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Officials discuss direct flight with China's Jilin



Cambodia News | June, 05 /2019

Local aviation authorities and officials from the Chinese province of Jilin are discussing the creation of a direct flight connecting Phnom Penh and the northeastern Chinese province. Sin Chansereyvutha, spokesman at the State Secretariat of Civil Aviation, said Tuesday to Khmer Times that Jilin authorities proposed the establishment of a direct flight between Jilin and Cambodia. The proposal was made during a meeting last Monday between Mao Havannall, Minister of Civil Aviation, and Zhang Anshun, the vice-provincial governor of Jilin province. "The vice-provincial governor of Jilin proposed the creation of a direct flight to Cambodia," Mr Chansereyvutha said. "He wants to promote tourism between the two destinations. He wants more people from Jilin to visit Cambodia and vice-versa." Mr Chansereyvutha said the proposed route will first be operated as a charter flight. "A direct flight to Jilin will first have to be done through charter flights as this will take significantly less time to set up. To establish regular flights, the airlines from Jilin will have to obtain air service licenses, which takes time." Figures from the Ministry of Tourism show that there are 181 flights per week between Cambodia and China. So Mara, secretary of state at the Ministry of Tourism, said during an event recently that the ministry has prepared a set of strategies to attract more Chinese tourists. "China is the biggest market

for the Cambodian tourism sector. The Ministry of Tourism has drafted a series of strategies to attract more Chinese tourists. Known as the 'China Ready' strategy, it seeks to facilitate travel, including visa issuance, for Chinese tourists," Mr Mara said. Last year, Cambodia received 6.2 million international tourists, 2 million of whom were Chinese.

Source: <https://www.khmertimeskh.com/50610947/officials-discuss-direct-flight-with-chinas-jilin/>

PM asks Japan for help to build power lines



Cambodia News | June, 05 /2019

Prime Minister Hun Sen last week asked his Japanese counterpart for assistance to finance a high-voltage transmission network to carry electricity from Laos to Phnom Penh. The Cambodian premier made the request during his visit to Japan to attend the International Conference on the Future of Asia, a four-day event held in Tokyo. Speaking at a graduation ceremony in Phnom Penh on Monday, Mr Hun Sen said the high-voltage transmission network is needed to transfer power from Laos to Cambodia, and noted that Electricite du Cambodge (EDC) recently signed an agreement to purchase 200 MW from Laos. "In my trip to Japan last week, I met with Japanese Prime Minister Shinzo Abe to ask for help to finance the transmission lines capable of transporting 500 kilowatts from the border with Laos to Phnom Penh, which is about 350 kilometres," Mr Hun Sen said. The energy will be produced at Laos' Dan Sahong hydropower dam, near the border with

Cambodia. The dam is scheduled to begin production in 2021. After being hit by a power shortage this year, Cambodia has drafted a strategy to increase the power supply by increasing local production as well as imports. Victor Jona, director general of energy, told Khmer Times on Tuesday that the high-voltage transmission network will replace the existing low-voltage one. "Because demand for power is so high, we need to increase locally generated power as well as energy purchases from other countries. The demand for power will continue to increase in years to come, so we will need to boost imports," Mr Jona said. In March, the Royal Group of Cambodia partnered with China Southern Power Grid and China Huaneng Group to carry out a feasibility study on the high-voltage transmission network. A recent report from the Ministry of Mines and Energy shows that the country's electricity supply will rise by more than 16 percent in 2019, reaching 2,870 MW. 2,428 MW will be generated from local sources, while the rest will be imported from Thailand, Vietnam, and Laos.

Source: <https://www.khmertimeskh.com/50610948/p-m-asks-japan-for-help-to-build-power-lines/>

China, Laos ink deal on business development



Cambodia News | June, 5/2019

In a bid to enhance tax revenue, the General Department of Taxation (GDT) yesterday called on all goods and services suppliers in the country to apply for a permit by July 31. For in depth analysis

of Cambodian Business, visit Capital Cambodia GDT stressed that a significant number of suppliers operate without a license, which is against the law. "To enhance the efficiency of existing regulations and help suppliers have a proper tax declaration base on their business activity, the General Department of Taxation would like to remind all goods and services suppliers to apply for a permit by July 31," the GDT said in a statement. According to GDT, while the application is being processed, the companies will be recognised as legal entities. Those that do not apply for a permit before the July deadline will be punished according to the law, GDT said.

Source: http://www.china.org.cn/world/Off_the_Wire/2019-05/28/content_74830928.htm

Nissin Electric moves to Myanmar from Thailand, Vietnam



Myanmar News | June, 4/2019

Metal parts and equipment maker Nissin Electric Co of Japan will build a plant in Myanmar, relocating some production processes from its factories in Thailand and Vietnam to cut labour costs in its contract manufacturing business. The company said last week that it will form a joint venture with Hosoda Holdings Co, a Japanese trader acting as Nissin's sales agent for the Myanmar market, in the Thilawa Special Economic Zone on the outskirts of Yangon in June, with plant operations scheduled to start in March 2020. The local arm, tentatively named Nissin Electric Myanmar Co, plans to make electrical

equipment and take on contract manufacturing of such machines and parts, it said in a statement. The Kyoto-based firm is undertaking sheet metal welding, cutting and surface treatment for a variety of industrial equipment and parts at its own plants near Bangkok and Hanoi. The Japanese company intends to move to the new plant in Myanmar some metal parts-manufacturing processes such as mounting of device frames and welding that are difficult to automate. The Nissin group will hold a 95pc stake and Hosoda the remainder in the Myanmar venture. With a registered capital of US\$1.5 million, it aims to reach 600 million yen (\$5.5 million) in sales in five years after the start of operations, Naoki Taira, spokesman for the Japanese company, said. Nissin expects the overall sales of its metal parts and equipment business to grow from 8 billion yen in fiscal 2018 ended last March to ¥10 billion in fiscal 2020, according to Taira. Nissin manufactures all of its products in the sector in Thailand and Vietnam. Its plants in the two countries -- operated by Nissin Electric (Thailand) Co and Nissin Electric Vietnam Co -- account for 60pc and 40pc of the total sales, respectively, the spokesman said.

Source: <https://www.mmtimes.com/news/nissin-electric-moves-myanmar-thailand-vietnam.html>

Viet Nam's credit growth expands by 5.07% in five months



Vietnam News | June, 5/2019

HA NOI – The credit growth of Vietnamese banks in the first five months of this year expanded by 5.07 per cent against the end of 2018, the State Bank of Việ̣t Nam (SBV) reported. The rise was lower than that of the same period last year, when the credit rose by 6.16 per cent. Despite the moderation of credit growth, experts are not concerned about the slowdown, saying it was even a good sign for the economy. **Cậ́n Vặ́n Lự̣c**, chief economist of the Bank for Investment and Development of Vietnam (BIDV), said he was not surprised at the moderate credit growth, explaining the SBV had targeted controlling credit growth since the beginning of this year to curb inflation and stabilise the macro-economy. According to **Lự̣c**, local firms are no longer too dependent on bank loans as they could raise capital from the securities and bond markets. The domestic market has also witnessed new capital supply channels, such as fintech and peer-to-peer companies. As a result **Lự̣c** said moderate credit growth was a good sign for the economy. In addition, restructuring of bank loans had improved, he said, explaining that bank loans were pouring into the production and business sectors, which were key drivers for the country's economic growth. Moody's Investor Services also hailed the moderate credit growth, saying it was positive for banks' asset quality and capitalisation.

According to Moody's, tighter credit could lead to rising problem loan ratios, reflecting the seasoning of banks' loan portfolios. However, lower credit growth encouraged banks to focus on borrowers of better quality, which would improve asset quality in the long term. Moderate credit growth would also lower pressure on capital, especially for State-owned banks, the rating agency said. In the first five months of the year, lending rates averaged 6 to 9 per cent per year for short-term loans and 9 to 11 per cent per year for medium- and long-term loans. In the May macroeconomic report released last week, analysts from Báo Việt Securities Company (BVSC) forecast it would be difficult for banks to cut lending rates next month due to risks of high inflation and impacts from the US-China trade conflict. Inflation was still under the Government's control, but the risk to high inflation might come due to impacts from pork price hikes, BVSC analysts said, explaining the supply of the commodity was declining due to the spread of African swine fever and it would have a strong impact on the commodity's price in the next two or three quarters. In addition, the analysts said, the upward trend of core inflation was also quite clear, not creating favourable conditions for the SBV to loosen monetary policy. "In the context of increasing inflation and risks to the financial market in the wake of the escalation of the US-China trade conflict, interest rates are forecast to have no chance to decrease in the future," BVSC analysts noted. VNS

Sources:<https://vietnamnews.vn/economy/520878/viet-nams-credit-growth-expands-by-507-in-five-months.html#JKS28MZPhBE0JWEQ.97>
