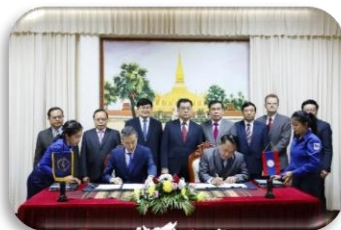


Highlight News | November 1/2019



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)



Oil exploration in Kompong Som Basin off to a promising start



Cambodia News | 31 October, 2019

The oil exploration being conducted by Angkor Resources Corp at the Kompong Som Basin is off to a good start. The company reported on its website that initial exploration points to the possibility of the area having commercial quantities of oil. It said that there were several well-distributed oil seeps within and around its new Block VIII oil and gas licence. The 7,300-square-kilometres Block VIII is located within the Kompong Som Basin in the Kingdom's southwest. Oil seeps are crude oil or gas escaping through the earth's atmosphere or surface. Often, the seeps indicate the presence of a substantial quantity of oil or gas reserves in the area. "We are very pleased to have this data locating and testing seeps on our new oil and gas license," said Angkor CEO Stephen Burega. The report on the discovery of oil seeps was done by John Menzies, CEO of CMI Capital Ltd. The report documents 21 separate surface oil seeps and occurrences. Samples were taken and submitted to Schlumberger Ltd for confirmation. Schlumberger Ltd is one of the leading oilfield services providers in the world. The testing results from Schlumberger Ltd on the oil seeps, according to Mr Burega, confirm surface hydrocarbons. Mr Burega said the good news out of Block VIII will allow them to speed up their work. "With the large amount of work and data compiled on Block VIII, we have multiple targets. This allows us to greatly speed up our initial exploration and allows us to focus on already identified

areas of interest," he said. The Ministry of Mines and Energy in August granted Angkor Resources Corp a license to explore for oil and gas. Angkor Resources Corp is conducting oil exploration in Cambodia through its subsidiary, EnerCam Resources Co Ltd. The company recently raised \$1 million through direct share sales. The money, according to the company, will be used to pay licensing fees, acquire existing seismic and geological data, field operation, and general operating expenses. Cambodia will soon be producing oil after the discovery of sizable oil reserves in the Gulf of Thailand. The Apsara Oilfield, which is being developed by the Singaporean company KrisEnergy, is expected to produce its first drop of oil later this year.

Source : <https://www.khmertimeskh.com/50655887/oil-exploration-in-kompong-som-basin-off-to-a-promising-start/>

Japanese firm acquires stake at upcoming Pursat hydropower plant



Cambodia News | 31 October, 2019

Japanese power firm eRex Co Ltd announced last week its involvement in the construction and management of an 80-megawatt hydropower plant in Pursat province. The Tokyo-based company plans to invest \$23.5 million to secure a 34 percent stake in the project, with Asia Energy Power Co. of Cambodia and ISDN Energy Pte. Ltd. of Singapore holding a 33 percent stake each, NNA, a Japanese news agency, reported last week. Victor Jona, Ministry of Mines and Energy spokesperson, told Khmer Times yesterday that the project is being developed by SPHP (Cambodia), who was granted a licence to build the

dam. He noted that Japan boasts the latest technology in the sector and Japanese companies adhere to international regulation. Mr Jona said that the project is already under construction and expected to be completed by 2022 or 2023, when it will start supplying the national grid. "SPHP already signed an agreement with Electricite Du Cambodge, and under this agreement, it will sell electricity at 7.9 cents per kWh to EDC," he said. SPHP (Cambodia) investment in the hydroelectric dam was approved by Prime Minister Hun Sen during a cabinet meeting in April. At the same meeting, Mr Hun Sen also approved plans by Schnei Tech to build solar farms in Kampong Chhnang and Pursat. The dam in Pursat will be built on a build-operate-transfer (BOT) basis with a total investment capital of more than \$231 million. The company has been granted a 39-year concession for the project. The government wants to diversify energy production, now largely dominated by hydroelectricity, which accounted for about 50 percent of all power consumed last year. Solar energy made up less than 1 percent of total energy output in 2018. Through its diversification strategy, the government hopes to put an end to the power shortages that have affected the country lately. A recent report from the Ministry of Mines and Energy shows that the country's electricity supply has risen by more than 16 percent in 2019, reaching 2,870 MW. The country now generates 2,428 MW from local sources, while the rest is imported from Thailand, Vietnam, and Laos.

Source : <https://www.khmertimeskh.com/50655894/japanese-firm-acquires-stake-at-upcoming-pursat-hydropower-plant/>

Laos, Chile to boost business, trade cooperation



Laos News / 31 October, 2019

VIENTIANE (Vientiane Times/ANN) - Laos and Chile are aiming to strengthen business and trade cooperation following the local business community's official welcome for the Ambassador of Chile to Laos, Mr Jaime Chomali, in Vientiane on Tuesday. Vice President of the Lao National Chamber of Commerce and Industry (LNCCI), Mr Daovone Phachanthavong, led the Lao delegation which included chamber officials and business operators. During the meeting, the Chilean ambassador presented his country's socio-economic credentials as well as trade and investment opportunities to boost cooperation between both nations. Bilateral trade between Laos and Chile in 2017 achieved US\$1.3 million but dropped to about US\$600,000 in 2018. From January to July this year it reached US\$430,000, the ambassador said. Chile's main exports to Laos are stone processing machinery and wine, while Laos' exports to Chile comprise shoes, broadcasting accessories and non-knit men's suits. Both sides hoped the warm welcome would boost cooperation in business and trade and strengthen the relationship between the two countries. During the occasion, the two delegations sampled Chilean wine with the South American nation being one of the

world's leading exporters. The LNCCI is an independent body which represents the business community in Laos. It currently has more than 1,000 members represented through Chambers of Commerce in 18 provinces and business associations and groups. That makes the LNCCI the largest and most representative business community in Laos. LNCCI's responsibility is to identify the problems and concerns of its members and make sure that they are presented to the government. In this way, business policies and legislation are developed and adjusted for the improvement of the business environment in Laos. The LNCCI represents the Lao business community in business negotiations and dealing with trade and labour issues at both regional and international levels to expand trade and investment.

Source : <http://annx.asianews.network/content/laos-chile-boost-business-trade-cooperation-107310>

ADB provides new loans for development



Laos News / 1 November, 2019

VIENTIANE (Vientiane Times/ANN) - The Asian Development Bank (ADB) has provided three new loans worth US\$140 million to develop the agriculture and education sectors and for public finance management. The agreements were signed on Wednesday by the Deputy Minister of Finance, Mr Bounchom Oubonpaseuth, and ADB's Country

Director for Laos, Mr Yasushi Negishi. The signing ceremony was witnessed by senior officials from the Ministry of Finance, Ministry of Planning and Investment, Ministry of Agriculture and Forestry, Ministry of Education and Sports and other line ministries. "Strengthening irrigation systems and rural roads and improving nutritional conditions in rural areas will improve productivity on farms, provide access to better markets and upgrade people's living standards," said Mr Negishi. "Providing support for education will help Laos to produce competent graduates. Support for public finance reforms will help reduce the country's vulnerability to economic shocks, maintain inclusive economic growth and boost the social sector," he added. ADB's US\$45 million package includes loans and grants. An additional grant of 4 million Euros from the European Union has been earmarked for the Sustainable Rural Infrastructure and Watershed Management Sector Project. This project will help raise incomes and improve the quality of life of people living in the four northern provinces of Huaphan, Luang Prabang, Xayaboury, and Xieng Khuang. The loans will increase agricultural productivity, encourage the use of appropriate technologies, as well as boost rural connectivity and help make Laos climate resilient. It will also spur the upgrade of existing facilities and develop a better strategy for improved nutrition. The Education for

Employment Sector Development Programme, approved by the ADB in September with US\$50 million, will help efforts to increase enrolment in schools and improve the quality of secondary education. It will also align post-primary education to the changing needs of the job market, which will improve young people's employability. The Bank's assistance will support the government's reform agenda to help equip secondary school students with the foundational and soft skills needed in the current labour market. Meanwhile, the ADB's US\$45 million policy-based loan for the first subprogramme to strengthen public finance management will help the government enhance public debt management, reform tax administration, improve medium-term fiscal planning and budgeting, and boost governance and budget credibility. In 2018, the ADB made a fresh commitment to offer new loans and grants amounting to US\$21.6 billion.

Source : <http://annx.asianews.network/content/adb-provides-new-loans-development-107384>

Microfinance firms to get more support



Myanmar News | 31 October, 2019

Myanmar Apex Bank (MAB) has allocated K57 billion to support selected microfinance companies that lend to small businesses, the bank announced on Wednesday. MAB is now supporting Fullerton Finance Myanmar,

Proximity Finance Microfinance, Vision Fund Myanmar, Early Dawn Microfinance, and Pact Global Finance Microfinance Fund. "Microfinance companies play an important role in supporting small businesses in Myanmar and we are pleased to be the funding bank for these lenders. Small businesses will continue to play a vital role in creating employment opportunities in Myanmar," U Zaw Moe Aung, deputy chief business officer from MAB, said during the signing ceremony. Incorporated in 2010, privately-owned MAB provides funding to microfinance companies based on their requirements in order to support micro customers and small business. "Our financing solutions is tailored uniquely to each company after taking into consideration their track record and profile," said U Zaw Moe Aung. U Kyaw Ni Khin, chief business officer at MAB, added that in the future, MAB plans to expand its funding of microfinance to reach larger swathes of the economy. "The small businesses borrow K10 million at most and if there is growth, there will be demand for more capital to expand," he said.

Source : <https://www.mmtimes.com/news/microfinance-firms-get-more-support.html>

Yangon public transport can rely on YBS for next decade: minister

*Myanmar News | 31 October, 2019*

Public transport in Yangon Region can rely on YBS (Yangon Bus Service) for a next decade, said Region Minister for Electricity, Industry and Road Transport Nilar Kyaw during the second annual general meeting of Yangon Urban Public Transport Company (YUPT) held on October 30. The minister said circular rail transport could handle about tens of thousands of passengers while sky train and underground train projects could not be implemented either. "For on-ground trains, we have only circular trains. We have no sky trains or underground trains. In the international community, trains play a key role in public transportation. As circular trains can transport only tens of thousands of passengers, we have to rely on YBS for a next decade," the minister said. Around 2.5 million commuters have to depend on YBS. But the number could be about 5 million because those commuters have to go to and from their homes, the minister commented. Yangon city has 100 bus lines in YBS system with 6,635 registered buses. Over 4,500 buses transport about 1.8 million passengers daily.

Source: <https://elevenmyanmar.com/news/yangon-public-transport-can-rely-on-ybs-for-next-decade-minister>

Taiwan emerges as largest consumer of Vietnamese shrimp

*Vietnam News | 31 October, 2019*

VOV.VN - Vietnam became the second largest exporter among top suppliers of shrimp to Taiwan (China) during the first nine months of the year, according to statistics released by the International Trade Centre. Shrimp exports to the Taiwanese market enjoyed a surge of 13.9 per cent to US\$41.9 million in comparison to the same period last year. This represents the most robust growth among the top 10 major importers of Vietnamese shrimp products. This boost comes as Taiwanese consumers continue to favour the country's black tiger shrimp, with fresh frozen black tiger shrimp being particularly popular and buyers being able to purchase the product for between US\$6 and US\$8 per kilo. In addition, Vietnamese products such as frozen white-leg shrimp and other aquatic species have also become well received import items. During the first half of this year, both Vietnam and the Central American nation of Honduras experienced rapid growth in shrimp exports to Taiwan. In contrast, Thailand's shrimp exports to the market plummeted. Despite this positive growth, Vietnamese shrimp exports to Taiwan have not increased in line with expectations due to a high import tax of about 20 per cent imposed on products. Furthermore, the Taiwanese market has also applied strict regulations with regard to food safety and hygiene standards. Taiwan remains a strong market for local shrimp

exports due to consumers having a diverse taste, the presence of a large population of overseas Vietnamese, whilst the demand for shrimp in the Taiwanese market has also witnessed an upward trend in recent years. In early October, the Taiwan Food and Drug Administration unveiled a list of 638 Vietnamese seafood companies that have been granted permission to export to the market.

Source : <https://english.vov.vn/economy/taiwan-emerges-as-largest-consumer-of-vietnamese-shrimp-405481.vov>

Private sector main driving force for economic growth



Vietnam News | 31 October, 2019

The private sector was the main driver of growth for Vietnam in the first nine months this year, a conference held by the Central Institute for Economic Management (CIEM) heard in Hanoi on October 30. CIEM also shared a report it jointly conducted with an Australian programme to support Vietnam's economic reform (Aus4.Reform Program) at the conference, that stated economic growth in Q3 and the first nine months maintained at a relatively high level. While the macro-economy remained stable, the report said local industrial industries had grown rapidly with the largest contributor to GDP being the processing industry. Imports and exports also kept up their momentum with a trade surplus in the first nine months estimated at 7.1 billion USD, exceeding the same period in 2018, said the report.

Regarding the imports and exports, the contribution of FDI enterprises had slowed while the private sector had become the main driving force of growth. Nguyen Anh Duong, head of CIEM's General Research, said: "The FDI sector has slowed with export growth of 5 percent, or one digit growth, while the private sector reported export growth of two digits." Duong told the conference that growth of the private sector was "very impressive" in the context that many domestic private enterprises were not receiving enough support. Duong added that uncertainties caused by the trade war between the US and China affected a lot of foreign-invested enterprises but was "an opportunity for domestic private enterprises". Duong said local private enterprises had taken opportunities offered by integration with their adaptability, urging relevant agencies and policymakers to support and create more favourable conditions for them. However, the conference also pointed out challenges for the local economy, mentioning the "return" of the mining industry, which was considered a threat to the environment and of low value. The report said after three years of negative growth, the mining industry had returned to positive growth in the first nine months of this year. At the same time, participants mentioned the quality of growth was not meeting existing potential. CIEM's former director Nguyen Dinh Cung, who is also a member of the Prime

Minister's Economic Advisory Group, warned: "In FDI investment, the number of projects increased by 26 percent but the amount of registered capital decreased by 14.5 percent." Thus, Cung doubted the quality of some FDI projects and whether they contributed to local development. To overcome challenges, a CIEM representative suggested continuing to reform macro-economic fundamentals, improving the business environment, and creating new drivers for development with more support for private businesses. In addition, CIEM asked the Government to monitor the exchange rate carefully, adding that the relevant agencies should pay more attention to credit quality not quantity. Based on the report, economists predicted GDP growth of 7.02 percent for this year and 6.72 percent for 2020.

Source : <https://english.vov.vn/economy/private-sector-main-driving-force-for-economic-growth-405492.vov>
