

## Highlight News

Canadian company to pursue lithium exploration in Myanmar

Provincial Lawmakers in Laos Call for More Scrutiny of Foreign Firms Regulations needed to support household businesses

Myanmar Post adapts to new landscape with focus on e-commerce

About 65% of Japan firms in VN gain operating profits

Inactive investors to lose land concession licences

Telecom Cambodia and Seatel team up to boost telco sector

### *Canadian company to pursue lithium exploration in Myanmar*



AsiaBaseMetals Inc announced its entry into the Myanmar mining sector last week. The Canada-based miner will focus on mining lithium and has already obtained the necessary documents that will enable it to submit investment proposals to the Myanmar Investment Commission. Once submitted and if approved, AsiaBaseMetals will be the first company to venture into the systematic exploration of lithium in Myanmar, according to the company's statement. AsiaBaseMetals will submit an application for the grant of exploration permits for lithium on mineral claims comprising approximately 74 square kilometres located 14 kilometres from the town of Thazi in Central Myanmar. The company believes the area contains mountainous pegmatite-bearing granites which favour the existence of lithium deposits. Lithium is a chemical compound that is used mainly in medicine as well as in the making of aircraft and certain batteries. "The company's planned entry into the lithium space, starting especially in Myanmar, a country having both China and India as neighbours who may well represent the largest users of batteries in the world, is a significant move," said Raj Chowdhry, the President, CEO and chair of AsiaBaseMetals. Interest in the Myanmar mining industry is rising after the Ministry of Natural Resources and Environmental Conservation (MONREC) started re-accepting mining applications in July 2018 after a 2-year hiatus. On February 13, 2018, newly enacted mining rules allowed foreign companies to invest in large-scale sites of more than 500,000 acres (202,000 hectares) as well as medium scale sites of up to 247.1 acres. MONREC will also allow investments in small-scale mining sites for gold and other precious metals of up to 4 acres, sites of up to 10 acres for other minerals and sites for raw industrial materials and precious stones of up to 20 acres.

Source : <https://www.mmtimes.com/news/canadian-company-pursue-lithium-exploration-myanmar.html>

21/02/62

### *Myanmar Post adapts to new landscape with focus on e-commerce*



Myanmar Post is among the state-owned enterprises (SOEs) that have been suffering losses over the last several years. The postal service first began with the setting up of the Sittwe Postal Office in 1827. Due to the advent of modern digital communications, the SOE's revenue has declined drastically. People who used to rely on physical mail now use mobile phones and messaging services to communicate. In terms of parcel deliveries, Myanmar Post now faces stiff competition from smaller, nimbler delivery services. However, transformations are being formulated to counteract the changing business landscape, U Lin Zeyar, assistant general manager of Myanmar Post, tells Myanmar Times. Among them is a decision to shift focus from traditional postal services to delivery of goods and the provision of services for online shopping and e-commerce. Although many transactions are now done online, the delivery of physical goods is still needed to seal the deal, so the postal service will now concentrate on serving as the service provider to complete digital transactions. The organisation will also set up its own e-commerce platform for online shopping and e-commerce businesses, U Lin Zeyar said. "The lifeblood of online shops and e-commerce businesses is delivery and payment, so we will focus on goods delivery and payment services for small and medium businesses using technology," he said, adding that businesses can manage their goods delivery and payment through the e-post system that Myanmar Post runs. "Customers are given user names and passwords. They can package things from their home or office with proper descriptions and weights and drop these off at the nearest post office counter. The post office will scan the parcel to acknowledge receipt. Then, the customer can check from wherever they are if the parcel has been delivered. We will also provide a collection system for the return of delivered goods within 24 hours," said U Lin Zeyar. The cost of deliveries is based on weight rather than distance. If parcels are dropped off before 11am in the Yangon area, they will be delivered within a day for six townships in Yangon, and between a day or two for Mandalay and Nay Pyi Taw. Delivery will take two or three days for other regions depending

### ***Provincial Lawmakers in Laos Call for More Scrutiny of Foreign Firms***



Lawmakers in Laos are urging the government to be stricter on foreign business entities in the country in an effort to protect the environment and protect the livelihood of the people. Khamsaphone Xayavong, a member of parliament from Oumxay district, Oudomxay province in northern Laos, called for extra scrutiny on foreign companies at a provincial assembly conference last week. He cited several cases in which foreign-owned businesses have polluted or engaged in unfair business practices. These include Chinese banana plantations and factories that have polluted streams and rivers in northern provinces, Chinese companies which did not pay for products ordered from Laotian farmers, pig farms that violated contracts, failing to pay workers on time or failing to pick up the pigs that were ready to be sold. Nith Phothivanh, a law maker from La district in Oudomxay, said that Chinese investors did not pay for beans that they ordered from 100 local farming families in his district. Xayavong indicated that the government should not so readily give concessions to investors. "Investment from foreign companies in either banana farming, mineral exploration or infrastructure building has negatively affected the livelihood of the people by polluting streams and rivers," he said. "[These companies] do not deserve concessions," he said, adding, "The provincial governments should be stricter in the future." Xayavong put special emphasis on banana plantations, as bananas are farmed heavily in 14 of Laos' 17 provinces, including the six northern ones. Other crops such as sugarcane, melon, cabbage and lettuce are also widely farmed, and sources say they all use polluting chemicals. In

May, Lao authorities granted special concessions to a Vietnamese company growing bananas in Laos' Savannakhet province. The farm is said to use polluting chemicals and government assurances of protection from chemical pollution at plantations in the south are widely doubted, sources say. Illnesses and deaths have long been reported among Lao workers exposed to chemicals on foreign-owned farms, with many suffering open sores, headaches, and dizzy spells, sources told RFA in earlier reports. Chemical run-off from farms has also polluted many of the country's water sources, killing fish and other animals and leaving water from local rivers and streams unfit to drink, sources say. Chemicals released into a river by a Chinese-owned banana farm near the Lao capital Vientiane killed over 300 kg of fish in November, prompting warnings by authorities to local villagers not to bathe or fish in the polluted stream, sources say. The Chinese Sun Paper Company polluted rivers in Sepon district, Savannakhet province and sources say that there has been little to no improvement in the area since. Xayavong urged the Oudomxay provincial government to set strict rules and regulations for new investors before giving concessions. He proposed that business entities perform impact studies before they can be allowed to develop the land for economic use. He said that in the past there had been six Chinese companies given concessions to plant bananas in many thousand hectares of the province, mostly in Hune district. Those companies were not required to undergo any inspections or impact studies. As a result of their economic activities, the local environment was severely damaged due to the heavy use of chemical pesticides and fertilizers. There are total of 36 of foreign-invested projects in Oudomxay province, with 29 projects by Chinese companies, four from Malaysia, two from Vietnam and one from South Korea.

*Source : <https://www.rfa.org/english/news/laos/foreign-firms-pollute-02212019154715.html>*

22/02/62

on the distance and five or six days for remote areas. Interest in the service appears to be strong, based on comments on Myanmar Post's Facebook page, with some people commenting that the costs are lower than other delivery services. "Some people still think that deliveries by the mail service still take time, so they will have to be efficient to stick to their promises," said U Zaw Zaw Aung, a user of the e-post system. "Although goods are delivered correctly, in some remote areas, there are delays in transit as Myanmar Post does not own delivery vehicles and relies on privately owned trucks, trains and planes," said U Lin Zeyar. To address this, trials are being conducted with the private transportation companies to deliver online-shopping products more quickly, he said. "The delivery-service market is looking up and our business is twice what it used to be. I think the market prospects will only get better and better." said U Lin Zeyar. Myanmar Postal Services has over 1,300 post offices across the country, giving it an advantage over the private delivery services in the country. Moreover, Myanmar Postal Services' online shopping business dubbed Marketplace run in cooperation with Za Information Technology Company was introduced last year. "The objective of Marketplace is to build trust between the seller and customers and to add value to the delivery, which is the primary source of income for the Myanmar Postal Services." said U Lin Zeyar. Although the state-owned postal services charges K200 for delivery of local ordinary mail, it incurs costs K2154 to deliver a letter. It charges K1000 for overseas mail, but incurs costs of K2572. "At the present, expanding the delivery services for online shopping and e-commerce, conducting nationwide payment collecting services and starting new services will help to reduce losses and take us in a new direction." said U Lin Zeyar. For the first six months of 2018, Myanmar Post incurred a loss of K1.2 billion. In 2016, the postal service recorded a loss of K12 billion, according to data it provided.

Source : <https://www.mmtimes.com/news/myanmar-post-adapts-new-landscape-focus-e-commerce.html>

21/02/62

### ***Inactive investors to lose land concession licences***



The government has given the green light for state agencies to revoke land concession licences held by investors who fail to develop state land in accordance with agreements. Speaking at a press conference at the end of the cabinet's monthly meeting on Wednesday, government spokesperson Dr Chaleun Yiapaohar said the meeting approved measures to encourage investors to develop the land for which they had received concessions from the government. The measures include authorising state agencies to cancel concessions or fine companies that fail to make use of the land in ways they are obliged to under the agreements they signed. According to a report distributed at the cabinet's monthly meeting under the chairmanship of Prime Minister Thongloun Sisoulith, 201 land concession projects on a total area of 81,879 hectares have not made any progress. The latest move by the government to regulate state land concession projects comes after National Assembly members debated the issue in December and agreed that the government should push concession holders to further their investment activities. To ensure that concessions issued for the use of state land comply with related laws and policies, the cabinet directed state agencies and the Ministry of Natural Resources and Environment to assess the actual area of the land in question before granting investors the right to use the land. This is viewed as an attempt to enable the Ministry of Finance to collect land concession fees from project developers, Dr Chaleun said. According to Dr Chaleun, the cabinet approved a report indicating that 240 land concession projects were causing environmental

damage. The cabinet advised the relevant state agencies to work together and ensure that forests in particular were protected from damage by investment projects. The cabinet also advised state agencies to approve land concession projects in accordance with national and provincial land development master plans approved by the authorities. Other land-related issues discussed included the sale of time-limited land use rights, and customary land use rights. Government members also discussed and approved in principle a draft of a prime ministerial decree on a science and technology fund. The cabinet advised that the key focus of the fund should be on research related to economic productivity. In addition, the resulting research should be widely publicised so that anyone could access the findings and use the information to boost their productivity.

Other key topics discussed included ways to improve the business climate, tax collection, rural area development, and urban planning in Vientiane towards 2030.

Source : [http://www.vientianetimes.org.la/freeContent/FreeContent\\_Inactive\\_45.php](http://www.vientianetimes.org.la/freeContent/FreeContent_Inactive_45.php)

22/02/62

### **About 65% of Japan firms in VN gain operating profits**



About 65.3 per cent of Japanese companies in Việt Nam gained operating profits in 2018, 0.2 percentage points more than in the previous year. Hironobu Kitagawa, chief representative of Japan Trade Promotion Organisation (JETRO)'s branch in Hà Nội, relayed the information at a meeting with Deputy Minister of Industry and Trade Đỗ Thắng Hải in Hà Nội on Wednesday. According to the report, 2018 saw strong development of Japanese firms in both the manufacturing and non-manufacturing sectors. JETRO representative said the number of Japanese firms that gained profits in the northern region was higher than in other regions. In 2019, besides continuing investment in Hà Nội and HCM City, Japanese businesses will expand their investments into other localities. Kitagawa said 70 per cent of Japanese enterprises in Việt Nam have expansion schemes, higher than the rate in other countries. Việt Nam continues to be an investment destination for Japanese enterprises because of increases in revenue and high growth potential, he said. Kitagawa emphasised that the localisation rate of Việt Nam has been increasing since 2010. In 2018, Việt Nam's localisation rate surpassed Malaysia's for the first time. This is encouraging progress but the rate still needs to be improved because it is still not high in comparison with China, Thailand and Indonesia. Kitagawa also pointed out the risks of the investment environment in Việt Nam. These include rising labour costs, the incomplete legal system, complicated tax system, administrative procedures and high rate of employee retrenchment. He said that while four of these categories have been improved since 2017, the legal system has not. Kitagawa said JETRO is expected to publicise its full 2018 survey on the business conditions of Japanese companies in 20 countries and regions in Asia and Oceania, including Việt Nam, in Hà Nội on March 4. It will be reported on the website of the Ministry of Industry and Trade. At the meeting, Deputy Minister Hải said the Government and the Ministry of Industry and Trade have paid attention to the development of foreign enterprises in Việt Nam, including Japanese businesses. These business results are an important marker for the relationship between Việt Nam and Japan, which has been developing well, Hải said. He added that the Government and the ministry will consult the report while formulating policies and perfecting the legal framework to encourage investment from foreign enterprises.

Source : <https://vietnamnews.vn/economy/505783/about-65-of-japan-firms-in-vn-gain-operating-profits.html#rWdheWMPABmAiovp.97>

22/02/62

### **Telecom Cambodia and Seatel team up to boost telco sector**



In a bid to bolster the local telecommunications sector, Telecom Cambodia, a state corporation, yesterday signed a memorandum of understanding with Chinese-owned Southeast Asia Telecommunications, or Seatel. The MoU aims to advance the development of the local ICT sector and help Cambodia come in line with regional standards. It also seeks to support TC's growth locally and regionally and paves the way for future public-private partnerships to develop telecommunications infrastructure, said Sok Puthyvuth, secretary of state of the Ministry of Posts and TC chairman. Mr Puthyvuth said the agreement enables TC to use Seatel's data centre to improve the country's e-government capabilities and digital economy infrastructure. "The agreement will allow us to expand our digital infrastructure, improve Internet speeds, the e-commerce sector, and our e-government capabilities as well as strengthen cybersecurity. "To do this we need more investment in the fiber optic cable network," Mr Puthyvuth said. Yao Yue Jin, Seatel chairman, said his company will continue to invest in the Kingdom because of the good relationship between Cambodia and China under the Belt and Road Initiative (BRI). "We will continue pushing the development of the mobile telecommunications sector and the Internet in Cambodia for the benefit of all Cambodian people," Mr Yao said. He said Seatel has invested about \$300 million to build a 12,000-kilometre fiber optic cable network across the country. "In the next five year, Seatel will invest an additional \$200 million to further the development of the telecom industry and provide access to stable and affordable high-speed internet anywhere in Cambodia," Mr Yao added. "As part of this cooperation, Seatel will lend its expertise and infrastructure to boost cloud services and e-government capabilities in Cambodia." Tram Iv Tek, the Minister of Posts and Telecommunications, welcomed the agreement, saying that TC and Seatel will work on projects that serve the public, support the government and advance the ICT sector.

Source : <https://www.khmertimeskh.com/50580650/telecom-cambodia-and-seatel-team-up-to-boost-telco-sector/>

22/02/62