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Cambodia, Thailand to strengthen tourism ties



Cambodia News | 20 August, 2019

The 5th Cambodia-Thailand Tourism Technical Working Group Meeting concluded yesterday with the countries pledging to strengthen cooperation to attract more tourists. During the meeting, held in Thailand's Trat province over three days, the two countries agreed to work together to facilitate tourist travel, particularly by promoting the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) Single Visa scheme. The visa programme would allow people from third nations to travel to Cambodia, Laos, Myanmar, Thailand, and Vietnam with a single visa. Thong Rathsak, director-general of tourism development and international cooperation at the Ministry of Tourism, told Khmer Times yesterday that Cambodia and Thailand are working to expand the ACMECS Single Visa scheme to all five countries. "[At the meeting,] Cambodia and Thailand agreed to keep the ACMECS single visa programme online. We hope that in the next 10 to 20 years, the scheme can be expanded to include also Laos, Myanmar, and Vietnam," Mr Rathsak said. According to Mr Rathsak, Laos, Myanmar, and Vietnam are working to enter the scheme but need to clear some regulatory hurdles. The two sides agreed to bring up the issue of the ACMECS single visa programme during the next Asean Tourism Ministers meeting. In 2018, nearly 300 tourists applied for ACMECS visa, Mr Rathsak pointed out.

At the meeting that concluded yesterday, Cambodia and Thailand discussed other ways of enhancing tourism cooperation, including the creation of direct flights from Thailand's southern provinces to Sihanoukville, in the Cambodian coast. The countries also agree to boost maritime tourist travel. Figures from the Ministry of Tourism show that Cambodia received 3.3 million international tourists in the first half of 2019, an increase of 11 percent year-on-year. The number of Thai tourists visiting Cambodia increased by 9 percent, totalling 174,241 from January to June. Cambodia expects to attract 400,000 Thai tourists in 2019.

Source: <https://www.khmertimeskh.com/50635088/cambodia-thailand-to-strengthen-tourism-ties/>

Ministry urges SMEs to join CSX



Cambodia News | 20 August, 2019

The government has called on local small and medium-sized enterprises (SMEs) to list on the stock exchange as a way of enhancing access to funding and enabling expansion. Heng Sokong, secretary of state at the Ministry of Industry and Handicrafts, said limited access to finance remains one of the top challenges for Cambodian SMEs and urged them to join the Cambodia Securities Exchange (CSX). "By doing so they will be able to stay competitive as they will gain access to new sources of finance to allow them to expand. "However, to become a publicly listed company, they first must formalise. They must register with the government and ensure they follow standard accounting practices," Mr Kong said

during a forum on the agri-processing business held Friday. As outlined in the country's Industrial Development Policy 2015-2025, the government's goal is to have at least 80 percent of SMEs officially registered by 2025. At least 50 percent of those firms must follow proper accounting and bookkeeping standards. "This target is simplistic but important as proper bookkeeping offers a window into a business' situation and provides accountability to shareholders. Firms that keep their accounting books up-to-date will also receive support and incentives from the government, including training and technical assistance," the country's Industrial Development Policy says. "The securities market can serve to mobilise financing for long-term investment," it notes. Micro-enterprises are businesses that employ 10 employees or fewer, while SMEs have more than 11. Mr Sokong said it is important to educate SMEs owners about the benefits of registering with the government. He said Cambodia has about 520,000 SMEs but that just about 150,000 of them are registered manufacturers. "The SME sector is the backbone of economic growth. If the sector thrives, the country thrives," he added. Sok Dara, deputy-director general of the Securities and Exchange Commission of Cambodia (SECC), the capital market regulator, highlighted one of the main challenges in getting businesses to list publicly. "Some medium-sized companies are confused when it comes to taxation. They are afraid that if they register [and list on CSX] they will have to pay taxes retroactively, from 10 years ago. Most are

trying to avoid taxes to beat the competition," he said "Likewise, most SMEs are family-owned and don't want outsiders to intervene. Others simply have no ambition to expand," he told Khmer Times. However, Mr Dara said an increasing number of family-owned businesses are realising the benefits of corporate governance. He said fiercer competition is forcing these businesses to rethink their strategies to remain competitive. In early January, Prime Minister Hun Sen released a sub-decree that gave huge tax incentives to companies listed on the local bourse. These include a 50 percent reduction of the income tax and the cancellation of tax debt for firms that list in the next three years. Hong Sok Hour, CSX CEO, told Khmer Times last week that some SMEs still believe the stock market is essentially gambling. "To raise awareness about listing on the market, we conducted monthly forums to educate business owners on the benefits on joining CSX," he said. Mr Sok Hour said that at these forums, called 'Executive Take', companies can learn about the documentation needed to prepare an initial public offering. Being aware of this information can save enterprises that wish to list publicly a lot of time, he added. Leang Leng, managing director at Leang Leng Enterprises, a local producer of fish, soy, and oyster sauces, told Khmer Times yesterday that it is looking for new sources of finance to expand production. "I will consider listing at the securities market if my companies meet the requirements. We are looking for more funds to expand the business," Mr Leang said.

Source : <https://www.khmertimeskh.com/50633272/minister-asks-japanese-firms-to-consider-local-market/>

Laos, Vietnam target 15% increase in bilateral trade



Laos News / 20 August, 2019

Last year's figure exceeded the plan by 10 per cent – two-way trade between Laos and Vietnam in the first seven months of 2019 touched \$663.76 million, an increase of nearly 13 per cent compared to the same period last year, according to a report from the Ministry of Industry and Commerce. In a bid to achieve the goal of further increasing bilateral trade in the years to come, senior trade officials from the two sides met in Vientiane on Saturday during a working visit by a Vietnamese delegation led by the Minister of Industry and Commerce, Tran Tuan Anh. The meeting reviewed cooperation in bilateral trade in the period since the first bilateral meeting of the trade ministries of the two countries was held in Vietnam in 2017. It was also part of implementing the agenda of the 41st meeting of the Laos-Vietnam Inter-Governmental Committee, held in Hanoi earlier this year, in relation to economic cooperation for development. During the meeting, the Lao Minister for Industry and Commerce, Khemmani Pholsena, highlighted bilateral trade and reported on the implementation of the recommendations of the Laos and Vietnam inspection committee at various border checkpoints. Several important trade fairs for Vietnamese products were organised in Vientiane, and Laos participated in several expos in Vietnam as

part of measures to promote two-way trade between the neighbours. The two sides also discussed the importance of promoting cross-border trade and enhancing bilateral cooperation for border trade through the signing of a memorandum of understanding to build infrastructure as part of trade facilitation and promotion measures. Along with seeking ways to increase two-way trade to meet set goals, the two sides also committed to resolving the difficulties faced by Vietnamese firms in Laos. "With regard to the difficulties experienced by Vietnamese businesses during operations in Laos, especially for the import of petroleum, the ministry will continue to resolve these problems in collaboration with other state departments," Khemmani said. On the same day, the Vietnamese delegation met representatives of the Lao Ministry of Energy and Mines to discuss current investment projects in the field of energy and mines, and to seek ways to promote and tighten investment measures in potential areas such as hydropower. Vietnam is one of Laos' biggest investors and major trade partners. The two countries have set a two-way trade target of \$4 billion by 2020, according to the Laos-Vietnam inter-governmental body.

Source : <https://www.phnompenhpost.com/business/laos-vietnam-target-15-increase-bilateral-trade>

Agriculture ministry bolsters technical skills to improve farm production in Laos



Laos News | 20 August, 2019

VIENTIANE (Vientiane Times/ANN) - The Ministry of Agriculture and Forestry is continuing to train frontline officials so they can pass on their technical skills and improve local farmers' yields. Some 40 people from Phongsaly, Oudomxay, Luang Namtha, Bokeo and Luang Prabang provinces, as well as Vientiane, were recently trained as trainers at the Centre for Development and Huayxon-Huayxua Agriculture Service. The course aimed to teach trainees to help farmers boost yields by improving their crop production techniques. The move is part of the ministry's Agriculture Development Strategy to 2025 and Vision to 2030. These aim to ensure national food security through clean, safe and sustainable farming and build an agricultural production potential that contributes significantly to the nation's economy, according to its objectives of industrialisation and modernisation. Officials said as part of the ministry's human resource strategic plan the training aimed to reach 3-5 farmers in each village. The ministry expects to be able to reach 60-70 percent of its target by 2020 and 100 percent by 2025. Authorities say that if farmers knew more about efficient production techniques, it would bolster the number of 'model agricultural villages'. Model agricultural villages are those that have shown exceptional diligence in following the government's recommendations on what crops to grow. They are marked by farming communities that have an excellent working knowledge of the land and who have shown a strong commitment to growing the

best quality crops. The products grown in model agricultural villages must assist the local community in some way. The Ministry of Agriculture and Forestry reported in its five-year development plan until 2025 that it expected the sector to grow at an average rate of 3.4 percent. This would mean the sector would contribute 19 percent of the national economy.

Source : <http://annx.asianews.network/content/agriculture-ministry-bolsters-technical-skills-improve-farm-production-laos-102301>

Over \$100m earned from export of 400,000 tons of broken rice in 10 months



Myanmar News | 20 August, 2019

Myanmar exported over 400,000 tons of broken rice worth over US\$100 million to 36 countries over the past 10 months with 50 percent of the total tonnage going to Belgium, according to Myanmar Rice Federation. From October 1, 2018 to August 2 this year, 400,689 tons of broken rice was exported to 36 countries earning US\$107.147 million. Belgium alone imported nearly 190,000 tons of broken rice from Myanmar worth US\$50.547 million, accounting for over 47 percent of the total export. Likewise, 68,000 tons of broken rice worth over US\$18 million was exported to Indonesia, over 25,000 tons worth US\$6 million to China, nearly 23,000 tons worth US\$5 million to the Netherlands, and over 20,000 tons worth over US\$5 million to the United Kingdom. An official from the Ministry of Commerce said Myanmar

exported over 1.97 million tons of rice and broken rice worth about US\$600 million in over 10 months of this fiscal year from October 1 to August 2. This year saw a fall of over US\$350 million as the total tonnage fell by over 820,000 tons. China and EU, major rice export markets, purchased less rice from Myanmar this year. .

Source: <https://elevenmyanmar.com/news/over-100m-earned-from-export-of-400000-tons-of-broken-rice-in-10-months>

Myanmar foreign loans rise to US\$10.2B in last fiscal year



Myanmar News | 20 August, 2019

Myanmar has accumulated US\$10.2 billion in debt owed to more than 20 countries and multilateral organisations, the Joint Public Accounts Committee of the Pyidaungsu Hluttaw noted in a report on the Union budget for the 2017-18 fiscal year. The committee said the Ministries of Home Affairs; Agriculture, Livestock and Irrigation; Transport and Communication; Electricity and Energy and; Industry took the largest loans. According to the report, loans rose by more than US\$1 billion (K1.587 trillion), or 11.5pc, between fiscal 2016-17 and 2017-18. Of the total loan amount as of March 2018, loans from China formed the biggest amount totaling US\$4 billion. Some US\$1.11 billion has been repaid. The Export-Import Bank of China(Exim China) was the creditor for the majority of the loans taken out by the

Ministries of Electricity and Energy; Defence; Industry and; Agriculture, Livestock and Irrigation. Examples of loans from Exim China include the Ministry of Electricity and Energy's Thout Yay Khat 2 project with Shwe Swan-in Co Ltd where the firm still owes US\$5.2 million in capital and a further US\$2.7 million to the ministry. A long-planned caustic soda plan project for which Myanmar Economic Holdings Ltd (MEHL) had signed a 690-million-yuan loan with Exim China in June 2010 remains unbuilt despite 276 million yuan having been spent and MEHL having transferred the No 3 Heavy Industries Enterprise to implement the project. To-date, the government has repaid 289 million yuan in capital and interest and only expressions of interest have been invited for the project. Meanwhile, Myanmar still owes Japan US\$2.5 billion, which was drawn down from a credit line of US\$6 billion. Other creditors include multilateral organisations such as Asian Development Bank, International Monetary Fund, India, Thailand and the UK. The report singled out loans to the Ministries of Electricity and Energy as well as Industry as having interest rates that were higher than other loans at between 2.5pc and 4.5pc. It cautioned that these loans with higher interest rates create a heavier burden on the country's ability to pay and that decisions to take up such loans should be considered carefully. The report pointed out that higher interest rates, a weak

kyat and rising management costs had taken a toll on government finances, particularly when regular payments on the loans were still being made for businesses that have failed. It said examples of these failed projects under the Ministry of Industry include the No 14 Mega Factory, with a debt of 6 million yuan, No36 Mega Glasses Branch Factory in Pathein with over 16 million yuan debt, 7 million yuan for replacement of engines and mechanical parts for replacement of the factories in Paleik, ShweTaung, and Sagaing as well as 1 million yuan for the replacement of 324 machines, including eight yarn-spinning machines and 162 weaving machines in Paleik, respectively. The report recommended strengthening corporate governance after disbursement of loans from the Ministry of Agriculture, Livestock and Irrigation led to financial losses and corruption. For example, an official from Yamethin township, Mandalay Region swindled K2.6 billion from a US\$400 million loan taken from Exim China with 4.5pc interest rate for rural development, poverty reduction and microfinancing. – Translated

Source: <https://www.mmtimes.com/news/myanmar-foreign-loans-rise-us102b-last-fiscal-year.html>

Chinese firm to invest in 2 billion

USD factory in Thanh Hoa



Vietnam News | 20 August, 2019

Hanoi (VNS/VNA) - Chinese steel firm Mintal Group Co. Ltd has expressed a desire to build a 2 billion

USD Ferrocrom, stainless steel and non-ferrous metal factory in central Thanh Hoa province's Nghi Son economic zone. The issue was discussed during a recent meeting between the Mintal Group's representatives and the provincial People's Committee. Specifically, the group will invest in a Ferrocrom factory with a capacity of 1.5 million tonnes per year in the first phase and a stainless steel factory with a capacity of 1 million tonnes of steel and 1 million tonnes of non-ferrous metal per year in the second phase. It is estimated that 80 percent of raw materials for production will be imported from South Africa, while the remaining 20 percent is expected to be purchased in Vietnam. If the investment plan is approved, the Mintal Group will lease 300ha of land in Nghi Son Economic Zone, near the port area, to construct the factory. Speaking at the meeting, Chairman of the Thanh Hoa People's Committee Nguyen Dinh Xung required the Nghi Son economic zone's management board, provincial departments and agencies to instruct Mintal Group to survey the location and quickly complete relevant documents and procedures, to soon receive the investment policy decision by the provincial People's Committee at the end of September or the beginning of October, when Thanh Hoa province held 2019 investment promotion conference. However, Xung noted that when investing in this factory, the Mintal Group must commit to Thanh Hoa province on investing and applying the most advanced and modern technology to minimise the impact on the environment, as well as complying with Vietnamese

laws on environmental protection. At the meeting, the Mintal Group and the management board of Nghi Son economic zone and industrial zones also signed a memorandum of understanding (MoU) on investing in the Ferocrom, stainless steel and non-ferrous metal factory. The Mintal Group is one of the world's leading corporations in manufacturing Ferocrom, stainless steel and non-ferrous metals. Currently, the group has one factory located in China and the second one is planned to be built in the Nghi Son economic zone.-VNS/VNA

Source : <https://en.vietnamplus.vn/chinese-firm-to-invest-in-2-billion-usd-factory-in-thanh-hoa/158106.vnp>

Fruit and vegetable exports to China plummet in July



Vietnam News | 20 August, 2019

Vietnam exported \$144.2 million worth of fruits and vegetables to China in July, down 44.2 percent year-on-year. This was the strongest decline among Vietnam's top 10 export markets for fruits and vegetables, with China the biggest exporter by far. In the first seven months of the year, Vietnam exported \$1.6 billion worth of fruits and vegetables to China, down 8.1 percent year-on-year, according to Vietnam Customs. China was still overwhelmingly the biggest importer of Vietnamese fruits and vegetables in this period, accounting for 70 percent of export value, but this was down from 74.9 percent last year. While the export value of fruits and vegetables to Thailand and the United Arab Emirates

also declined, that of other major importers surged double digits. The U.S., Vietnam's second biggest buyer with 3.7 percent share of export value, bought 13.6 percent more fruits and vegetables, followed by South Korea (up 13 percent) and Japan (up 25.9 percent). According to the Fruit and Vegetables Association (VinaFruit), Vietnam's fruit and vegetable exports will continue facing difficulties in the last months of 2019 as a result of uncertainty caused by the escalating U.S.-China trade war, dampening investment and commercial activities. Exports to China are unlikely to improve, as the country is tightening its regulations on fruit imports. In May, China began requiring Vietnam to provide stamps of origin, area code and phytosanitary certificates for the fruits that it exports. Vietnam exported fruits and vegetables worth \$2.3 billion in the first seven months of the year, a year-on-year decline of 1.8 percent, according to Vietnam Customs.

Source :

<https://e.vnexpress.net/news/business/industries/fruit-and-vegetable-exports-to-china-plummet-in-july-3970376.html>