

## **China tightens border with Vietnam, stokes trade worries**

**Tougher controls cast shadow over Hanoi's economic recovery**

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HANOI -- China has tightened its land border with Vietnam amid worries over the omicron variant of COVID-19, dealing a blow to trade from the Southeast Asian country as it battles to get its economy back on track in the face of the pandemic.

Beijing informed Vietnam on Thursday that foreign drivers would be barred from crossing the border between the two countries from Friday due to a request from Chinese health authorities, with similar measures also affecting China's borders with Myanmar and Laos. China is Vietnam's second-largest export market and its biggest source of imports.

The move comes after Hu Suo Jin, an economic and commercial counsellor at China's embassy in Vietnam, said on Monday that Beijing needs to restrict trade flows through regional borders to prevent coronavirus spreading ahead of "big events" in the next few months. The Lunar New Year holiday is coming up in February and Beijing is preparing to host the Winter Olympics in the same month.

The customs process on the Chinese side of the border had already slowed from November, with authorities taking steps such as mass testing after a COVID case was discovered in a town near the border in China.

As of Thursday, over 6,300 trucks carrying industrial goods and agricultural produce such as jackfruit, water melon, mango and dragon fruit were queuing for kilometers along Vietnamese roads to the four main border gates, waiting for customs clearance. Some had been there for over 20 days, while around another 3,000 trucks were also stuck on the Chinese side.

Hanoi-based economist Le Dang Doanh said initial estimates show that Chinese border controls over the last few weeks have cost Vietnamese trade some \$174 million.

Vietnam exported agricultural and aquatic products to China worth \$8.1 billion in 2020, with imports coming the other way -- mainly machinery and electronic products -- worth \$43.3 billion.

"Hanoi has to ask related parties and exporters to work on alternative logistics, as currently many stranded trucks are carrying cargo to Thailand via the China route, to speed up exports to save its supply chains," said Ha Hoang Hop, a visiting senior fellow at Singapore's ISEAS-Yusof Ishak Institute.

*Additional reporting by Kim Dung Tong in Ho Chi Minh City.*