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Indian companies eye bus project partnership with Cambodian gov't



Cambodia News | 27 August, 2019

An international business conglomerate with roots in India and an Indian automaker are looking at partnering with the Cambodian government on a project that will strengthen the Kingdom's public transportation system and make Cambodia a producer and exporter of electric buses. According to a press release from Sram & Mram Group last week, the company, together with Elpro Automobiles Pvt Ltd, have had initial discussions with Cambodia regarding the proposed project. As part of the project, Sram & Mram and Elpro will set up assembly lines in Cambodia to produce electric buses that will be used domestically and exported. 2,000 units are intended for Cambodia, according to the press release. The new 33-seater buses, 50 of which will be rolled out two years after the agreement is signed, will strengthen the public transportation system, according to the press release. The proposal stipulates that Sram & Mram and partners will provide the funding, technical expertise, and infrastructure, while the Cambodian government will supply the land where the facilities will be set up. The press release said \$1 billion will be invested, which includes the construction of bus assembly facilities in other countries like India and Myanmar over five years. Othman Hassan, Secretary of State at the Ministry of Labour and Vocational Training, said in the press release that he welcomed the project.

"Such initiatives will help move the Cambodian economy forward," he stressed. The project also aims to create 10,000 jobs for locals. In addition to India and Cambodia, Sram & Mram has a presence in South Africa, Indonesia, Malaysia, Bahrain, Georgia, and Bangladesh, among other countries. The company is involved in foreign exchange management, agriculture, artificial intelligence, hedge fund management, and tourism. Early this year, the company signed a memorandum of understanding with the Cambodia Association of Travel Agents that aimed to increase the flow of tourists between Cambodia and India.

Source: <https://www.khmertimeskh.com/50637281/fl-ag-carrier-to-fly-to-da-nang/>

Flag carrier to fly to Da Nang



Cambodia News | 27 August, 2019

Cambodia Angkor Air, the national flag carrier, plans to launch a direct flight to Da Nang, in central Vietnam, in October. The company revealed its plans during a meeting on Thursday with the Ministry of Tourism. During the meeting, Cambodia Angkor Air CEO Hoang Manh Tuan said the company is seeking support from the ministry to establish the flight, adding that the maiden flight is scheduled for October. Cambodia Angkor Air already flies to Da Nang from Siem Reap. Tourism Minister Thong Khon, welcomed the move, describing Da Nang as one of Vietnam's largest tourist destinations. "This direct flight will boost tourist numbers. Foreign tourists visiting Da Nang can now board a plane and

travel directly to Phnom Penh,” the minister said. Vietnam’s Civil Aviation Administration and the State Secretariat of Civil Aviation of Cambodia (SSCA) signed an agreement in June greenlighting the flight. According to SSCA, four airlines connect Cambodia and Vietnam – Cambodia Angkor Air, Vietnam Airlines, Qatar Airways and VietJet. They operate a total of 112 flights between the countries per week. According to the Ministry of Tourism, from January to June, Cambodia welcomed 401,642 Vietnamese tourists, a 3.9 percent increase compared to the corresponding period last year.

Source:<https://www.khmertimeskh.com/50635502/bidding-on-major-artery-renovation-to-begin-next-month/>

Lao growth remains reliant on infrastructure development



Laos News | 26 August, 2019

VIENTIANE (Vientiane Times/ANN) - Laos’ economic growth will continue to be driven by the construction of large infrastructure projects and the operation of power plants in the short- to medium-term. The World Bank recently projected that growth in the construction and service sectors would remain robust in the short- to medium-term due to continued infrastructure investment. Similarly, the upcoming completion of several large power plants is expected to add an extra 2,200MW of capacity. For instance, the Xayaboury hydropower plant is scheduled to become operational in October this year. The completion of these hydropower plants should boost generation capacity to almost 10,000MW by 2020, of

which the majority is exported, according to the World Bank’s report. Conversely, the mining sector’s contribution is projected to steadily drop as the current investment matures without any new exploration while the moratorium remains effective. Meanwhile, the Lao government is committed to pushing the progress of mega infrastructure projects, mainly the US\$5.9 billion Laos-China railway and Vientiane-Vangvieng expressway. As of July construction of the Laos-China railway was 70 percent complete and is scheduled for completion in 2021, according to the government’s report. Authorities have deemed the Vientiane-Vangvieng Expressway 33 percent complete after a concession agreement was signed earlier this year. The government holds a 5 percent stake in the project with a Chinese company holding the remainder over a 50-year concession period. The project will be carried out under the Build-Operate-Transfer (BOT) model. The government is paying more attention to private sector growth as a result of the country’s revenue shortfall and budgetary tension. From now until the end of 2020, the government is not approving spending proposals that are unlikely to result in direct economic returns, such as new vehicle purchases and construction of public office buildings. Instead, capital investment will concentrate on financing ongoing projects and repaying debts to maintain the country’s financial liquidity. The World Bank is generally optimistic about Laos’ economic growth despite the country encountering financial difficulties and falling foreign

currency reserves. The bank has forecast that growth will rebound to 6.5 percent in 2019, up from 6.3 percent in 2018. However, the bank said Laos might face difficulty in responding to economic shocks given the low level of foreign currency reserves and significant external public debt. A priority for Laos is to create fiscal space through improving tax policy and administration as well as building up reserve buffers to respond to shocks. Furthermore, it is essential to improve the nation's position in the global ease-of-doing business ranking. This is particularly important for small and medium-sized enterprises which contribute to job creation, poverty reduction and in turn greater macroeconomic stability, according to the World Bank.

Source: <http://annx.asianews.network/content/laos-growth-remains-reliant-infrastructure-development-102626>

Lao firms demand regulation of illegal imports



Laos News | 26 August, 2019

VIENTIANE (Vientiane Times/ANN) - A large number of Lao businesses that produce goods for the domestic market are at a disadvantage because nothing has been done to control the influx of illegally imported goods.

"Many Lao firms are suffering from lost business because they can't compete with their rivals who import goods illegally," the Executive Vice President of the Lao National Chamber of Commerce and Industry, Mr Daovone Phachanthavong told Vientiane Times last Wednesday. Mr Daovone made the comment after the

government set up a committee to encourage Lao businesses to manufacture goods for the domestic market. At present, most of the products sold in Laos are imported from neighbouring countries, mainly Thailand. The government wants to increase the proportion of Lao-made goods in markets in order to bolster foreign currency reserves. Mr Daovone said the government had policies and laws in place to protect Lao businesses against illegal trade but the enforcement of this legislation is weak. As a result, individuals and business groups that illegally import goods from neighbouring countries have an advantage over Lao businesses that operate in line with the law, who claim that illegal operators do not pay all the taxes they owe, Mr Daovone said. To enable Lao firms to produce goods for the domestic market, the government needs to address illegal trade and do whatever it can to force importers to pay taxes. "A tobacco company has been suffering huge losses because it could not compete with an illegal rival," Mr Daovone said, adding that if this practice continued without intervention many Lao businesses would suffer and could not be competitive. In addition to suppressing illegal cross-border trade, the government should use substantive measures to encourage Lao businesses to produce goods for the domestic market otherwise they will not be able to produce goods at competitive prices. According to a World Bank survey, one of the challenges faced by small and medium enterprises is access to finance. The survey noted that Lao business operators are unable to submit viable business plans to banks when applying for a loan, so their requests are usually denied. So it is not surprising that many Lao businesses are unable to secure the investment capital they need. Many business operators

say that one of the most pressing issues the government needs to address in order to boost productivity is to enforce business-related laws. One law in particular specifies certain occupations that are reserved for Lao nationals. At present, many foreigners are operating barber shops and other small and medium-sized businesses, which this law states are the preserve of Lao citizens. People say that if the government is unable to rein in these illegal businesses, they should at least be registered and forced to pay the full amount of taxes so that Lao and foreign operators can compete fairly.

Source: <http://annx.asianews.network/content/lao-firms-demand-regulation-illegal-imports-102623>

More than US\$ 81 billion worth of foreign investment and K 19.049 trillion worth of citizen permitted in Myanmar



Myanmar News | 26 August, 2019

Myanmar permitted more than US\$ 81 billion worth of foreign investment businesses and K 19.049 trillion worth of citizen investment businesses, said Vice-President Myint Swe. "There has been an enormous increase in the investment sector. The figures collected indicated that US\$ 81.249 billion worth of 1779 foreign investment businesses and K 19.049 trillion (US\$ 10.353 billion) worth of Myanmar citizen investment businesses were permitted by Myanmar Investment Commission (MIC) till the end of July in 2019," said Vice-President Myint Swe. The MIC permitted US\$ 81.936 billion worth of 1836

foreign investment businesses within 30 years from 1988-1989 FY to the end of May in 2019, according to the figure of the Directorate of Investment and Company Administration (DICA). Out of the foreign investment businesses entered during that period, only 1489 ones are operating the businesses and the investment volume is worth about US\$ 67.223 billion. The businesses that withdrew their operation within 30 years are 338 in number and that investment volume amounted to US\$ 14.712 billion. The oil and gas sector topped the list with over \$ 22 billion US dollars' investment by 27.94 %, followed by energy sector with over 21 billion US dollars' investment by 26.40 %, manufacturing sector with about 11 billion US dollars' investment by more than 13 %, transport and communications with over 10 billion by more than 13 %, real estate sector by over 6 %, hotel and tourism by 4 %, mining sector by over 3 % and other sectors by over 3 % respectively.

In the current fiscal year, Myanmar approved of US\$ 2.094 billion worth of 207 foreign investment businesses from October 1 of 2018-2019 FY to July 10. During that period, the increased investment volume is worth of over US\$ 1.171 billion. Similarly, during that period the investment volume with the increased one reached US\$ 208.300 million according to Thilawa Special Economic Zone Law.

Source: <https://elevenmyanmar.com/news/more-than-us-81-billion-worth-of-foreign-investment-and-k-19049-trillion-worth-of-citizen>

Govt. sells low-cost housing units in four townships



Myanmar News | 26 August, 2019

The government is selling low-cost apartments in Hlaingthayar, Shwepyithar, Dagon Seikkan and Thanlyin-Kyauktan townships and people who have monthly income of over Ks300,000 can buy them, according to the Ministry of Construction. The buyers need to open a housing savings deposit account in Construction, Housing and Infrastructure Development Bank (CHID) and they need to save at least Ks3 million in their accounts to have a long term construction loan to buy the low-cost apartments. The authorities are in negotiation with respective departments to hand the apartments to the buyers, who bought the apartments in the second batch, at the end of September, said an official from the Department of Urban and Housing Development. The down payment will be 20 per cent for low-cost apartment and 30 per cent for affordable apartment. The interest rate is 8.5 per cent and loan period is 15 years. A total of 325 apartments are drew lots and sold as second batch on June 4. The sale of low-cost and affordable apartments is intended for low and middle incomers in Yangon Region.

Source: <https://elevenmyanmar.com/news/govt-sells-low-cost-housing-units-in-four-townships>

Cheap imported meats hurt domestic livestock industry



Vietnam News | 26 August, 2019

HCM CITY – Increasing meat imports are adding to the pressure on the country's livestock industry brought by free trade agreements and the African swine flu epidemic, experts said. Viêt Nam imported 8,000 tonnes of pork and more than 142,000 tonnes of chicken in the first eight months of this year, three times the volume in the same period last year, according to the General Department of Customs report. The imports are welcomed by consumers because of their cheap prices. A kilogram of imported pork costs VNĐ 27,000 (US\$1.2) while domestic prices are around VNĐ35,000 (\$1.57), especially amid the havoc caused to the industry by African swine flu. Pork is imported mainly from Brazil (40 per cent), Poland (15-17 per cent), Canada, the US, and Australia. Chicken imported from the US costs only VNĐ17,000-23,000 (\$ 0.7 to 1) per kilogramme compared to more than VNĐ 30,000 (\$1.3) for local products. The US exports more than 62,400 tonnes of chicken to Viêt Nam worth \$48.6 million. The imports are cheap because exporting countries have highly specialised and automated livestock industries, the farming is developed in closed chains and, above all, in many places they genetically modify animals to make them grow faster and bigger. In Viêt Nam, nearly everything used in livestock farming, from young animals and feed to medicines, come from imports, and as a result costs

are high. Households are the major players in the livestock industry, but they do not work together as part of a production chain, and companies have not been able to integrate them into their operations. Meat imports are expected to increase further with the signing of the EU-Viet Nam Free Trade Agreement and other trade deals, which would see a reduction in tariffs. Phạm Thị Hồng Hạnh of the Ministry of Agriculture and Rural Development said that import tariff on beef from the EU would drop from 5 – 30 per cent to zero within three to five years. The tariffs will go after 10 years on pork and 14 years on poultry. – VNS

Source: <https://vietnamnews.vn/economy/524518/cheap-imported-meats-hurt-domestic-livestock-industry.html#VqAHBMqF5HQ54W80.97>

EVN sells 6.5% stake of its financial arm for \$10 million



Vietnam News | 26 August, 2019

HÀ NỘI — Vietnam Electricity (EVN) has sold 16.25 million shares of its financial arm EVN Finance Joint Stock Company (EVN Finance) for more than VNĐ219 billion (US\$9.6 million) in an auction on the Hà Nội Stock Exchange on Friday. The number of shares sold was lower compared to its offering of 18.75 million shares. The sale is in line with the company's plan of divesting from EVN Finance this year. At the auction, two individual investors bought 16.25 million shares at the price of VNĐ13,480 (59 US cents) per share, a 55 per cent premium over its

trading price on the market. EVN Finance was established in 2008 with an initial charter capital of VNĐ2.5 trillion. Its main task is to arrange capital for electricity projects of EVN and its member units, and provide professional financial service products for units operating in the power sector and those from other economic sectors. The firm has targeted total revenue of VNĐ1.64 trillion and pre-tax profit of VNĐ280 billion in 2019, up 28.5 per cent and 10.35 per cent, respectively, compared to 2018. Its shares (EVF), traded on the Unlisted Public Company Market (UPCoM), closed Friday at VNĐ8,700 per share. — VNS

Source: <https://vietnamnews.vn/economy/524542/evn-sells-65-stake-of-its-financial-arm-for-10-million.html#bHeupgaxiD8XMCzw.97>