



- Nike reaffirms commitment to Cambodia
- Hun Sen urges rice farmers to quit chemicals
- Govt to enhance land tax collection
- Foreign education providers seek opportunities in Myanmar
- Automobile industry develops but local part supply remains low, says MoIT



Nike reaffirms commitment to Cambodia



Cambodia News | June, 07 /2019

Global sportswear manufacturer Nike Inc. on Wednesday reiterated its commitment to producing in the Kingdom and praised the country's progress in improving labour conditions. Speaking during a meeting with Minister of Commerce Pan Sorasak, Nike vice president Chris Helzer said the company feels optimistic about the Kingdom's economic outlook and its compliance with international labour laws, particularly in the garment and footwear industry. Mr Helzer praised the government for its efforts to improve labour conditions in the garment sector and adhere to international laws regulating it. "Cambodia now enjoys high compliance with international labour standards through factory monitoring programmes, which are implemented as a partnership between the government and the private sector," Mr Helzer was quoted as saying in a ministry press release. "For companies like Nike it is now easy to comply with international labour standards, which is a major factor in deciding to invest and place orders. In this regard, Nike will continue its operations in Cambodia," he said. Minister Sorasak said the government has been painstakingly working to improve the investment and business environment through reforms that aim to make private sector ventures more profitable, particularly in the garment and textile industry.

Kaing Monika, deputy secretary general at the Garment Manufacturers Association in Cambodia (GMAC), told Khmer Times that, "We appreciate Nike's commitment and support towards Cambodia. "The Nike brand has great value, and its compliance standards are usually high," he added. Mr Helzer said Nike will continue its partnership with the Cambodian government by increasing investment to strengthen the production chain, provide jobs for the people, and contribute to economic growth.

Source: <https://www.khmertimeskh.com/50611957/nike-reaffirms-commitment-to-cambodia/>

Hun Sen urges rice farmers to quit chemicals



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Prime Minister Hun Sen yesterday urged rice farmers to abstain from using chemical fertilizers, arguing that Cambodian rice's appeal abroad is that it is grown using organic techniques. Speaking during a university graduation ceremony, the premier complained that more and more local farmers are choosing to use chemicals to boost yields and make crops grow faster. He said this is causing Cambodian rice to lose its appeal. "Our paddy and milled rice are competitive within the Mekong sub-region. All countries in the Mekong sub-region produce similar types of rice – Myanmar, Laos, Thailand, and Vietnam all produce similar rice. "Cambodia differentiates itself by not using chemical fertilizers and pesticides. There is strong demand for milled rice without chemicals," Mr Hun Sen said.

The premier urged farmers to use natural fertilizers, arguing that the lack of chemicals in the country's produce is a "strong point". He added that over-reliance on chemical fertilizers and pesticides leads to food safety concerns. In January, the European Union imposed tariffs on Indica rice coming from Cambodia and Myanmar after it concluded that imports from these countries were hurting European producers. Song Saran, CEO of Amru Rice, welcomed Mr Hun Sen's remarks. "It is a lofty target. We have to walk in this direction. We support sustainable and green agriculture. If we can continue going down this path, we can become a country renowned for supplying safe and healthy food," Mr Saran said. He said that when farmers have guaranteed markets they will meet buyers' demand for food grown following organic techniques. He said the best way to ensure this happens is through contract farming schemes between farmers and buyers. Mr Saran said public-private-producer partnerships can have a significant effect on controlling the use of chemical fertilizers. Once these mechanisms are established, results can be seen in as little as one or two years, he added. Official figures from the Ministry of Agriculture show that Cambodia's exports of milled rice rose by 8.3 percent during the first four months of the year, reaching 213,763 tonnes. However, exports saw a decline of 1.5 percent last year compared to 2017, with just 626,225 tonnes shipped abroad.

Source: <https://www.khmertimeskh.com/50611956/hun-sen-urges-rice-farmers-to-quit-chemicals/>

Govt to enhance land tax collection



Laos News | June, 07/2019

The Ministry of Natural Resources and Environment will play a greater role in the approval of land leases and concessions in a bid to better regulate the payment of land taxes, according to Prime Minister Thongloun Sisoulith. "From now on, the Ministry of Natural Resources and Environment will be in charge of surveying, measuring, and planning all land lease and concession projects," he told National Assembly members on Wednesday. "[This land management system] must be modernised so that it provides a definitive reference for the finance ministry with regard to the collection of taxes." Under the law, the Ministry of Natural Resources and Environment is in charge of land management. But up until now the ministry was not fully involved in the process of issuing land concessions. As a result, it could not provide sufficient data to the finance ministry to enable the full collection of taxes. Laos has issued a large number of land leases and concessions over the past decades. But there is no official report on the amount of income the government receives from the exploitation of this natural resource. Mr Thongloun said the government had made good progress in land management issues, adding that one of the successes in this area was the creation of a modern land administration system. With this system, he said the government could access data on land lease and concession projects nationwide. Another advance in land management,

Mr Thongloun told law makers, was that the government has appointed a committee to monitor the 438 land lease and concession projects around the country. The committee will carry out inspections to limit the number of land concession projects which do not show any signs of development. This happens when investors just want to occupy land and delay the payment of taxes, he said. To effectively address land management issues, Mr Thongloun said the government has improved the national land management master plan, adding that it was preparing to conduct land allocations in the provinces of Luang Namtha, Bokeo, Borikhamxay and Attapeu. The government views land tax as a source of income. In order to strengthen the land tax and collection system, the government has authorised BCEL, one of the largest commercial banks in Laos, to set up a land tax payment system. This system enables the holders of land use rights to pay land tax using a bank application. The government believes that if people find it easier to pay taxes, revenue collection will rise. The government has also set up a system for motorists to pay road tax through BCEL, which has resulted in more revenue from this source.

Source: http://www.vientianetimes.org.la/freeContent/FreeContent_Govt_%20to_131.php

Foreign education providers seek opportunities in Myanmar



Myanmar News | June, 06/2019

The private education industry in the country continues to evoke interest from foreign education providers, with several having invested here in the past year ever since the government loosened regulations for the setting up of such educational institutions. Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) officials recently met with private education providers from the US, UK and Canada to discuss their interest in investing in the country's education industry. Acting Director General of Directorate of Investment and Company Administration U Thant Sin Lwin said Chinese education providers were also interested in setting up centres teaching the Chinese language. UMFCCI vice chair U Maung Maung Lay said as an emerging economy, Myanmar needs a trained workforce and these education providers can fill the void for high quality education. Representatives from UK's Manchester Metropolitan University were in Myanmar last month to learn more about the country's education needs and to explore opportunities for collaboration while business delegations from Canada met with UMFCCI in April. To recap, the Myanmar Investment Commission in April 2018 announced that foreign private education providers can set up basic, technical, vocational and training schools as well as higher education and subject-based schools. Since the education industry

opened up, Myanmar Strategic Holdings has set up the Yangon American International School, US tertiary education provider Kaplan have set up Kaplan Myanmar University College while the International Language & Business Center have entered a joint venture to expand in the country. Myanmar has gradually opened up its economy, with the government focusing on several important industries, including banking, insurance, education as well as wholesale and retail trade.

Source: <https://www.mmtimes.com/news/foreign-education-providers-seek-opportunities-myanmar.html>

Automobile industry develops but local part supply remains low, says MoIT



Vietnam News | May, 06/2019

HA NOI – The automobile industry of Việt Nam has witnessed progress in the last two years, but the localisation rate (local part supply) still remains low, not meeting the set target, according to a Ministry of Industry and Trade (MoIT) report sent to the National Assembly for discussion and direction. The report shows that the volume of domestically-assembled cars was 250,000-260,000 units in 2017 and 2018, of which several types have been exported to foreign countries including, Laos, Cambodia, Myanmar and Central America. The industry has contributed billions of US dollars to the State budget, contributing to reducing the trade deficit and

creating jobs for more than 120,000 workers. However, the localisation rate for cars with nine seats and fewer has reached about 7-10 per cent, concentrating on tyres, seats, mirrors, glass, electrics, batteries and plastic products. Meanwhile, the Government's target was set at 40 per cent in 2005 and 60 per cent in 2010. MoIT said that up to 80-90 per cent of the main raw materials for components production such as alloy steel, aluminium alloy, plastic beads and hi-tech rubber are currently imported. Every year, businesses have to import about US\$2-3.5 billion worth of parts and spare parts for production, assembly and repair of vehicles. Meanwhile, the localisation rate of regional countries has averaged 65-70 per cent. Thailand alone hits 80 per cent. "If domestic automakers do not soon put in place effective solutions to improve localisation rates, it will be difficult to compete in the regional market," said the report. "The domestic market is small, with consumption of more than 300,000 vehicles [including imported ones] per year, while the number of manufacturing and assembling enterprises is high with 56 units so it has not been attractive for businesses to invest in the support industry." In the report, the ministry also emphasised the need to promote the development of the automobile and support industry, in which enterprises can make use of its solutions and policies offered by the automobile industry projects of domestic automakers such as Trường Hải Automobile Company (Thaco), Thành Công Group, VinFast and others. The ministry said it was planning

to submit to the National Assembly amendments to the application of special consumption tax on cars with a high localisation rate (no tax on locally-manufactured parts). The ministry has built a pilot part supply chain for automobile manufacturers and assemblers at home and abroad, and studied mechanisms and policies to attract investment from multinational corporations investing in large-scale projects in Viêt Nam, especially those focused on the brands and models not existing in ASEAN, in order to create conditions for local enterprises to participate deeply in multinational automobile production chains. According to a ministry report, there are more than 300 enterprises of the country's total 1,800 parts and spare parts manufacturing enterprises participating in the production network of multinational corporations, of which automobile manufacturing and assembly industry reached 7-10 per cent, the remainder being the textile and footwear industry with 40-45 per cent, electronics and telecommunications with 15 per cent and specialized electronics and high-tech industries with 5 per cent. Chief Representative of Japan External Trade Organisation (JETRO) Hironobu Kitagawa said at a signing ceremony of co-operation between Reed Tradex Vietnam and Jetro held in Ha Noi recently that in 2018, the number of investment projects from Japan into Viêt Nam reached the highest level of 630 projects with total investment of about US\$8 billion. He said nearly 70 per cent of Japanese enterprises had invested in Viêt Nam,

responding that "They want to expand their business, however, one of the difficulties is the low localisation rate of materials and parts." "The localisation rate of Japanese enterprise in Viêt Nam is 36.3 per cent, lower than China's rate of 66 per cent and Thailand's rate of 57 per cent. Therefore, our enterprises are forced to import from other countries like Thailand and China," Kitagawa said. "This is the main cause of increased costs and great risks for Japanese enterprises operating in the manufacturing sector in Viêt Nam, and also the cause of difficulties in maintaining middle and long-term investments in the country," he added. The JETRO representative also said that restrictions on mechanisms and policies to support the development of small and medium enterprises were one of the existing problems in Viêt Nam. — VNS

Source: <https://vietnamnews.vn/economy/520933/automobile-industry-develops-but-local-part-supply-remains-low-says-moit.html#ugB6XIBPZu3oxffS.97>
