



- Proposal to build Cambodia's first CBF nears approval
- Govt seeks to minimize budget burdens and debt distress
- Concerns may emerge when Bagan hotels, businesses are forced to move
- Da Nang attracts \$542 million of foreign investment in H1



## Proposal to build Cambodia's first CBF nears approval



*Cambodia News | 11 July, 2019*

The government is close to approving the construction of the first-ever condensate blending facility (CBF) in the country. A top official of one of the companies involved disclosed that they are now in the final stages of the approval process for the multi-million dollar project. The project will be undertaken jointly by state-owned PetroVietnam Cambodia PLC (PVOILC) and Overseas Cambodia Investment Corporation (OCIC), one of the Kingdom's largest business conglomerates. According to James Philip Coppola III, president and CEO of PVOILC-affiliated PetroVietnam Oil International, they have submitted the complete feasibility study to Cambodian authorities. He said they are only waiting for the Office of the Council of Ministers and the Council for the Development of Cambodia to approve the investment proposal and grant them the investment certificate for the CBF. While Mr Coppola did not give a timeline for it, it is understood that construction will begin shortly after they receive the go-ahead from the government sometime this year. Mr Coppola said the project will involve the construction of a world-class facility in Kandal province that will turn condensate into fuel for aircraft and cars, among other uses. The complex will also include a jetty, storage, and employee support accommodations. Sourced from natural gas, condensate will be mixed with conventional

crude and processed into Motor Gasoline 92, gasoil, and liquefied petroleum gas (LPG) for Cambodia's domestic market. The facility will also produce Jet A-1 for the new airport that OCIC is planning to build nearby. The CBF will initially have a processing capacity of 130,000 tonnes per year, to be increased to 220,000 tonnes per year later on. According to Mr Coppola, the condensate that will be processed in Cambodia will come from the Middle East. Mr Coppola said the project will bring many benefits to Cambodia in terms of meeting the growing demand for energy, employment, and economic growth. "Kandal province is dependent on agricultural production, so PVOILC will modernise the area, emphasising the high-value energy and technology industries for Cambodia," he stressed. Mr Coppola added that the CBF will create significant high paying jobs for the people in the host province.

*Source: <https://www.khmertimeskh.com/50622360/proposal-to-build-cambodias-first-cbf-nears-approval/>*

## Govt seeks to minimize budget burdens and debt distress



*Laos News | 11 July, 2019*

The government has outlined measures to boost national revenue for 2020 while ensuring the effectiveness of state investment projects. The Prime Ministerial Order recently instructed the relevant sectors to tighten budget expenditure by trimming their administrative budgets, with non-essential development projects to be postponed. State sectors have been told to consider reducing the number of

their employees as well as to take on fewer new officials. The government said some state organisations would be encouraged to embrace financial self-sufficiency. These included educational institutions, hospitals, and media organisations. The move aims to constrain budget spending and the fiscal deficit, preventing Laos from being dragged into chronic debt distress and financial crisis. The order, signed by Prime Minister Thongloun Sisoulith, emphasised that the government would not approve new spending proposals that are unlikely to result in direct economic returns, such as the purchase of new vehicles and construction of public office buildings. Only strategically essential projects relating to rural development, poverty reduction and disaster recovery will be allowed to proceed. New state investment projects to be approved also need to be associated with the promotion of industrial productivity, market distribution, the attraction of foreign investment, and job creation. State sectors have been told to allocate funding to priority development projects that will lead to high economic returns. Disbursement of the state budget must be carried out through transparent bidding to ensure the effective use of state finances and administration. The government vowed to take into account the repayment of the nation's debts, notably the money owed to private enterprises to sustain the financial liquidity of the private sector, enabling businesses to expand and further generate jobs for local people.

Also, the government will promote public-private partnerships for the construction of infrastructure, in a bid to ensure economic growth remains at a minimum of 6.5 percent annually. Another priority for the government is to regularly pay the salaries and allowances of state officials. Government sectors need to bear in mind the capacity of their divisions to source revenue when drawing up their budgets, to limit the fiscal deficit and prevent the country's debts from rising further. The government also told the relevant sectors to not only seek other possible sources of income but also emphasised the importance of revenue collection through bank accounts and other electronic platforms. In 2019, the government plans to collect 26.3 trillion kip in revenue, of which domestic revenue is expected to reach 24.24 trillion kip. Expenditure is set at 33.39 trillion kip, with the projected budget deficit at 7.08 trillion kip, equal to 4.28 percent of Gross Domestic Product (GDP).

Source: [http://www.vientianetimes.org.la/freeContent/FreeContent\\_GovtS.php](http://www.vientianetimes.org.la/freeContent/FreeContent_GovtS.php)

## Concerns may emerge when Bagan hotels, businesses are forced to move



Myanmar News | 10 July, 2019

On July 6, the United Nations Educational, Scientific and Cultural Organization (UNESCO) designated Bagan as a World Heritage Site, marking Myanmar's second entry to the list after World Heritage Status was granted to the ancient Pyu cities of Sri Ksetra,

Halin and Beikthano in 2014. The ancient city has more than 3500 surviving stupas, temples, monasteries, fortifications and other monuments, according to the Department of Archaeology and National Museums. It also has archaeological sites and the remains of an ancient water-management system. Now, the government and the public have to cooperate to conserve the archaeological site, including removing all hotels to a dedicated hotel zone by 2028, failing which its newfound status will be revoked, said U Arkar Kyaw, Deputy Minister of Religious Affairs and Culture. According to UNESCO rules, the distance between a pagoda and building must be 120 feet and the public cannot dig deeper than six feet underground. "In issuing those rules, UNESCO is looking at how to preserve Bagan and to ensure it does not deteriorate further from its current condition," U Arkar Kyaw said. Removing the hotels though, could prove to be easier said than done. There are over 300 hotels in Bagan but most of them are small family businesses with only 30 to 50 rooms, according to data from Ministry of Hotels and Tourism. "The prices of the hotels are worth hundreds of millions of dollars and these are properties sitting on land owned by the local people. If they are removed, it will be difficult to compensate them for the land," said U Lin Htut Oo, deputy director of the Ministry of Hotels and Tourism. "The total land area of five hotels in the zone is around 300 acres, which is larger than the New Bagan Area. It isn't even possible to compensate," he added. In total, there are about 4500 guest and hotel rooms in

Bagan, including municipal guest houses, according to the Ministry of Hotels and Tourism. The hotels are built on land owned by locals, land leased from the government as well as developed under permits by the Myanmar Investment Commission. Meanwhile, the government and private sector is expecting a higher number of tourists to the area, now that Bagan has achieved its new status. Several airlines, such as Bangkok Airways, have already shown interest in operating direct routes to Bagan. The site has drawn an average total of 300,000 tourists per year since 2011. This year so far, a total of 200,000 tourists have visited the Bagan. As such, the possible displacement of the hotels in the Bagan Zone now depends on negotiations between the government and UNESCO as well as with local hoteliers and investors. So far, the government has not issued any directives or held discussions with hoteliers yet, businesses said.

Source: <https://www.mmmtimes.com/news/concerns-may-emerge-when-bagan-hotels-businesses-are-forced-move.html>

## Da Nang attracts \$542 million of foreign investment in H1



Vietnam News | July, 10/2019

More than US\$542 million of foreign capital was invested in the central city of Da Nang in the first half of this year. Speaking at the 11th session of the 9th municipal People's Council in Da Nang on Tuesday, Ho Ky Minh, vice chairman of the city's People's Committee, attributed the results to investment

attraction activities organised as part of the city's policy to focus on investment this year. He said Da Nang recently held a conference with investors in which investment registration certificates were granted for eight projects worth over \$492 million. Local authorities have also allowed research to proceed on 11 potential projects worth nearly \$3.5 billion. "Despite such positive outcomes, the city has failed to meet the targets in some aspects," Minh said. For the remaining six months, the city plans to improve its business-investment promotions and management of investment in construction. It also will speed up the progress of major projects and enhance its urban and environmental management, among other tasks. Participants at the 11th session also reviewed socio-economic plans for the first half of the year and outlined measures to carry out tasks for the remainder of the year, resolving pressing issues such as waste, pollution, water shortages and land acquisition. — VNS

Source: <https://vietnamnews.vn/economy/522456/da-nang-attracts-542-million-of-foreign-investment-in-h1.html#YOZfMohBZeZiDqAg.97>

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