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- Govt agrees to lower electricity rates to promote productivity
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Cambodia signs anti-double tax agreement with Hong Kong



Cambodia News | 28 June, 2019

In a bid to facilitate better investor access, Cambodia and Hong Kong on Wednesday agreed to sign a document to avoid double taxation in cross-border economic activities. According to a Hong Kong government press release, Finance Minister Aun Ponnmoniroth and James Lau, Hong Kong's Secretary for Financial Services and Treasury, signed the Comprehensive Double Taxation Avoidance agreement. The agreement will come into effect after the completion of ratification procedures by Hong Kong and Cambodia, the release said. It said that the CDTA agreement aims to benefit Hong Kong and Cambodia. "Double taxation will be avoided in that any tax paid in Cambodia by Hong Kong companies in accordance with the CDTA will be allowed as a credit against the tax payable in Hong Kong on the same income, [which is] subject to the provisions of Hong Kong tax laws," it said. "Likewise, for Cambodian companies, the tax paid in Hong Kong will be allowed as a deduction from the tax payable on the same income in Cambodia." It said that the agreement will also provide several tax relief arrangements and has incorporated an article on exchange of information, which enables Hong Kong to fulfil its international obligations on enhancing tax transparency and combatting tax evasion. Mr James, who signed the agreement on behalf of Hong Kong, said Cambodia was its 38th largest trading partner last year. "We have all along treasured our economic and trade ties with Cambodia and I have every confidence that this agreement will encourage more bilateral investments

and bring our cooperation to a new level," he said. Last year, Cambodia reached a CDTA agreement with Singapore and in 2017, Cambodia signed the same agreement with Thailand.

Source: <https://www.khmertimeskh.com/50618864/cambodia-signs-anti-double-tax-agreement-with-hong-kong/>

Govt agrees to lower electricity rates to promote productivity



Laos News | June, 28/2019

The government has agreed to lower the cost of electricity in a move to create more incentives for boosting investment and productivity while improving the livelihoods of low-income earners. The agreement was reached at a meeting of cabinet members, provincial governors and the Vientiane Mayor held in the capital this week. The Minister of Energy and Mines, Dr Khammany Inthirath, informed a news conference on Thursday about the outcome of the new electricity rates approved by the government. He said residential electricity price will drop by 50 percent while the electricity rates for industrial factories will decrease by 7 to 16 percent once the new electricity price scheme is enforced. The minister was unable to confirm the exact date for the Electricite du Laos (EDL) to charge the new electricity rates as it requires months to install the new system. The Ministry of Energy and Mines proposed that households that consumed 50kwh per month will be charged a special price (only 350kip per kwh), but those who consume more than 50kwh will have to pay about 700kip per kwh. After that, the rates of electricity will increase annually by only 1 percent until

2025. However, many cabinet members and provincial governors recommended the ministry to increase the special unit or figure from 50kwh to 150kwh so that more low-income earners can benefit from the new electricity rates. Dr Khammany said his ministry will further study if the special rate offered for those who consume 150kwh per month will have any impact on the EDL business and the development of hydropower projects in Laos or not. Currently, 1.2 million households consume electricity in Laos, but it's unclear how many families consume electricity lower than 50kwh or 150kwh and how many more low-income earners will benefit from the new electricity rates. Dr Khammany said the new electricity rates will not only contribute to improve the livelihoods of local people but also ensure fair and reasonable electricity rates for people and business sectors. Under the new electricity rates, electricity price for SMEs sector will reduce from 779kip per kwh to 761 kip per kwh. At the moment, industrial factory is charged at the rate of 714 kip per kwh. In the near future, factories that consume 100,000kwh will be charged at 684 kip per kwh, but for those consuming one million kwh will be charged at the rate of only 600 kip per kwh. Currently the EDL has six electricity pricing slabs: 0-25 kilowatt hour equals to 348 kip per unit, 26-250 kilo-watt hour equals to 414 kip per unit, 151-300 kilowatt hour equals to 799 kip per unit, 301-400 kilowatt hour equals to 880 kip per unit, 401-500 kilowatt hour equals to 965 per unit and over 500 kilowatt hour equals to 999 kip per unit. The weakness of this system is that if the figures of electricity consumed by households are not promptly taken by the EDL, the rates charged on those households could be

higher. This is unfair for local people and that's why the government wants to revise the electricity rates for their benefit and the business sector.

Source: http://www.vientianetimes.org.la/freeContent/FreeContent_Govt_agrees_149.php

Yangon's standard land prices reduced 10pc



Myanmar News | June, 27/2019

Land prices on a per square foot basis in Yangon's townships for the 2019/2020 fiscal year has been reduced by 10pc compared to the last fiscal year in order to support more sales transactions as well as encourage landowners to pay their taxes. The standard land prices were released by the Inland Revenue Department earlier this month and these prices would be used for tax assessments in real estate sales. MyanmarHouse.com managing director U Nay Min Thu said the reduction in prices was implemented after it was found that government standard prices were higher than actual market prices. "Prices were reduced and this may boost sales as well as encourage more people to pay taxes from land sales," he said, adding that this move would be good for government coffers due to higher revenue collection. Meanwhile, Estate Myanmar Real Estate's U Htoo Myat Naing said the government would need to do more than just a 10pc reduction in land price to reduce tax evasion. "The 10pc reduction in price would not have a significant effect when the property market is sluggish. Reducing land prices without reducing the tax rate will not bring significant changes to the market," he said. – Translated

Source: <https://www.mmtimes.com/news/yangons-standard-land-prices-reduced-10pc.html>

Viet Nam consumer confidence Index rise to record high



Vietnam News | June, 28/2019

HCM CITY - Việ̣t Nam surpassed Indonesia to rank third in consumer confidence in the first quarter behind only the Philippines and India, according to the latest Conference Board Global Consumer Confidence Survey conducted in collaboration with global measurement company Nielsen. With a seven point increase from the fourth quarter last year, Việ̣t Nam hit a record 129 points in the Consumer Confidence Index (CCI). Việ̣t Nam's was the biggest gain in the Asia Pacific. Globally and in the region the CCI was steady, respectively edging down by one point and rising by one point from Q4 last year. Việ̣t Nam's overall confidence level was high above the regional average (more than 12 points above). The Philippines (133 points) and India (132) topped the highest CCI. Singapore saw the biggest decline of four points and finished the quarter with 92. Việ̣t Nam's strong rise was due to the confidence in job prospects and personal finances, and the level of willingness to spend by the population. "This significant increase in consumer confidence indicates that consumers continue to see positive changes for themselves and their families," Nguyễn Hương Quỳnh, managing director of Nielsen Vietnam, said. "Manufacturers and retailers need to capture the latest trends in the consumer market and need to act faster to respond to the evolving needs of consumers. During the first quarter, all key drivers of Việ̣t Nam's CCI, including job prospects, financial security and willingness to

spending, increased significantly. Approximately three-quarters of the people surveyed believed they have good or excellent job prospects. Eighty two per cent of respondents said they would be in good or excellent financial state in the next 12 months. Sixty seven per cent said they were ready to spend, an increase of 4 percentage points. Vietnamese consumers continued to rank job security and health as two factors they care the most about, followed by economic growth and work-life balance. — VNS

Sources: <https://vietnamnews.vn/economy/521913/vietnam-consumer-confidence-index-rises-to-record-high.html#wDKEo1B1KLqwbxIw.97>