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## Chip Mong Bank begins offering first loan service



Cambodia News | March, 14/2019

Chip Mong Commercial Bank Plc began offering its first loan service on Wednesday, as it hopped onto the property sector by signing a partnership agreement with its sister company Chip Mong Land to provide loans for home buyers featuring more attractive terms. Chip Mong Commercial Bank senior vice-president Vong Sokhal said on Wednesday that after the bank was launched in January this year, some 4,000 depositors opened savings accounts with it to the tune of \$2 million. With the number of depositors in place, Sokhal said the move comes at the right time and is the proper channel for the bank to give loans to home buyers from developers such as Chip Mong Land. Through the partnership, Sokhal said people who purchased a house from Chip Mong Land with a subdivided title can pay a loan interest rate at 3.99 per cent for the first year and 7.7 per cent from the second year onwards. "Through this collaboration, home buyers can get loans from us from the early stages of a purchase – having just a buy-sell agreement – at a 10 per cent annual interest rate." "Later, when a subdivided title is granted and house ownership is secured by a hard title, the interest rate will be dropped to 7.7 per cent." Chip Mong Land president Leang Henry said on Wednesday that the favourable loan terms and conditions provided by Chip Mong Commercial Bank to home buyers applied to all Chip Mong Land projects, which currently number eight. "By establishing this partnership with Chip Mong bank today, I believe that we will receive a lot of support from clients as it becomes easier for home buyers to obtain a loan with special interest rates," he said.

Source: <https://www.phnompenhpost.com/business/chip-mong-bank-begins-offering-first-loan-service>

## Cambodia-Thailand to Set Up Border Factories to Reduce Illegal Migrant Workers



Cambodia News | March, 14/2019

March 13 - The Royal Government of Cambodia and the Government of Thailand have agreed to establish factories at Cambodia-Thailand border, aimed at reducing illegal migrant workers to Thailand, according Cambodia Premier Hun Sen in a meeting with more than 13,000 workers from seven factories in Koh Kong province on Wednesday. "We will create special economic zones to provide jobs to workers without the need to cross borders," stated the premier. Head of the Royal Government pledged to cooperate with neighboring countries like Thailand, Vietnam, and Laos, to transform borders into peaceful and prosperous regions. According to Prime Minister Cambodian-Thai trade volume hit \$7 billion in 2018. Both pledged to upgrade the four border gates and open new checkpoints to boost bilateral trade and tourism along the border, aimed to increase bilateral trade to \$15 billion over the next five years. Cambodian Minister of Labor and Vocational Training Ith Sam Heng stated that the Royal Government provided jobs to 1.2 million workers, including 500,000 females in 2018, earning USD 2.3 billion

Source: <http://en.freshnewsasia.com/index.php/en/localnews/13322-2019-03-13-08-17-02.html>

## Laos needs 'best practice' logistics



Laos News | March, 13/2019

LAOS will need to pay serious attention to making logistics more efficient through the application of the world's best practices, as the country is now integrated regionally and internationally, a top business chamber official said. Lao National Chamber of Commerce and Industry (LNCCI) executive vice-president Daovone Phachanthavong during a Monday meeting on improving logistics operations in the country said regional and global connections have brought steady economic growth to Laos in recent years. "Clearly, Laos has now become a member of the World Trade Organisation, the Asean Economic Community and Asean+3, and of course, it is believed that bringing benefits to the Lao economy and logistics has a direct connection with business operations as well," he said. Daovone said the LNCCI, as a top business organisation, had a strong ambition to strengthen the commercial sector, especially in order for logistics in Laos to be proficient and ready for competition. "This Workshop on Improvement of Logistics Operations' is the fourth in Vientiane and Savannakhet province respectively," Daovone said. He said the last three workshops mainly focused on international logistics, regulations, laws on transport and the cost of logistics, and other relevant issues. The three-day training session will continue until March 13 with participants from more than 40 local companies taking part. The training course is being conducted by invited Thai speakers who have over 10 years of

experience in logistics. Various professional training programmes in Laos have been supported by the AEM-METI Economic and Industrial Cooperation Committee through the Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS). A seminar was organised by the AOTS and implemented by the Thai National Shippers' Council in cooperation with the LNCCI and Lao International Freight Forwarders Association. In addition, the LNCCI recently signed a memorandum of understanding with the Chuenchom Thai-German College of Technology (G Tech) to conduct technical training sessions for local operators in the field of logistics and other international business best practices. "By doing so, the LNCCI intends to bolster and strengthen the capacity of logistics in Laos and introduce best practices for local firms engaging in logistics operation," Daovone told Vientiane Times in a recent interview at his office. VIENTIANE TIMES/ANN

Source: <https://www.phnompenhpost.com/business/laos-needs-best-practice-logistics>

## MoU on official rice exports to China to be signed soon



Myanmar News | March, 13/2019

Under a program between Myanmar's Yangon and China's Kunming, a Memorandum of Understanding on official rice exports to China will be signed soon, said U Aung Htoo, Deputy Minister of Commerce. "We plan to sign the MoU for the export of rice and

broken rice to China by this month or next. Negotiations are at the final level now," he told reporters on Tuesday. For years, China has been a major export market for Myanmar's agricultural products, including rice. Up until today though, both countries have not inked a bilateral agreement on trade and China does not officially allow imports from Myanmar beyond a strict quota. "Actually, Myanmar's rice exports to China all this while has been informal," U Aung Htoo said. China currently imports commodities based on a quota system. Myanmar's quota is export of 100,000 tonnes of rice. "Exports of only 100,000 tonnes of rice are allowed officially now. To increase its quota, rice mills in Myanmar need to comply with requirements of the World Trade," U Aung Htoo said. Tax exemptions for export volumes within the quota are available for traders however those who exceed the quota will not receive it. Myanmar currently exports rice to China based on the quota system. There is also border trading for rice, which is mostly informal. According to the quota system, traders at the border can export up to RMB8000 worth of rice per day.

Source: <https://www.mmtimes.com/news/mou-official-rice-exports-china-be-signed-soon.html>

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## Chinese courier takes stake in Yoma's logistics arm

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 Myanmar News | March, 13/2019

China's largest listed courier firm is to take a minority stake in Yoma Strategic's logistics business to tap into growing border trade with Myanmar. Shenzhen-listed SF

Holding will acquire 25 percent of Kospa, a local logistics firm, for US\$4 million to help fund the expansion of its fleet and warehouse capacity, according to a joint statement issued last week. Yoma will retain its 50pc stake in Kospa, while Japan's Kokubu Group will hold the remaining 25pc. Kospa offers warehousing and logistics services in Myanmar. Yoma CEO Melvyn Pun said the additional capital and expertise will help the firm "capture opportunities presented by a growing appetite for e-commerce in the country". "With SF Holding on board, Kospa will also explore the possibility of expanding its logistics business into the cross-border trade between Myanmar and its neighbouring countries, especially China," he said, noting growing economic ties through Beijing's flagship Belt and Road Initiative and the China-Myanmar Economic Corridor (CMEC). As for the Japanese, Akira Kokubu, COO of Kokubu Group, said the tie-up will enable his firm "to explore further synergies in cross-border and express services between our business platform in China and the wider ASEAN region." Analysts said bilateral trade would be dominated by the CMEC, although it will take years to develop the infrastructure necessary for a significant expansion in cross-border trade. "SF Holdings and Kospa clearly signalled one of their motivations is that they are interested in the possibility of expanding logistics into cross-border trade with China. This is a strong indication the firms see future potential for higher-end logistics solutions, though we expect this to be something of a long-term play," Chris Markey, research manager for business information firm Frontier Myanmar Research, told The Myanmar Times. The government's newly launched Myanmar Sustainable Development Plan and an online "project bank" for infrastructure proposals, if implemented, are also expected to boost cross-border infrastructure in the years to come. The 30

projects showcased at the government's official investment forum in January include a new Muse-Mandalay railway and a new Mandalay-Tigyaing-Muse expressway. These projects will unlock trade potential but, until then, the lack of international-standard roads and railways linking Myanmar and China remains "the largest obstacle" to cross-border trade, Mr Markey said, while also noting that the main trade route passes through areas prone to disruption and conflict zones. "There are also challenges around customs clearance, permitting, and trade finance. Currently logistics providers can find it challenging to survive and thrive while relying on China-Myanmar cross border trade," he continued. The automated customs system - Myanmar Automated Cargo Clearance System - has started operation at Myawaddy checkpoint but not yet in Muse. The approved bilateral trade volume in the financial year 2016-17 is estimated at US\$10 billion, based on commerce ministry data, accounting for about 30pc of Myanmar's total foreign trade. China is by far Myanmar's largest trading partner, with Myanmar generally importing Chinese finished products and exporting natural resources and agricultural products. Kospa said "economic cooperation zones" would further boost trade and there was rising demand for Chinese products owing to growth in Myanmar's e-commerce industry. Heavy cargo and freight shipping for imports from China and agricultural exports are also growth sectors. Janeshwar Pachigolla, managing director of PwC Deals Advisory in Myanmar, expects to see more Chinese investments in Myanmar's infrastructure, manufacturing and oil and gas downstream sectors over the next two years. He said the CMEC will boost commercial activities in ports, logistics and the manufacturing industry, while the establishment of Chinese-backed factories and plantations along the Y-shaped corridor

should result in an increase in movement of raw materials and finished products.

Source: <https://www.mmmtimes.com/news/chinese-courier-takes-stake-yomas-logistics-arm.html>

## Five-month jade export earnings fall by \$540 million this year



Myanmar News | March, 13/2019

Jade export earnings in over five months of this fiscal year have fallen by over US\$540 million compared to the same period of last year, said Khin Maung Lwin, assistant permanent secretary of the Ministry of Commerce. He cited the reason for having hold few jade emporiums. Jade export value from October 1 to March 1 in the current 2018-2019 FY amounted to US\$0.049 million while the same period of last year hit US\$547.153 million, causing a decrease of US\$547 million. "The main reason is our failure to hold jade emporiums. The more jade sales we hold, the more money we earn. With few sales, our income has reduced," said Khin Maung Lwin. The 56th Myanmar Gems Emporium was held on March 11 at Maniyadana Jade Hall in Nay Pyi Taw, attended by Vice President Henry Van Thio. At the emporium, jade lots (from No.1 to No.1,200) will be put on sale on March 15, jade lots (from No.1,201 to 2,400) on March 16, jade lots (from No.2,401 to No.3,600) on March 17, jade lots (from 3,601 to No.4,800) on March 18, jade lots (from No.4,801 to No.6,000) on March 19 and jade lots (from No.6,001 to No.6,974) on March 20), according to the March 12 issues of state-run newspapers. Sales will be held under open

tender system. Moreover, 500 gems lots will be sold on March 14 and pearl lots (from No.1 to No.182) on March 12 under open tender system. For uncut jade lots, floor price is 5,000 euro and above; for finished jade products and pearl lots, 1,000 euro and above; and for gems 500 euro and above. Special commodity tax is 15 percent for uncut jade, 10 percent for uncut gems and 3 percent for jewels and 1 percent for finished gems products.

Source: <https://elevenmyanmar.com/news/five-month-jade-export-earnings-fall-by-540-million-this-year>

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## Guangdong to support Myanmar in infrastructure, productivity

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 Vite Nam News | March, 14/2019

Guangdong province will cooperate with Myanmar to support the development of four sectors under the Belt and Road Initiative, Mr. Ouyang Weimin, Deputy State Administrator from Guangdong province government in China, said at the China-Myanmar Trade and Investment Forum held in Yangon on March 12. Guangdong is a coastal province of southeast China which borders Hong Kong and Macau. Its capital, the port city of Guangzhou, sits within the industrial Pearl River Delta region. During a study tour to Guangdong province in October 2018, Chinese president Xi Jinping said Beijing would focus on opening up the Guangdong-Hong Kong-Macau region to further trade and development under B&R. As Myanmar is also part of the B&R initiative, Guangdong province will

cooperate with it to develop the infrastructure sector, productivity sector, trade promotion sector and social sector, said Mr Ouyang. Under infrastructure, the Chinese will offer support to the government in developing the Yangon-Myawaddy transportation network.” For development of the country, transportation needs to be improved. Guangdong province has advantages in developing transport and trade infrastructure, such as bridge construction and port construction so we will help Myanmar on this front,” he said. Mr Ouyang added there is a plan to cooperate in industrial tools production, garment industry and large-scale manufacturing to help improve local labour productivity in Myanmar.

Source: <https://www.mmtimes.com/news/guangdong-support-myanmar-infrastructure-productivity.html>

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