination and transit facilitation is relatively weak and still needs efforts for improvement. Institutional coordination by border agencies with neighbouring countries exists, but not all border/ regulatory agencies are involved.

Only 2 out of 4 quarantine agencies (the DoA and DoF), and the Immigration Department have set up trans-border institutional arrangements (e.g., one-stop border control, exchange programmes, or a joint border committee), for 'border agency coordination' only with their counterparts from Thailand, and they are functional for coordination. However, not all CIQs⁶ are involved.

The MCD⁷, and the Livestock Breeding and Veterinary Department (LBVD) have set up trans-border institutional arrangements only on an ad-hoc basis, not on a regular basis. Thus, CIQ agencies of Myanmar need to strengthen coordination with those of bordering countries for improving trans-border institutional arrangements. In terms of Border-crossing Operational Coordination with the Neighbouring Countries, Myanmar has made some progress in improving coordination.



The MCD, Immigration Department, the DOA, the DOF and the LBVD have been aligning working hours between neighbouring country authorities. Thus, CIQ agencies need to enhance their efforts for implementing the other two border-crossing coordination components, i.e., development of common facilities and joint controls with neighbouring country authorities, for seamless trade.

The MCD has made progress in implementing the ASEAN Customs Transit System starting with Phase A (pilot test) with Thailand in 2021 (WTO, 2020).

Thus, Myanmar needs to make effort for full implementation of ASEAN Customs Transit System, and establishing a computerised system for transit, Transit Guarantee Mechanism, and simplified procedures for Authorised Transit Traders (ATT) to help improve seamless transit facilitation within the region.

Transport facilitation

Transport agencies in Myanmar have made significant progress under this component since 2018. Myanmar has already established standard procedures for issuance of goods-vehicle cross-border permits, up to a limited number. The Department of Transport and Planning issues operator licenses to transport operators for cross-border transport. The Ministry of Transport and Communication issues permits for cross-border transport once the operator is licensed by the Department of Transport and Planning. Currently, cross-border transport is being mutually agreed upon and implemented under the Thailand-Myanmar agreement of Greater Mekong Subregion. In addition, Thailand vehicles, with applied quotas for cross-border trade, are allowed under the Initial Implementation of Cross Border Transport Agreement and Myanmar's cooperation with ASEAN member states of the Greater Mekong Subregion.

Regarding the Electronic Data Interchange (EDI) and Port Community, Myanmar has made a remarkable progress. In Myanmar, an EDI messaging platform is in place at the main port between the port regulator, operator, and all port users.

Myanmar has already ratified the ASEAN Framework Agreement on the Facilitation of Inter-State Transport (AFAFIST) and the ASEAN Framework Agreement on Multimodal Transport (AFAMT). National laws and regulations have been in place for both frameworks. The implementation of those frameworks is underway and significant steps are being taken by the Ministry of Transport and Communications.

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Presentation Slide



3

Current situation of Covid-19

- ▶ The fourth wave of COVID-19 had a more limited impact than previously expected. Confirmed cases rose from an average of 155 cases per day in January to an average of 100 cases per day in September.
- ▶ This fourth wave was less severe than expected, with the number of recorded cases and rates of hospitalization and death significantly lower than during the third wave in mid-2021. Consequently, mobility only declined slightly in February.
- ▶ In April, restrictions on public gatherings were lifted, and Yangon International Airport reopened after having suspended operations for over two years due to the pandemic.
- ▶ National vaccination rates have improved, with 49 percent of people having received double doses of the COVID-19 vaccine (up from 29 percent in early January) and another 11 percent having received partial vaccination.

4

International trade

- ▶ After stabilizing at relatively low levels in late 2021, Myanmar's international trade increased in the first half of 2022 (Q1 2022) but remained below pre-COVID-19 levels.
- ▶ Compared with the same period last year, exports and imports increased by 12 percent and 20 percent respectively in Q1 2022 – resulting in a 16-percent increase in trade values.
- ▶ With imports increasing by more than exports, Myanmar recorded a goods trade deficit of US\$159 million in Q1 of 2022.
- ▶ Myanmar's international trade rose steadily in the March quarter of 2022, but trade moderated in the June quarter with the impacts of foreign exchange restrictions and trade license requirements beginning to become evident.

5

International trade

- ▶ Sea trade – which accounts for more than 70 percent of Myanmar's total trade – has increased, but land trade has declined.
- ▶ Compared with the same period last year, sea-bound trade (in US dollar value terms) rose by 37 percent in Q1 2022, but land trade declined by 25 percent.
- ▶ Sea-bound exports increased by 47 percent in Q1 2022, consistent with the trend in container exports via Yangon ports, which increased by 53 percent in the first five months of 2022 compared to the same period last year.
- ▶ According to shipping operators, the freight cost of a 20-foot container has dropped around 30 to 40 percent across multiple destinations since the beginning of 2022 compared to the 2021 cost. Sea-bound imports increased by 30 percent in Q1 2022.

© World Bank, 2022. Transport and Logistics Myanmar Infrastructure Monitoring, June 2022.

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International trade

- ▶ The weakness in land trade was largely due to COVID-19-related border disruptions with China.
- ▶ Exports through land trade were 24 percent lower in Q1 2022 than in the same period last year, while imports through land trade remained stable at relatively low levels.
- ▶ Disruptions at the border with China included the closure of several land border posts; restrictions on Myanmar drivers and trucks entering via the Chinese border; and China's suspension of seven types of imports (including rice) over the land border starting from mid-March 2022.
- ▶ Exports to Thailand over the land border were broadly stable, but imports declined in Q1 2022.
- ▶ Border trade with Thailand has been impacted by conflict in border areas which has disrupted transport links and caused the temporary closure of border gates.

© Global New Light of Myanmar, April 26, 2022. "No exports through border since big drop in post with budget"

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International trade

- ▶ Manufacturing exports have picked up strongly, returning to pre-COVID-19 levels. Manufacturing exports increased by 54 percent in Q1 2022 compared to the same period last year, and by 10 percent compared to the same period in 2019.
- ▶ Garment exports have driven the overall increase in manufacturing exports.
- ▶ The price competitiveness of garment exports has received a boost from Kyat depreciation through 2021 and early 2022, with the historical relationship between garment export values and the exchange rate suggesting that this depreciation likely to have supported the recent recovery in garment exports.
- ▶ Agricultural export values recovered over the six months to March 2022 but have subsequently declined.
- ▶ Since early 2022, rice export prices have risen strongly, and bean and pulse export prices have also increased.
- ▶ Volumes of beans and maize exports have also risen since late 2021. Market diversification may have helped to support agricultural exports.

© The Global New Light of Myanmar, February 10, 2022 "Export the price spike" and May 25, 2022 "Export the price"

8

COVID-19 Economic Relief Plan (CERP)

- ▶ In an effort to meet the current exigencies faced by Myanmar as a result of the COVID-19 pandemic, the Myanmar Government had, on 27 April 2020, launched the COVID-19 Economic Relief Plan (CERP). The CERP comprises seven goals, 10 strategies, 36 action plans and 76 actions, each with an estimated timeline and designated authority in charge, covering a range of fiscal and social measures.
- ▶ The CERP contains measures to mitigate the range of COVID-19 effects on our economy while leaving us in a position to bounce back to strong economic growth as soon as possible.
- ▶ The CERP is a timely intervention by the Myanmar Government to cushion the financial, social and economic impact of the COVID-19 pandemic. Several of the measures have already been implemented and has gradually aided the management of the crisis.
- ▶ It has received a positive response from the public as it benefits both businesses and individuals. The CERP will see the government increasing its spending to the extent necessary to support the Myanmar economy and its people.
- ▶ The measures are targeted at both large and small enterprises as well as the at-risk population who are undoubtedly feeling the adverse impact of the pandemic harder.

Trade facilitation in CERP of Myanmar

Facilitate Importation Processes

- ▶ (a) Expedite and facilitate the process for the importation of medical-related products for COVID-19 prevention, control and treatment
- ▶ (b) Waive import licensing and FDA requirements, as long as the products are FDA approved in another country

Facilitate Exportation Processes

- ▶ (a) Review all export applications, licenses and permits, and remove those that are not required to maintain market access or to protect health, safety and security Immediate MoCOM
- ▶ (b) Facilitate rice exports to maintain incentives for farmers to plant this planting season

Trade facilitation efforts to mitigate negative impact by COVID-19 pandemic

- ▶ Myanmar's trade facilitation efforts prompted by COVID-19 pandemic are also remarkable.
- ▶ Several measures have been introduced to mitigate the negative impacts of the pandemic on businesses and ensure the smooth flow of essential goods and supplies into and from Myanmar since 2020.
- ▶ Myanmar Customs Department has made commitment to ensure supply chain connectivity during the COVID-19 pandemic and has been operating customs clearance daily at all clearance sites across countries to accelerate the import procedures and rapid release of goods imported to fight against COVID-19.
- ▶ An online licensing system has been implemented in Myanmar to improve trade facilitation while keeping social distancing during the COVID-19 pandemic, and export/import licenses can be applied via TradeNet 2.0 starting from December 2020.
- ▶ Food and Drug Administration (FDA) of Myanmar has established E-submission system since the end of 2020 to facilitate making submissions to FDA.

Trade facilitation efforts

- ▶ Import recommendation, import health certificate, export health certificate can be applied for via FDA Online Service Portal and payment for laboratory testing fee, application assessment fee, and notification fee can be done digitally since the beginning of 2021.
- ▶ Likewise, the Department of Agriculture has also established an electronic application system for issuing relevant endorsements for importation and exportation of seeds, fertilizer, and pesticide.
- ▶ Myanmar performs well in facilitating paperless trade and the movement of essential supplies within ASEAN to address the challenges posed by the COVID-19 pandemic.
- ▶ The National Trade Repository (NTR) was established to improve transparency and the trade facilitation environment in Myanmar.

Ease of Doing Business

- ▶ The Government of Myanmar has been undertaking economic reforms, including changes in trade policies and efforts for implementation of trade facilitation measures, to re-integrate the country into the global economy and promote sustainable growth.
- ▶ Myanmar's efforts to enhance the business environment have been recognised internationally. Since 2013, Myanmar has been included in the World Bank's Doing Business report.
- ▶ The country climbed steadily in the rankings, from 182 in 2013 to 165 in 2018. The implementation rate increased by 15 percentage points (from 26% in 2015 to 41% in 2017).
- ▶ Despite significant improvement, there is still ample room for Myanmar to strengthen its reforms. The country has made limited progress in reducing compliance costs, as reflected in the World Bank's Ease of Doing Business Inading across borders indicator.
- ▶ Similarly, Myanmar's rank in the World Bank's Logistics Performance Index reports slipped from 113 in 2016 to 111 in 2018.

World Bank's Ease of Doing Business Indicators

Indicators	2020	2019	2018	2017	2016
Time to export: Documentary compliance (hours)	144	144	144	144	144
Time to import: Documentary compliance (hours)	48	48	48	48	48
Time to export: Border compliance (hours)	142	142	142	144	144
Time to import: Border compliance (hours)	230	230	230	232	120
Cost to export: Documentary compliance (\$)	140	140	140	140	140
Cost to import: Documentary compliance (\$)	210	210	210	210	115
Cost to export: Border compliance (\$)	432	432	432	432	432
Cost to import: Border compliance (\$)	457	457	457	457	367

Source: World Bank (2018), Ease of Doing Business.
<https://www.doingbusiness.org/content/dam/doingbusiness/evict/062020/historical-data-COMPLETE-dataset-with-scores.xlsx>
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Cross-border coordination and transit facilitation

- ▶ Myanmar's performance in cross border coordination and transit facilitation is relatively weak and still needs efforts for improvement.
- ▶ Institutional coordination by border agencies with neighbouring countries exists, but not all border/ regulatory agencies are involved.
- ▶ Only 2 out of 4 quarantine agencies (the DoA and DoF), and the Immigration Department have set up trans-border institutional arrangements (e.g. one-stop border control, exchange programmes, or a joint border committee) for 'border agency coordination' only with their counterparts from Thailand, and they are functional for coordination. However, not all COs are involved.
- ▶ The MCD and the Livestock Breeding and Veterinary Department (LBVD) have set up trans-border institutional arrangements only on an ad-hoc basis, not on a regular basis.
- ▶ Thus, COs agencies of Myanmar are trying to strengthen coordination with those of bordering countries for improving trans-border institutional arrangements.

Cross-border coordination and transit facilitation(Contd:)

- ▶ In terms of Border-crossing Operational Coordination with the Neighbouring Countries, Myanmar has made some progress in improving coordination.
- ▶ The MCD, Immigration Department, the DOA, the DOF and the LBVD have been aligning working hours between neighbouring country authorities.
- ▶ Thus, OQ agencies need to enhance their efforts for implementing the other two border-crossing coordination components, i.e., development of common facilities and joint controls with neighbouring country authorities, for seamless trade.
- ▶ The MCD has made progress in implementing the ASEAN Customs Transit System starting with Phase A pilot test with Thailand in 2021 (WTO, 2020).
- ▶ Thus, Myanmar is making effort for full implementation of ASEAN Customs Transit System, and establishing a computerised system for transit, Transit Guarantee Mechanism, and simplified procedures for Authorised Transit Traders (ATT) to help improve seamless transit facilitation within the region.

Transport facilitation

- ▶ Transport agencies in Myanmar have made significant progress under this component since 2018. Myanmar has already established standard procedures for issuance of goods-vehicle cross-border permits, up to a limited number.
- ▶ The Department of Transport and Planning issues operator licenses to transport operators for cross-border transport. The Ministry of Transport and Communication issues permits for cross-border transport once the operator is licensed by the Department of Transport and Planning.
- ▶ Currently, cross-border transport is being mutually agreed upon and implemented under the Thailand-Myanmar agreement of Greater Mekong Subregion.
- ▶ In addition, Thailand vehicles, with applied quotas for cross-border trade, are allowed under the initial implementation of Cross Border Transport Agreement and Myanmar's cooperation with ASEAN member states of the Greater Mekong Sub-region.

Transport facilitation (Contd:)

- ▶ Regarding the Electronic Data Interchange (EDI) and Port Community, Myanmar has made a remarkable progress. In Myanmar, an EDI messaging platform is in place at the main port between the port regulator operator and all port users.
- ▶ Myanmar has already ratified the ASEAN Framework Agreement on the Facilitation of Inter-State Transport (AFARST) and the ASEAN Framework Agreement on Multimodal Transport (AFAMT).
- ▶ National laws and regulations have been in place for both frameworks. The implementation of those frameworks is underway and significant steps are being taken by the Ministry of Transport and Communications.

Challenges in Myanmar's trade facilitation environment

- ▶ The following challenges are being faced to improve the trade facilitation environment of Myanmar:
 - (1) The development of ICT infrastructure is a significant challenge faced by some major agencies.
 - (2) Availability of financial and technical assistance supported by the development partners remains key challenges for all trade-related agencies in Myanmar.
 - (3) Insufficient human resources and well-trained personnel with expertise in their respective fields also limit the performance of the MCD and each major agency in implementing trade facilitation measures.
 - (4) Strengthening cooperation and coordination between OQ agencies is a significant challenge for improving trade facilitation.

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Thank you for your attention

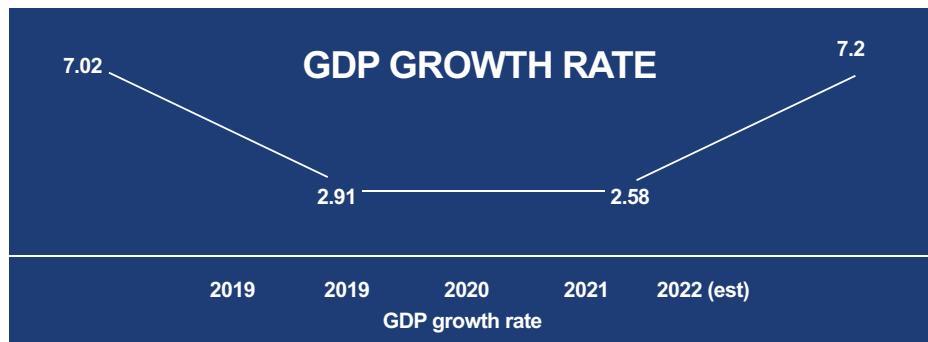




**COUNTRY REPORT: VIET NAM
 POLICY MEASURES RELATED TO INVESTMENT AND TRADE FACILITATION IN
 VIET NAM IN TIME OF COVID-19 AND POST COVID-19**

Since the outbreak of the pandemic in 2020, Viet Nam’s economy has suffered in many aspects such as GDP growth, tourism, foreign trade, unemployment rate and enterprises’ operation. The whole country was under lengthy lockdowns to secure the “zero Covid” approach, especially in manufacturing. However, with the flexible and adaptive reactions and measures of the government, the economy has rebounded since late 2021 till now.

GDP growth rate of the country dropped drastically from 7.02% in 2019 to 2.9% and 2.58% in 2020 and 2021 respectively. The latest press release of the World Bank indicated the favourable outlook for Viet Nam’s economy with the forecasted GDP growth rate at 7.2%.



Source: World Bank Press Release 8/2022

In 2021, because Viet Nam continue to expedite measures to control the Covid-19, foreign visitors to Vietnam reached 114.5 thousand arrivals, falling by 97% over the same period of 2020. In nine months of 2022, Viet Nam has welcomed 1.87 million foreign visitors, increasing by 16 times over the same period of 2021, demonstrating the resilience of tourism industry.

The serious decrease in the number of domestic and foreign tourists has also brought about difficulties for the tourism industry. Revenue from tourism and travelling services in the nine months of 2021 reached about 202.3 million USD. This number has increased to 774.7 million USD in 9M/2022, showing a recovery in tourism as a result of the country re-opening.

The labour and employment situation in 2021 was also affected due to the closure of many enterprises. The unemployment rate was 2.91% in 9M/2021 and dropped to 2.32% in Jun 2022, still higher than that of 2019 which was 2.04%.

Major trading partners and potential export markets of Viet Nam such as the US, China, Japan, South Korea and ASEAN members were hit by the the surge of the pandemic. In an effort to fight the pandemic, most countries applied strict measures on trade activities, mostly at the border gates. This resulted in the congestion of goods and vehicles at border gates in Northern Viet Nam. However, the trade turnover still showed relatively positive outcome, demonstrating the practical and effective measures by the government.

	2019	2020	2021	8M/2022
China	116,800	133,000	9,540	7,100
Laos	1,162	1,029	1,373	1,076
Cambodia	5,200	5,320	9,540	7,100
Thailand	16,900	15,900	18,800	14,200
Myanmar	952.6	852.4	791.2	587
World	517,200	543,900	668,540	497,640

Source: GSO of Viet Nam

Regarding investment, inward investment was also slightly hit by the pandemic. Due to the tightened quarantine policy, number of foreign investors to enter Viet Nam to conducting investment procedures were limited. At the end of December 2021 Vietnam had cumulatively received \$241.6 billion in FDI, of which \$19.74 billion in 2021 – a 1.2 percent decrease over the same period in 2020. Of the 2021 investments, 59 percent went into manufacturing – especially in electronics, textiles, footwear, and automobile parts industries; 8 percent in utilities and energy; 15 percent in real estate; and smaller percentages in other industries.

According to a recent report from the General Statistics Office, by the end of 2021, total outward FDI investment from Vietnam was \$21 billion in more than 1,400 projects in 78 countries. Laos received the most outward FDI, with \$5 billion, followed by Cambodia and Venezuela with \$2.8 billion and \$1.8 billion, respectively. The main sectors of outward investment for Vietnam are mining, agriculture, forestry and fisheries, telecommunication, and energy.

Policies and measures

By the end of 2021, thanks to the successful national vaccination campaign, the country was enabled to switch from strict lockdowns to a “living with COVID” period. More than 70% of Vietnamese population at the age of 18 and older has been fully vaccinated.

Table shows that in 2020, Vietnamese government has launched a number of supporting measures as well as financial packages to ease the burdens on local businesses.

Supporting policies	Budget (billion VND)	Types of support and beneficiaries
Financial packages to support businesses	180,000	Taxes and Land Rental Fee Payments for affected businesses in more than 30 manufacturing and service industries
Zero-interest loans to pay workers	236 – 1,000	- Enterprises with 100 employees or more, at least 30% of employees must take cumulative leave from January or more. - Enterprises that are dissolved and bankrupt which need to borrow capital to pay salaries to employees. - Enterprises with 50 employees or more and at least 10% quit; or there is no financial source to pay the employee's salary and must terminate the labor contract with the employee
Social protection package	61,000	Cash allowance for 3 months (April, May and June 2020); people with meritorious services to the revolution, poor and near-poor households, formal workers who have lost their jobs but are not eligible for unemployment insurance benefits, informal workers (for some types of non-agricultural jobs) job loss
Electricity price reduction	11,000	10% discount on electricity prices (April-June 2020) for all households and businesses
Lower interest rates		Banks reduce interest rates, waive and reduce transaction service fees. Businesses providing essential goods and

on bank loans		services are eligible to borrow at an interest rate of 4.5% - 5%/year (lower than the deposit interest rate)
Credit packages of commercial banks	285,000	Loans to businesses that are least affected or least affected but need capital to operate after the COVID-19 pandemic, in the areas of: aquaculture, agriculture, healthcare services and electricity... severely affected businesses can also borrow if they can prove their ability to repay.

Some other remarkable measures can be listed as follows:

- The standard Value-Added Tax (VAT) rate has been reduced from 10% to 8% since February 2022 to December 2022;
- The Steering Committee was established to deal with the situation of goods congestion at the northern border gates, which consists of members from different Ministries such as MOIT, MARD, MOH, MOF and some localities;
- On January 18, 2022, the Government issued a Directive allowing foreign employees and overseas Vietnamese with valid temporary residence cards TRCs, permanent residence cards PRCs, and visa exemption certificates to enter Vietnam without the approval permit from the immigration department and the local people committee.
- Viet Nam developed different models/process of customs clearance in exporting goods:
 - (i) the model of epidemic prevention clearance;
 - (ii) develop epidemic prevention procedures for the circulation of exported agricultural products (for domestic circulation);
 - (iii) clearance procedures for epidemic prevention at seaports;
 - (iv) clearance process for epidemic prevention for freight transport by rail.
- Since 15/3/2022, from tightened social distancing measures, Viet Nam has relaxed most of the restrictions and allow regular cross-border tourism;
- Vietnam suspended health declarations for COVID-19 throughout the country from April 30 including for domestic travel. Earlier medical declarations for international arrivals from April 27 were also suspended as pandemic cases dropped drastically.
- Vietnam dropped all COVID-19 testing requirements for international arrivals from May 15 after a drop in cases and in moving in line with the country's strategy of opening up;
- On the other hand, the Government of Vietnam has several initiatives in progress to implement administrative reforms such as: Building e-Government platforms and single window services; National Digital Transformation Program to 2025, with orientations to 2030; National Strategy on developing Vietnam's digital technology enterprises to 2030.
- In an endeavour to enhance logistics services, the Prime Minister endorsed Decision 200/QĐ-TTg and Decision 221/QĐ-TTg approving the Action Plan to improve competitiveness and develop logistics in Vietnam to 2025.
- At regional level, Viet Nam and countries have been closely coordinated to ensure the cross-border flow of goods and services such as:

- Working together to revise/extend the trade agreements (Laos), MOU on promoting bilateral trade (Cambodia).
- Organizing many online meetings at all levels, conferences and exhibitions among countries: 04 meetings of the Vietnam - China Trade Facilitation Working Group and 03 meetings of the Joint Mechanism to solve congestion at the Vietnam - China border gate and cooperate in epidemic prevention have been organized, Economic Development Conference in the border area with border provinces to tackle the obstacles on border trade; online fairs and expos with China, Myanmar... In terms of investment, the Government has amended the Law on investment and the Law on Enterprises, in addition to passing the Public Private Partnership Law. Vietnam's Ministry of Industry and Trade (MOIT) is seeking to implement a Direct Power Purchase Agreement (DPPA) pilot scheme which, for the first time, will enable renewable energy generators to directly sell clean electricity to private-sector customers. The pilot scheme is expected to support Vietnam's transition in the liberalization of Vietnam's wholesale and retail electricity markets. It is anticipated that DPPAs will be introduced into the market on a permanent basis from 2025 onwards.

Expected Outcomes from the Implementation of this Project

Despite the progresses that Viet Nam has made recently in trade and investment facilitation, there are still a number of obstacles that need to be addressed. The project is expected to find out key implications to resolve the issues that Viet Nam is currently facing. Transparency and information on laws and regulations requires better access by all stakeholders, especially the private sector. Given the situation that the legal system of Viet Nam is being revised regularly for better realisations of the signed FTAs or MOUs, all the information related to regulations and procedures should be accessible in both Vietnamese and English. Therefore, the project is likely to bring about recommendations on how to improve the transparency and accessibility of the law system. The cross-border coordination in transporting and transiting of goods among Viet Nam and the neighboring countries also needs to be strengthened to realise some key ASEAN trade facilitation initiatives in transit (e.g. The ASEAN Customs Transit System) or other regional schemes (e.g. the GMS Cross Border Transport Agreement-CBTA). In this connection, the project is expected to assist the MLC countries to better facilitate and streamline services related to trade and investment through consultations among representatives from relevant lines agencies. In addition, with the emergence of the Fourth Industrial Revolution, the use of digital documentation in government services to lay the foundation for e-government should be further encouraged. Viet Nam also needs to prioritise its resources to formulate a comprehensive and effective regulatory framework on e-commerce. With the engagement of key stakeholders including government ministries, agencies and private sector, the project shall enable potential investors to be aware of the needs of MLC countries to enhance their digitalizing governments' public services as well as building secure framework for e-commerce activities.

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01

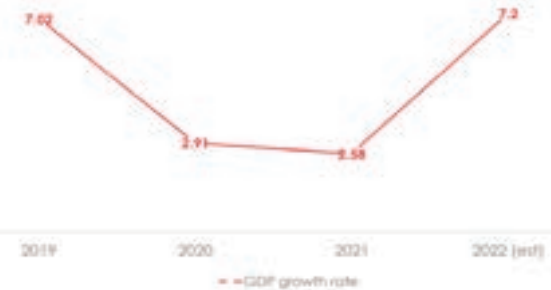


Viet Nam Economy in brief

1.1. NEGATIVE IMPACTS

Impacts of Covid-19 on such aspects as GDP growth, foreign trade, tourism, unemployment rate, and enterprises' operation

GDP GROWTH RATE



The number of foreign visitors coming to Vietnam in 9 months of 2018-2022

- Before the pandemic, in 2019, Vietnam welcomed 18 million tourists. Compared to the first 11 months of 2020, only 140,100 tourists arrived (down 96.3% year on year).
 - In the nine months of 2021, foreign visitors to Vietnam reached 114.5 thousand arrivals, falling by 97% over the same period of 2020 (declined over 100 times).
- In the nine months of 2022, Viet Nam has welcomed 1.87 million foreign visitors.

Graph 5: Enterprises completed dissolution procedures by kinds of activity

- Revenue from tourism and traveling services in the 9M/2022: 774.7 million USD;
- Revenue from accommodation and food services in first quarter of 2022: 5,293.6 million USD;

- Wholesale and retail trade, repair of motor vehicles and motorcycles
- Manufacturing
- Construction
- Real estate business
- Transportation and storage
- Accommodation and catering service
- Production and distribution of electricity, water, gas



Source: USC 1/2022

Unemployment and underemployment rate in Vietnam (%)

- The labor and employment situation in the second and third quarters of 2021 was affected; 3.98% in Sep 2021 and dropped to 2.32% in Jun 2022.
- The unemployment and underemployment rate in working-age increased to the highest level since the first quarter of 2020.

	Total	Urban area	Rural area
Unemployment rate of labor age	2.91	3.78	2.38
Unemployment rate of youth	7.85	10.42	6.34
Underemployment rate	3.04	3.00	3.07

Source: General Statistics Office of Vietnam

1.2.

Viet Nam trade with MLC countries

Trade with MLC countries

Unit: million USD

	2019	2020	2021	8M/2022
China	76,800	70,000	8,340	7,100
Laos	1,92	1,028	1,375	1,618
Cambodia	1,200	1,100	8,540	7,100
Thailand	16,900	16,900	16,800	16,200
Ayeyarwady	953.6	853.4	791.2	587
World	97,200	94,900	98,540	99,940

Investment

Inward investment:

- Vietnam receiving \$19.74 billion in FDI in 2021 – a 1.2 percent decrease over the same period in 2020.
- 59%: manufacturing – especially in electronics, textiles, footwear, and automobile parts industries;
- 8% in utilities and energy;
- 15 percent in real estate; and smaller percentages in other industries.

Investment

Outward investment:

- Vietnam invested \$819 million in 134 projects abroad in 2020.
- By the end of 2020, total outward FDI investment from Vietnam was \$21 billion in more than 1,400 projects in 78 countries. Laos received the most outward FDI, with \$5 billion, followed by Russia and Cambodia with \$2.8 billion and \$2.7 billion, respectively. The main sectors of outward investment for Vietnam are mining, agriculture, forestry and fisheries, telecommunication, and energy.

02

Policies and measures applied by Vietnam

Government policy to support people and businesses affected by Covid-19

Supporting policies	Budget (billion VND)	Types of support and beneficiaries
Finance packages to support businesses	140,000	Salary and Loan Fund Fee Payments for affected businesses in more than 30 manufacturing and service industries.
Zero-interest loans to support workers	200 - 1,000	<ul style="list-style-type: none"> Enterprises with 100 employees or more, or large SMEs of employees must take cumulative leave from January to March. Enterprises that are dissolved and bankrupt which need to borrow capital to pay salaries to employees. Enterprises with 50 employees or more and at least 10% left in there is no financial source to pay the employees salary and must terminate the labor contract with the employees.
Social protection package	40,000	Cash allowance for 3 months (April, May and June 2020) people with meritorious services to the revolution, job and near-job households, formal workers who have lost their jobs but are not eligible for unemployment insurance benefits, informal workers (for some types of non-agricultural jobs) etc.
Electricity price reduction	11,000	10% discount on electricity price (April-June 2020) for all households and businesses.
Lower interest rates on loans from banks		Banks reduce interest rates, waive and reduce transaction service fees. Businesses providing essential goods and services are eligible to receive at least interest rate of a 1% (10,000 VND/year) loan from the financial institution.
Credit packages of commercial banks	300,000	Loans to businesses that are not affected or least affected but need capital to operate after the COVID-19 epidemic, in the areas of agriculture, agriculture, healthcare services and electricity, severely affected businesses can also borrow if they can prove their ability to repay.

Source: OECD and UN ESCAP (2020)

Some others remarkable measures

- Standard Value-Added tax (VAT) rate from 10% to 8% since February 2022 to December 2022.
- Establish the Steering Committee to deal with the situation of goods congestion at the northern border gates, which consists of members from different Ministries such as MOT, MAR, MOH, MOP and some localities.
- January 18 issued a Directive allowing foreign employees and overseas Vietnamese with valid BRCs, PRCs, and visa exemption certificates to enter Vietnam without the approval permit from the immigration department and the local people committee.

Some others remarkable measures (cont.)

- Since 15/3/2022, from tightened social distancing measures, Viet Nam has removed most of the restrictions and allow regular cross-border tourism.
- Vietnam **dropped all COVID-19 testing requirements for international arrivals** from May 15 after a drop in cases and in moving in line with the country's strategy of opening up.
- Vietnam **suspended health declarations for COVID-19 throughout the country from April 30** including for domestic travel. Earlier medical declarations for international arrivals from April 27 were also suspended as pandemic cases dropped drastically.

Some others remarkable measures (cont.)

- The Government of Vietnam has several initiatives in progress to implement administrative reforms:
 - Building e-Government platforms and single window services;
 - National Digital Transformation Program to 2025 with orientations to 2030;
 - National Strategy on developing Vietnam's digital technology enterprises to 2030.
- Decision 200/QĐ-TTg and Decision 231/QĐ-TTg of the Prime Minister approving the Action Plan to improve competitiveness and develop logistics services in Vietnam to 2025.

- Viet Nam and countries are working together to review/extend the trade agreements (Eaas), MOU on promoting bilateral trade (Cambodia).
- Many online meetings at all levels, conferences and exhibitions have been organized with other countries Economic Development Conferences in the border area with border provinces to tackle the obstacles on border trade; online fairs and expo with China, Myanmar...
- 17 visas list given priority being exported to China.

Some others remarkable measures (cont.)

- Viet Nam developed different models/process of customs clearance in exporting goods:
 - the model of epidemic prevention clearance;
 - develop epidemic prevention procedures for the circulation of exported agricultural products (for domestic circulation);
 - clearance procedures for epidemic prevention of seaports;
 - clearance process for epidemic prevention for freight transport by rail.

Investment

Revised laws on investment and enterprise

The Public Private Partnership Law

DPPA pilot scheme

03 | Prospects



New trends in companies' manufacturing relocation and back-shoring behavior

Export growth

- The main driving force supporting the economy
- 4 factors:
 - The vaccine program
 - FTAs
 - Price of export goods
 - Recovery of the manufacturing sector.

Risks

- Disease outbreaks;
- Shortage of ships, the lack of empty;
- Containers, and the increase in sea freight rates.

THANK YOU!

3.1.3. Action Plan and Activities of the Projects

Dr. MOENG Sokvisal
Project Technical Staff
Official of the Legal Affairs and Investment Law Department
Council for the Development of Cambodia

PROJECT Activities and Ways Forward

ENHANCING SERVICES RELATED TO INVESTMENT AND TRADE FACILITATION CONTRIBUTING TO THE PROMOTION OF CROSS-BORDER ECONOMIC COOPERATION IN MEKONG-LANCANG COUNTRIES

Talking Points

- Expectation Outcome of the Project
- Overview of the Activities of the Project
- Suggested collaboration



Achievement of Output 1: Design and Develop MLC-CBEC Website

• Design and Develop MLC-CBEC Website:

- Set up a portal where information related to investment and trade facilitation (i.e., investment incentives, trade facilitating regulatory procedures and practices, transport, economic zone mapping...)
- To be constructed in English, the website will serve as both information portal and database for economic zones.
- The information portal will provide regular updates of information related cross-border economic cooperation between and amongst MLC countries as well as materials (i.e., presentations, project reports, information booklets, images, ... newsletters)
- The database, in addition, will provide searchable information regarding potential economic zones and key operators in MLC countries.



Expectation Outcome of the Project

- Launch and compile information regarding the streamlined services related to investment and trade along the MLC countries' border by providing necessary inputs, practical and fruitful technical and policy exchange among key policymakers and practitioners in MLC countries to enhance Cross-Border Economic Cooperation.
- Enable investors to be aware of the potential cross-border economic zones that they can position their investment projects in the cluster areas along the border zones with a supportive infrastructure system, unobstructed logistics and free flow of goods, services, personnel and capital as well as seamless investment and trade facilitation.
- Enhance the existing services related to investment and trade facilitation in order to contribute to the promotion of cross-border economic cooperation amongst MLC countries.



Achievement of Output 1: Design and Develop MLC-CBEC Website

• Regular update of Website:

- As Law, Regulation and Information related investment and trade facilitation contributing to the promotion of cross-border economic cooperation continue to change.
- Regular update to the website is also key to keep the website fresh and relevant.
- The website will also be updated to provide time-to-time information about the project implementation.

• Database/Content Management:

- On top of the website construction and regular update, another important of the website is data and content management.
- The content will be created and posted to support the communication and outreach of the project.
- The data generated by the website will be hosted in multiple databases locally in Cambodia and stored to ensure smooth access provision to all users in different countries.



Overview of the Activities of the Project

- In this respect, project focal point fulfils the duty as the focal contact of Mekong Lancang Cooperation on Cross-Border Economic Cooperation (key priority area) and take lead the Joint Working Group on Cross-Border Economic Cooperation.
- Content of the project activities:
 - Achievement of Output 1: Design and Develop MLC-CBEC Website
 - Achievement of Output 2: Planning and implementation of Seminars
 - Achievement of Output 3: Project alignment, monitoring and evaluation



Achievement of Output 2: Planning and Implementation of Seminars

• 1st: Planning of Seminars on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation:

- Holding thematic seminars on enhancing services related to investment and trade facilitation contributing to the promotion of cross-border economic cooperation is another key output of the project.
- To accumulate insightful and useful information on the topics, the seminars on key topics with participation from experts and practitioners in all MLC countries will be held.
- Speakers and presenters will be invited to share their professional insights and best practice experiences to fellow practitioners and exchange thoughts on how to best enhance economic cooperation between and amongst MLC countries, particularly in their respective fields.



Achievement of Output 2: Planning and Implementation of Seminars

• 2nd : Implementation of Seminars:

- Number of Seminar: 7 Seminars
- Consultative Workshop on Investment Promotion and Facilitation among all MLC countries (Outlining and identifying key policies and regulations related to investment, facilitation and complex, print, publish and disseminate Final Draft Reports, Hybrid format, Same Range)
- Consultative Workshop on cross-border trade facilitation among all MLC countries (Outlining and identifying key policies and regulations related to trade and customs facilitation and complex, print, publish and disseminate Second Draft Reports, Hybrid format, Same)
- Consultative Workshop on logistics and transport facilitation among all MLC countries (Outlining and identifying key policies and regulations related to logistics and transport facilitation and complex, print, publish and disseminate preliminary findings of the report for further consultation, Hybrid format, Same)
- Sub-regional Consultation with key stakeholders among MLC countries to confirm and collect final views to improve the report, Bangkok.



Suggested collaboration: Implementation Results of the Seminars

• 1st : Seminar on Investment Promotion and Facilitation in all MLC Countries:

- The speaker from law ministries in MLC countries will share the views and provide some key information related to investment promotion and facilitation of their country such as:
 - Investment policy reform and facilitation mechanisms to attract direct investment
 - Transparency and competitiveness
 - Intellectual Property rights
 - Tax incentive and the priority investment sector
 - Policy address for local investment promotion
 - Regulatory reform or government incentives for post-COVID-19 economic recovery
 - CSR and sustainable part of CSR



Achievement of Output 2: Planning and Implementation of Seminars

- Seminar to disseminate the Draft final report to all MLC countries, Ho Chi Minh.
- Seminar to disseminate result of the project, Vientiane.
- Trade fairs and investment roadshow, Kunming.

• 3rd : Combine and Prepare Reports on Results of the Seminars:

- Following each seminar session, presentations and information accumulated on thematic topics will be collected and combined in reports.
- Speakers and presentations will be invited to submit their respective presentations and key analyses on the topics to contribute the richness of the reports.
- The reports will also feature the project progress and upcoming plans.



Suggested collaboration: Implementation Results of the Seminars

• 2nd : Seminar on Cross-Border Trade Facilitation in all MLC Countries:

- With the view to provide trade facilitation services and sharing respective national measures related to cross-border economic activities between and amongst MLC Countries, we would like to invite speakers to supply some key inputs such as:
 - Cross-border Custom Facilitation between and amongst MLC Countries' borders
 - Safety and phytosanitary measures
 - Business environment including political, socio-economic governance and a connector
 - Procedures for doing business
 - Payment methods
 - Feasible measures to enhancing cross-border trade facilitation for MLC countries



Achievement of Output 2 and 3

• 4th : Print and Disseminate Reports on Results of the Seminars:

- After the reports preparation work are completed and approved, they will be disseminated both online through the website and online and hard copy dissemination to key stakeholders.

• Achievement of Output 3: Project assessment, monitoring and evaluation

- Mid-term Review and Evaluation (Preparing Mid-term Report to be circulated to MTRAC for further consultation to Chinese Deputies through diplomatic means)
- Analysis (monitoring) and assessing to what extent a program or intervention has, or has not, met its objectives (evaluation), coordination and implementation of the monitoring and evaluation, research, and learning framework of the Project
- It is a tool for identifying strengths and weakness in a program and for making good and timely decisions for next year.
- The presenting of MTR will be do analysis by internal consultation or internal.



Suggested collaboration: Implementation Results of the Seminars

• 3rd : Cross-border Logistics and Transport Facilitation in all MLC Countries:

- The speaker from MLC Countries will invited to share their national regulatory and practice experiences on how to enhance service related to cross-border logistics and transport facilitation between and amongst MLC countries such as:
 - Safety and security for cross-border shipment and transportation
 - Best mode of transportation between and amongst MLC Countries and feasible condition
 - Shipping and logistics: packing cost, transportation cost and insurance cost
 - Warehousing services
 - Documentation for customs





3.1.4. Open Discussion

Participants may wish to discuss on how the project implementation could contribute to the promotion of cross-border economic cooperation while attracting cross-border investment and facilitating trade flows.

The Discussion will also focus on possible next steps to conduct concrete trade and investment collaboration activities under the Joint Working Group on Cross-Border Economic Cooperation of the Mekong-Lancang Cooperation to respond to the COVID-19 Pandemic and promote inclusive of cross-border economic cooperation. The facilitation of the Implementation of Regional Comprehensive Economic Partnership (RCEP) and other Regional Free Trade Agreements among MLC Countries could also be potential topic to elaborate further.

Each representative from MLC countries is given 15 minutes to interact in this discussion.

Mr. SAMATH Chansomanith will moderate this session by setting the stage with around the introduction of the open discussion theme and speakers' affiliation. The first question was asked by the moderator on the possible next steps to further stimulate collaborative trade and investment activities in MLC countries following by the contribution of the recently entry into force of the Regional Comprehensive Economic Partnership (RCEP) into MLC Cross-Border Economic Cooperation Framework?

Responding to the first question, Mr. KHUON Virak, Deputy Director General of Ministry of Commerce, expressed his thanks to moderator and highly commend the project which is conducted in line with policies of MLC countries. He also reiterated that active support and participation from government officials and private sector in MLC countries is crucial for the project implementation where they can provide best practices and know-how as well as addressing the challenges together. He believed that the project needs to be well-prepared in terms of good timing, result-based, excellent team, and clear timeframe to jointly execute the project. Furthermore, DDG Virak also mentioned that SMART (Specific, Measurable, Attainable, Relevant, and Timing) indicator is of great significance to call for participation and support from MLC countries contributing to promote cross-border economic cooperation. Lastly, he recommended that the project should be implemented overtime at different places across MLC countries.

Responding to the second question, DDG Virak believed that the entry into force of RCEP plays a key role in boosting trade and investment in the region through its huge market size in term of population and increasing consumption. To his view, Cambodia and other MLC countries firmly support the successful entry into force of RCEP which not only signifies the revival of trade multilateralism and the setbacks of market protectionism in the past years, but also reflects a regional commitment to restore investors' trust in the post-COVID recovery.

II. CHINA

Mr. Ling Xiao

Director of Ministry of Commerce of People's Republic of China
Colleagues, ladies and gentlemen,

It is a great pleasure for me to join you in this discussion. In the previous phase,

we shared the public policies adopted by MLC members to promote trade and investment against the COVID-19 pandemic, reviewed our neighborly friendship based on mutual support and assistance, then summarized the fruitful achievements of our sub-regional economic and trade cooperation.

Under close attention and guidance from the Leaders of China and Mekong countries, Mekong-Lancang Cross-Border Economic Cooperation is moving towards pragmatic and solid achievements. This not only requires powerful drives from the government authorities, but also calls for active participation of various economic players and stakeholders. It is therefore necessary to put academic exchanges and pragmatic discussions in place for Cross-Border Economic Cooperation in Mekong-Lancang region to evaluate lessons learned and strive for new thrusts to bring tangible benefits to the businesses and people in this sub-region.

The Program of “Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation” led by the CDC of Cambodia includes multiple workshops and provides opportunities for trade & investment promotion as well as road shows. With clear guidelines and well-organized arrangements, it is made out to achieve projected goals and positive overall effects. Here I would like to share with you the following suggestions and highlights in MLC Cross-Border Economic Cooperation for reference of implementing this program.

First of all, the economic complementarity of LMC members could be leveraged to expand the overall trade volume and increase the export to China of specialty products from Mekong countries. As I have mentioned in the previous phase,

according to Chinese statistics, the trade volume between China and the five Mekong countries has risen, despite the outbreak of COVID-19, at a rate higher than the average growth rate of China’s foreign trade. This testifies to the immense trade potentials associated with economic complementarity in our sub-region. President Xi Jinping’s announcement and commitment to “import more quality products from ASEAN countries, including import USD 150 billion worth agricultural products from ASEAN in the next five years” would inject strong impetus into cross-border trade growth. Facing the challenge of the COVID-19 pandemic, Chinese central government and our border provinces’ governments have maintained close communication and consultations with Mekong countries to maximize joint efforts to ensure unobstructed trade and logistics operations. China’s e-commerce platforms have played a crucial role in promoting products, in particular the agricultural products, from Mekong countries.

Secondly, the free trade network could be leveraged to promote regional economic integration. The year 2022 witnessed the coming into force of Regional Comprehensive Economic Partnership (RCEP), the establishment of China-Cambodia Bilateral Free Trade Area, and the joint development of ASEAN-China Free Trade Area (ACFTA 3.0) promoted by China and ASEAN countries. Trade and investment liberalization and facilitation in this region is on the track to a new height. Bilateral and multilateral free trade arrangements in this region are turning into a well-established network. When the FTAs are implemented with high quality and cumulative rules of origin are mutually recognized, the MLC members will be able to give full play to their own unique strengths, optimize the division and distribution of upstream and downstream industries and thereby further promoting trade and investment growth in this region. In the near future, the ASEAN-China Free Trade Area (ACFTA 3.0) will pioneer even higher level cooperation in emerging and edge-cutting sectors including digital economy and green economy to provide additional drives for economic growth in the member countries.

Thirdly, enhanced regional connectivity could be leveraged to support cooperation in industrial and supply chains. Since 2018, China and Singapore have collaborated in a forward-looking and pragmatic effort to construct a new International Land-Sea Trade Corridor, which would materialize multi-dimensional connectivity between Southeast Asia and Eurasia through the Western region of China. It aims to become a comprehensive international trade corridor integrating regional production linkages and supply chains through land and sea connectivity and customs clearance facilitation. This creates a brand-new logistics, trade and development path for both the Western China area and the rest of Mekong-Lancang region. It provides a logistics network of extensive accessibility for land-locked regions that are not serviced by sea ports; it also provides closer connections to the economic hinterland for the coastal regions; it provides local businesses with outreach to previously unattainable markets and new possibilities of economic and trade cooperation for more resilient growth. The Third Mekong-Lancang Cooperation Leaders’ Summit in 2020 called for greater synergy between MLC and this new corridor, the Summit adopted a Co-Chairs’ Statement to encourage participation of MLC members in the construction of this corridor by leveraging their own resources of rail, road and water routes. China-Laos Railway started full operation by the end of 2021 with efficient and reliable services. To meet increasing demands of local businesses, connectivity of rail networks in China, Laos, Thailand and Malaysia is escalating in a way that enables transforming the vision of Trans-Asian Railway into reality.

Ladies and gentlemen, dear colleagues,

I myself and the Chinese team for MLC Cross-Border Economic Cooperation are delighted to have such a great opportunity for frank and in-depth discussions with you all at this workshop. We sincerely hope that solid progress would be made in this Program and complete success would be achieved. China will work in close collaboration with partners from government authorities, businesses, industrial associations and academic communities in Cambodia, Laos, Myanmar, Thailand and Vietnam to enrich our consensus, seize opportunities and facilitate for more fruitful results in Mekong-Lancang Cooperation, especially in the sector of Cross-Border Economic Cooperation. Thank you!



Enhancing Services Related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation

Mr. YU Xiang
Deputy Director General
Dept. of Asian Affairs
Ministry of Commerce of China

(Sept. 2006 - 2012)

Schedule of Multiple Seminar Activities

Country	Activities	Time frame											
		01	02	03	04	05	06	07	08	09	10	11	12
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The overall scale of trade has expanded

Economic complementarity

Export of specialty products from Mekong countries to China

Free trade network



RCEP

China and Cambodia

ASEAN-China Free Trade Area

Promoting regional economic integration



Interconnection



Support industrial chain and supply chain cooperatio



Thank you!

III. MYANMAR

Dr. Htein Lynn, Deputy Director General from Ministry of Commerce, has shared his intervention on the MLC tangible cooperation in term of trade and investment promotion as well as how RCEP has contributed to elevate the facilitation mechanism of free flows of goods, services, and investment. He underscored that, along with the knowledge that we have gained from MLC Economic Cooperation, MLC countries should work in concerted manner to strengthen their current rules and regulations in order to attract FDI from other nations as much as possible. This is particularly due to the fact that MLC countries need to receive FDI from other nations in order to improve trade and investment opportunities for both our nation and the people of MLC countries, which is why we should reconsider or revise our existing rules and regulations in order to attract and retain FDI in our countries.

Responding to the first question, Ms. Waranya Phupitakphol, representative from Ministry of Commerce, started by extending appreciation to the convening of this inception workshop via hybrid format to allow MLC government officials to share insights on the fostering of cross-border economic cooperation for facilitating trade and investment flows into the subregion. She recalled an impressive achievement made by MLC countries to fulfil a commitment embodied in the Sanya Declaration and Phnom Penh Declaration. She is of the view that this project will be executed in synergies and complementarities with the formulation of the Joint Working Group on the implementation of the Five-Year Development Plan of the Cross-Border Economic Cooperation, and vice versa, the Five-Year Development Plan will contribute as a critical means and ways for the successful implementation of this project. She added that the collaborative trade and investment activities in MLC countries is proven successful unless soft infrastructure and hard infrastructure mechanism shall be introduced instantly to work together in concert efforts with easier approaches.

Ms. Pham Thi Mai Thanh, Head of CLMV section Ministry of Industry and Trade of Vietnam, intervened in the open discussion session on key pertinent issues and priorities that prompt the needs to stimulate cross-border economic cooperation, particularly the streamlining of trade and investment facilitation services. She stressed that despite the positive advancements Vietnam has made recently, there are still unresolved challenges that we face and need to resolve in order to promote cross-border economic cooperation. As an illustration, we can observe that many businesses still find it challenging and time-consuming to deal with the line ministries to complete administrative procedures, particularly those relating to customs clearance. We also need to increase transparency regarding the simplification of the procedures and consider how to modernize the customs clearances system. In her opinion, the first area on which we should concentrate in the near future is cross-border coordination to facilitate the transit of both people and goods. To achieve this, we should take advantage of CBTA agreement or the ASEAN customs transit system on how we can foster the custom facilitation amongst MLC countries. The second area is about the E-Commerce, which the Government of Vietnam has worked hard to promote in recent years. We need to set the legal framework to make it more practical and try to build the platform on doing business virtually particularly during pandemics. In this way, there is another issue that we have been discussing recently, and that is the green economy. She also undoubtedly agrees with the colleague from China that we are looking forward to a green economy, and that the Vietnamese government has fulfilled its commitment to using renewable energy sources and green energy transition. In conclusion, there are three aspects that we

will discuss in more detail. The first step in investing in information technology is to promote e-commerce, while also modernizing the customs system. The second step is to improve regional cross-border cooperation, and the third step is to anticipate the green economy and other socio-economic factors that will drive the needs for economic growth. This is what we aim to learn from China's experiences, and she hopes that this initiative will result in some useful and fruitful results as well as some lessons for us that we can put into practice as soon as possible.

In response to the second question, she agreed with Chinese colleague that the coming into effect of RCEP agreement is a major landmark in signaling the rise of trade multilateralism. In fact, Vietnam had already joined a number of other free trade agreements, allowing us to claim that we had already benefited from some lower tariffs in accordance with the agreements' commitments. However, the Rule of Origin from the RCEP agreement can give us more opportunities for better even less expensive input for our exports and less dependence on limited resources for material. However, we also have to deal with some difficulties, particularly the strong competition for the post-domestic market and the export market for various industries, such as the textile, apparel, pharmaceutical, and other product industries.

3.1.5. Sharing Session

**Remark of
Mr. HENG Bunhong, Project Manager and Assistant to
Deputy Secretary General of Cambodian Investment Board,
Council for the Development of Cambodia
30th September 2022**

Your Excellencies, Distinguished Guests, Ladies and Gentlemen

At the outset, I have a great honor to be allowed to present a short overview on new Investment Law of the Kingdom of Cambodia, which have been promulgated in October, 2021 and its benefit for investors. I also would like to express my sincere appreciation to the organizing team this Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation, which in this event will provide the great opportunity for all representatives of participating Countries to introduce and share its policy relates to the enhancement of services, investment and trade facilitation to promote economic cooperation cross the border.

To begin, please allow me to share the important points, that would bring great benefits to all participants to understand more on this new Law, which is not an amendable Law, it is a new Law, that aims to establish an open, transparent to attract and promote quality, effective and efficient investment by increasing Cambodia's competitiveness, modernizing and increasing productivities of local industries and strengthening connectivity with regional and global supply chains. The new law has established investment incentives regime that is transparent, non-discriminatory, providing protection to investors' rights and legitimate interests through the establishment of a comprehensive, equitable legal framework. Taking this opportunity, let me highlight three important elements: first, investment facilitation, second, Investment Incentives and third, Investment Aftercare Service.

According to the Law on Investment, Facilitation can be implemented by enhancing the role of one-stop service mechanism, simplifying work process of registration and reviewing the project applications. The investment project application can also apply through the information technology platforms. In term of the registration of the investment projects, CDC shall issue the Registration Certificate within 20 working days with single Registration Certificate, which is affixed with barcode or QR code.

Moreover, in the new Law on Investment, there are following sectors entitled to receive the investment incentives, including but not limited to, Industries, Physical Infrastructures, Agriculture (agro-industry, agro-processing and food processing), Small and Medium-Sized Enterprises, Green Energy, Special Economic Zones, Services, Education (vocational training and productivities promotion) and so on so forth.

For Basic Incentives, all Qualified Investment Projects (QIP) are entitled to choose between two options: Option 1, Investors can receive Income Tax exemption for 3(three) to 9(nine) years from the time of the first earning of income, Payment of Income tax at the progressive rate to 6 years after the tax holiday period, and Option 2, investors are eligible for a Deduction of Capital Expenditure through special depreciation, and also deducting up to 200% of specific expenses incurred for up to 9 years. With both options, the investors can also get an additional of pre-payment tax exemption during income tax exemption period, a minimum tax exemption, provided that an independent audit report is carried out and Export Tax exemption, unless otherwise provided in other laws and regulations.

In addition to Basic Incentives, the investment activities registered as QIP can receive an Additional Incentive as the following: a Value- added tax exemption for the purchase of locally made production inputs for the implementation of the QIP, a deduction of 150% from the tax base for any of the following activities such as research, development and innovation, human resource development through the provision of vocational training and skills to Cambodian employees, the construction of accommodation, food courts, nurseries and other facilities, upgrade of machinery, and the provision of welfare for Cambodian employees. On top of that, the expansion of QIP is also entitled to receive income tax exemption.

Besides the Basic and Additional Incentives, any specific sectors and the investment activities having high potential to contribute to national economic development may receive Special Incentives, which will be set out in the Annual Law on Financial for Management.

Last but not least, for Investment Guarantee and Protection, investors shall not subject to any discrimination on the basis of foreign nationalities, all investors can receive an equal treatment, except for the land ownership. The state shall not undertake any nationalization actions, which may affect the assets of investors. In the same vein, the state shall not undertake any expropriation, which may affect, either directly or indirectly, an approved investment project or undertake any measures similar to expropriation, except for the purpose of public interest and such expropriation shall meet the following conditions: non-discrimination, fair and just compensation. The Royal Government of Cambodia shall not fix the price of products or services of investors. In accordance with the applicable laws and regulations, investors are entitled to freely purchase the foreign currencies and repatriate those foreign currencies abroad through an authorized intermediary bank.

I wish to conclude that Cambodia is ready to facilitate investment and there are many ranges of polices in place, which the Royal Government of Cambodia is now shaping into action. Excellencies, distinguished guests, ladies and gentlemen, May I wish you with great success in participating this workshop. Thank you very much!

3.2. Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience

The speaker from line ministries and relevant government agencies in MLC countries has deliberately discussed and shared the views on collaborations to stimulate MLC cross-border economic activities and provide some key information related to investment promotion and facilitation of their country such as:

- Investment policy reform and facilitation mechanisms to attract direct investment
- Streamlining Customs Procedures
- Intellectual Property rights
- Tax incentive and the priority investment sectors
- Policy advocacy for local investment promotion
- Regulatory reform or government measures for post-COVID-19 economic recovery
- SEZs and industrial park cluster

Following the inception workshop of the project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross Border Economic Cooperation held on 30 September 2022, the first consultation "ON REGIONAL OUTLOOK: COLLABORATION FOR SUSTAINABLE INVESTMENT AND RESILIENCE" was organized on 17 November 2022 in Siem Reap via hybrid format.

3.2.2. Streamlining and Speeding Up Administrative Procedures and Requirements

With the view to provide investment facilitation and sharing respective national measures, we would like to invite speakers to supply some best practice including but not limited to:

- Administrative Procedures related to Customs (Application of National Single Window Platform), and
- Investment Facilitation: Approval Process, Simplified Procedures for Post-Admission, and Aftercare.

3.2.3. Policy Response for Comprehensive Investment Recovery

This session enables insight-sharing on MLC's strategies for the expediting of investment registration procedures and leveraging collaborative investment promotion activities. The discussion covers a wide range of topics including but not limited to tax incentives, investment registration process, and policy intervention to respond and support FDIs for the post-COVID recovery.

3.2.4. Collaboration for Resilience and Sustainable Supply Chains

Representatives will be invited to share perspectives on the role of openness to trade and investment, free trade agreements, Regional Comprehensive Economic Partnership (RCEP), and policies to enabling investment climate.



PROGRAM INFORMATION

CONSULTATION ON REGIONAL OUTLOOK: COLLABORATION FOR SUSTAINABLE INVESTMENT AND RESILIENCE

17 November 2022



LANCANG-MEKONG
COOPERATION
SPECIAL FUND
P. R. CHINA

1. Rationale

Following the inception workshop of the project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross Border Economic Cooperation held on 30 September 2022, the first consultation will be organized to simulate the project implementation in accordance with guidance of the fourth meeting of the Joint-Working Group on Cross-Border Economic Cooperation held on 19 October 2022 virtually.

Noting that global foreign direct investment (FDI) flows in 2021 has significantly increased 64 per cent from less than \$1 trillion during the first year of the COVID-19 pandemic to \$1.58 trillion. The augmentation of the growth is the result from the adoption of the primarily measures to liberalize, promote or facilitate investment, confirming the important role that foreign direct investment (FDI) plays in their economic recovery strategies. Hence, the investment promotion and facilitation has become a central focus of the region to keep investment performance resilient and attract more FDI flows. Additionally, the impact of the COVID-19 crisis on attracting investment flows require government responses. Investment promotion agencies in the region come together to adopt the ASEAN Investment Facilitation Framework at the AEM-24th ASEAN Investment Area Council Meeting on 8th September 2021.

At the international level, several notable developments in 2021 and 2022 accelerated the trend towards reform of the international investment agreements (IIA) regime. These include the conclusion of new-generation megaregional economic agreements, specifically the Regional Comprehensive Economic Partnership (RCEP) which enter into force on 1st January 2022. At the same time, greater policy attention to investment facilitation and aftercare, and sustainable development including responsible business conduct is set to recalibrate the regional and international investment governance.

Tax policy is one of the key instruments utilized around the world to promote investment, and the pandemic has accentuated the importance of tax incentive and relief efforts in economic recovery and resilience packages adopted regionally. The ongoing reform of the international tax system may also affect the capacity of MLC countries to continue relying on certain types of tax incentives to promote FDI. Beyond reducing the statutory corporate tax rates, countries rely on investment incentives, mainly in the form of tax holidays or reduced corporate tax rates, to attract investors to priority sectors or regions.

2. Objective

The main purpose of this consultation is to deliberate on measures relating to investment promotion and facilitation adopted by the Mekong-Lancang countries before and during the COVID-19 pandemic. Through policy consultations and exchange among key policymakers and practitioners in this consultation, participants will be able to share best practices and experiences in promoting and facilitating Foreign Direct Investments (FDI) flows into their economy, and streamline services related to investment, including custom facilitation and simplified business registration procedures will be further consulted. In addition, this consultation also aims to update policy measures of the Mekong-Lancang governments to support businesses and FDIs in time of COVID-19 and the post-COVID-19 new normal. Those policy schemes are used to leverage the cross-border economic activities through efficient services and procedures for the collaborative facilitation of cross-border investment.

3. Expected outcomes

- Providing practical inputs and fruitful technical and policy exchange related to simplified services and procedures along the MLC countries; and
- Enable investors to get clear information on measures related to investment facilitation including promotion or investment aftercare in MLC economic recovery strategies.

4. Date, Venue and Provisional Agenda

DATE: 17 November 2022

VENUE: Sofitel Angkor Phokeethra, Siem Reap (Hybrid format)

Time	Activity/Topic	Speaker
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8:30 – 9:00	Registration and Rapid Test MORNING SESSION	
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Opening Session		
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9:00-9:15	• Welcome remarks (5min) • Opening Statements from MLC-CBEC Focal Persons (2min each)	
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Project team member will brief the overview of the regional investment perspectives and enhancing administrative procedures through streamlining process to stimulate further discussion.

Session 3: Collaboration for Resilient and Sustainable Supply Chains

- | | | |
|--------------|--|---|
| 9:15 – 10:30 | 1. Enhancing Trade and Investment Facilitation: Collaboration through Mekong-Lancang Cross-Border Economic Cooperation | - Representative from Ministry of Commerce of the People’s Republic of China |
| | 2. Administrative Procedures related to Customs (Application of National Single Window Platform) | - Representative from General Department of Customs and Excises of the Kingdom of Cambodia |
| | 3. Investment Facilitation: Approval Process, Simplified Procedures for Post-Admission, and Aftercare | - Representative from Ministry of Investment and Foreign Economic Relations of the Republic of the Union of Myanmar |
| | 4. Use of Digital Platform and Internet Technologies to facilitate Investment and Business Registration | - Representative from Ministry of Economy and Finance of the Kingdom of Cambodia |

- | | | |
|---------------|--|---|
| 13:30 – 15:30 | Prospects for more intensive FDI promotion and facilitation mechanisms including seamless and connected policies amongst MLC countries to further stimulate cross-border economic cooperation (Representatives will be invited to share perspectives on the role of openness to trade and investment, free trade agreements, Regional Comprehensive Economic Partnership (RCEP), and policies to enabling investment climate.) | - Representative from the Council for the Development of Cambodia
- Representative from Ministry of Commerce of the People’s Republic of China
- Representative from Ministry of Commerce of the Republic of the Union of Myanmar |
|---------------|--|---|

10:30-10:45 Coffee Break

- | | | |
|---------------|--------------|------------------|
| 15:30 – 15:35 | Wrap-up | Project Director |
| 15:35-17:00 | Coffee Break | |

Session 2: Policy Response for Comprehensive Investment Recovery

10:45 – 12:30

- | | |
|--|---|
| Expediting Investment Registration Process and Enabling Joint Promotion Initiatives
(This session enables insight-sharing on MLC’s strategies for the expediting of investment registration procedures and leveraging collaborative investment promotion activities. The discussion covers a wide-range of topics including but not limited to tax incentives, investment registration process, and policy intervention to support FDIs for the post-COVID recovery.) | - Representative from Ministry of Commerce of the People’s Republic of China
- Representative from the Council for the Development of Cambodia |
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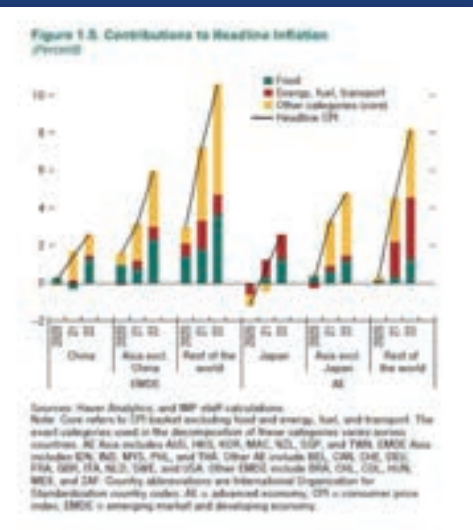
3.2.1. Regional Investment Perspectives and Enhancing Administrative Procedures through Streamlining Process

The speaker from line ministries in MLC countries will share the views and provide some key information related to Regional Investment Trends and Prospect of their country such as:

- Enhancing Trade and Investment Facilitation: Collaboration through Mekong-Lancang Cross-Border Economic Cooperation, and
- Use of Digital Platform and Internet Technologies to facilitate Investment and Business Registration.



Global political and socioeconomic conditions, such as public health security, climate change, and geopolitical tensions, have become more complex and are changing quickly, necessitating our immediate awareness and ability to adjust. Together, we are currently addressing issues like the consequences of rising borrowing costs, the disruption of regional and international supply chains, and increased vulnerability to shocks from the commodity markets, capital flows, inflationary bursts, exchange rate instability, and debt distress.



REGIONAL TRENDS

Annual inflow of foreign direct investment (FDI) to China from 2011 to 2021

(in billion U.S. dollars)

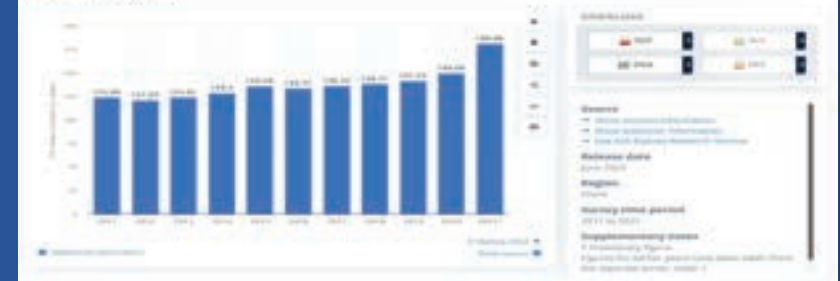


Figure 1.3. ASEAN FDI by industry, 2020–2021 (billions of dollars)



Figure 1.2. ASEAN share of total FDI inflows, 2010–2021 (billions of dollars)

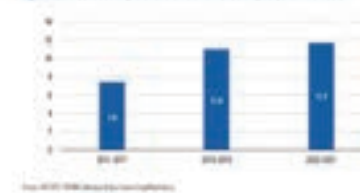


Figure 1.4. ASEAN's economic growth rate in absolute and absolute percentage, 2010–2021 (billions of dollars)

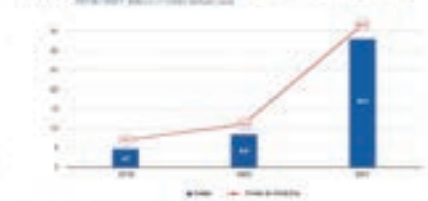
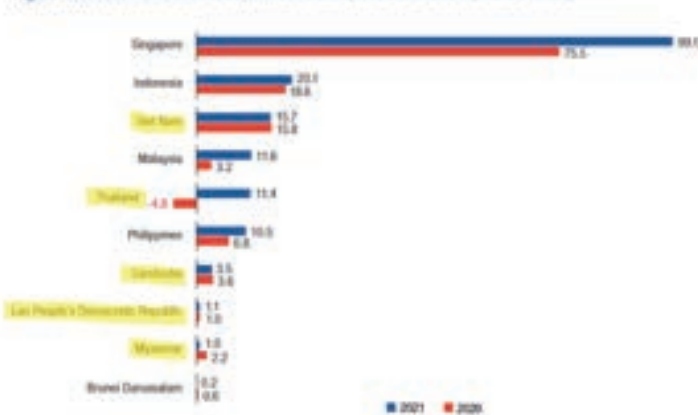


Figure 1.1. FDI inflows in ASEAN Member States, 2020 and 2021 (billions of dollars)



Even the sub-region had confronted with the unprecedented pandemic in 2020, however, the inflows of the FDI in the Mekong-Lancang countries, except Thailand, were still augmented. Some members, notably Thailand, the Philippines, and China, saw a huge increase a year after being afflicted by the pandemic, whereas Cambodia and Viet Nam experienced a minor decline.

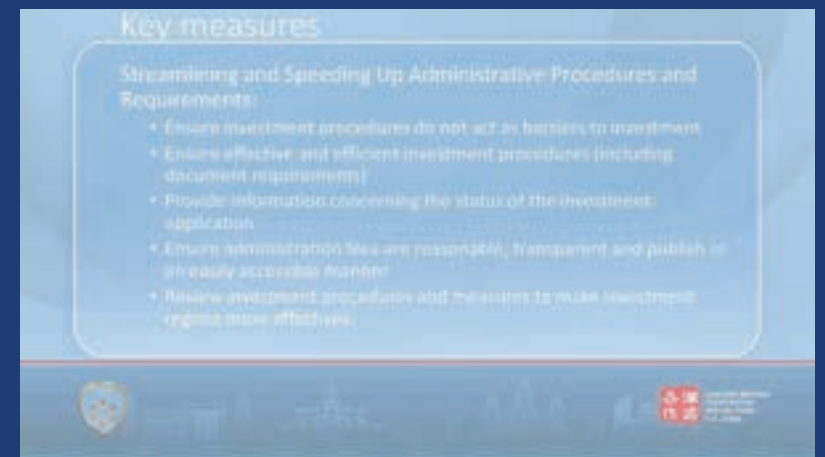
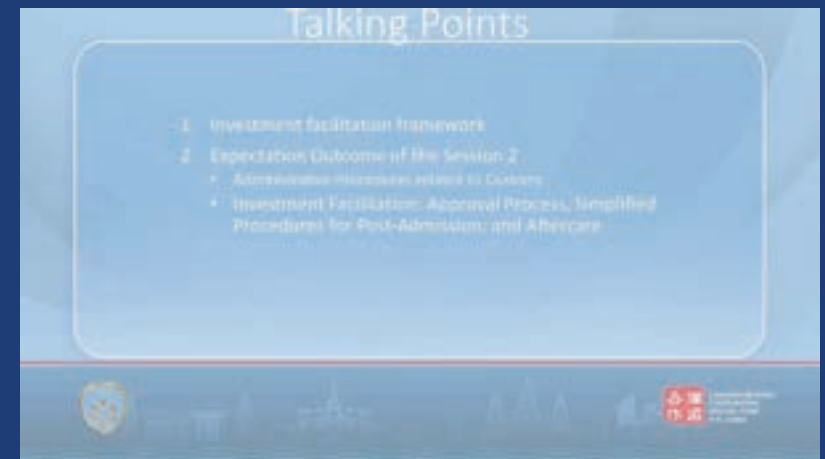
In addition, if we look at FDI by industry, we can see that conventional industries like real estate and wholesale and retail trade are slightly expanding. The manufacturing, finance, insurance, and information and communication sectors, on the other hand, expanded quickly

PROSPECTS

The future of the Mekong-Lancang will be centered on four areas, including integration, inclusiveness, innovation, and sustainability, in accordance with subregional trends and development.

Integration is the full exploitation of the global labor market through connectivity, including but not limited to soft and hard infrastructure, digital connectivity, and people-to-people connectivity.

The focus of innovation is the socioeconomic digital transformation. Inclusion is important in society, business, and geography. Sustainability refers to improving disaster preparedness, waste management, and low-carbon energy sources.



Case of Cambodia

Cambodia adopted in 2021 a new Law on investment, incentive regime, provides investor guarantees, and revised and improved administrative procedure for applying for registration of qualified investment projects as following:

- Automatic approval
- Established One-stop service, which includes the provision information, Customs duties, Tax exemptions, Visa and work permits and Company registration.
- Launched an online system for investment application that approves applications within 20 working days.
- Use of digital technologies and single digital platform
- Assistance and advisory services to investors



Overview of CNSW Official Website

www.nsw.gov.kh



Overview of QIP Registration Platform

<https://qip.cdc.gov.kh/home-page>



How to Apply master list

1. Visit application website: nsw.gov.kh
2. Login with ID card/ password
3. Fill in information in all required tabs/fields
4. Submit application



How to apply master list

Application ID	Application Type	Application Date	Status	Action
1	1	2022-11-17	Approved	View
2	2	2022-11-17	Rejected	View
3	3	2022-11-17	Pending	View
4	4	2022-11-17	Completed	View



合作
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THANKS



Contact the project team via:
helpdesk@rddc.gov.kh

Better together through further enhancement

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Expectation Outcome of the Session 2

With the view to provide investment facilitation and sharing respective national measures, we would like to invite speakers to supply some keys inputs such as:

- Administrative Procedures related to Customs (Application of National Single Window Platform)
- Investment Facilitation: Approval Process, Simplified Procedures for Post-Admission, and Aftercare



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STREAMLINING CUSTOMS PROCEDURES

THE CONSULTATION ON REGIONAL OUTLOOK:
COLLABORATION FOR SUSTAINABLE
INVESTMENT AND RESILIENCE

Nov 17, 2022 at Sofitel Angkor Phokeethra, Siem Reap

BY OUK CHANSOPHEAP, Chief of Free Trade Office

CONTENTS

- I Mission, Vision and Core Value
- II Strategic Reform and Modernization- SRM 2019-2023
- III Objectives and Activities
- IV Current Situation
- IV What to expect in 2023-2025

MEMBERSHIP IN INTERNATIONAL AGREEMENTS



I. MISSION, VISION AND CORE VALUE

Vision

The vision of the GDCE is to become a modern and leading Customs Administration in providing services to improve trade facilitation and to contribute to the sustainable and efficient economy and society protection.

Enhance Revenue collection efficiency

Facilitate trade and enhance business climate

Mission

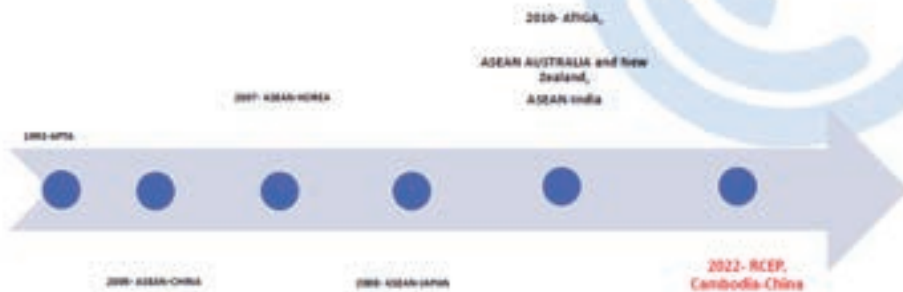
Core Value

Transparency, Accountability, Integrity and Discipline, Professionalism, Teamwork, Solidarity, Innovation and Initiative

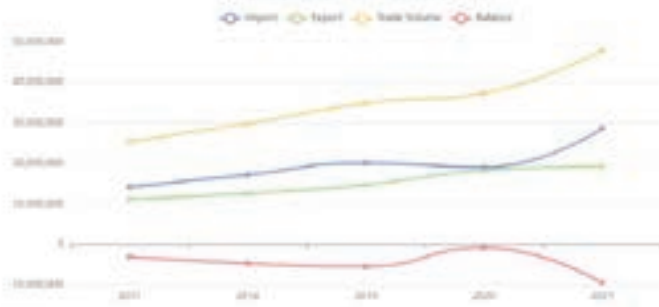
Protect Society, environment and welfare population

Enhance efficiency in prevention and suppression of smuggling

FREE TRADE AGREEMENTS



Total Trade Statistics of Last 5 Years



* Trade Volume = Export + Import
 * Balance = Export - Import
 * Leakage = Export - Import

www.stats.customs.gov.kh

III. OBJECTIVES AND ACTIVITIES

Strategic Goal I – Customs Revenue Collection Efficiency (6 objectives, 18 activities):

The GDCE will continue to achieve the revenue target, set by the government, through measures to enhance effectiveness, efficiency, confidence of the Customs administration and through the development of appropriate customs policies.

- Strengthening the efficiency of Customs Technique (Customs Valuation, Tariff Classification and Rule of Origin)
- Enhancing the accuracy and transparency of duty and tax payment
- Strengthening the efficiency of customs revenue analysis and forecast
- Improving Customs duty and tax policy

II. STRATEGIC GOALS OF SRM 2019-2023



III. OBJECTIVES AND ACTIVITIES

Strategic Goal II – Compliance and Enforcement (6 objectives, 18 activities):

The GDCE will continue to promote the voluntary compliance and implement legal measures to prevent and detect smuggling or other transnational crimes, including the protection of Cambodian social security.

- Preventing Smuggling
- Combating Smuggling
- Strengthening Compliance of Customs broker
- Strengthening Risk management system
- Strengthening efficiency and expanding scope of PCA

III. OBJECTIVES AND ACTIVITIES

Strategic Goal III –Modernize Information Technology and Implement Trade Facilitation (8 objectives, 37 activities):

The GDCE will develop itself as an information technology based administration by modernizing and automating customs procedures and playing a leading role in implementing trade facilitation by using a national single window system, in accordance with its international standards and obligations.

- Modernizing and simplifying Customs clearance procedures
- Improving data management and statistics system
- Modernizing customs administrative operations
- Accelerating the development of NSW and ASW
- Improving the use of technology in Customs inspection
- Further developing mobile application (for iOS and Android)
- Managing and Enhancing Data Infrastructure and Data Security
- Enhancing Implementation of Trade Facilitation



III. OBJECTIVES AND ACTIVITIES

Strategic Goal IV - Customs Cooperation (4 objectives, 15 activities):

The GDCE will continue to improve coordinated border management and further enhance inter-agency cooperation, partnership with the private sector and international cooperation in order to achieve the improved business environment in Cambodia.

- Improving cooperation between customs and customs
- Improving cooperation between customs and other government agencies
- Enhancing cooperation between customs and private sectors
- Strengthening other international cooperation.



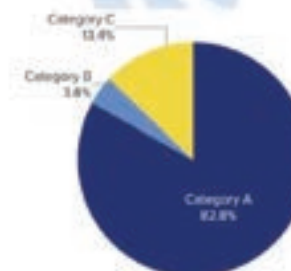
IV CURRENT SITUATION

- February 26, 2020, the Royal Government established the **National Committee on Trade Facilitation (NCTF)** with the Secretariat at the General Department of Customs and Excise (GDCE) of Cambodia to coordinate and monitor the implementation of the provisions of the WTO-TFA.
- To assist in performing these roles and responsibilities, NCTF has developed and compiled relevant WTO-TFA documents like the **National Trade Facilitation Roadmap 2022-2025** for NCTF members and disseminated them to development partners and the general public.



IV CURRENT SITUATION

- National Trade Facilitation Roadmap 2022-2025* will be a useful document for the NCTF members and the relevant private sector to understand in participating in WTO-TFA implementation.
- To date, Cambodia has reported overall compliance with the agreement's provisions which are organized into three categories. 82.8% of the provisions are categorized in Category A and do not require external implementation assistance. Category B comprises 3.8% of the provisions that require additional time for their implementation. Finally, Category C includes 13.4% of the provisions that require technical assistance and capacity building from financed member countries or development partners.



IV. CURRENT SITUATION

Automated System of Customs Data – ASYCUDA

- A full package platform for customs clearance
- Adopted since 2008
- Rollout nationwide as of now

Electronic Payments

- Introduced since 2020
- Connected banks- Canada Bank, ACLEDA Bank, ASA Bank, Sathapena Bank, and Wing Bank

National Single Window – NSW

- First implemented in July 2019
- Covers the scope of processing application of License, Permit, Certificate, Other (Master List) – LPOD
- Fully online platform for application and issuance
- Fully integrated with ASYCUDA system
- Electronic Payment features
- Participated Agencies – MOC, CDC, MDH, MIST, GDCE and MAPP
- Exchange two electronic documents = electronic certificates of origin and ASEAN Customs Declaration Document with ASEAN member states.



National Trade Facilitation Roadmap 2022-2025

- Vision The Roadmap's vision is to maximize trade facilitation to accelerate economic competitiveness and international trade growth.
- NCTF's mission is to ensure the full implementation of the WTO TFA provisions through a cost and time-improved economic and business environment.



V. WHAT TO EXPECT 2023-2025

Pre-Arrival Processing

- Declare a declaration even before the goods arrive
- Predictable release, better resource allocation

National Single Window Phase 3

- Engage more ministries to come on board
- Promote trade facilitation in the region

Authorized Economic Operator Programme

- Implementation on AEO in 2023
- MRA with other Customs Administrations

Postal Clearance

- Advance Electronic Data exchange with Cambodia Post
- Faster Postal Clearance
- Electronic Payment
- Better Risk selectivity, better facilitation



Country Report

Investment Facilitation: Approval Process, Simplified Procedures for Post Admission and Aftercare

Myanmar



LAND-BORDER
COOPERATION
SPECIAL ZONE
P. R. CHINA

THANK YOU

✉ INTERNATIONAL-AFFAIRS@CUSTOMS.GOV.KH
✉ CHUNCHANGOPHEAP@YAHOO.COM
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What are MIC, MIFER and DICA?

Myanmar Investment Commission (MIC)

- Responsible for investment development
- Protects Investors and their investments
- Issues Permits and Endorsements

Ministry of Investment and Company Administration (MIFER)

- Facilitates businesses while improving responsible investment
- Facilitates international economic cooperation
- Trusted partner for business and development community

Directorate of Investment and Company Administration (DICA)

- Department under MIFER
- The secretariat office of MIC
- Primary interface between businesses and the government
- First contact point for investors

Introducing Myanmar's Investment Environment

1. Although Myanmar is facing a number of challenges, the country continues to record substantial domestic and foreign investments. A total of 2,352 projects in 12 sectors from 52 countries and regions were permitted with the total amount of US\$ 94,619.326 million from the Fiscal Year 1988-89 to the Fiscal Year 2022-2023 (as of October).

2. Among the 52 countries and regions implementing investment activities in Myanmar, the following countries are the top (5) countries as of October 2022 -

- (i) Singapore
- (ii) China
- (iii) Thailand
- (iv) Hong Kong Special Administrative Region
- (v) United Kingdom.

3. And the following investment sectors are the top three leading sectors with most investment amount-

- (i) Power
- (ii) Oil and Gas
- (iii) Manufacturing.

DEVELOPMENTS IN INVESTMENT REGIME

4. Under the key highlight "Actions will be taken to ensure the speedy recovery of business from the impact of COVID-19" outlined in the Five-Point Road Maps set out by the State Administration Council (SAC), the 9 objectives were developed focusing greater deliberation to the political, economic, and social arena. Of these, the following three key economic objectives was put in place as an integral part of delivering well-being for all citizens:

- I. To enhance production based on agriculture and livestock through modern techniques and all-round development of other sectors of economy;
- ii. To develop a stable market economy and promote international investments in order to enhance the economic development of the entire national people;
- iii. To promote and support local business to create employment opportunities and increase domestic production.

5. With the aim to overcoming the impact of the COVID-19, executing generic work as part of the implementation of the above key highlight of the Five-Point Road Maps and key economic objectives as well as intensifying the e-Government system, the intention of Myanmar has been reflected in the Ministry of Investment and Foreign Economic Relation's (MIFER) setting-up of 5 SMART Programme as follows:

- S - Streamlining and Simplifying Procedures
- M - Maximizing Online Services and Minimizing Barriers to Business
- A - Assuring Aftercare Services

R - Reducing Regulatory Burden

T - Transparency Enhancement

In line with this, a series of investment facilitation measures have been developed through digital advancements and manual innovations to existing and potential investors. This largely exposed in higher degree of investment facilitation measures that can greatly support to ease of doing business in Myanmar as well as domestic implementation of the ASEAN Investment Facilitation Framework (AIFF).

6. Given a special emphasis to ease of doing business with an extensive potential in further prioritized investment sectors for investors, the Myanmar Investment Commission (MIC) prioritizes the investment sectors with a greater support to investors' business-operation needs: Fertilizer Manufacturing; Cement Manufacturing; Iron and Steel Manufacturing; Public Transportation Services; Electric Vehicle (EV) Manufacturing; Agriculture and Livestock Farming and Its Related Industries; Value-added Foodstuffs Manufacturing; Pharmaceutical and Medical Device Manufacturing; and Production of edible oilseeds, contract farming for edible oil crops and production of various types of edible oil.

INVESTMENT FACILITATION MEASURES

7. Along with the implementation of the 5 SMART Programme, Myanmar has extensively worked for greater access to both online and offline public service delivery that outlined a range of implementing activities. The following are the significant accomplishment done by Myanmar for business community:

i. Providing Online Visa Application Systems for MIC Permitted Companies and Non MIC Permitted Companies

The MIC Permitted Companies Online Visa Application System (MOVAS) was launched on 1st November 2021. It speedily facilitates businesses that need recommendation letter related to stay visa, re-entry visa and work

permit for foreign directors, experts of companies under the permit or endorsement of the MIC and the State and Regional Investment Committees as well as their family members. Non MIC Permitted Companies can also apply for the visa recommendation letter at Online Recommendation Letter for Visa Extension Page of DICA's official website.

ii. Delivering Services: DICA Online Solution (DOSo)

The DICA launched an online appointment system, namely "DICA Online Solution (DOSo)", on 1st April 2022. The DOSo is aiming for business communities can interactively consult investment matters more easily with officials from the MIC and related government agencies once he/she makes just an appointment through the DOSo. It is a user-friendly platform offering the 24/7 online appointment system through www.doso.dica.gov.mm. The DOSo greatly results in the measures of the 5 SMART programme: Maximizing Online Services and Minimizing Barriers to Investment; and Assuring Aftercare Services.

iii. Streamlining OSS's Standard Operating Procedures (SOPs)

On 1st April 2022, the Directorate of Investment and Company Administration (DICA), serving as the secretariat of MIC, launched the Standard Operating Procedures (SOPs) of the One Stop Services (OSS) under the MIC. It is a useful guidebook and key advancement of investment facilitation for the private sector, aiming for time saving, reduction of documents and costs in each step through simplifying and streamlining procedures for getting a license/permit transport and predictable manner. The private sector can easily identify the process of which license/permit can be applied to which departments and who will be the authorized person to sign as well as how much it will take processing time to obtain the permit/license. It is available for offline and online access (www.dica.gov.mm).

iv. Promoting User-friendly Business Information: DICA Info Mobile APK

As a digital front door service, the DICA has introduced the "DICA Info Mobile Application APK" on 1st April 2022. It is a user-friendly tool with quick access to any investment information that panned out just one-time installation in mobile phone. It is also the DICA-web-based android application being used online synchronization that describes news & stories, announcements, FAQs, contacts, data & statistics, publications, and policy & laws.

v. Developing Standard Operation Procedures (SOPs) for Investment-related Licenses/Permits/Recommendation

Erecting SOPs of licenses/permits and recommendation, as one of the vigorous progresses, issued by the investment-related agencies tactically shapes in the need to implement the 5 SMART Programme. It is under progress, but almost being finalized, with the taskforce of inter-ministerial involvement led by the Deputy Minister for Investment and Foreign Economic Relations (MIFER). It is intended to provide quick service delivery by reducing documents, time, cost while taking licenses/permits & recommendation from line agencies.

vi. Strengthening Myanmar Investment Online (MyInO)

The MyInO as the integrated online platform is also under progress prepared by the MIC. It will include two key parts: online pre-permit application system and online post-permit application system delivering as aftercare services. It will fully offer as quick access to online service through reducing regulatory burden, building green and paperless environment and reducing application costs.

vii. HKC-CLMV Online Investment Forum

The Directorate of Investment and Company Administration (DICA) is going to host the HKC-CLMV Online Investment Forum in February 2023 as one of the ECOTECH Work Programme of ASEAN-Hong Kong Free Trade Agreement (AHKFTA). The forum will be held with the intention to revitalize the investment environments of CLMV region affected by the negative impact of COVID-19 pandemic. The forum will include three main activities which are (i) Investment Promotion Video Clip Presentations (ii) Powerpoint Presentations and (iii) Business Matching Event. The forum will bring together the business associations, entrepreneurs and the departmental officials from Hong Kong Special Administrative Region and ASEAN Member States (AMS).

 **MIFER**
MINISTRY OF INVESTMENT AND FOREIGN ECONOMIC RELATIONS

Investment Facilitation: Approval Process, Simplified Procedures for Post Admission, and Aftercare

Min Zaw Oo
Deputy Director General
Directorate of Investment and Company Administration
Ministry of Investment and Foreign Economic Relations
Myanmar


1

 **MIFER**



Introducing Myanmar's Investment Environment


2

 **MIFER**

Content

- Introducing Myanmar's Investment Environment
- MIFER's SMART Programme
- Facilitation for approval process
- Simplified procedures for post admission and aftercare
 - Online Services and Application
 - Facilitation for Existing and Potential Investors
- Investment Promotion During COVID-19 pandemic: Investor Targeting


2

 **MIFER**

What are MIC, MIFER and DICA?


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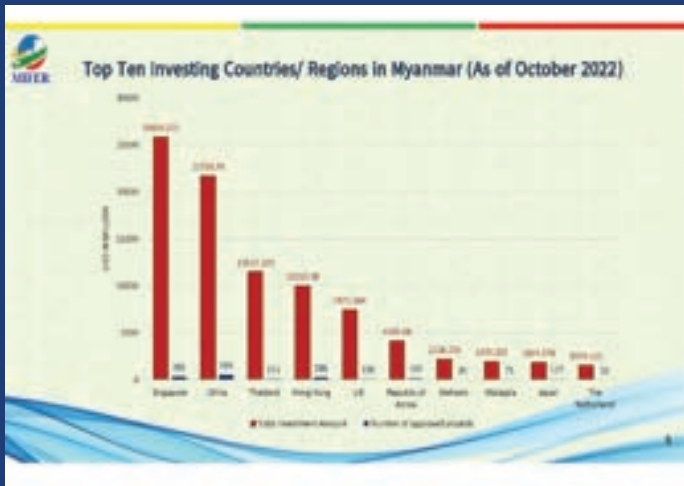


Directorate of Investment and Company Administration (DICA)

- Department under MIFER
- The secretariat office of MIC
- Primary interface between businesses and the government
- First contact point for investors



4



MIFER's SMART Programme

MIFER's SMART Programme

Facilitation for Approval Process

Standard Operating Procedures (SOPs)
of the One Stop Services (OSS)

- ◆ To be transparent in getting investment related licenses and permits
- ◆ To be the reference book for the government departments of the OSS and the living Document
- ◆ To enhance Good Governance: (Predictability, Responsibility, Accountability and Transparency)

- 1) Directorate of Investment and Company Administration
- 2) Fire Services Department
- 3) Customs Department
- 4) Internal Revenue Department
- 5) Directorate of Industrial Supervision and Inspection
- 6) Livestock, Breeding and Veterinary Department
- 7) Department of Agriculture
- 8) Department of Fisheries
- 9) Environmental Conservation Department
- 10) Department of Mines and Myanmar Gems Enterprise
- 11) Department of Immigration
- 12) Department of Labour
- 13) Department of Trade
- 14) Directorate of Hotels and Tourism
- 15) Yangon Electricity Supply Corporation
- 16) Yangon City Development Committee

◆ Guidebook for Licenses and permits of 16 OSS Departments of the Myanmar Investment Commission:

Benefits

- ◆ Saving Time and Cost
- ◆ Predict the license and permit procedures
- ◆ Be the guidebook for both investors and government officials

BENEFITS

Simplified Procedures for Post Admission and Aftercare





Simplified Procedures for Post Admission and Aftercare

- Online Services and Application
- Facilitation for Existing and Potential Investors

Online Services and Application




Online Services introduced by DICA During COVID-19

-  DICA Online Solution (DOSo)
-  DICA Info Android Mobile Application
-  MIC Permitted Companies Online Visa Application System (MOVAS)
-  Online Recommendation Letter for Visa Extension.

DICA Online Solution (DOSo)

What is DOSo?

- DICA Online Solution (DOSo) is a convenient way to request appointments professionally and schedule meetings regarding investment related enquiries efficiently via online.



You can connect with us anytime, anywhere.

- 24/7 available for appointments
- Meet and consult from anywhere
- Suggest us by giving your feedback

Scan here for DICA Info Android Mobile Application



The explore **DICA** easily.

Use **DICA Info**: Android Mobile Application

→ DICA Info Android Mobile Application can also be downloaded at the Official Website of DICA www.dica.gov.mm

DICA



Request Schedule- Connect Online

- Save Time
- Reduce Cancellation
- Safe from COVID-19
- Increase Productivity
- Work Anywhere, At Any Time

The relevant duty officer of DICA will attend and respond to the enquiries regarding investment related activities in Myanmar

MIC Permitted Companies Online Visa Application System (MOVAS)



- Online Visa Application System for all Foreign Employees working under the companies with the permission or endorsement of Myanmar Investment Commission or endorsement of State and Region Investment Committee.
- Apply at: <https://visaonline.dica.gov.mm/>


DICA Info
Android Mobile Application

Main Components of DICA Info

- Announcement
- Publication
- Policy and Law
- Frequently Asked Questions (FAQs)
- News
- Data and Statistics



Online Recommendation Letter for Visa Extension



- DICA is also issuing online recommendation letter for the extension of visa for foreign employees.
- Apply for letter of recommendation at <https://extension.dica.gov.mm/>
- DICA always update the list of recommended companies for visa to Ministry of Labor, Immigration and population at the official Website of DICA www.dica.gov.mm



Services by Existing Online System during COVID-19

DICA Official Website



- ❑ Up to date Website for the Investment and Company Affairs related information.
- ❑ Always update the COVID-19 announcements and notifications related to Business Environment of Myanmar.
- ❑ All the Investment and Company affairs related information at one place. (Policy and Law, Data and Statistic, Publications.)



Answering enquiries via Email and Facebook Messenger



DICA has replied over 5100 enquiries by Email and 900 enquiries by Facebook Messenger. (2021 October – 2022 October)



Continued.....

Myanmar Company Online (MyCO)



- ❑ Online Company Registration System
- ❑ Search and access details of companies all over Myanmar
- ❑ Purchase official company documents and extracts



Facilitation for Existing and Potential Investors



Continued.....

Myanmar Investment Directory (MyInDy)



- ❑ Access the contact information of investment activities in Myanmar for free.
- ❑ Opportunity for potential joint venture
- ❑ Easy to access information



- ❑ From October 2021 to October 2022, DICA has recommended over 5100 foreign employees from the Companies with the permission of Myanmar Investment Commission.
- ❑ DICA has also recommended over 10000 foreign employees from over 4000 non MIC permitted companies for relief flights.

❖ Also the Foreign Delegates or State Guests visiting Myanmar by state flights or special flights may seek exemptions by submitting request letter to the Central Committee for Prevention, Control and Treatment of COVID-19, at least (5) working days prior to the date of arrival.

EXEMPT

During Covid-19 pandemic DICA provided relief by suspending the late fee for submission of the Annual Return, for the period of 1st February to 30th April 2021.



❖ The MIC issued the announcement that one year and eight months counting from 1st May, 2020 to 31st December, 2021 shall not be taken into account as the construction periods of those permitted/endorsed investment projects.

Way forward (Continued)



- HKC- CLMV Online Investment Forum is going to be held in February 2023.
- The Forum will be organized by Myanmar with the intention to revitalize the business activities in the region damaged by COVID-19 pandemic.
- Investment Promotion Video Clip Presentations, PowerPoint Presentations and Business Matching events will be included.

Way forward



- Myanmar Investment Online (MyiNO), the online system for submission of proposal for MIC permit and endorsement is also under implementation process and will soon be introduced to Myanmar's Business Community.
- This system will also allow the investors to operate after permit submission processes.

Investment Promotion During COVID-19 Pandemic: Investor Targeting





Investor Targeting



Targeted Countries are China, India and Russia



Targeted Investment Activities



Fertilizer manufacturing



Cement manufacturing




Agriculture and livestock farming and its related industries




Iron and Steel manufacturing




Value-added foodstuffs manufacturing




Continued




Electric Vehicles manufacturing



Public Transportation Services




Pharmaceuticals and medical devices manufacturing



Edible Oil Crops and Edible Oil Production

The Targeted Investment Activities are based on (9) Investment Activities especially invited by Myanmar Investment Commission (MIC)




No.	Country	Number of Companies
1.	China	30
2.	India	28
3.	Russia	17
4.	Thailand	2
Total		77

□ The Directorate of Investment and Company Administration (DICA) has sent the investment invitation letters to 77 companies from China, India, Russia and Thailand.

❖ With regard to the investor targeting campaign, companies are selected by examining the strategies of the respective companies and their interest in Asia market.

❖ The targeted companies are expected to fulfill the demands of Myanmar's economic environment.



Contact Information

DICA (Head Office)

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Yankin Township,
Yangon, MYANMAR

PHONE NO.: +95-1-658102, 658103

EMAIL: investmentpromotion@dica.gov.mm,
ip.dica@miber.gov.mm

WEBSITE: <https://www.dica.gov.mm/en>

DICA (State & Regional Branch Offices)

<https://www.dica.gov.mm/en/contact>

Thank you

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I. Cambodia



Consultation on Regional Outlook : Collaboration for sustainable Investment and Resilience

**Session 3: Policy Response for comprehensive Investment
Recovery**
17 November, 2022, Siem Reap



Talking Points:

1. Recovery Framework of ASEAN
2. Key Measures of ASEAN Investment Facilitation Framework
3. Recovery Framework of Cambodia
4. Investment Facilitation in Cambodia



Pandemic Recovery and Investment Facilitation

According to UNCTAD investment policy monitors shown that globally the number of measures restricting or regulating investment has gone up. ASEAN in contrast, is moving in other direction, continuing to implement almost exclusively measures favourable to investment.

Some measures implemented have aimed to increase the ease of investing, reducing the cost of doing business and enhancing efficiency and some included actions facilitating FDI relocation, further process streamlining, expeditious of approval process and strengthening of aftercare services.



ASEAN Comprehensive Recovery Framework

Five broad strategies of Framework
Maximizing the Potential of Intra-ASEAN Alliance and Broader Economic Integration

- Keeping market open for Trade and Investment
- Strengthening Supply Chain Connectivity and Resilience
- Enabling Trade Facilitation in the new normal
- Strengthening Transport Facilitation/Connectivity
- Streamlining and expediting Investment Process and Facilitation and Joint Promotion activities
- Enhancing Public and Private Partnership for Regional Connectivity
- Promoting the adoption of Digital Technologies in ASEAN Businesses



ASEAN Comprehensive Recovery Framework

Accelerating Inclusive Digital Transformation

- Promoting E-governance and E-services
- Revitalizing Digital Public Infra and Revised Policy for Promoting MSME
- Enhancing Connectivity
- Promoting ICT in Education
- Improving Digital Legal Framework and Institutional Capacity
- Promoting the adoption of Digital Technology in ASEAN businesses

Advancing towards More Sustainable and Resilient Future

- Facilitating transition to Sustainable Energy
- Promoting Low-carbon and Resilient Investment
- Promoting High Quality Investment, Skills Training and Training of Trainers



Key Measures of ASEAN Investment Facilitation Framework

ASEAN Investment Facilitation Framework adopted in 2016. The framework consist of 10 measures of Investment facilitation measures as in the following:

1. Responsiveness of Measures and Instruments
2. Strengthening and Streamlining up Administrative Procedures and Requirement
3. Use of Digital and Internet Technology
4. Single and Digital Platform
5. Assistance and Advisory Services to Investors
6. Independence of Competent Authorities
7. Temporary Entry and Stay of Business Persons
8. Facilitation of Investment Supporting Services
9. Collaborative Mechanism for Investment Policies
10. Dispute Resolution



Key Measures of ASEAN Investment Facilitation

Responsiveness of Measure and Instrument

• Single Competency
• Provide information on laws, regulations related to investment and external other guidance
• Single mechanism related information

Temporary Entry and Stay of Business Persons

• Support and assist with multiple temporary entry and stay permit for provision of information, establish of contact, visits and directly provision of assistance

Facilitation of Investment Supporting Services

• Appointment of specialized supporting service (e.g. law firms, funding sources, financial support and business matchmaking)



Key Measures of ASEAN Investment Facilitation

Single and Digital Platform

• Establish single digital platform for submission of all documents
• Enable investors to monitor and provide virtual information and guidance
• Support payment of all fees and charges associated with investment application using the platform

Assistance and Advisory Services to Investors

• Provide simple and easy access to connect the companies with a network of available resources, business supporting services, financing facilities



Cambodia Case: Cambodia Economic Recovery Framework

• **Policy** – Focus on the recovery key sectors that were the pillars of the economy before the COVID-19 crisis, look on plans to diversify, focusing on ensuring the jobs for the coming time impact, strengthening capacity and stimulation of economic recovery, and support generating value jobs, aimed at providing the recovery of people's livelihoods, as well as businesses and society.

• **Policy** – Address the structural reform measures, including streamlining investment process and trade facilitation, improving the effectiveness of digital platforms, as well as strengthening the benefits from the existing FDI, aimed at building a solid foundation for growth, productivity and competitiveness.

• **Policy** – Accelerate strengthening government and investment reform of the administrative and regulatory of the economic development, focus on digital transformation, as well as strengthening the benefits from the existing FDI, aimed at building a solid foundation for growth, productivity and competitiveness.



Cambodia Case: Investment Facilitation

• For streamlining and speeding administrative process, Cambodia has set out specific policies to improve investment environment. These policies include digitalization and simplification the business registration. One-stop service fully operate such as providing information, processing application approval, custom duty and tax exemption, visa and work permit and company registration.

• In 2019, CDC has introduced online business registration in order to simplify and reduce the number of steps, application forms, signatures needed in the business registration.



Improve the Linkage between local suppliers and Foreign firms



Suppliers Database with Sustainability Dimensions
(<https://sd2.cdc.gov.kh>)

Encourage the interest of sustainable investment that would not only refer to SDGs, but also adhere to Environmental and Corporate Social Responsibility (ESG) with emphasis of investment with SD (Green, Gender Equal, Greening Skills)



Investment Facilitations

- Subsidized Incentives**
- Issuance of a letter to certify the status as an investor
 - Special Process and related work permit
 - Strengthening One-Stop Asean Service
 - Strengthening Monitoring and Inspection Mechanism
 - Organizing IFA mechanism for Approval Priority at the Single-Window Investment Sub-Committee



Fiscal Incentives

In addition to the incentives of approval or subsidy:

(A) Export (E) and Supporting Industry (SI) are entitled to Customs Duty Special Tax and Value Added Tax Exemption for construction material, construction equipment, production equipment and production inputs.

(B) Importation (I) and Input (IN) are entitled to Customs Duty Special Tax and Value Added Tax Exemption for construction material, construction equipment and production equipment.

Basic Incentives



Investment Incentives

Investment sectors and activities are entitled to investment incentives:



Fiscal Incentives

Additional Incentives

In addition to the basic incentives, investment activities registered as IPI receive additional incentives as follows:



Special Incentives

- Local Incentives:
 - Local market
 - Production inputs for employment of IPI IPI
- Reduction of tax:
 - Reduction of tax
 - Exempted IPI
- Special Incentives:
 - Each IPI sector will receive a differentiating right according to the level of investment, economic development



Fiscal Incentives

- Option 1**
- Income Tax Exemption for 3 first years from the date of first export or receipt
- Reduction of income tax rate from 20% to 10% during the operation of the income tax exemption period
- 1st-2nd year: 100% exemption of income tax
- 3rd-4th year: 50% exemption of income tax
- 5th-7th year: 25% exemption of income tax
- Option 2**
- Exemption of 100% of investment through equity contribution
- Right of including up to 10% of assets available to invest in the capital market

Basic Incentives



THANKS



Contact the project team via: helpdesk@idc.gov.kh

Better together through further enhancement



Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience

Mr. LING Xiao
Deputy Director
Dept. of Asian Affairs
Ministry of Commerce of China

(Nov. 17th, 2022)

Commemorative Summit: 30th Anniversary of ASEAN-China Dialogue Relations

In November 2021

The Summit announced the establishment of the Comprehensive Strategic Partnership (CSP) between China and ASEAN

- China and ASEAN continue to jointly promote high-quality Belt and Road Cooperation
- The joint feasibility study on ASEAN-China Free Trade Area (ACFTA 3.0) was carried out
- China is expanding its import of more quality products including agricultural products from ASEAN member countries
- China is joining hands with ASEAN neighbors to construct new International Land-Sea Trade Corridor and establish Demonstration Zones for Economic and Trade Innovative Development
- Regional Comprehensive Economic Partnership (RCEP) entered into force

Mekong-Lancang Cooperation

Mekong-Lancang Cooperation is a new sub-regional cooperation mechanism jointly initiated and developed by China, Cambodia, Laos, Myanmar, Thailand and Vietnam to deepen neighbourliness and pragmatic collaboration among the six MLC members, and promote socio-economic growth to build an economic belt along the river and develop a Mekong-Lancang community of shared destiny. This in turn drives consolidation of ASEAN community and regional integration, advances South-South Cooperation, contributes to the implementation of UN 2030 Sustainable Development Agenda and also jointly safeguards and promotes sustained peace, prosperity and development in our region.

Trade between China and Mekong countries maintains rapid growth.

From January to September 2022, the trade volume continued to grow.

China and the five countries along the Mekong River totaled USD 398 billion, rising by 23.2% year on year

Trade Statistics of 5 Countries around Mekong-Lancang River from January to December 2021 (USD Billion)

	Total	Export (From China)	Import (Into China)			
Vietnam	230.2	19.70%	117.9	51.20%	82.1	35.60%
Thailand	131.2	33.00%	49.4	37.30%	41.8	31.40%
Myanmar	18.0	-1.50%	10.1	-14.00%	2.1	11.70%
Cambodia	11.7	43.10%	11.8	43.00%	2.1	40.30%
Laos	4.31	21.40%	1.87	31.90%	2.48	57.20%

Trade Statistics of 5 Countries around Mekong-Lancang River from January to September 2022

	Total	Export	Import			
Vietnam	171.8	2.0%	100.7	5.8%	80.2	-4.2%
Thailand	102.4	5.3%	38.5	14.7%	41.9	-7.2%
Myanmar	17.8	34.0%	10.4	58.1%	7.2	13.0%
Cambodia	12.1	23.1%	10.7	29.3%	1.4	-30.8%
Laos	4.3	20.3%	1.7	31.0%	2.4	13.0%

Trade between China and Mekong countries maintains rapid growth.

President Xi Jinping announced that in the next five years (from 2022 to 2026) China would import USD 150 billion-worth agricultural products from ASEAN

China has imported USD 27.7 billion agricultural products from ASEAN from January to Sept. 2022

Jan-Sept, 2022, USD 10.1 billion Agri-products from Thailand

Accounted for 10% of the total China-Thailand trade: Q1-Q3 2022

USD 4.4 billion Agri-products from Vietnam, +54% year-on-year

USD 1.3 billion Agri-products from Myanmar, +180% year-on-year

Investment flows between the two sides keep rising. As of now, with more than USD 45 billion cumulative direct investment from China to the five Mekong countries, and about USD 5.5 billion cumulative investment the other way around, the mutual investment has exceeded USD 50 billion.



Digital Platform and Internet Tech for Investment and Business Registration

"Zero-Contact" Registration in China during COVID-19



Digital Platform and Internet Tech for Investment and Business Registration



"Zero-Contact" Registration in China during COVID-19

Aim: Whole-procedure digitalized & no direct contact

Supplementary services: What if the applicants encounter difficulties.

What's more: Applicants could oversee the progress made during the procedure.

When it is crucial: Site-visits would still be in place.

Policies & Measures Balancing COVID Prevention and Economic Development

Modifying COVID-19 prevention measures in accordance with latest scientific findings.



Policies & Measures Balancing COVID Prevention and Economic Development

Bilateral consultations and coordination.



Policies & Measures Balancing COVID Prevention and Economic Development



Accurate measures and actions

Policy Response for Comprehensive Investment Recovery

Policy Exchanges
Financial supports: options and targets



Policy Response for Comprehensive Investment Recovery

Financial Innovation



Cooperation of On-line Sales and Promotions

Live-streaming sales: a newly emerged possibility for "PPP" cooperation.

Bridging Trust!



Cooperation of On-line Sales and Promotions

Expos and Exhibitions:
On-line & on-site.



Collaboration for Resilient and Sustainable Supply Chains

Industrial Chain & Supply Chain:
Key to Economic Resilience



China-Laos Railway

Now in full operation, and being integrated into regional rail networks



China partnered with Singapore to plan for a new International Land-Sea Trade Corridor

Consistently increasing level of connectivity in Mekong-Lancang

Collaboration for Resilient and Sustainable Supply Chains

FTA Networks

Including ACFTA 3.0 and RCEP



Thank you!





**Intervention by
Mr. Samath Chan Somanith
National Agent of the Council for the Development of
Cambodia
Consultation on Regional Outlook: Collaboration for
Sustainable Investment and Resilience
Panel Discussion on “Collaboration for Resilient and
Sustainable Supply Chain”
17th November, 2022
At Sofitel Angkor Phokeethra**

- Greetings distinguished participants and colleagues from the Mekong-Lancang countries

- Excellencies, Ladies, and Gentlemen!

I. Global Challenges and Implications for the Supply Chain

1. At the onset, let me start by stating the outright that we should strive ahead together for the building of resilient subregion where supply chain system, trade, investment flows are not disrupted. At this exact moment, we are undeniably living in an uncertain world, where change is constant. We do not know what the future holds so we need to prepare our Mekong-Lancang subregion to be resilient against future crisis. Looking in retrospect, the global crisis has occasionally been with us throughout history, including the Asian Financial Crisis and the Global Financial Crisis. Looking in prospect, as we were about to see a light at the end of the tunnel of our fight against the COVID-19 and its evolving variants, another challenge marches upon us. The tension in Ukraine not only led to a major cut off of global energy supply but also triggered supply chain shocks and inflation. These drivers of change will shape market dynamics and have serious spill-over effects on business and investment outlook.

2. The world has come a long way for a multilateral trading system and liberal investment regime since the inception of Bretton Woods system in 1944, where we committed to ensure that trade openness, liberal investment environment, and supply chain connectivity are not interrupted. In this connection, I would like to echo what my Excellency Minister has said at the OECD Dialogue in Ha Noi about supply chain

disruption and what we should do? We all familiar with the term “off-shoring”. But now we start hearing the buzz words “on-shoring, re-shoring, near-shoring”, and the latest version, of course, “friend-shoring”. This kind of rhetoric is opposite to the spirit that is agreed in the creation of Bretton Woods system. This world cannot be politically polarized given the nature of economic interdependence and interconnectedness. Take Apple as a perfect instance, nearly 200 of its parts are manufactured from elsewhere across the continents. That is barely a possible task to de-couple one country from supply chain through the friend-shoring strategy. I believe, Mekong-Lancang colleagues, could usher out the sense of market protectionism and supply chain de-coupling strategy but keeping the market widely open for investment and trade to strengthen the resilience and sustainability of regional supply chains.

3. After the pandemic poses the toughest test, supply chain resilience has become a top priority for policymakers and for firms. Multinational Enterprises can improve supply chain resilience through sustainability measures and network restructuring which involves value chain reshoring strategy. Resilience and sustainability have become a sexy catchphrase in every governments’ statements; however, we do not usually notice that resilience in supply chains needs to go hand in hand with sustainability characteristics. On the one hand, reinforced resilience measures require us to address systemic challenges caused by sustainability issues.

4. So, sustainable business practices are crucial means to improve supply-chain resilience. The investment sustainability practices have significant impacts on international production ranging from inducing market-driven changes in products and processes, and to re-designing global supply chains towards more local and sustainable configurations. These re-configurations of supply chain have a powerful force in reorienting investments towards SDG sectors. And Cambodia has seriously thought about it since the drafting of our new investment law, which I will elaborate further.

II. Regional Response for Enabling Investment Climate

5. Since the world was challenged by the COVID-19, the global Foreign Direct Investment (FDI) inflows and outflows were falling by 42 per cent from 1.5 trillion USD in 2019 to over 800 billion USD in 2020 according to UNCTAD. But for now, with same source of data, global FDI saw a rebound to its pre-pandemic level up to 1.6 trillion USD in 2021. ASEAN region also witnessed a recover to its pre-pandemic record by 174 billion USD in 2021 according to the recently published ASEAN Investment Report at the ASEAN Economic Ministers-25th ASEAN Investment Area Council Meeting in Siem Reap. The surges in global investment trends were particularly due to governments’ stimulus measures to rescue businesses.

6. In our region, the reinforcement of investment liberalization and recovery are signaled by the entry into force of the Regional Comprehensive Economic Partnership (RCEP) earlier this year. Its entry into force in time of the post-COVID recovery period not only keeps the region well-placed to emerge more resilient from the impact of the pandemic but it is also a new great momentum toward upgrading regional investment regimes. Subsequently, driving in line with RCEP, the ASEAN Investment Facilitation Framework (AIFF) was also adopted by ASEAN Economic Ministers last year to keep investment performance resilient and create favorable and facilitative conditions for investment and business conduct.

7. At a time of global growth de-acceleration, securing new sources of growth in our subregion is a must. As Mekong-Lancang countries are closely integrated into global and regional value chains, our growth has relied upon expanding manufacturing and services as well as maximizing gains from vibrant flows of foreign direct investment. Even before the advent of COVID-19 and current recession, we have been increasingly aware that we face a challenging future. We recognize the urgency of taking action to address threats that are already upon us in which we prepared an action plan in today's consultation under the Mekong-Lancang Cross-Border Economic Cooperation to build supply chains resilience, while promoting investments in potential sectors.

8. In this regard, attaching great importance to the effective implementation of our Five-Year Development Plan for Mekong-Lancang Cross-Border Economic Cooperation (2019-2023) is proven to be a significant means to jointly speed up a resilient recovery and foster development pace under South-South cooperation. Hence, today's consultation with Mekong-Lancang friends is a good testimony that we sit here to discuss practical insights to promote and facilitate investment and trade so as to minimize supply chain disruption.

III. Cambodia's Investment Policy Adaptiveness

9. For Cambodia, to cope with the challenging status quo, we have well-adapted to the dynamics of global recession through rolling out supportive laws, policies and mechanisms to help boost more sustainable and greener FDIs, particularly value chain-linked investment and investment that strongly adheres to "Environmental and Social Governance (ESG)" principle, as well as building resilient supply chain. As an instance, the New Law on Investment was promulgated in October 2021 with some provision taking into consideration of "Responsible Business Conduct" activities through providing additional incentive package in addition to the basic incentives.

10. It features smart incentives such as VAT exemption for the purchase of local inputs, deduction of 150 % from the tax base for activities related to responsible business conducts including nurseries, research, development and innovation, vocational and skills training for Cambodian workers, accommodation, canteens, and other facilities for Cambodian workers, as well as corporate income tax exemption for the expansion of Qualified Investment Projects (QIP). The special incentive packages were also introduced for specific sectors and activities that have high potential to contribute to national development agendas.

11. Moreover, as part of strengthening supply chain resilience, Cambodia has come up with a thought that investment policy needs to reflect better the 21st century realities of businesses, advance facilitation services, and enable local SMEs to participate in the value chain. In addition to the incentive, the Council for the Development of Cambodia has committed to create an enabling investment climate through enhancing investment facilitation and aftercare services. In this regard, the Council has adopted innovative approach by utilizing digitalization in business and investment approval process and aftercare services.

- We have launched a common IT platform that allows investors and businesses to register and lodge their investment application online at <https://qip.cdc.gov.kh>. Final approval will be notified via our Facebook page.
- We also linked Master Lists online to the National Single Window to enable investors to request for import duty exemption via online platform.
- The supplier database (SD2) was also in place to link foreign firms with domestic qualified suppliers. And those suppliers are selected with certain characteristics such as quality standards and certifications, gender inclusion, responsible supply chain, environmental sustainability, employees' capacity building, and the employee care, which are all sustainability dimensions in line with the UN 2030 Agenda for Sustainable Development.
- The CDC also established the Agri-Food Investment Desk (AFID) with the launching of AFID website and promotional videos to promote and attract investment in the agriculture, agri-food, and agro-industry sector. As my colleague already presented the AFID webpage and showcase two promotional videos.
- And lastly, for the diversification of growth, we were also receiving counsels from the Boston Consulting Group (BCG) under the UK government's Accelerated COVID-19 Economic Support (ACES) programme to draft a roadmap for the development of automotive and electronic sector. This roadmap represents the Royal Government's commitment and diversification strategy to draw investments into automotive and electronic sector. Going Forward, the Royal Government is committing to develop these sectors further, to drive the economic resilience and sustainable growth, and move the economy towards skills-driven industry and participation into regional value chains through "Plus-One Strategy".

IV. Initiatives for Regional Investment Cooperation and Supply Chain Resilience Excellencies, Ladies, and Gentlemen,

12. I know that the main focus now is on the recovery process. But the issue is not only about reigniting the economy, it is about making the recovery more sustainable and more resilient to future shocks. Resilience and sustainability will shape the investment priorities of firms and governments. For firms, the push for supply chain resilience could lead to pressures in some industries to reconfigure international production networks through reshoring, regionalization or diversification. For governments, recovery stimulus and investment plans focusing on resilience and sustainability in the midst of crisis is still an urgent task. Given the scale and multitude of the challenges, we need a coherent policy approach amongst Mekong-Lancang countries to promote and facilitate investment in resilient and sustainable sectors, balance stimulus between infrastructure and industry, and address the implementation challenges of recovery plans.

13. Therefore, I can see that the cross-border economic cooperation in our Mekong-Lancang subregion is a good mechanism that we are able to meet and discuss how to promote and facilitate cross-border investment and trade flows. This mechanism allows us to work together in lockstep to streamline investment procedures and stimulate joint investment promotion initiatives. To my view, those initiatives revolve around organizing investment promotion forums, roadshows, trade fairs, and exhibitions for private sector to participate, while the government representatives, policymakers, and policy practitioners, sit and discuss frequently to exchange and share information on the best practices of investment facilitation to address the bottlenecks facing investors and business communities.

14. The convening of frequent policy consultations not only strengthens the sense of togetherness in our cross-border economic cooperation mechanism but also let us discuss seamless and connected policies and ecosystems where we can attract more investment and trade flows into the subregion. Such initiatives should be driven by only one rationale, which is pro-business and private sector-led growth. So, engaging private sector is always a must in our endeavor to collect policy inputs for the enabling investment climate. The great leap of Mekong-Lancang Cross-Border Economic Cooperation, in an inevitably manner, needs close and hand-to-hand partnership with the private sector.

15. As close public-private partnership is indispensable to translate our commitment into action, and there is an urgent need to ensure early business engagement in policymaking. For example, the engagement of the ASEAN Business Advisory Council in various sectoral consultative bodies for investment and trade facilitation has been well institutionalized and implemented. Thus, for our CBEC mechanism, I would like to call for private sector's pro-active participation in our consultation today to deliberately discuss wide-range of policy issues facing their business operations.

Excellencies, esteemed participants,

16. I would suggest three ways and three levels of collaboration to steer forward our cross-border economic cooperation into a new great height. The three ways are government to government cooperation, such as through our existing arrangement—the Mekong-Lancang Cooperation, business to business relations (B2B), and government to business (G2B), or in other words, public-private partnership. All are important, and all are needed. The three levels are bilateral cooperation between two countries, regional cooperation between our member countries, and finally multilateral cooperation, such as at the WTO that allows for efficiencies and breakthroughs which may lead to even broader benefits than those at the regional level. It is our job, as policy practitioners, to create the conditions for all three ways of cooperation at all three levels to take place. We are the ones to create a space and platform for all three ways of cooperation, on all three levels, to help drive sustainability and resilience of supply chains.

17. Finally, I am optimistic that today's consultation will elevate our investment cooperation into a new height as enshrined in the spirit of the Five-Year Development Plan for Mekong-Lancang Cross-Border Economic Cooperation (2019-2023), where we can ensure more investments and trade to spur out into our subregion. We need to leverage on the strengths of our existing arrangements to enhance services related to investment facilitation to further attract more quality investments that can indicate significant development impacts for the resilience and sustainability of our regional supply chain.

Dear my fellow Mekong-Lancang colleagues and distinguished participants,

18. Let me close with a metaphor that could shed light and conclude our theme today. Imagine a human body. It is composed of bones, and also muscle and sinew between the bones. Economies are like bones: some are bigger and smaller, they are located in different parts of the body, or in other words, different geographies around the world. Value chains are like the muscle and sinew that connect the bones. We need muscles and sinew to be strong, but also elastic. We need them to bend and stretch, and help move the body around, which could be thought of as moving global trade and FDI. Being strong and elastic is resilience. However, we also need to keep the body healthy, free of disease, moving easily and continuing to function for a long time. Being healthy and continuing to function for a long time is sustainability.

19. We all know that we need to keep our bodies in good condition; otherwise, we will have pains and suffer. Well, the same is true for value chains. We need to keep them in good condition or we will have economic pains. So, to keep our subregion non-susceptible from external shocks, let us make this Cross-Border Economic Cooperation resilient and sustainable through helping to promote and facilitate green investment and trade. I look forward to receiving your fruitful inputs on the basis of fostering our collaboration for cross-border investment promotion and facilitation. I would like to wish all Mekong-Lancang colleagues and participants good health and successful in your future endeavor.

II. Myanmar

Country Report

Policies amongst MLC countries to further stimulate Cross-border Economic Cooperation

The RCEP, covering about one third of the world's population and GDP, represents the world's largest free trade agreement to date. The trade pact, signed by 15 Asia-Pacific countries entered into force at the start of 2022. The RCEP aims to remove tariffs on at least 90 percent of the goods traded among member countries – over the 20 years from coming into effect. It promotes free trade, reinforces industrial and supply chains, eliminates tariffs, and opens up services and investments to expedite regional economic recovery from the pandemic.

RCEP is the largest free trade agreement and can be a catalyst for economic development for the MLC Countries. The RCEP agreement aims to further liberalize trade in goods and services while enhancing competition policy, IPRs, investment, technical cooperation, government procurement and others.

Another objective of RCEP is to strengthen ASEAN Centrality and to come up with a regional balance of power, as economic activities have shifted towards Asia in the 21st century.

Asia is now the center of production, research and development, and consumption. The RCEP region contains the main GVC Hubs of Japan, China and Korea.

In the light of COVID-19, the Heads of State/Government of the RCEP economies also view the signing of the Agreement as “a strong commitment to supporting economic recovery, inclusive development, job creation and strengthening regional supply chains as well as [our] support for an open, inclusive, rules-based trade and investment arrangement” as expressed in a Joint Leaders’ Statement during the 4th RCEP Summit (ASEAN 2020).

RCEP focuses on harmonizing regional trade barriers and procedures. Under the RCEP, further collaboration on the eradication of non-tariff barriers (NTBs) and non-tariff measures (NTMs) for essential and non-essential goods is envisioned.

Multilateral trading systems can better liberalize and facilitate trade as compared to bilateral systems, as it provides a wide rules-based approach rather than preferential trading concessions.

The RCEP can serve as a platform for regional integration through trade liberalization. With the addition of more countries, RCEP could level the playing field and serve as a cornerstone for the development of a multilateral trading system through which developing economies may gather comparative advantage in the global economy.

As RCEP harmonizes policies and standards governing trade and investment, it can deepen regional economic integration and thus, can be regarded as a component of a policy framework for expanding regional production networks and the supply chain.

A more open and dynamic external environment can assist RCEP members as they transition economically.

Countries may benefit from the existence of dominant members who are committed to pursuing reforms and liberalizing their economies as it would allow for the easier implementation of domestic reforms.

As RCEP is inclusive towards less-developed countries, significant potential gains may be gleaned from assisting such countries to achieve trade openness and development.

RCEP shows higher economic benefits compared to the CPTPP as member countries prior to trade liberalization generally have high tariff barriers.

Alongside the economic impact of the RCEP, there are political, diplomatic and security implications for member countries and regional affairs.

As the Covid-19 pandemic forced countries to close their borders and restrict physical economic activities, the flow of international trade was significantly hampered.

Albeit temporary, countries have implemented restrictive trade measures to curb the spread of the virus.

With the disruption of regional supply chains and the regional trade order crisis, countries have felt the need to collaborate towards the development of an institutional framework to promote trade and recover economically.

The RCEP is considered as a platform for regional countries to alleviate the negative effects of the pandemic and recover from the crisis.

RCEP is crucial in building resilience across the region post-pandemic as it ensures an inclusive and sustainable economic recovery process.

RCEP is necessary to boost international trade and investment; and to foster open regionalism despite the pandemic, as more inward-looking policies are being adopted in East Asia.

Following the post-pandemic recovery, RCEP could likely serve as a domestic and regional platform for the structural transformation of GVCs.

Given these concerns, it is important for the MLC countries to come up with studies that would provide guidance to policymakers on the impact of RCEP to the economy. Therefore, discussions on ratification of/ concurrence to the RCEP agreement by assessing MLC Countries’ trade performance and participation as well as analyzing different scenarios related to RCEP is needed.

The issues related to RCEP and raise awareness to the mega-trade deals should be discussed, as well as, provide an analysis of the impact of accession to the agreement by utilizing analytical tools of trade data.

These tools can be used in the assessment of other trade agreements and mega-trade deals in the future. We need to improve its openness to trade to fully benefit from the Regional Comprehensive Economic Partnership (RCEP) agreement.

We need to diversify its exports and explore new products and markets. Patterns of concentration can be seen in the country's exports as (the bulk consists of) machinery and electronic equipment. The destinations are also concentrated among the traditional partners in the region and the US.

Innovation is important. Support for private sector innovation and exploration of new products and new markets should be optimized. From 1998, Vietnam's trade openness has sharply increased; Thailand's has increased slowly but remained below 150 percent.

The success of any trade agreement depends on utilization. The reduction in trade costs needs to be internalized by the MLC businesses which, can be done by increasing the awareness and utilization of trade agreements.

From an investment perspective, the RCEP is likely to stimulate investments across ASEAN and other RCEP member countries. Lower tariffs, streamlined customs procedures and expanded market access will make investing in the region more attractive and viable.

Having a common rule of origin will reduce expenses for businesses with supply chains spanning the Asia-Pacific region, and will spur multinationals to invest in RCEP countries.

This will develop cross-border supply chain linkage, thereby expanding global value chain activity in the region.

Intra-RCEP cross-border investment (investment into a member country by a company belonging to another member country) generated 14,000 Greenfield projects between 2003 and September 2020, according to figures from investment monitor fDi Markets.

That is higher than any other trade and investment bloc except for the EU, with 37,991 intra-European projects announced since 2003, according to fDi Markets figures.

From a trade perspective, the RCEP trade concessions will enhance trade among member countries while redirecting trade away from non-member countries.

Lower tariffs will result in lower import prices, which stimulate demand and thus increase imports.

The concessions will divert trade towards exporters who enjoy those reductions and away from exporters in non-member nations.

ASEAN's least developed members - Myanmar - may face difficulties in implementing and reaping the benefits of RCEP, particularly on its new WTO-plus provisions. Member countries need to ensure their domestic policies and interests are aligned with RCEP.

RCEP's role in increasing trade among its members should not be discounted. RCEP is projected to streamline the rules of origin of many ASEAN+1 FTAs by treating the region as a whole. This will significantly reduce supply chain and administrative complications while improving the agreement's utilisation rate.

The RCEP agreement is establishing the largest trade zone in the world, favourable to reducing non-tariff measures — even though commitment is currently modest and only minor tariff reductions are expected.

RCEP's most significant contribution is its harmonisation of origin rules, which has significant positive implications for the region's global value chains.

Yet RCEP will not automatically provide benefits — member countries must ensure that their domestic policies are consistent with the agreement, to reap the greatest benefits.

In conclusion, Investment authorities charged with attracting and facilitating FDI must continue working with investors and other related stakeholders to facilitate investments in their respective countries.

Investment facilitation can be a powerful means to ensure investors are able to implement their investment projects successfully. Among measures to be taken by the countries, especially the LDCs and the developing countries, are greater regulatory simplicity, transparency, and predictability.

There are few areas requiring the investment authorities' attention. One, countries need to develop a strong co-ordination body between central and sub-central investment bodies and sectoral ministries and agencies.

Two, one-stop service centers must effectively and efficiently serve investors. Three, investment authorities may provide targeted "investor aftercare initiatives" to key investment sectors and their lead local suppliers through higher level and coordinated linkages, to preserve supply chains.

Four, countries may introduce conflict management system through investor grievance mechanism (IGM).

Presentation Slide



RCEP AND THE LMC COUNTRIES

- The RCEP, covering about one third of the world's population and GDP, represents the world's largest free trade agreement to date. The trade pact, signed by 15 Asia-Pacific countries entered into force at the start of 2022.
- The RCEP aims to remove tariffs on at least 90 percent of the goods traded among member countries – over the 20 years from coming into effect.
- It promotes free trade, reinforces industrial and supply chains, eliminates tariffs, and opens up services and investments to expedite regional economic recovery from the pandemic.
- RCEP is the largest free trade agreement and can be a catalyst for economic development for the LMC Countries. The RCEP agreement aims to further liberalize trade in goods and services while enhancing competition policy, IPRs, investment, technical cooperation, government procurement and others.

RCEP AND THE LMC COUNTRIES

- A more open and dynamic external environment can assist RCEP members as they transition economically.
- Countries may benefit from the existence of dominant members who are committed to pursuing reforms and liberalizing their economies as it would allow for the easier implementation of domestic reforms.
- As RCEP is inclusive towards less-developed countries, significant potential gains may be gleaned from assisting such countries to achieve trade openness and development.
- RCEP shows higher economic benefits compared to the CPTPP as member countries prior to trade liberalization generally have high tariff barriers.
- Alongside the economic impact of the RCEP, there are political, diplomatic and security implications for member countries and regional affairs.

RCEP AND THE LMC COUNTRIES

- RCEP focuses on harmonizing regional trade barriers and procedures. Under the RCEP, further collaboration on the eradication of non-tariff barriers (NTBs) and non-tariff measures (NTMs) for essential and non-essential goods is envisioned.
- Multilateral trading systems can better liberalize and facilitate trade as compared to bilateral systems, as it provides a wide rules-based approach rather than preferential trading concessions.
- The RCEP can serve as a platform for regional integration through trade liberalization. With the addition of more countries, RCEP could level the playing field and serve as a cornerstone for the development of a multilateral trading system through which developing economies may gather comparative advantage in the global economy.
- As RCEP harmonizes policies and standards governing trade and investment, it can deepen regional economic integration and thus, can be regarded as a component of a policy framework for expanding regional production networks and the supply chain.

POST-COVID PANDEMIC AND RCEP

- As the Covid-19 pandemic forced countries to close their borders and restrict physical economic activities, the flow of international trade was significantly hampered.
- Albeit temporary, countries have implemented restrictive trade measures to curb the spread of the virus.
- With the disruption of regional supply chains and the regional trade order crisis, LMC countries need to deeper collaboration towards the development of an institutional framework to promote trade and recover economically.
- Therefore, the RCEP is considered as a platform for LMC countries to alleviate the negative effects of the pandemic and recover from the crisis.
- RCEP is crucial in building resilience across the region post-pandemic as it ensures an inclusive and sustainable economic recovery process.
- RCEP is necessary to boost international trade and investment; and to foster open regionalism despite the pandemic, as more inward-looking policies are being adopted in East Asia.
- Following the post-pandemic recovery, RCEP could likely serve as a domestic and regional platform for the structural transformation of GVCs.

POST-COVID PANDEMIC AND RCEP

- Given these concerns, it is important for the MLC countries to come up with studies that would provide guidance to policymakers on the impact of RCEP to the economy.
- Therefore, discussions on ratification of/ concurrence to the RCEP agreement by assessing MLC Countries' trade performance and participation as well as analyzing different scenarios related to RCEP is needed.
- The issues related to RCEP and raise awareness to the mega-trade deals should be discussed, as well as, provide an analysis of the impact of accession to the agreement by utilizing analytical tools of trade data.
- These tools can be used in the assessment of other trade agreements and mega-trade deals in the future.

TRADE OPENNESS AND RCEP

- We need to improve its openness to trade to fully benefit from the Regional Comprehensive Economic Partnership (RCEP) agreement.
- We need to diversify its exports and explore new products and markets. Patterns of concentration can be seen in the country's exports as (the bulk consists of) machinery and electronic equipment. The destinations are also concentrated among the traditional partners in the region and the US.
- Innovation is important. Support for private sector innovation and exploration of new products and new markets should be optimized.
- From 1998, Vietnam's trade openness has sharply increased. Thailand's has increased slowly but remained below 150 percent.
- The success of any trade agreement depends on utilization. The reduction in trade costs needs to be internalized by the MLC businesses which, can be done by increasing the awareness and utilization of trade agreements.

RCEP AND INVESTMENT

- From an investment perspective, the RCEP is likely to stimulate investments across ASEAN and other RCEP member countries. Lower tariffs, streamlined customs procedures and expanded market access will make investing in the region more attractive and viable.
- Having a common rule of origin will reduce expenses for businesses with supply chains spanning the Asia-Pacific region, and will spur multinationals to invest in RCEP countries.
- This will develop cross-border supply chain linkage, thereby expanding global value chain activity in the region.
- Intra-RCEP cross-border investment (investment into a member country by a company belonging to another member country) generated 14,000 greenfield projects between 2003 and September 2020, according to figures from investment monitor IDI Markets.
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RCEP AND TRADE

- From a trade perspective, the RCEP trade concessions will enhance trade among member countries while redirecting trade away from non-member countries.
- Lower tariffs will result in lower import prices, which stimulate demand and thus increase imports.
- The concessions will divert trade towards exporters who enjoy those reductions and away from exporters in non-member nations.
- ASEAN's least developed members —Myanmar — may face difficulties in implementing and reaping the benefits of RCEP, particularly on its new WTO-plus provisions. Member countries need to ensure their domestic policies and interests are aligned with RCEP.
- RCEP's role in increasing trade among its members should not be discounted. RCEP is projected to streamline the rules of origin of many ASEAN+1 FTAs by treating the region as a whole. This will significantly reduce supply chain and administrative complications while improving the agreement's utilization rate.

RCEP AND TRADE

- The RCEP agreement is establishing the largest trade zone in the world, favourable to reducing non-tariff measures — even though commitment is currently modest and only minor tariff reductions are expected.
- RCEP's most significant contribution is its harmonisation of origin rules, which has significant positive implications for the region's global value chains.
- Yet RCEP will not automatically provide benefits — member countries must ensure that their domestic policies are consistent with the agreement, to reap the greatest benefits.

THANK YOU FOR YOUR ATTENTION

CONCLUSION

- In conclusion, investment authorities charged with attracting and facilitating FDI must continue working with investors and other related stakeholders to facilitate investments in their respective countries.
- Investment facilitation can be a powerful means to ensure investors are able to implement their investment projects successfully. Among measures to be taken by the countries, especially the LDCs and the developing countries, are greater regulatory simplicity, transparency, and predictability.
- There are few areas requiring the investment authorities' attention. First, countries need to develop a strong co-ordination body between central and sub-central investment bodies and sectoral ministries and agencies.
- Second, one-stop service centres must effectively and efficiently serve investors. Third, investment authorities may provide targeted "investor aftercare initiatives" to key investment sectors and their lead local suppliers through higher level and coordinated linkages, to preserve supply chains.
- Four, countries may introduce conflict management system through investor grievance mechanism (IGM).

4.1. Lessons Learned Regarding Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation in MLC

The Lancang-Mekong Cooperation (LMC) was established in 2016 to promote multi-faceted cooperation at the sub-regional level among the countries of Cambodia, P.R. China, Lao PDR, Myanmar, Thailand and Vietnam. Underpinned by a vision of a community of shared future of peace and prosperity, it strives to contribute to the economic and social development of the sub-regional countries; enhance the wellbeing of the people; narrow the development gap, support ASEAN community building; and promote the implementation of the UN 2030 Agenda for Sustainable Development as well as South-South cooperation. The project on “Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation in MLC” are the major key related to generating more cooperation within the Mekong-Lancang Region. Using the basis of this report practitioners and policy makers can gauge into the bottlenecks of investment and trade facilitation and will be able to create and implement policies that streamline the faster and smoother business endeavors. Lessons learned from the execution of this project include both challenges and best practices.

4.1.1. Challenges

Throughout the implementation of this project, MLC countries have witnessed major impediments in enhancing services related to investment and trade facilitation among MLC countries contributing to the promotion of Cross-Border Economic Cooperation. Those challenges involved with the lesser consistency and complementarities of policies, regulations, and measures in facilitating cross-border economic activities ranging from investment, trade, custom, logistics, and transport. In addition, COVID-19 pandemic is another obstacle in streamlining procedures along the border of MLC countries as restriction and curfews haven't yet lifted for an open economic activity. The project can only develop a report on policies and mechanisms with regard to investment and trade facilitation, however, the sound and connected procedures solely lie on strong political will to push for South-South Cooperation.

4.1.2. Best Practices

The report has been incorporated insightful inputs from MLC senior officials in the areas of investment, trade, SPS, custom, logistics, immigration, and transport to develop a guiding document that contributes to the promotion of cross border economic cooperation amongst MLC countries in addition to the Five-Year Development for MLC CBEC. Furthermore, the report has also collected the best practices of policies and mechanism related to the facilitation of cross-border economic activities from government ministries, agencies, departments as well as private sector which are driving force in fostering cross-border economic cooperation zones.

The report enables investors to be aware of the potential cross-border economic zones that they can position their investment projects in the cluster areas along the border towns with a supportive infrastructure system, unobstructed logistics and free flow of goods, services, personnel and capitals as well as seamless investment and trade facilitation.

Chapter 5: Work Plan and Report

5.1. Work Plan

Project Implementation Working Group will act in accordance with the work plan as follow:

(a) Indicative work plan

This work plan diagram indicates the activities on what will be done within a project time frame

Outputs	Activities	Time Frame																							
		Q1.1			Q1.2			Q1.3			Q1.4			Q2.1			Q2.2			Q2.3			Q2.4		
		1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3			
	A0	■	■																						
	A1	■	■																						
	A2				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■			
	A3					■	■																		
	A4							■	■																
	A5								■	■															
	A6										■	■													
	A7											■	■												
	A8													■	■										
	A9														■	■									
	A10																■	■							
	A11																	■	■						
	A12																		■	■					
	A13																			■	■				
	A14																				■	■			

List of activities (2022-2024):
Year of Implementation (2022)

- August 2022: A0 = Project preparation and equipment set up for virtual seminars and workshops
- September 2022: A1 = Inception Workshop amongst ministries and institutions (Outlining and identifying key areas and services for cross-border economic cooperation, investment and trade facilitation with relevant line ministries and institutions), Hybrid format, Phnom Penh
- September 2022: A2 = Design and Develop MLC-CBEC Website
- November 2022: A3 = Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience (Outlining and identifying key policies and regulations related to investment facilitation and compile, print, publish and disseminate First Draft Report), Hybrid format, Siem Reap
- January 2023: A4 = Consultation on cross-border trade facilitation among all MLC countries (Outlining and Identifying key policies and regulations related to trade and custom facilitation and compile, print, publish and disseminate Second Draft Report), Hybrid format, Bavet
- March 2023: A5 = Consultation on logistics and transport facilitation among all MLC countries (Outlining and Identifying key policies and regulations related to logistics and transport facilitation and compile, print, publish and disseminate preliminary findings of the report for further consultation), Hybrid format, Sihanoukville
- May 2023: A6= Mid-term Review and Evaluation (Preparing Mid-term Report to be circulated to MFAIC for further circulation to Chinese Embassy through diplomatic means)
- July 2023: A7 = Sub-regional Consultation with key stakeholders among MLC countries to confirm and collect final views to improve the report, Bangkok
- August 2023: A8 = Compiling and incorporating final views from MLC countries into the report
- September 2023: A9-A10 = Seminar to disseminate the Draft Final Report to all MLC countries, Ho Chi Minh
- November 2023: A11 = Seminar to disseminate result of the project, Phnom Penh
- January 2024: A12 = Seminar to disseminate result of the project, Vientiane
- March 2024: A13 = Trade Fairs and Investment Roadshow, Kunming
- May 2024: A14 = Monitoring and Evaluation Workshop of the Project, Nanning
- July 2024: Final report to be submitted to the Ministry of Foreign Affairs and International Cooperation.

5.2. Reports

Project implementation Team will prepare and submit the following report during the project period:

- i. Inception Report
- ii. Progress Report
 - a. Report on the result of Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience to be done on November 2022.
 - b. Report on the result of consultation on cross-border trade facilitation to be done on January 2023.

- c. Report on the result of consultation on logistics and transport facilitation to be done on March 2023.
 - iii. Mid-term Report (result of mid-term review on the implementation of the project) to be done on May 2023.
 - iv. Interim report
 - a. Report on the result of sub-regional consultation meeting with key stakeholders
 - b. Report on the outcome of inception workshop, consultation activities, trade fairs and investment roadshow.
 - c. Report on the result of monitoring and evaluation
 - v. Final/Completion Report
- For public relations purpose and in the course of implementation of the project, the following materials will be prepared to share with media outlets:
- (a) Press release in every activity
 - (b) Project newsletter
- During project period, focal points from Mekong-Lancang countries should be assigned to communicate effectively with the project coordination officer to ensure smooth operation of the project.

Appendix

Activities of the Working Group in preparation for the implementation of the Project on Enhancing Services related to Investment and Trade Facilitation contributing to the Promotion of Cross-Border Economic Cooperation under the Mekong-Lancang Cooperation.



Project formulation stage, project team finalized the concept paper to embark on the implementation of the Project.



Project team takes opportunity to talk to Vice Chairman of the Cambodia Chamber of Commerce to seek closer collaboration to implement the project

Inception Meeting after the establishment of the Project Implementation Working Group.



Project revision, final review before submitting to the Ministry of Foreign Affairs and International Cooperation for consideration.



Set the schedule to kick off the project implementation



Revised project concept to adjust the activities approved by the agreement on MLC Special Fund



Finalised the Project-Budget Line Shifting 2022-2023



Preparation and rehearsal of the project team on the organizing of inception workshop



Finalized the revision of Budget Proposal



The meeting on bidding opening with companies for the procurement of IT and technical equipment to support the project execution.



Preparation activities of the project team on the organizing of first consultation in Siem Reap





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Nation-Religion-King
1953-2023

ឱ្យ ឯកឧត្តម លីង ខ្លី ទូរស័ព្ទ លេខ 855 85 880 056
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Mr. Ling Xiao
Director
Ministry of Commerce of the People's Republic of China
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience, 17 November 2022.

Dear Mr. Ling Xiao,

We would like to invite you and your colleagues to attend the Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 17 November 2022, via videoconference.

The consultation will bring delegates from MLC countries to share best practices and experiences in promoting and facilitating Foreign Direct Investments (FDI) flows into their economy, and streamline services related to investment, including custom facilitation and simplified business registration procedures will be further consulted. This consultation also aims to update policy measures of the Mekong-Lancang governments to support businesses and FDIs in time of COVID-19 and the post-COVID-19 new normal during this event.

You may wish to confirm your participation and send your slide presentation and country report to Mr. Samath Chan Somanith (Email: samathchansomanith@gmail.com, Tel: +855 85 880 056) or Mr. Sam Chanmoney (Email: schanmoney.cdc@gmail.com, Tel: +855 77 966 667) on or before 11 November 2022.

Please find enclosed program information for your perusal.

Please accept, Sir, the assurances of our highest consideration.


For: Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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Dr. NOLINTHA Vanthana
Director General
Ministry of Planning and Investment of the Lao People's Democratic Republic

Subject: Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience, 17 November 2022.

Dear Dr. NOLINTHA Vanthana,

We would like to invite you and your colleagues to attend the Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 17 November 2022, via videoconference.

The consultation will bring delegates from MLC countries to share best practices and experiences in promoting and facilitating Foreign Direct Investments (FDI) flows into their economy, and streamline services related to investment, including custom facilitation and simplified business registration procedures will be further consulted. This consultation also aims to update policy measures of the Mekong-Lancang governments to support businesses and FDIs in time of COVID-19 and the post-COVID-19 new normal during this event.

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Chea Vuthy
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លេខ ០១៦ ក្រសួងពាណិជ្ជកម្ម

Mr. Min Zaw Oo
Deputy Director General
Ministry of Investment and Foreign Economic Relations of the Republic of the Union of Myanmar

Subject: Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience, 17 November 2022.

Dear Mr. Min Zaw Oo,

We would like to invite you and your colleagues to attend the Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 17 November 2022, via videoconference.

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For Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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លេខ ០១៦ ក្រសួងពាណិជ្ជកម្ម

Dr. Htein Lynn
Deputy Director General
Ministry of Commerce of the Republic of the Union of Myanmar
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience, 17 November 2022.

Dear Dr. Htein Lynn,

We would like to invite you and your colleagues to attend the Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 17 November 2022, via videoconference.

The consultation will bring delegates from MLC countries to share best practices and experiences in promoting and facilitating Foreign Direct Investments (FDI) flows into their economy, and streamline services related to investment, including custom facilitation and simplified business registration procedures will be further consulted. This consultation also aims to update policy measures of the Mekong-Lancang governments to support businesses and FDIs in time of COVID-19 and the post-COVID-19 new normal during this event.

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Please find enclosed program information for your perusal.

Please accept, Sir, the assurances of our highest consideration.

For Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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Ms. Buniga Chamsai
Deputy Director General
Ministry of Commerce of the Kingdom of Thailand
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience, 17 November 2022.

Dear Ms. Buniga Chamsai,

We would like to invite you and your colleagues to attend the Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on **17 November 2022, via videoconference.**

The consultation will bring delegates from MLC countries to share best practices and experiences in promoting and facilitating Foreign Direct Investments (FDI) flows into their economy, and streamline services related to investment, including custom facilitation and simplified business registration procedures will be further consulted. This consultation also aims to update policy measures of the Mekong-Lancang governments to support businesses and FDIs in time of COVID-19 and the post-COVID-19 new normal during this event.

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Please find enclosed program information for your perusal.

Please accept, Madame, the assurances of our highest consideration.

For Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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Mr. Nguyen Phuc Nam
Deputy Director General
Ministry of Industry and Trade of the Socialist Republic of Vietnam
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience, 17 November 2022.

Dear Mr. Nguyen Phuc Nam,

We would like to invite you and your colleagues to attend the Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on **17 November 2022, via videoconference.**

The consultation will bring delegates from MLC countries to share best practices and experiences in promoting and facilitating Foreign Direct Investments (FDI) flows into their economy, and streamline services related to investment, including custom facilitation and simplified business registration procedures will be further consulted. This consultation also aims to update policy measures of the Mekong-Lancang governments to support businesses and FDIs in time of COVID-19 and the post-COVID-19 new normal during this event.

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Please accept, Sir, the assurances of our highest consideration.

For Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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1953 1956

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រាជធានីភ្នំពេញ

Ms. Vu Thi Chau Quynh
Deputy Director General
Ministry of Planning and Investment of the Socialist Republic of Vietnam

Subject: Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience, 17 November 2022.

Dear Ms. Vu Thi Chau Quynh,

We would like to invite you and your colleagues to attend the Consultation on Regional Outlook: Collaboration for Sustainable Investment and Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 17 November 2022, via videoconference.

The consultation will bring delegates from MLC countries to share best practices and experiences in promoting and facilitating Foreign Direct Investments (FDI) flows into their economy, and streamline services related to investment, including custom facilitation and simplified business registration procedures will be further consulted. This consultation also aims to update policy measures of the Mekong-Lancang governments to support businesses and FDIs in time of COVID-19 and the post-COVID-19 new normal during this event.

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Please find enclosed program information for your perusal.

Please accept, Madame, the assurances of our highest consideration.

For: Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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Council for the Development of Cambodia

លេខ 3217/22 ថ្ងៃទី ១៧

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ថ្ងៃទី ១៧ ខែ វិច្ឆិកា ឆ្នាំ ២០២២
រាជធានីភ្នំពេញ

H.E. Mr. Wang Wentian
Ambassador Extraordinary and Plenipotentiary
Embassy of the People's Republic of China

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Excellency,

We would like to invite you to attend the Opening Ceremony and deliver remarks at the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation under the Lancang-Mekong Cooperation (LMC) Special Fund 2021 on 30 September 2022, in hybrid format, at Hyatt Regency Hotel Phnom Penh.

The workshop will bring delegates from LMC countries to discuss essential elements for advancing the promotion of cross-border economic cooperation in the LMC region in a new era of evolving patterns of international trade and investment, emerging technologies, and pandemic preparedness. The workshop will further deliberate on the issues surrounding the project implementation and the enhancement of services related to investment and trade facilitation in LMC countries. Please find enclosed program information for your perusal.

Please accept, Excellency, the assurances of our highest consideration

Bok Chenda Sophea
Minister attached to the Prime Minister
Secretary General

CC : Vice Chairman of the CDC
- Deputy Secretary General of CIB
- Ministry of Foreign Affairs and International Cooperation
- Documentation - Archive



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ជាតិ សាសនា ព្រះមហាក្សត្រ
Nation-Religion-King

ថ្ងៃ ចន្ទ ២០២២ ខែ កញ្ញា ឆ្នាំ ២០២២
ពេលវេលា ថ្ងៃ ១២^៤ ខែ Sept ឆ្នាំ ២០២២

Mr. Ling Xiao
Director
Ministry of Commerce of the People's Republic of China
Focal Point of JWG CBEC-MLC

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Dear Mr. Ling Xiao,

We would like to invite you and your colleagues to attend the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 30 September 2022, via videoconference.

The workshop will bring delegates from MLC countries to discuss essential elements for advancing the promotion of cross-border economic cooperation in the MLC region in a new era of evolving patterns of international trade and investment, emerging technologies, and pandemic preparedness. The workshop will further deliberate on the issues surrounding the project implementation and the enhancement of services related to investment and trade facilitation in MLC countries. Therefore, delegation from MLC Countries are requested to updates relevant policy measures related to investment and trade facilitation in time of Covid-19 crisis and in the post-Covid-19 recovery" during this event.

You may wish to confirm your participation and send your slide presentation and country report to Mr. Samath Chan Somanith (Email: samathchansomanith@gmail.com, Tel: +855 85 880 056) or Mr. Sam Chanmoney (Email: schanmoney.cdc@gmail.com, Tel: +855 77 966 667) on or before 20 September 2022.

Please find enclosed program information for your perusal.

Please accept, Sir, the assurances of our highest consideration.

For: Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



ព្រះរាជាណាចក្រកម្ពុជា
Kingdom of Cambodia
ជាតិ សាសនា ព្រះមហាក្សត្រ
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ថ្ងៃ ចន្ទ ២០២២ ខែ កញ្ញា ឆ្នាំ ២០២២
ពេលវេលា ថ្ងៃ ១២^៤ ខែ Sept ឆ្នាំ ២០២២

Mr. Li Lu
Director
Ministry of Commerce of the People's Republic of China
Focal Point of JWG CBEC-MLC

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Dear Mr. Li Lu,

We would like to invite you and your colleagues to attend the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 30 September 2022, via videoconference.

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For: Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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Kingdom of Cambodia

ក្រុមប្រឹក្សាអភិវឌ្ឍន៍កម្ពុជា
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Kingdom of Cambodia
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Nation- Religion- King

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Mr. Khamsonvanh Phutdavong
Deputy Director General
Ministry of Industry and Commerce of the Lao People's Democratic Republic
Focal Point of JWG CBEC-MLC

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Dear Mr. Khamsonvanh Phutdavong,

We would like to invite you and your colleagues to attend the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on **30 September 2022, via videoconference.**

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For Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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Dr. Htein Lynn
Deputy Director General
Ministry of Investment and Foreign Economic Relations of the Republic of the Union of Myanmar
Focal Point of JWG CBEC-MLC

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Dear Dr. Htein Lynn,

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For Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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លេខ: 3271 / ១១ ត.វ.ក

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ថ្ងៃ: ១១ ខែ កញ្ញា ឆ្នាំ ២០២២
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Mr. Duangarthit Nidhi-u-tai
Deputy Director General
Ministry of Commerce of the Kingdom of Thailand
Focal Point of JWG CBEC-MLC

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Dear Mr. Duangarthit Nidhi-u-tai,

We would like to invite you and your colleagues to attend the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on **30 September 2022, via videoconference.**

The workshop will bring delegates from MLC countries to discuss essential elements for advancing the promotion of cross-border economic cooperation in the MLC region in a new era of evolving patterns of international trade and investment, emerging technologies, and pandemic preparedness. The workshop will further deliberate on the issues surrounding the project implementation and the enhancement of services related to investment and trade facilitation in MLC countries. Therefore, delegation from MLC Countries are requested to update relevant policy measures related to investment and trade facilitation in time of Covid-19 crisis and in the post-Covid-19 recovery" during this event.

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Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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ថ្ងៃ: ១១ ខែ កញ្ញា ឆ្នាំ ២០២២
រាជធានីភ្នំពេញ ថ្ងៃទី ១១ ខែ កញ្ញា ឆ្នាំ ២០២២

Ms. Buniga Chamsai
Deputy Director General
Ministry of Commerce of the Kingdom of Thailand
Focal Point of JWG CBEC-MLC

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Dear Ms. Buniga Chamsai,

We would like to invite you and your colleagues to attend the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation under the Mekong Lancang Cooperation (MLC) Special Fund 2021 on **30 September 2022, via videoconference.**

The workshop will bring delegates from MLC countries to discuss essential elements for advancing the promotion of cross-border economic cooperation in the MLC region in a new era of evolving patterns of international trade and investment, emerging technologies, and pandemic preparedness. The workshop will further deliberate on the issues surrounding the project implementation and the enhancement of services related to investment and trade facilitation in MLC countries. Therefore, delegation from MLC Countries are requested to update relevant policy measures related to investment and trade facilitation in time of Covid-19 crisis and in the post-Covid-19 recovery" during this event.

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Chea Vuthy
Acting Secretary General

Cc: - Vice Chairman of the CDC
- Minister attached to the Prime Minister, Secretary General of CDC
- Documentation - Archival



ព្រះរាជាណាចក្រកម្ពុជា
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Council for the Development of Cambodia

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ព្រះរាជាណាចក្រកម្ពុជា
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ថ្ងៃ ចន្ទ ២៤.០៩ ខែ កញ្ញា ឆ្នាំ ២០២២ ព.ស ២៥៦៦
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Mr. Nguyen Phuc Nam

Deputy Director General
Ministry of Industry and Trade of the Socialist Republic of Vietnam
Focal Point of JWG CBEC-MLC

Subject: Inception Workshop of the project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation, 30 September 2022.

Dear Mr. Nguyen Phuc Nam,

We would like to invite you and your colleagues to attend the Inception Workshop of the Project on Enhancing Services related to Investment and Trade Facilitation Contributing to the Promotion of Cross-Border Economic Cooperation under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on **30 September 2022, via videoconference.**

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For: Minister attached to the Prime Minister
Secretary General of CDC

Chea Vuthy
Deputy Secretary General



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Council for the Development of Cambodia

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Cambodian Investment Board
លេខ ៤៤៦០ / ២២ ព.វ.ក

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Kingdom of Cambodia
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Mr. Ling Xiao

Director
Ministry of Commerce of the People's Republic of China
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience, 12 January 2023.

Dear Mr. Ling Xiao,

We would like to invite you and your colleagues to attend the Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on **12 January 2023, via videoconference.**

The consultation will bring delegates from MLC countries to share best practices and experiences in facilitating trade flows into their economy and streamlining services related to including customs procedures as well as what can be done further to boost digital trade for the resiliency of regional supply chain. This consultation also aims to update policy measures of the Mekong-Lancang governments to facilitate businesses in time of COVID-19 and the post-COVID-19 new normal during this event.

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Chea Vuthy
Acting Secretary General
Cambodian Investment Board



ព្រះរាជាណាចក្រកម្ពុជា
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លេខ ៤៤៥០/២៤ រ.ព.ក

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ជាតិ សាសនា ព្រះមហាក្សត្រ
Nation-Religion-King
1953 1993

ប្រតិភូ លោក ឃីន លីន អគ្គនាយករង ក្រសួងពាណិជ្ជកម្ម
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Mr. Khamsonvanh Phutdavong
Deputy Director General
Ministry of Industry and Commerce of the Lao People's Democratic Republic
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience, 12 January 2023.

Dear Mr. Khamsonvanh Phutdavong,

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Chrea Vuthy
Acting Secretary General
Cambodian Investment Board



ပြည်ထောင်စု
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Dr. Htein Lynn
Deputy Director General
Ministry of Commerce of the Republic of the Union of Myanmar
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience, 12 January 2023.

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Please accept, Sir, the assurances of our highest consideration.



Chrea Vuthy
Acting Secretary General
Cambodian Investment Board



ព្រះរាជាណាចក្រកម្ពុជា
ក្រុមប្រឹក្សាអភិវឌ្ឍន៍កម្ពុជា

Council for the Development of Cambodia

គណៈកម្មាធិការជំរុញវិនិយោគកម្ពុជា
Cambodian Investment Board
លេខ ៤៤៣០/១២ រ.ជ.ក

ព្រះរាជាណាចក្រកម្ពុជា
Kingdom of Cambodia
ជាតិ សាសនា ព្រះមហាក្សត្រ
Nation-Religion-King
២០០៦

ក្រសួងពាណិជ្ជកម្ម ក្រសួងឧស្សាហកម្ម និង រ៉ែ
នៃសាធារណរដ្ឋសង្គមនិយមកម្ពុជា
ទីស្នាក់ការកណ្តាល 16th Dec 2023

Ms. Buniga Chamsai
Deputy Director General
Ministry of Commerce of the Kingdom of Thailand
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience, 12 January 2023.

Dear Ms. Buniga Chamsai,

We would like to invite you and your colleagues to attend the Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 12 January 2023, via videoconference.

The consultation will bring delegates from MLC countries to share best practices and experiences in facilitating trade flows into their economy and streamlining services related to including customs procedures as well as what can be done further to boost digital trade for the resiliency of regional supply chain. This consultation also aims to update policy measures of the Mekong-Lancang governments to facilitate businesses in time of COVID-19 and the post-COVID-19 new normal during this event.

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Chen Vuthy
Acting Secretary General
Cambodian Investment Board



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ក្រុមប្រឹក្សាអភិវឌ្ឍន៍កម្ពុជា

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លេខ ៤៤៣០/១២ រ.ជ.ក

ព្រះរាជាណាចក្រកម្ពុជា
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ទីស្នាក់ការកណ្តាល 16th Dec 2023

Mr. Nguyen Phuc Nam
Deputy Director General
Ministry of Industry and Trade of the Socialist Republic of Vietnam
Focal Point of JWG CBEC-MLC

Subject: Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience, 12 January 2023.

Dear Mr. Nguyen Phuc Nam,

We would like to invite you and your colleagues to attend the Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 12 January 2023, via videoconference.

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Chen Vuthy
Acting Secretary General
Cambodian Investment Board



Kingdom of Cambodia
Nation Religion King

Phnom Penh, 04 January 2023

Mr. Suriyan Vichitlekarn
Executive Director
Mekong Institute

Subject: Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience, 12 January 2023.

Dear Mr. Suriyan Vichitlekarn,

We would like to invite you and/or your colleagues to be a speaker in session 1 on "Regional Prospects on Trade Facilitation and its Implication" and session 2 on "Boosting Regional Trade Momentum in Digital Edge" in the Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 12 January 2023, via videoconference.

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Please find enclosed program information for your perusal.

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H.E. Dr. Suon Sopha
Project Director
Director of Public Relations and Promotion of Private Investments
Cambodian Investment Board
The Council for the Development of Cambodia



Kingdom of Cambodia
Nation Religion King

Phnom Penh, 04 January 2023

Prof. Xiong Bin
Professor at Faculty of Management and Economics
Kunming University of Science and Technology

Subject: Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience, 12 January 2023.

Dear Prof. Xiong Bin,

We would like to invite you to be a speaker in session 3 on "Ensuring the supply chains resilience of the forthcoming future" in the Consultation on Regional Prospects: Harnessing Regional Collaboration for Cross-Border Trade Facilitation and Supply Chain Resilience under the Mekong-Lancang Cooperation (MLC) Special Fund 2021 on 12 January 2023, via videoconference.

The consultation will bring delegates from MLC countries to share best practices and experiences in facilitating trade flows into their economy and streamlining services related to including customs procedures as well as what can be done further to boost digital trade for the resiliency of regional supply chain. This consultation also aims to update policy measures of the Mekong-Lancang governments to facilitate businesses in time of COVID-19 and the post-COVID-19 new normal during this event.

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BETTER TOGETHER THROUGH FURTHER ENHANCEMENT

