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## Authorities clamp down on lack of vehicle insurance



*Cambodia News | 21 October, 2019*

The Insurance Association of Cambodia (IAC) last week signed a memorandum of understanding with general insurance companies on vehicle insurance. The agreement was designed to build trust among general insurance providers and Cambodian people. Huy Vatharo, IAC's chairman, said the MoU on the 'Barometer of Liability Agreement' will make processing claims more accurate and faster. "This agreement focuses only on the payment for damage to the vehicles and excludes insurance for injury or fatal accidents," he said. "With this agreement, the general insurers will use the accident reports from traffic police to create an accident scenario assessment and decide compensation. This agreement will help decide the issue in a timely and accurate way acceptable to the customer," Mr Vatharo said during the signing on Friday. "This is a positive step for vehicle insurance. Therefore, all the general insurance companies must implement it effectively." Mr Vatharo said one of the driving factors behind the memorandum was to build confidence among insurance customers. Mey Vann, director-general of the General Department of Financial Industry, said the memorandum was an important initiative. He said that many truck companies are not insured. Of the 798 truck accidents in 2018, only 24 percent (192 trucks) were covered by insurance. Mr Vann said he wants the

association to find out which companies do not have insurance. "Truck companies that lack insurance will be penalised," said Mr Vann. "If a truck causes an accident and the owner does not have insurance, there will be a penalty and the owner may lose its business licence or be sent to court," Mr Vann added. They Visa, deputy director of the Department of Traffic Police and Public Order, said that last year there were 3,430 reported traffic accidents in which 1,932 people died, 3,168 were critically injured and 1,991 were slightly injured. More than 3,530 vehicles suffered serious or slight damage – 1,512 cars and vans, 798 trucks and 255 other vehicles, Mr Visa noted. Mr Visa said only 169 van and car drivers have insurance – 11 percent of those on the road – while just 192 trucks are insured – amounting to 24 percent of the total. Only eight motorcyclists are listed as insured – about 0.2 percent of those on the road. Mr Visa urged IAC to partner with the National Road Safety Committee at the Ministry of the Interior to establish a way of preventing or at least reducing traffic accidents. He said he wanted more insurers to join IAC. According to the agreement, IAC's claims committee will work with the insurance companies on claims. The agreement will come into effect in January next year. From now until the end of the year, IAC will train staff on how to adapt to the changes introduced by the agreement. According to IAC's Mr Vatharo, premiums on vehicle insurance increased from \$7.2 million in 2013 to \$14.3 million in 2018 – about 14.7 percent per year on average. Claims are

also rising from \$2.7 million in 2013 to \$6 million in 2018 – an increase of 17.2 percent per year.

Source:<https://www.khmertimeskh.com/50652811/authorities-clamp-down-on-lack-of-vehicle-insurance/>

## GDCE's revenue up 35 percent



*Cambodia News | 21 October, 2019*

Revenue at the General Department of Customs and Excise (GDCE) saw a significant increase during the first nine months of the year, growing by 35 percent over the corresponding period last year, GDCE's director said last week. From January to September, the department collected almost \$2.4 billion in revenue, the equivalent of 106 percent of the government's target for the whole year, Kun Nhem, GDCE director-general, announced during a meeting on Wednesday. He said the rapid growth in revenue is the result of the country's robust economic performance and stable political situation. Reforms implemented by GDCE that have strengthened the body's internal governance and increasing awareness from payers regarding their tax obligations have also contributed to this growth, he said. "The main factor backing this increase is the country's political stability which ensures trade, investment, production, and consumption growth," he said. Mr Nhem called on GDCE officials to double their efforts to make tax collection more efficient by working with more professionalism and responsibility. According to GDCE, the main sources of revenue were imports of vehicles and machinery (52 percent of total revenue), energy and petroleum

(17 percent), and construction materials. Speaking during a graduation ceremony in Phnom Penh early this month, Prime Minister Hun Sen said money collected by GDCE will be spent on public investment in priority sectors. "Every month, we earn about \$500 million and spend about \$300 million. This means we are saving about \$200 million a month. This money is used for public investment so that we don't have to rely on foreign governments," said Mr Hun Sen. He said the government's goal for customs and excise revenue for 2019, outlined in the proposed budget for the year, has been achieved three months ahead of schedule. He added that he expects GDCE to collect \$800 million over the official goal by the end of the year.

Source:<https://www.khmertimeskh.com/50652815/gdce-revenue-up-35-percent/>

## Investment in Lao industry stagnates



*Laos News | 21 October, 2019*

VIENTIANE (Vientiane Times/ANN) - The growth rate of factories in Laos is continuing to moderate despite the government improving its policies and regulations to attract investors. The number of factories has grown by just 5 percent annually, according to statistics collected by the Department of Industry and Handicrafts under the Ministry of Industry and Commerce. Laos had 13,148 factories in 2016, including large, medium, small and household units, according to information posted on the ministry's website. The department compiled the inventory of factories in 2015. The statistics showed

the number of factories that were active and productive, analysed the operational flow, presented the goods and services they dealt with, employment, amount of investment, management of fixed assets and raw materials, and electricity consumption. The department said it faced difficulties in collecting the data, which was the main reason why an in-depth assessment of each industrial sector could not be carried out. However, the collected statistics showed there were few large factories that could drive the economy, with about 80 percent being household businesses. Information on investment in environmental protection is inadequate, but anecdotally many factories are energy-intensive and release air pollutants at a high rate. Foreigners owned a total of the 354 companies involved, 2,115 companies were joint ventures, and 10,679 received domestic investment. There were 714 large factories or 5.43 percent of the total, 784 medium-sized factories or 5.96 percent, 6,707 small factories or 51.01 percent, and 4,943 household workshops, equal to 37.6 percent of the total. Most factories are located in Vientiane, Borikhamxay, Khammuan and Savannakhet provinces, and in the cities of Pakxe and Vientiane. The plants produced more than 80 types of industrial and service products, and many were rice and sweetcorn mills. The products produced ranged from concrete to furniture. The units generated billions of kip in revenue that contributed to socio-economic development, the government's budget, and employed more than 145,000 people. To attract additional investors, the

government should carry out a review and identify measures that can improve the investment climate.

Source: <http://annx.asianews.network/content/investment-lao-industry-stagnates-106623>

## Luang Namtha SEZ eyeing more investors



*Laos News | 21 October, 2019*

VIENTIANE (Vientiane Times/ANN) - The Boten Special Economic Zone (SEZ) in Luang Namtha province hopes to attract more investors, especially in the fields of education and medicine. The education and medical industry zone opening ceremony was held on Friday. It was attended by representatives of the government, foreign investors and other guests. "The zone is divided into four development sites - commerce, banking and financial, logistics, education and health, and tourism. When complete, it is anticipated that around 300,000 people will live here. Therefore, the education and health sectors are important," said the president of the Yunnan Hai Cheng Industrial Group Stock, Mr Zhou Kun. "Meanwhile, this project will take a few years to complete. Around US\$500-600 million will be invested in the development of the site," he added. The zone will have international schools and hospitals, which will be equipped to deal with state-of-the-art treatment of cancer. There will be a stem cell collection centre and other modern facilities. The zone will benefit people in the northern provinces of Laos and nearby areas. "Up to now more than 20 foreign companies, mostly from China, have shown

interest in investing in the education and health fields. Some other companies are involved in discussions,” Zhou Kun noted. Education and medical sectors help support sustainable development and are an important part of SEZ expansion. The education sector will involve not just a school, but also a college and university, which will become an educational exchange centre for Laos and China.

Source: <http://annx.asianews.network/content/luang-namtha-sez-eyeing-more-investors-106715>

## Japan is eyeing export-oriented businesses in Myanmar



*Myanmar News | 21 October, 2019*

Japanese companies are becoming interested in the local industry which will manufacture products in Myanmar and export them to India, China and Thailand, said Japanese Ambassador to Myanmar Mr. Ichiro Maruyama, at Japan-Myanmar Resource, Trade and Investment Expo 2019 at Inya Lake Hotel in Yangon on October 19. “There are many Japanese companies which are very interested in the local market as Myanmar has many populations. Myanmar borders Thailand, India and China. That’s why, many Japanese companies are interested in exporting Myanmar-made products to neighbouring countries,” Mr. Ichiro Maruyama said. “Japanese companies are also interested to import raw materials from neighbouring countries and produce the products using these raw materials. Then, they

want to sell these products in the local market,” he added. From 1988-89 FY till September 30, 2019, Japan’s total investments in 117 businesses exceeded 1.2 billion US dollars, according to the figures from the Directorate of Investment and Company Administration (DICA). In addition, the total investments by 39 businesses in Thilawa Special Economic Zone, allowed under the Special Economic Zone Law, exceeded 670 million US dollars. Till now, Japan’s total investments in 150 businesses hit around 1.9 billion US dollars. Japan stands in 10th place on the list of 50 countries which have made investments in Myanmar. Japan tops the list of FDI in Thilawa Special Economic Zone, accounting for 36 per cent of total investments. The total FDI by 19 countries in Thilawa Special Economic Zone reached over 1.86 billion US dollars, according to the DICA.

Source: <https://elevenmyanmar.com/news/japan-is-eyeing-export-oriented-businesses-in-myanmar>

## More oil and gas investments expected next year



*Myanmar News | 21 October, 2019*

U Thaug Tun, Union Minister for Investment and Foreign Economic Relations, is expecting foreign direct investments in the offshore oil and gas industry to increase in 2020, once proposals for exploration and production are received, evaluated and approved. At the 30th regular meeting of the

Private Sector Development Committee with Myanmar entrepreneurs on October 19, U Thaung Tun said he is expecting to receive “a record number of investments in oil and gas next year, especially offshore.” Last week, U Zaw Aung, a retired director general of the Oil and Gas Planning Department under the Ministry of Electricity and Energy (MOEE), told The Myanmar Times that commercial gas production will commence at the A6 block Shwe Yee Htun-2 discovery, offshore Myanmar, in 2023. The development comes after the government on September 22 said gas could be produced at Shwe Yee Htun-2 well.

Source: <https://www.mmtimes.com/news/more-oil-and-gas-investments-expected-next-year.html>

## Hanoi office rents reach 6-year high in Q3



*Vietnam News | 21 October, 2019*

Hanoi office rent in Q3 rose to highest in six years as occupancy remained high due to limited supply, a report says. The average rent in the third quarter was \$21 per square meter per month, rising 4 percent year-on-year, according to a report by real estate firm Savills. Total stock rose 10 percent year-on-year with an additional 59,000 square meters from six new projects, most of which were of Grade B and A. The west welcomed its first Grade A building in five years. Occupancy was 91 percent, down 2 percentage points year-on-year due to new project launches. "Low Grade A vacancy rates coupled with

a confident business sector are placing huge demand on existing office buildings, which will lead to an inevitable jump in rent," said Hoang Nguyet Minh, commercial leasing associate director at Savills. Grade A office rent was \$31 million per month, up 6 percent year-on-year. Foreign-invested businesses accounted for 68 percent of Grade A rent in the first half of this year. But Grade A office supply is set to increase by 30 percent, or 150,000 square meters, by 2021 thanks to an addition of three projects, said Do Thi Thu Hang, head of research and consulting at Savills Hanoi. The increase in number of businesses will increase demand for small and creative office space in Hanoi, Savills said. The number of new business in the first nine months in Hanoi went up 9 percent year-on-year to 20,562.

Source: <https://e.vnexpress.net/news/business/industries/hanoi-office-rents-reach-6-year-high-in-q3-3999332.html>

## US remains Vietnam's largest aquatic export market



*Vietnam News | 21 October, 2019*

VOV.VN - Vietnam's aquatic exports to the US reached US\$ 1.08 billion during the first nine months of the year, despite a sharp decline in export value against the same period last year, according to the General Department of Vietnam Customs. During the reviewed period, aquatic exports fell by 5.3 per cent to US\$6.2 billion on-year. In September alone, aquatic exports suffered a 10.1 per cent decline to

US\$731 million in comparison with the previous month, and down 5.3 per cent against September 2018. Most notably, seafood exports to the country's major markets plummeted throughout September in comparison with the same period last year, while exports to China, Thailand, and Taiwan (China) saw an upward trend. Despite exports of aquatic products to Japan endured a fall of 0.5 per cent in September, they enjoyed a rise of 7.8 per cent to US\$1.07 billion during first nine months of the year compared to the same period last year. Elsewhere, Vietnam's seafood exports to China in September expanded by 39.8 per cent to US\$113.1 million in value. The total exports of seafood products to China during the first nine months of 2019 hit US\$ 831.8 million, up 14.2 per cent against last year's same period. In contrast to the Chinese market, exports to the major markets of the EU and the Republic of Korea dropped in September, although exports to Thailand enjoyed a 14.4 per cent rise. According to statistics released by the International Trade Center (ITC), the UK imported 54,300 tonnes of seafood during July with a value of US\$ 332 million. This represents a fall of 2.1 per cent in volume and 5 per cent in value compared to July last year. Between the start of the year and July, the UK imported a total of 402,000 tonnes of aquatic products with a value of US\$2.5 billion, up 6.4 per cent in volume and 5 per cent in value over last year's corresponding period.

For comparison, China sold 44,000 tonnes of seafood to the UK market with a value of US\$217 million during the seven-month period. Vietnam was the third largest exporter of seafood to the UK market during the reviewed period, with 23,000 tonnes worth US\$177 million, a rise of 20.5 per cent in volume and 12.9 per cent in value. According to the ITC, many Vietnamese seafood products enjoy a high market share in the British market such as frozen shrimp of all types coded HS 030617, frozen catfish coded HS 030462, in addition to processed shrimp of all kinds. However, during the first seven months, the market share of a number of seafood categories such as frozen catfish fillets and frozen tuna fillets fell in comparison with the same period last year. This data shows that the UK is attempting to diversify its supply source of seafood as Vietnam's aquatic products are facing tougher competition from this highly lucrative market.

Source : <https://english.vov.vn/economy/us-remains-vietnams-largest-aquatic-export-market-404970.vov>

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