Chapter 1

Foreign Trade Statistics and Trade Structure of the CLMV Countries

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Introduction

Our Institute, the Institute of Developing Economies, JETRO, collects foreign trade statistics from all over the world for the purpose of studying the economic circumstance of the developing countries over the long-term. Recently Cambodia, Laos, Myanmar, and Vietnam (CLMV countries) have experienced increased economic growth following their membership in ASEAN. Accordingly the economic relationship between the CLMV countries and ASEAN, as well as the developed countries has deepened. The foreign trade of the CLMV countries is expanding along with their economic growth. Consequently, studies of this area are increasing in number.

In response, our Institute began a few years ago to collect the foreign trade statistics of the CLMV countries. In this fiscal year we were able to get foreign trade statistics of Vietnam for from 2002, 2003, and 2004 by partner country with the 6-digit HS-code, and of Cambodia for 2003, 2004, and 2005 by partner country with the 8-digit HS-code. Both are available in computer readable form for analysis. We began by studying the status and structure of foreign trade statistics in order to better understand their economies.

1. Selected Economic Indicators of the CLMV Countries: GDP, ODA, and FDI

The following table 1 shows that the GDP growth of the CLMV countries except Myanmar has greatly risen over recent years. The total amount of ODA to ASEAN was $35,449 million in 2004. Broken down by country, Cambodia received $478 million (13%), Laos $270 million (8%), Myanmar $121 million (3%), and Vietnam $1,830 (52%).

The largest sources of foreign investment into those countries were as follows. For Cambodia, the largest source in 2005 was China, with $452 million: for Laos in 2004, it was Thailand with $451 million; for Myanmar in 1988-2006, it was Thailand, and for Vietnam in 2005, it was Japan with $842 million.

2. Status of Foreign Trade Statistics

Available data including those in computer readable form:

Cambodia:
(1) Cambodia Import-Export Statistics 2004
(2) Cambodian Import Statistics 2003-2004
   (computer readable)

Table 1　GDP Growth Rate of the CLMV Countries

	2000	2001	2002	2003	2004
Cambodia	3.6	7.8	6.5	12.2	11.1
Laos	1.3	6.7	17.6	16.3	10.0
Myanmar	-20.8	12.8	-1.9	-25.2	-16.0
Vietnam	4.3	7.9	12.7	14.5	12.4

(Source)　World Economic Outlook Database, April 2006

Table 2　Status of Foreign Trade Statistics

	Vietnam	Laos	Cambodia	Myanmar
1. Availability	○	○	○	○
2. Issuing Organization	GSO	NSO	M.O NIS	CSO
3. Enumeration Organization	GDC	LCD	M.E&F	CD
4. UN-Comtrade data (3 digit)	○	－	○	－
5. HS 6 digit	○	△	○	△
6. Statistics by HS by country	○	○	○	×
7. Computer readable data	○	○	○	－
8. Latest statistics published	2004	2005	2005	2003

(Source)　Vietnam: GSO: General Statistic Office、GDC: neral Department of Custom, Laos:　NSC: National Statistic Centre、LCD: Lao Custom Department, Cambodia: M.O: Ministry of Commerce、NIS: National Institute of Statistic, M.E&F: Ministry of Economy and Finance, Myanmar: CSO: Central Statistical Organization CD: Custom Department

(Comment) ○: available , △: possibility, ×: non available , －: unclear

Laos:

(1) Statistics 1975-2005

Myanmar:

(1) Selected Monthly Economic Indicators, December 2005

Vietnam:

(1) The Vietnamese International Merchandise Trade for twenty years renovation (1986-2005)

(2) Foreign Trade Statistics: 2002, 2003 and 2004 (computer readable)

3. Comparison between Original Trade Data and UN Trade Data: Vietnam

Import values are generally evaluated based on CIF. However, the import value for Vietnam in UN data is based on FOB, as it comes from the value of exports to Vietnam from other countries. Thus the difference between the original import data and the data estimated based on UN data is approximately 10% because the import value is generally valued based on CIF. Generally speaking, the criteria of difference is 10%. The original total import value of Vietnam for 2003 is $25,112 million and the estimated import value is $21,905 million. The estimated data is acceptable, as there is a $3,207 million, or 13%, difference. On the contrary, it is quite a large difference at the level of the 2-digit HS.

In the case where the export value is based

on CIF, the opposite happens. The original export value of Vietnam for 2003 is $20,056 million and the estimated export value is $21,904 million. This is appropriate as there is a difference of $1,848 million, or 9%. The 2-digit HS export data is the same as the case for imports, with a large difference.

4. Foreign Trade Structure for 2003 with Selected 2-Digit HS Code.

The description of the 2-digit HS code is given in the attached code table.

4.1 Cambodia

The main import goods are HS66 (24.8%), HS74 (14.2%), and HS34 (9.4%). The countries of origin are Thailand (33.3%), China (16.4%), and Singapore (14.8%). Thus, ASEAN accounted for nearly 50% of total imports. HS85 recorded 87.6% in the 2-digit HS. Its main destination was the United States.

4.2 Laos

HS34 (14.5)% , HS73 (14.5) ,and 74 (12.5%) are the main import goods for import. The main countries of origin are Thailand (68.6%), China (14.9%), and Japan (2.0%): Thailand accounted for more than half of import goods. In the case of export goods, HS25 (29.8%) and HS85 (47.9%) stand out. Thailand (33.9%), China (3.7%), and Japan (2.4%) are the main destination countries.

4.3 Myanmar

The main import goods are HS72 (15.7%),

HS66 (11.3%), and HS34 (10.5%). The countries of origin are China (32.5%), Singapore (23.2%), and Thailand (15.6%). As for Myanmar's exports, HS35 (26%), HS85 (25.1%), and HS25 (18.4%) are the main goods. The main destination countries are Thailand (32.9%), the US (10.8%), and China (7.3%).

4.4 Vietnam

In terms of both imports and exports, Vietnam has the largest figures among the CLMV countries, with $2,1905 million and $2,1904 million, respectively. The main import goods are HS72 (15.2%), HS34 (9.7%), and HS66 (9.7%). The countries of origin of the goods are China (15%), Japan (12.0%), and Korea (11.7%). The main export goods are HS85 (18.8%), HS34 (18.2%), and HS86 (16.5%). The main countries of destination are the US (22.4%), Japan (14.1%), and China (8.2%).

Conclusion

It can be observed from the above results that the difference between the original Vietnamese foreign statistics and the total data estimated by the UN is suitable for both exports and imports. However, the differences for the 2-digit HS are quite large, unlike the total. Therefore, it is important to carefully analyze how the HS code is used. As for the structure of trade, (1) Cambodia imports light industrial material and consumer goods from Thailand and China, and exports electrical machinery to the US and Japan; (2) Laos imports consumer goods and metal products from Thailand and exports mining products and electrical machinery to Thailand and the US; (3) Myanmar imports

consumer goods and metal products from China and Singapore and exports mining materials, electrical machinery, and chemical materials to Thailand and the US; (4) Vietnam imports metal products, consumer goods, and metal products from China, Japan and Korea, and exports consumer goods, electrical machinery and parts for railway transportation to China and the US.

In this paper, I examined the structure of foreign trade statistics of the CLMV countries with selected 2-digit HS values in order to understand their relationship with east and southeast Asian countries as a first step for analyzing their economies. A deeper understanding needs to be gained of the FTA that has recently come to be discussed. In my next report, I will analyze the foreign trade of the CLMV countries from a variety of facets.