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No tax avoidance in SSEZ:

Commerce Ministry



Cambodia News | June, 24/2019

In the midst of controversy regarding allegations of tax avoidance at the Sihanoukville Special Economic Zone, the Commerce Ministry recently issued a press release stating that it has found no Chinese companies that are using the SSEZ to avoid tariffs on transshipped goods to the US. According to Reuters on Wednesday last week, the United States has fined several companies for exporting goods via a Chinese-owned special economic zone in Cambodia in a bid to dodge President Donald Trump's tariffs on Chinese imports. The article quoted US embassy spokesman Arend Zwartjes who said "the Department of Homeland Security has inspected and fined a number of companies for evading tariffs in the United States by routing goods through Cambodia". On Thursday, the Commerce Ministry said despite not receiving a notice from the US embassy, ministry officials were looking into the matter. However according to the press release, Cambodian officials at the zone said the US embassy was wrong. "Regarding this case, expert officials made searches to identify [the companies]. The Commerce Ministry has to clarify that the remarks made by the US embassy spokesman had no specific foundation," it said. Cao Jianjiang, director-general of the SSEZ, on Thursday said there were 29 enterprises within the SSEZ and that none was investigated by US officials or punished by US

Customs recently. "We deeply regret the damage to the reputation of the SSEZ caused by the false report," he said. "Clean people are self-cleaning, turbid people are self-turbidity," Mr Cao said. Established in 2008, the 1,113-hectare SSEZ is situated about 13 kilometres from the Sihanoukville Autonomous Port in southwestern Cambodia's Preah Sihanouk province. Factories in the SSEZ produce textiles, shoes, travel goods, electronic products, electrical accessories, tires, car parts, furniture, office equipment and supplies, and sports equipment, among others.

Source: <https://www.khmertimeskh.com/50616995/n-o-tax-avoidance-in-ssez-commerce-ministry/>

Ministry targets reform through public finance projects



Laos News | June, 24/2019

The Ministry of Finance believes the management of the public finance system will be more effective, transparent and auditable after two supporting reform projects were officially launched last Friday. The two newly launched initiatives are the Enhancing Public Finance Management through Information and Communication Technology and Skills Project (E-FITS) and Public Finance Management Reform Project (EU-WB TF). EU-WB TF is a 5 million euros project funded by the European Union (EU) through the World Bank with E-FITS being a US\$20 million project, funded through a loan from the World Bank. The two projects aim to support the implementation of the 2030 vision and the

strategic development plan for public finance until 2025 with a focus on reform to ensure the effectiveness of public finance management based on transparency, integrity and auditability. In his keynote address at the official launch ceremony for the two initiatives on Friday, Director General of the Fiscal Policy and Law Department under the Ministry of Finance, Mr Bounleua Sinxayvoravong said the implementation of Public Finance Management Reform Project would continue to help enhance the management of the tax system and implement relating laws. "This will also continue to improve the budgetary plan and other fields of the finance management system to integrate public finance management with the national payment system," he said. He said that the two projects would play a vital role in the management of public finance and enable the government to achieve goals as planned. The Director General also outlined how the ministry had prioritised and implemented finance management policy in recent times. "Until 2016, six laws had been created in relation to financial management. About three to four laws will continue to be amended until the end of 2020," Mr Bounleua explained saying that several important projects had been initiated to support the modernisation of finance management. Earlier this year, the ministry announced the use of a new Tax Revenue Management Information System (TAXRIS). The system is a government investment to modernise revenue management following the strategic plan and in line with international best practices of accountability and transparency. With a

precise plan to modernise public finance management, Mr Bounleua noted the ministry had gained a great deal of experience shared by experts from the European Union (EU), World Bank and other organisations. "We also learnt a lot from our neighbours, Vietnam and Cambodia, in regards to public finance management before drafting the implementation plan and its proposal to the government. We will also select the best information from the world's most recognised systems to be used in Laos' public finance management," he added.

Source: http://www.vientianetimes.org.la/freeContent/FreeContent_Ministry_targets_145.php

Myanmar's foreign trade deficit registers 1.05 bln USD in FY 2018-19



Myanmar News | June, 22/2019

YANGON, June 22 (Xinhua) -- Myanmar registered 1.05 billion U.S. dollars of trade deficit as of June 14 in present fiscal year (FY) 2018-2019, according to the Commerce Ministry on Saturday. From October 2018 to June 14 this year, the country's export value reached 11.8 billion U.S. dollars while its import totaled 12.9 billion U.S. dollars, registering a total foreign trade to 24.7 billion U.S. dollars. This FY's total trade deficit showed a significant decrease by over 2 billion U.S. dollars, compared to the same period of last FY 2017-2018 when it was over 3 billion U.S. dollars. In the same period of last FY 2017-2018, total foreign trade amounted to 24.4 billion U.S.

dollars, with 10.7 billion U.S. dollars' export and 13.7 billion U.S. dollars' import. The country mainly exports agricultural products, animal products, fisheries, minerals, forest products, finished industrial goods to foreign countries while imports capital goods, intermediate goods and consumer goods. The trade authorities are exerting efforts to boost the country's exports as well as to reduce the imported luxury commodities to decrease the trade deficit.

Source: http://www.xinhuanet.com/english/2019-06/22/c_138164290.htm

Africa has high trade potential with VN



Vietnam News | May, 24/2019

HCM CITY — More Vietnamese businesses should pursue trade with Africa which has high demand for products that are Việt Nam's strengths, according to the Ministry of Industry and Trade's West Asian-African market office. Nguyễn Minh Phương, head of the office, said that Africa's production capability still needs more development and as a result, it has a high demand for consumer goods and foodstuff.

The region also supplies raw materials for Việt Nam's production and processing. Việt Nam imports a great deal of cashew, cotton, wood and minerals from Africa, and exports mainly rice, phones, seafood, electronic goods and coffee to the continent. Phương said that Africa's highest demand would be rice, coffee and cassava

powder. The two sides have a long history of co-operation and partnership, but differences in culture and business practices, in addition to geographical distance and lack of knowledge, make it difficult for Vietnamese businesses to enter Africa. In addition, transportation costs can be relatively high in Africa, and infrastructure needs more development. Trade facilitation events are important to keep businesses informed of the African market, Phương said, adding that businesses should consider opening representative offices in African countries to promote exports. Bilateral trade between Việt Nam and Africa in 2018 was around US\$6.6 billion. Việt Nam exported \$2.9 billion worth of goods to Africa. — VNS

Source: <https://vietnamnews.vn/economy/521708/africa-has-high-trade-potential-with-vn.html#UvvsxbXVMfOI3EWwO.97>