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Highlight News | May, 16/2019











- Exports to Japan rise by 16 pct
- Cambodia and Thailand discuss railway transport
- Thai companies eye food business opportunities in Laos
- Local plastic makers face rising competition from imports
- Myanmar to borrow more than 1.4 billion baht for more electricity
- Japan among top 10 importers of Viet Nam's tra fish for first time

















Exports to Japan rise by 16 pct

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Cambodia News I May, 15 /2019

Cambodia's exports to Japan increased by about 16 percent in the first quarter of the year compared to the same period in 2018, according to the latest report from the Japan External Trade Organisation (Jetro). Trade between the two countries reached \$558 million from January to March, a 16.5 percent hike compared to the same quarter last year. Cambodia shipped \$454 million worth of goods to the Japanese market, a 16 percent increase, while Japan's exports rose by 20 percent to \$104 million. Ministry of Commerce spokesman Long Kem Vichet said the thriving trade between the countries is the result of good diplomatic relations as well as efforts by the Cambodian government to diversify its export markets. "Cambodia and Japan enjoy a good relation. Moreover, Cambodian products are gaining recognition abroad," he said. "These trade figures reveal the growing importance of Asian markets, the country's integration in the region, and government efforts to diversify exports." "Diversifying and strengthening competitiveness are top priorities for the government. "Japanese are investing in priority areas, particularly light manufacturing and industries that required skilled labour. We hope to see these trends continue into the future," he added. Most Cambodian exports were garments, footwear products and, to a lesser degree, electronic components such as mobile phone batteries. Japan mostly exported machinery, cars and electronics to the Kingdom, as well as beef, steel and pharmaceuticals, according to the Cambodian Ministry of Commerce. Last year, trade with Japan increased by 27.3 percent, according to Jetro. More than \$1.6 billion worth of goods were sent to Japan, a 17.8 increase, while Cambodia bought about \$421 million in Japanese goods.

Source:

https://www.khmertimeskh.com/50604155/exports-to-japan-rise-by-16-pct/

Cambodia and Thailand discuss railway transport

144

Cambodia News I May, 16 /2019

Cambodia and Thailand have recently begun negotiations on the cross border transportation of people and goods after their railways where connected in April. The two sides met to discuss checks at the border, according to Kun Nhim, director general of customs and excise at the Ministry of Commerce. "The two parties agreed to start negotiations on procedures for carrying out inspections on goods and passengers in the train," state-owned Agence Kampuchea Press quoted Mr Nhim as saying in an article published Monday. Mr Nhim said a "single stop inspection" will be carried out in the border gate as well as in the Stung Bot-Ban Nong Ing Friendship Bridge that connects the countries. The governments of Cambodia Thailand in April reconnected their railroads after they were separated four decades ago. An agreement on joint railway traffic was signed by the

ministries of transport of both nations. Vasim Sorya, spokesman for the Cambodian Ministry of Transport, told Khmer Times that the transport of people and goods across the border by train is still not allowed despite April's linking ceremony. He said the countries still need to negotiate the procedures for carrying out customs checks at the border."In April we just connected the railroads and tested them, but people cannot yet cross the border by train. "We have already signed an agreement on joint railway traffic for goods and passengers. Now, each side is discussing the procedures." Cambodia's northern rail line was completed in August, stretching over 386 kilometres from Phnom Penh to Poipet, in the border with Thailand. Mr Sorya said cargo transport is still not allowed at the rail line. "Goods are not allowed yet. Only people can travel. Before cargo can be transported, the government must discuss the terms with the company that is managing the railway."

Source:https://www.khmertimeskh.com/50604487/c ambodia-and-thailand-discuss-railway-transport/

Thai companies eye food business opportunities in Laos

Laos News I May, 15/2019

The Thai companies PTT (Lao) Co., Ltd. and Zixgar Group Ltd. are looking at food business opportunities in Laos with a focus on travellers and office workers as their main customers. This sector is particularly appealing after the explosion in the

number of coffee cafés, according to a government official. A Memorandum of Understanding was signed by the two companies in Vientiane on Monday, with a plan to focus on light meals that will be served as a new option at branches of Amazon Café, "About 50 percent of our Café customers are travellers so the new food menu from Zixgar Vientiane will be an additional option for those customers as well as for general buyers," said the Managing Director of PTT (Lao) Co., Ltd., Mr Suthon Choothian. "The food we plan to offer will include light dishes such as salads, spaghetti, burgers and others from Zixgar Vientiane which will come with a beverage, " he added. The new menu will be available in September this year in the Amazon Café at Vat Chanh. The companies expect to increase the number of branches across the country to 15 by 2023. "This cooperation project is intended to benefit our business as well as local people. We will use local ingredients such as vegetables and other items. This project will create jobs for local people as well," said the owner of Zixgar Vientiane, Mr Sahachat Kangsasitiam. PTT (Lao) Co., Ltd. is the only company to receive the master fanzine Amazon Café in Laos since 2012, while Zixgar Vientiane is the only foreign fanzine branch of the Zixgar Group Ltd., which is located in Thailand.

Source: http://annx.asianews.network/content/thaicompanies-eye-food-business-opportunities-laos-

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Local plastic makers face rising competition from imports

Myanmar News I May, 15/2019

Plastic makers in Mandalay are facing tough competition imported products, from local businesses told the Myanmar Times. Foreign plastic products are much cheaper than locally made products because local producers are unable to scale production and instead face rising costs from having to import raw material and logistics. "For production cost, we are trying to compete with the foreign countries," said Ko Hlaing Aung from Mandalay Gold Star, a plastic production business in Mandalay. In plastic production, raw materials are imported. To reduce mostly costs. manufacturers are in need of better technology, which will allow them to produce better quality products at a much faster pace and at lower costs as well. "Raw material prices are high. Meanwhile, we are competing with cheap imported goods made from cheap materials such as nylon and recycled plastics. We cannot compete with these products in terms of price because we use new materials for our products," Ko Hlaing Aung said. Local producers use raw materials from the US or Japan as these raw materials can also be recycled to make near brandnew products, said U Tun, president of the Myanmar Plastic Industry Association. Currently, negotiations are being made with the Commerce Department to produce import-replacing goods as a solution to warding off competition from imported goods. Because of the possibility of foreign plastic businesses entering the country, local plastic businesses also need to cooperate to avoid going out of business. On the other hand, they can also cooperate with international businesses for export income. Currently, there are plans to form the Upper Myanmar Plastic Industries Association to better meet the needs of the 6000 local plastic businesses.

Source: https://www.mmtimes.com/news/local-plastic-makers-face-rising-competition-imports.html

Myanmar to borrow more than 1.4 billion baht for more electricity

Myanmar News I May, 15/2019

The Pyidaungsu Hluttaw has approved borrowing of 1.4 billion baht from Thailand's Neighbouring Countries Economic Development Cooperation Agency (NEDA) to supply more electricity in Yangon Region. With this loan, the Ministry of Electricity and Energy will make sure that Yangon's power distribution system is improved and the frequency of power shortages reduced, said deputy minister U Tun Naing. The project term is from 2020 to 2022 and power plants and transmission lines will be built and upgraded in North Dagon, North Okkalapa and Shwepaukkan in Yangon. Currently, many townships in Yangon are experiencing blackouts every day. The interest rate for the loan is 1.5 percent per year and the loan term is 30 years. According to the agreement, 50pc of the contract's value must be used for buying products and services from Thailand under an official tender

system. Myanmar will buy 1000 MW of electricity from China as a quick solution to an ongoing domestic shortage. It will sell the excess to other countries if needed, said U Soe Mvint, deputy permanent secretary from the Ministry of Electricity and Energy (MOEE). The additional supply of electricity will be purchased in batches from China Southern Power Grid over the next two years, said U Tin Maung Oo, permanent secretary of the MOEE, said at a press conference in Nay Pyi Taw in last week. To prevent load reduction due to insufficient power generated in summer 2020, the MOEE is also seeking additional supply of electricity to be powered by liquefied natural gas (LNG), which will be delivered to Myanmar on floating power barges. U Tin Maung Oo said. The power barges will include LNG tanks and regasification technology, enabling the gas to be distributed to the nearest power station. Prices and locations for other areas in which power is in short supply are still under negotiation.

Source: https://www.mmtimes.com/news/myanmar-borrow-more-14-billion-baht-more-electricity.html

Japan among top 10 importers of Viet Nam's tra fish for first time

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Vietnam News I May, 15/2019

Vietnamese tra fish, a major foreign currency earner, has gradually won the trust of Japanese consumers as seen in the market's emergence as one of the 10 biggest tra fish importers of Việt Nam. According to the Vietnam Association of Seafood Exporters and Producers (VASEP), tra fish exports were estimated

at USS\$609 million in the first four months of this year, up 4.2 percent from a year earlier. The figure included \$11.54 million from exports to Japan, soaring 61.5 percent, making the Northeast Asian country the eighth biggest market of Vietnamese tra fish - its debut in the top 10. In 2018, tra fish shipments to Japan shot up 12 times from the \$2.56 million in 2011. This is a notable result because in the past, Japanese consumers shunned imported farmed aquatic products. The rise in tra fish imports shows Vietnamese products are gradually gaining a foothold in this demanding market. The two countries signed an economic partnership agreement on December 25, 2008, and this deal took effect on October 1, 2009. This is Viêt Nam's first bilateral free trade agreement (FTA), in which the two sides give more preferential treatment to each other compared to the FTA between ASEAN, of which Vi**ê**t Nam is a member, and Japan. Under these FTAs, Japan has eliminated import tariffs on some Vietnamese aquatic products. Since April 2019, Japan has also exempted import tariffs on fresh and frozen catfish fillet products from members of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), including Viêt Nam. Thanks to the three agreements, tra fish exporters now have more chances to bolster shipments to Japan. VASEP expressed its belief that there remains huge potential

for tra fish exporters to capitalise on the Japanese market.

Source:https://vietnamnews.vn/economy/519961/ja pan-among-top-10-importers-of-viet-nams-tra-fishfor-first-time.html#X3kTUjm1c0odsDfo.97