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Food, agro-processing business event to be held next month



Cambodia News | 30 July, 2019

The Federation of Associations for SMEs of Cambodia (FASMEC) and partners will hold next month one of the largest and most important gatherings for the food and agro-processing industries in Cambodia. The Food and Agro-Processing Business Matching Forum 2019 will be held on August 16-18 at Diamond Island Convention Centre. The event's Facebook page said it will be a "rare opportunity for local processors in particular to access knowledge, information and new technical solutions for improving the processing capacity, quality and competitiveness of local products." Local processors will have the opportunity to look at the various displays of packaging materials, ingredients, and machines for processing food and agricultural products. These will likely include machines to process rice, vegetables, cassava, rubber, corn, banana, mango, cashew, longan, and pepper, which are among the Kingdom's major agricultural products. "They will meet good suppliers there," the event page noted. During the event, participants will also have the opportunity to expand their business networks, while learning about the regulations governing the food and agro-processing industries. Cambodia has growing food and agro-processing industries. The country is now starting to export processed food and agricultural products in greater volume after producing them mostly for local

consumption in the past. Assistance from countries such as China and South Korea is helping raise the standards in the sector.

Source: <https://www.khmertimeskh.com/50628394/food-agro-processing-business-event-to-be-held-next-month/>

GDP to grow at 7.1 pct in 2019



Cambodia News | 30 July, 2019

The Cambodian Central Bank said economic growth remains robust so far this year and forecast that gross domestic product will expand by 7.1 percent in 2019. In its latest biannual report, the National Bank of Cambodia said economic growth this year will be supported by the strong performance of exports as well as the construction, real estate, and tourism sectors. By contrast, agriculture will experience a slowdown. In the first half of the year, industry grew by 10.5 percent, while services expanded by 6.6 percent. Agriculture, however, grew by just 1.4 percent, NBC said, noting that the sector's contribution to GDP decreased to just 17 percent. The industrial sector's share of GDP rose to 36.4 percent, while services contributed 39 percent. The value of the country's imports and exports combined reached \$17.3 billion in the first six months of the year, NBC noted in the report. Exports were valued at \$6.8 billion (48.8 percent of GDP) while imports reached \$10.5 billion (73.6 percent of GDP). Exports expanded by 13 percent in the first half of 2019, compared to 16 percent in the first half

of 2018. Cambodia mostly exported travel goods and other textile products, garment and footwear, bicycles, and rice, according to the report. Cambodia's major export destinations were the European Union (33.2 percent of all exports), the United States (28 percent), and Japan (7.7 percent). Cambodia imported mostly from China (46 percent of all imports), Thailand (15.6 percent), Vietnam (13.2 percent), and Japan (4.5 percent), NBC said. In the report, NBC's director-general Chea Serey said that economic growth remains strong, buttressed by growth in the garment and footwear sector, construction and tourism. Ms Serey noted that the inflation rate was 1.9 percent in the first half of this year compared to 2.5 percent in the second half of 2018. She said that the exchange rate is at 4,038 riels to the dollar. International reserves have reached \$11.1 billion, equal to five months of imports and services, she noted. However, Ms Serey said the Cambodian economy is facing several external challenges, including increasing competition abroad and the slowdown of the Chinese economy. Ms Serey said Cambodia's preferential trade status with the European Union and the United States could be lost in the near future as the country becomes an upper-middle income economy. She said the government must strive to enter free trade agreements with countries in the region to sustain current economic growth. "If the Everything-but-arms agreement is revoked, tariffs will increase for many products, especially garments. Currently, Cambodia doesn't pay tariffs

but it could pay up to 12 percent after the EBA is revoked," Ms Serey said. "If Cambodia doesn't manage to diversify its markets and its production, there will be a slowdown in exports," she added.

Source :<https://www.khmertimeskh.com/50628476/gdp-to-grow-at-7-1-pct-in-2019/>

Laos initiates reform of public investment management



Laos News | 29 July, 2019

VIENTIANE (Vientiane Times/ANN) - Government officials gathered with representatives of the Japan International Cooperation Agency (JICA) and Japanese Embassy to Laos in Vientiane on Friday to discuss improvements in the field of public investment management (PIM). Participants discussed the structure of the proposed committee to lead this project, along with the outline and development timeframe of the PIM improvement action plan. Speaking at the meeting, Deputy Minister of Planning and Investment Dr Kikeo Chanthaboury said the mission of the proposed committee was to ensure the effectiveness and efficiency of the overall performance of public investment management. The committee will oversee the improvements made through the project, with the hope that outcomes will become more productive and meet economic and social requirements, he added. He also said the PIM action plan would be aligned to public finance management reform which is being initiated by the Ministry of Finance. Improvements in the area of PIM have been supported by the government of Japan

and JICA for more than a decade. JICA will continue its support through the project for Improving Public Investment Management (PIMCAP). The project will provide technical expertise for the improvement of PIM through the committee. The Ambassador of Japan to Laos, Mr Takeshi Hikihara, said the government of Japan has been continuously supporting Laos and he hoped this project would contribute to macroeconomic stabilisation in Laos, and that friendship between Laos and Japan would be enhanced more than ever. There is a great need for both economic and social development in Laos in order to boost economic growth and sustainable development, which it is hoped will help to eradicate poverty and improve people's well-being. To this end, the government has been investing in infrastructure across the country which has led to project debts and arrears, so the government is seeking to initiate drastic and comprehensive reform in the area of public investment management. The Ministry of Planning and Investment will set up a multi-organisational committee to improve public investment management, involving the Ministry of Finance and other important stakeholders, to draft a comprehensive government reform document for PIM improvement.

Source : <http://annx.asianews.network/content/laos-initiates-reform-public-investment-management-101013>

South Korea to Help Laos Improve Waste Management



Laos News | 29 July, 2019

South Korea will provide a grant of USD 6.78 million to Laos to support the country's project to develop a green city and improve access to waste management and treatment services. The project will also support the implementation strategy for solid waste management, and the deployment of a waste-to-resource initiative and facilities. The project, which will be carried out from 2019-2024, will be implemented in Vientiane and Pakse. The South Korean government will provide grant aid of USD 6.5 million, while an additional USD 280,000 will come from the Global Green Growth Institute, a treaty-based international organization designed to promote green growth and a growth paradigm. The Lao government and the institute have been discussing the development of green cities since 2017. In particular, the two parties agreed to focus on wastewater and solid waste management. Laos is currently pushing for several projects aimed at ensuring sustainable and green infrastructure development of the country, such as the National Green Growth Strategy, the Public Works and Transport Department's Strategy for 2016-2025, and the Ministry of Public Works and Transport's 5-year Development Plan for 2016-2020. Separately, Vientiane also announced that it will embark on a project to build a new wastewater treatment plant next year. The project is based on a USD 100 million

loan provided by the Hungarian government, and a feasibility study is currently underway for the project. Construction of the plant is scheduled to begin in 2020 and is expected to be completed in 2023. If the plant is completed, the city will be able to double its daily water processing amount. In addition, the project also seeks to improve the city's water supply system to accommodate and handle household and wastewater effectively.

Source : <https://laotiantimes.com/2019/07/29/south-korea-to-help-laos-improve-waste-management/>

First overland barter-trade agreement signed



Myanmar News | 29 July, 2019

An agreement for overland barter trade has been signed between Mandalay Rice Development Company (MRDC) and Kunming Green Color Trade Co Ltd from China's Yunnan province in which the former will trade 100,000 tonnes of rice to the latter for an equivalent in other trade goods starting next month. The undertaking, which was signed on July 25, would be the first such agreement between private companies following the signing of a memorandum of understanding between the Myanmar and Chinese governments on the overland barter trade earlier this year. MRDC managing director U Sai Kyaw said both companies would be the intermediaries for goods to be traded under the barter system. "Chemical fertilisers, construction

material, electric appliances and agricultural machinery manufactured from Yunnan province can be imported with a 5 percent discount on the market price," he said, adding that both sides were now awaiting the greenlight from their respective governments to start trading. U Sai Kyaw said MRDC will be exporting the equivalent of up to 100,000 tonnes rice stored in Muse or newly harvested rice. "Myanmar long-grain rice, which is very hard to sell due to high tariffs in European countries, will be prioritised," he said. Rice traders that used to sell their rice in the overland border trade would now need to conform to the new system. "There are some challenges because it is now through barter trade, we'll have to help solve the issues that arise from the farmers and rice millers," U Sai Kyaw said. He said interested companies can import goods from China in partnership with MRDC while any company interested in selling their rice produce can also partner it. "This is a win-win situation for both sides," U Sai Kyaw said. The barter arrangement is expected to benefit local traders and balance trade. Due to volatile import tariffs imposed on Myanmar goods by the Chinese authorities, traders often resort to smuggling goods across the border. This, in turn, leads to frequent border checks and trade bans, which disrupts trade and results in losses.

Source: <https://www.mmtimes.com/news/first-overland-barter-trade-agreement-signed.html>

Usage of int'l prepaid cards in kyat not allowed: CBM



Myanmar News | 29 July, 2019

Usage of prepaid cards from four international payment providers will not be permitted in the local currency, the Central Bank of Myanmar (CBM) said on July 25. In a statement signed by CBM Director General Daw Myint Myint Kyi of the Accounts Department, the CBM noted that prepaid cards are being used to settle payments in Myanmar kyat at domestic shopping malls and restaurants. It told private banks that it had allowed prepaid cards from Master, Visa, UPI and JCB with a limit of US\$5000 to be used as payment options by Myanmar nationals going abroad as well as foreigners in Myanmar. However, prepaid card payments in the local currency are not allowed. All private banks have been instructed to provide the prepaid card service within the CBM's framework. In addition, the banks will have to submit a reply to the Accounts Department before August 9 to acknowledge receiving the CBM's instruction.

Source: <https://www.mmtimes.com/news/usage-intl-prepaid-cards-kyat-not-allowed-cbm.html>

HCM City solicits investment in infrastructure



Vietnam News | 29 July, 2019

HCM CITY - HCM City authorities has called on local and foreign investors to invest in the city's infrastructure. The growing metropolitan area with 13 million inhabitants is facing problems caused by rapid urban development and struggling with climate-related problems, Lê Thanh Phong, head of the Investment and Trade Promotion Centre's investment promotion division, said. "The demand for urban infrastructure is forecast to grow as a result of the rapid urbanisation," he told the Infrastructure Vietnam Summit that wrapped up on July 26 in HCM City. "Traffic problems and flooding have hindered social and economic development." The city is soliciting investment of US\$53 billion in 210 projects, mostly in infrastructure, according to the official. The city requires \$42 billion for 85 transport infrastructure projects, including 55 roads and bridges, seven in waterway transport, eight in railways, and 15 road works. It also needs \$4.9 billion for 36 urban technical infrastructure projects, including drainage systems and wastewater treatment plants. It plans to develop a satellite city in each of the four directions to help reduce the population pressure and stress on infrastructure in the city centre. Nguyễn Quốc Hiên, director of the project preparation investment unit under the Management Authority for Urban Railways, said as a metro and an economic hub HCM City urgently needed to build an urban railway system.

Under a master plan approved by the Government, the city would develop an urban railway system with a total length of 220 km at a cost of \$26 billion, including eight metro lines, one tramway line and two monorail lines, he said. "The 220km urban railway system is modest compared to the city's rapid economic growth and urbanisation." "Three of the metro lines have received funding commitments but they account for only 10 per cent of the total cost and the remaining 90 per cent investment has yet to be tied up," he said. Trần Duy Bình, director of KPMG Legal Limited, said lengthy procedures and multiple approvals were among the key irritants faced by foreign investors coming to the country. It was also difficult and time-consuming to find an appropriate local partner, he added. As of last month investors from 106 countries and territories had invested more than \$45 billion in numerous sectors in the city. — VNS

Source : <https://vietnamnews.vn/economy/523273/hcm-city-solicits-investment-in-infrastructure.html#SyvC5UgGlfeQEbuo.97>

German fund invests 28 million USD in Vietnamese sugar company



Vietnam News | 29 July, 2019

HCM CITY – Thanh Thanh Cong-Bien Hoa JSC (SBT) has announced that the German development finance institution DEG, owned by the German Government, invested 28 million USD to buy convertible preferred dividend stocks at 30,000 VND

(1.26 USD) each, 84 percent higher than SBT's market price on July 25. The preferred stock will be subject to transfer restrictions for at least one year from the issuance day. The preferred dividend period will be 6.5 years with a fixed dividend of 5.5 percent a year for the first 1.5 years and based on mutual agreement for the following years. The stocks will not have voting rights but can be converted into common stocks by agreement between the two parties. The conversion price will be decided mutually at the time of conversion but will not exceed 38,000 VND (1.63 USD). The transaction is expected to be completed in September, increasing SBT's capital by 3.7 percent to 6.084 trillion VND (262.14 million USD). The company will use the money to make strategic investments in the sugar business of HAGL in Laos it bought in 2017 and mechanise and expand its organic sugar production. SBT said this year it has also invested in Cambodia to expanding its sugarcane sourcing area in Indochina to 70,000ha. In the HCM Stock Exchange's latest update to the blue-chip VN30 Index in July 2019, a basket of 30 stocks with the largest market capitalisation and highest liquidity, SBT retained its place and remains the only company from the sugar industry in the VN30 basket.-VNS/VNA

Source : <https://en.vietnamplus.vn/german-fund-invests-28-million-usd-in-vietnamese-sugar-company/156887.vnp>