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PPCBank and IFC team up to help SMEs



Cambodia News | June, 10 /2019

South Korea-based PPCBank on Friday entered into an agreement with the International Finance Corporation (IFC) to foster the growth of small businesses in Cambodia. According to a press release, the new collaboration is part of the bank's strategy to enhance financial inclusion in Cambodia, facilitate growth, and create jobs. Under the new partnership, PPCBank will use IFC's risk-sharing facility to help small and medium enterprises (SMEs). Through the risk-sharing facility, PPCBank will be able to provide a more inclusive service to existing customers, particularly SMEs and women-owned enterprises, the company said. The facility will be used to cover loans extended to SMEs, reducing the risk while, at the same time, allowing PPCBank to serve more customers and support their business growth, it added. In addition to sharing the risk on the covered portfolios, IFC will provide advisory services designed to expand PPCBank's capacity to confidently extend more loans to more growing enterprises. "These business segments have been underserved because there is very little historical loan performance data, which would otherwise be used to make responsible lending decisions, which further constrained these businesses' capacity to grow," said Shin Chang Moo, PPCBank president. "These entrepreneurs have real potential to impact Cambodia's future growth. At the same time,

PPCBank is committed to providing them with the right financial and funding solutions to empower and enable them to grow their businesses," he said. Mr Shin noted that expanding financial inclusion and opening opportunities for small businesses helps people prosper and build financially secure and stable lives for themselves and their families. "We are proud to have the opportunity to serve this market and excited to see the progress and contributions they make," Mr Shin added. Vivek Pathak, IFC regional director for East Asia and the Pacific, said SMEs drive growth and employment in lower-income economies, but they struggle to attract financing because of their size and limited experience, among other factors. "This risk-sharing facility will help PPCBank serve the needs of this segment that is so critical to Cambodia's economy and demonstrate the 'bankability' of this client segment to other market players," he said. IFC, a sister organization of the World Bank, is the largest global development institution focused on the private sector in emerging markets. In 2018, IFC delivered about \$23 billion in long-term financing for developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. Dr. Eng Lykoun, president of the Cambodia Women Entrepreneurs Association, welcomed the partnership and said that it will help female entrepreneurs. She said women-owned SMEs often struggle securing access to finance. "Women entrepreneurs face a number of critical challenges, including access to loans because they lack

collateral. "Despite this, the local SME sector is booming. There is a growing number of women doing business in Cambodia and their income increases every year," she said. There are about 50,000 SMEs in Cambodia, 97 percent of which have fewer than 10 employees and are thus classified as micro-enterprises. Ky Seng Hoir, deputy director of the SME department, recently said that SMEs make a significant contribution to the country's development, generating about 70 percent of jobs.

Source: <https://www.khmertimeskh.com/50612499/pcbanc-and-ifc-team-up-to-help-smes/>

Angkor Enterprise receives more than \$50M in ticket sales



Cambodia News | June, 10/2019

Cambodia earned more than \$50 million from ticket sales to the Angkor Archaeological Park in the first five months of this year – an 8.5 per cent decrease compared to the same period last year, Angkor Enterprise figures showed. From January to May this year, Angkor Enterprise sold a total of 1.12 million tickets to foreign visitors, which generated more than \$50.31 million, a decrease from \$6.17 million during the same period last year, according to the data. Angkor Enterprise executive director Ly Se told The Post on Sunday that the drop in revenue was due to tourists' changing destinations in the Kingdom. He said weather conditions during the period further contributed to the drop. "Tourists who visited the Angkor Wat temples are mostly one-time visitors which mean that they tend to change to other

destinations after visiting them." "The heat in the past months, as well as the recent rainfalls, have also made it less attractive for foreign tourists to visit the temple," he said. Chinese tourists remain the most among foreign visitors visiting the Angkor Wat complex. This is followed by tourists from the US, Japan, the UK and South Korea, the data said. While the complex received fewer visitors, Cambodia as a whole continues to see an increase in visitors to the eastern and coastal provinces including Kratie, Stung Treng, Ratanakkiri, Kep, Kampot, Koh Kong and Preah Sihanouk, said Ministry of Tourism spokesman Top Sopheak. "The number of visitors may have dropped in Siem Reap province, but Cambodia overall is still seeing a growth in the number of foreign tourists," he said, adding that over the past four months, the Kingdom welcomed 2.4 million tourists – up 11.1 per cent from the same period last year. In a bid to attract more foreign tourists to Siem Reap province, the ministry created the "Siem Reap beyond the Temple" tour packages which includes eco-tourism and community tourism as additional destinations beyond the temples. "There is nothing we can do about the heat. Tour operators know best how to arrange a package that allows visitors to enjoy the visit despite the heat," Sopheak said. Cambodia Association of Travel Agents president Chhay Sivlin linked the drop to foreign visitors turning to other destinations in neighbouring countries such as Vietnam, Thailand and Myanmar, which have better infrastructure, cheap local flights and newly launched tourism

products and destinations. "Siem Reap province is Cambodia's number one tourism destination. It is a concern that the number of visitors is dropping," she said. She insists that the private and public sector should work together to create more tourism products for the province to attract visitors.

Source: <https://www.phnompenhpost.com/business/angkor-enterprise-receives-more-50m-ticket-sales>

Laos, Timor-Leste strengthen relations, cooperation



Laos News | June, 10/2019

Laos and Timor-Leste have agreed to continue to enhance their cooperation ties while seeking new potential for furthering economic cooperation. The agreement was the outcome of a meeting between delegations from the two countries' ministries which took place in Vientiane on Thursday. Minister of Foreign Affairs and Cooperation Mr Dionisio da Costa Babo Soares led a delegation on a visit to Laos from June 5-8 at the invitation of his Lao counterpart, Mr Saleumxay Kommasith. Mr Soares visited Laos after his recent appointment as Minister of Foreign Affairs and Cooperation of the Democratic Republic of Timor-Leste. At the meeting, the two sides highlighted the bilateral relations and cooperation that has existed between the two countries since they established diplomatic relations on July 29, 2002. Mr Saleumxay said he highly valued the visit by the Timor-Leste delegation led by the new minister, which he said significantly contributed to the strengthening of the friendship and cooperation

between the two nations. A press release from the Lao Ministry of Foreign Affairs highlighted the reciprocal visits by the countries' leaders and their continuing mutual support on the regional and international stages. The two sides also shared the view that bilateral cooperation in trade and investment had remained limited. They agreed to continue to enhance economic cooperation with a focus on industry, agriculture and animal husbandry, freight forwarding, labour, tourism, vocational training, and exchanges between business and their chambers of commerce and industry. The two parties will explore the potential of each country for furthering cooperation, in particular the sharing of experiences in fishery, oil and gas extraction, coffee and rice growing, tourism and aviation. The ministers said they intended to arrange more visits and deepen mutual understanding between the peoples of the two countries, and to implement the agreement they had signed. Mr Saleumxay, representing the Lao government and people, thanked the government and people of Timor-Leste for providing US\$750,000 to help with the recovery effort following the flood caused by the collapse of a dam at the Xe-Pian Xe-Namnoy hydropower plant in Attapeu province. The Lao minister welcomed a plan by Timor-Leste to organise a ceremony to mark the 20th Popular Consultation Day of the people of Timor-Leste in August. He said he was gratified by the success achieved by Timor-Leste over the past 20 years, saying this was fundamental to the country gaining Asean membership. Laos has supported

Timor-Leste in the process of the country's Asean accession. On the same day, Mr Soares and his delegation paid a courtesy visit to Prime Minister Thongloun Sisoulith. Mr Thongloun said he highly valued the diplomatic relations between the two countries, which he said had been strengthened and extended, and congratulated Timor-Leste on the upcoming 20th Popular Consultation Day. He also highly valued the effort and persistent success of Timor-Leste in socio-economic development through remarkable human resource development and poverty reduction. Prime Minister Thongloun sent greetings to his Timor-Leste counterpart Taur Matan Ruak, and thanked him for the invitation to attend the ceremony to mark the 20th celebration of Popular Consultation Day. The two parties also discussed Timor-Leste's application for Asean membership, and Mr Soares thanked Laos for the consultation on Asean membership. The Timor-Leste delegation also paid a courtesy visit to the President of the National Assembly, Mrs Pany Yathotou

Source: <https://www.phnompenhpost.com/business/angkor-enterprise-receives-more-50m-ticket-sales>

Three locations identified for China-Myanmar Economic Corridor



Myanmar News | June, 10/2019.

U Khin Maung Lwin, deputy secretary of the Ministry of Commerce, told the Myanmar Times that the country's central committee for the Border Economic Cooperation Zone (BECZ), which met recently, decided on the areas for the core zones at Muse and

Chin Shwe Haw in the northern part of Shan State and Kan Pite Tee in Kachin State. He said the ministry would initiate a call for applications for expressions of interest (EOI) soon, adding that for the agreed upon Muse core zone, an export product manufacturing processing and warehouse area would be located at Panghsang (KyuKoke)-Wantain-Nwan Yin (Kyin San Kyawt)-Mantman (Shweli) while an import processing and warehouse area would be located at Salant (Manhiro)-Salin and Namkhang-Naungtaung. The Chinese have also started processing works on their side of the border. However, only Myanmar-owned companies will be allowed to participate in the bidding although foreign investors can still participate by holding up to a maximum 35 percent stake in such companies. "We won't allow 100pc foreign investment. It is important because it is border trade zone," said U Khin Maung Lwin. Local companies will have to present a detailed concept plan of their potential investment and source of their capital investment. "They will have to present EOI application on how they would implement projects," he said. U Khin Maung Lwin said while the details for the Muse core zone have been mapped out, "the main thing is to be flexible. Our Concept Plan includes flexibility for both countries so that these zones can develop". He said the Concept Plan gives potential investors sending in their EOIs an idea of how to present their agendas, including the source of funding, which would be taken into consideration by the ministry. U Khin Maung Lwin said no detailed plans for the other two

core zones have been established but the Concept Plans for both would be changed depending on their respective EOIs. He added that Myanmar would coordinate with China on the construction of the Kan Pite Tee core zone. These core zones straddling the borders of both countries would have duty-free concessions, hotels, factories and banks. The zones will play a vital role in bilateral economic cooperation with Myanmar being able to conduct overland trade through Kyaul Kaung, China while Chinese overland trade can be conducted through Muse. BECZ central committee chair U Than Myint said the cross-border trade would be beneficial to both countries and create many jobs. Locals welcome these core zones for the opportunities that they offer. Muse resident U Sai Khin Maung said it would be better if Myanmar citizens can work in their own country rather than work as migrant workers across the border. "It's very important to have more opportunities on our side. We are afraid to lose these opportunities," he said, fearing that Chinese dominance may mean Myanmar jobs being lost. U Sai Khin Maung hopes that the government would ensure China plays fair where the overland border trade in agricultural products were concerned. He noted in particular how Myanmar livelihoods were dependent on Chinese demand for such goods. "They open the border gates when they want our rice, peas, corn and sesame but close it when they don't. This situation needs to be overcome," said U Sai KhinMaung

Source: <https://www.mmtimes.com/news/three-locations-identified-china-myanmar-economic-corridor.html>

Korean investor eye investment in renewable energy



Vietnam News | May, 10/2019

HCM CITY – Korean investors are keen to invest in renewable energy due to its potential and the incentives that Việt Nam has offered to foreign investors, an HSBC official has said. Speaking recently with Việt Nam News, Phạm Hồng Hải, CEO of HSBC Việt Nam, said that electricity was one of the most important investments of Korean businesses into Việt Nam. "Korean firms are now looking to invest in the renewable energy sector." The investment trend from South Korea was highlighted at the Việt Nam–Korea Electricity and Renewable Energy Forum held earlier this year. Việt Nam plans to cooperate with South Korea in reducing greenhouse gas emissions, adaptation to climate change and environmental protection. It will also assist Việt Nam in personnel training and technological transfer in the field, he said. As the country is growing, Việt Nam needs more power sources. Coal and nuclear power could be short-term solutions, but air quality might be affected. If Việt Nam pursues sustainable growth, renewable energy is an area that will attract foreign investment. The Government has issued regulations on tax relief for renewable projects, as well as a

strategic plan for renewable energy development and a national power development plan. Power demand is forecast to grow by more than 10 per cent each year from now to the end of 2020 and by 8 per cent annually during 2021-30. According to the Việt Nam Energy Association, Việt Nam aims to increase renewable power to 32 per cent of the total energy mix by 2030 and to 43 per cent by 2050. The potential for developing renewable energy is huge, especially for solar power production as the country is located in the equatorial area with a hot climate all year long in the south and central regions. Abundant energy sources such as wind, solar power and biomass remain largely untapped, according to Hải. To realise the great potential of solar power, the Government has developed policies to speed up investment in the sector. Advantages for foreign investors include the favourable geographic location of the country and the Government's incentive policies. South Korea's investment in ASEAN-member countries last year rose by 16.7 per cent over 2017. Việt Nam accounted for 51.5 per cent of South Korea's total investment in ASEAN, followed by Singapore with 25.6 per cent. Last year, South Korea's investment in Việt Nam recorded significant growth of 60.3 per cent over 2017, with the total amount reaching US\$3.16 billion. — VNS

Source: <https://vietnamnews.vn/economy/521081/korean-investors-eye-investment-in-renewable-energy.html#r1lluvQ43TuExXjb.97>
