



Highlight News | November 14/2019



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Korea supporting development of interbank market



Cambodia News | 13 November, 2019

The National Bank of Cambodia and the Bank of Korea on Friday kicked off the final seminar on improving the local interbank market. The central banks are working together to boost Cambodia's interbank market using Korea's experience as a model. The cooperation is part of the 2019 NBC-BOK Knowledge Partnership Programme. This year, researchers from Seoul National University and the National Bank of Cambodia have performed an in-depth study on 'Interbank Market Development.' The aim is to provide recommendations to NBC regarding financial instruments, infrastructure, and platforms that can aid the development of the interbank market. "The programme represents a significant step in the development of the interbank market in Cambodia, which plays a key role in implementing monetary policy through the interest rate transmission channel," said Neav Chanthana, Deputy Governor of the National Bank of Cambodia. After thanking Korea for its help, Ms Chanthana explained the collaboration between BOK and NBC this year focuses on promoting the growth of the local interbank market and making it more efficient. "As we all know now, broader varieties of financial products and a linked interbank market promote better market functioning and better utilisation of resources in the banking system to reduce the cost of funding and achieve price stability," she said. NBC and BOK have been cooperating for many years on research programmes. This is the fourth

collaboration between the two central banks, following studies on modelling for macroeconomic analysis and inflation forecasting, empirical analysis on the relationship between the exchange rate and inflation, and macro-financial linkages. "With hindsight, I can say that these three joint researches have contributed towards enhancing NBC staff capacities in formulating monetary policy to achieve price stability as well as sustainable economic growth," she said. Kee Sun Jang, deputy director-general of the Knowledge Partnership Programme, pointed out that exchanges between NBC and BOK have steadily expanded since the signing of a memorandum of understanding on cooperation in 2017. As part of this agreement, a BOK staff has been assigned to NBC as an advisor. "As you know, this programme enables us to share our knowledge and experience regarding central bank functions and Korea's economic and financial development," Mr Sun Jang said. "I also hope that this project will help enhance NBC's capacity to analyse financial markets and contribute meaningfully to Cambodia's economic development going forward," he said.

Source : <https://www.khmertimeskh.com/50658938/korea-supporting-development-of-interbank-market/>

Smart Axiata awaits go ahead to launch 5G network



Cambodia News | 13 November, 2019

Smart Axiata is ready to roll out its 5G network and is waiting for the Ministry of Posts and Telecommunications to provide clarity on the way forward on this matter, which

includes the authorisation to launch 5G commercial services in the Kingdom, the head of the company said. Smart Axiata CEO Thomas Hundt told the Khmer Times that everything is set for the big launch but that they must first secure authorisation and a licence from the ministry. “We are engaging with the ministry very frequently. Talks are under way to see what is necessary from their perspective to obtain authorisation and necessary approvals for the associated spectrum,” Mr Hundt said. “Cambodia does not yet have a satellite in orbit which puts the country in a privileged position,” he said, explaining that having a satellite increases the amount of due process that must be carried out to release C-band spectrum for 5G mobile services, which is a problem other countries in the region are facing. “Because of this, 5G services could potentially be launched very soon, allowing Cambodia to become a 5G pioneer in Asean, Mr Hundt said. “I hope the due process will be expedited. We will certainly work together with the relevant stakeholders to make 5G in Cambodia a reality soon,” Mr Hundt said. He believes Smart and the ministry have the same desire to see the Kingdom become one of the first countries to launch the service in the region. To date, the ministry has yet to publicly release a timeline on when 5G may be available in the Kingdom. All three major mobile operators are already conducting trials, whereby Smart was the first telco in the country to showcase 5G live in July this year. “If we want to be the first in Asean, we need to get it done by the first quarter of 2020 or else we would have missed the train,” he said while explaining that Singapore has recently announced their plans, while Thailand and Vietnam are also racing to be the first. Mr Hundt touted the benefits that

the new service will bring to Cambodians but was also cautious. “5G will definitely unlock a lot more capacity that will allow consumers to enjoy high definition videos, online gaming, cloud gaming, e-sports and enable industrial and smart city applications to work smoothly, which is less possible with 4G.” he said. “While the prospects are abundant, we also have to be realistic. Opportunities will only roll out over time and not immediately. For us at Smart, we will continue investing massively to improve our existing 4.5G mobile broadband connectivity across the Kingdom while in parallel prepare for the next generation of 5G mobile networks,” he said. Mr Hundt noted that the rollout will require huge investment and new content as well as applications will need to be developed. And that manufacturers are already working to produce 5G compatible handsets at a lower price.

Source : <https://www.khmertimeskh.com/50658752/smart-axiata-awaits-go-ahead-to-launch-5g-network/>

Laos govt reviews conditions for import and sale of vehicles



Laos News / 13 November, 2019

VIENTIANE (Vientiane Times/ANN) - The government has instructed dealers who import and sell vehicles to present their documents to the Department of Import and Export of the Ministry of Industry and Commerce no later than November 29. If a company fails to present their documents they may lose their business licence and will not be allowed to import vehicles. The Ministry of Industry and Commerce has been assigned to monitor and collect statistics from

dealerships whose activities and standard of service is in doubt. Cross-border vehicle smuggling is a problem the customs sector has been seeking to resolve for many years. The government has instructed the relevant sectors to take stronger action to address illegal vehicle imports after learning that many vehicle owners have not paid taxes. The country has lost significant amounts of revenue from the illegal import of vehicles over many years. The Customs Department impounded more than 5,000 illegally imported vehicles in 2015-2016. In that fiscal year, customs officials planned to collect revenue of 2,426 billion but in practice they were able to collect only 1,828 billion kip, accounting for 75.3 percent of the target. If taxes had been paid on the more than 5,000 illegally imported vehicles, they would have generated 66 billion kip for the government. In 2017, the department stepped up its efforts to prevent illegal smuggling and tackle issues surrounding the large number of illegally imported vehicles, according to an official report. Some of these vehicles were destined for ministries, government departments and individuals, but were imported by dealerships which failed to follow the proper procedures, the Customs Department said.

Source : <http://annx.asianews.network/content/laos-govt-reviews-conditions-import-and-sale-vehicles-108114>

Laos, Cuba agree on cooperation in medical science



Laos News / 14 November, 2019

Laos and Cuba have agreed to promote cooperation in the fields of public health and medical science. An agreement was signed in Havana during foreign minister Saleumxay Kommasith's official visit to Cuba from November 11-12, in response to an invitation from his Cuban counterpart, Bruno Rodriguez Parrilla, according to Laos' Ministry of Foreign Affairs. The ministers signed two agreements comprising a cooperation agreement between the Lao and Cuban governments and a Memorandum of Understanding in the fields of public health and medical science between the two countries' health ministries. The visit was part of reciprocal exchanges by high-ranking delegations with the aim of further strengthening friendship, relations and cooperation between the parties, states and people of Laos and Cuba. During their meeting, the two foreign ministers exchanged views on their countries' socio-economic development and discussed ways to further strengthen the friendship, solidarity and cooperation between the two countries, especially between the foreign affairs ministries of Laos and Cuba. In addition, the two parties discussed regional and international issues of mutual interest. During the two-day visit, Mr Saleumxay and his delegation paid a courtesy visit to the President of the Republic of

Cuba, Miguel Diaz-Canel, and toured historical and cultural sites in Havana. This year, the Cuban government has provided scholarships for six Lao nationals to study at the Latin American School of Medicine in Havana, as well as law and agronomy, for the academic year 2019-2020. Cuba has granted several hundred scholarships to Lao nationals over the years with about 150 graduating from Cuban universities. They took degrees in medicine, law, economics, sports, engineering, architecture, veterinary science, and Spanish, amongst other specialities. Today there are 26 Lao students in Cuba, and the additional six will bring the total to 32.

Source : http://www.vientianetimes.org.la/freeContent/FreeConten_Laos.php

DHL scales up operations in Myanmar with new warehouse



Myanmar News | 13 November, 2019

DHL Supply Chain, one of the global market leaders for contract logistics solutions, announced the opening of its first multi-user warehouse in Myanmar, last week. The company has invested approximately K1.58 billion (€1 million) in the facility located in Dagon Seikkan Industrial Zone in Yangon, and is targeting to add more than 200 full-time employees to its team by 2021. “Our investment in Myanmar showcases our commitment to ensure that we are consistently offering the best

end-to-end logistics solutions to customers in the region, to help them capitalise on growth opportunities. Over the years, we have witnessed tremendous growth in Indo-China including Myanmar, and have scaled our offerings accordingly to meet our customers’ needs. Today, our customers can count on us to provide a full suite of integrated end-to-end supply chain solutions, pegged to the highest global standards of excellence,” said Kevin Burrell, CEO DHL Supply Chain, Thailand Cluster (Thailand, Vietnam, Myanmar and Cambodia). The warehouse caters to the needs of the expanding local customer base, mostly from the consumer and technology sectors. “Our experience and expertise in supply chain management globally combined with our deep understanding of the local business environment and its distinct culture provide the perfect platform for us to build intimate knowledge of our customers’ requirements and optimize our operations in Myanmar,” said Shisanupong Pitidhanyasawasdi, Country Manager, DHL Supply Chain Myanmar. DHL first entered Myanmar back in 1982 with its Express division and has expanded its portfolio to include the full range of logistics solutions, powered by its Supply Chain and Global Forwarding divisions. DHL Supply Chain

remains the only 100 per cent foreign-owned logistics company to have acquired an investment permit from the Myanmar Investment Commission. DHL is a global brand in the logistics industry and it offer logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management.

Source : <https://www.mmtimes.com/news/dhl-scales-operations-myanmar-new-warehouse.html>

South Korea reiterates commitment to investing in Myanmar



Myanmar News | 13 November, 2019

The Embassy of the Republic of Korea (ROK) has issued a statement reaffirming South Korea's commitment to investing in Myanmar. The statement issued last week reiterated that the embassy has not heard any official news of South Korean companies considering relocating from Myanmar to neighbouring countries. The statement was issued following the emergence of news reports in Bangladesh reporting that a South Korean developer of industrial zones active in Myanmar intends to do the same in Bangladesh, and that South Korean companies would be relocating there. The embassy's statement went on to say that it

has not heard of any South Korean company or factory operating in Myanmar considering relocation to neighboring countries. In added that, on the contrary, the embassy has been receiving an increasing number of inquiries about Myanmar from prospective South Korean investors. The Bangladeshi news reports last week claimed that South Korean businesses in Myanmar wanted to move to Bangladesh, based on statements by the Bangladesh Economic Zone Authority (BEZA) and Korea Industrial Complex Co Ltd (KIC). According to Bangladeshi papers, about 100 South Korean businesses in Myanmar wanted to move to Bangladesh due to shortcomings in industrial zones in Myanmar. "South Korean businesses in Myanmar will not be moving their operations to Bangladesh. There are no cases at all of South Korean investors returning MIC permits and moving out of Myanmar. In fact, interest among South Korean investors in Myanmar has been mounting," U Thant Sin Lwin, secretary of the Myanmar Investment Commission (MIC), said last week when approached for a response about the reports. At present there are already two industrial zones with South Korean participation in Myanmar: the Korea-Myanmar Industrial Zone established by the Myanmar and South Korean governments, and another set up by a private company, U Thant Sin Lwin said. The South Korean embassy in Myanmar said investment between the South Korea and

Myanmar has been steadily increasing and is expected to continue rising. In particular, the state visit by South Korea's President Moon Jae-in to Myanmar in September created significant momentum for further investment and trade between the two countries. Moreover, the upcoming ASEAN-ROK Commemorative Summit in Busan, South Korea will be another occasion to encourage South Korean entrepreneurs to give serious consideration to the many investment opportunities Myanmar can offer, the embassy said. Myanmar and South Korea inked a series of agreements on economic and infrastructure development during President Moon's visit to Myanmar in September, including an agreement for a US\$1 billion loan to Myanmar for economic development. South Korea is Myanmar's sixth-largest foreign investor and it has to-date invested US\$3.9 billion in 179 businesses in Myanmar, according to the Directorate of Investment and Company Administration (DICA).

Source : <https://www.mmtimes.com/news/south-korea-reiterates-commitment-investing-myanmar.html>

Rice export revenue suffers from price drop



Vietnam News | 13 November, 2019

Vietnam exported 5.56 million tonnes of rice and brought home 2.43 billion USD in the first 10 months

of 2019, up 6.1 percent in volume but down 9.1 percent in value over the same period last year, according to the Ministry of Agriculture and Rural Development (MARD). The Philippines was the largest market of Vietnamese rice with 35 percent of the market share. The country spent 733.8 million USD to purchase 1.89 million tonnes of rice from Vietnam in the first nine months of this year, 2.9 times higher in volume and 2.6 times in value over the same period last year. According to the ministry, downward rice prices, which sometimes hit the bottom in 12 years, were the major reason behind the fall in rice export revenue in the period. On the average, rice price in the first nine months of this year was 435.6 USD per tonne, a drop of 13.4 percent year on year. According to Tran Cong Thang, head of the Institute of Policy and Strategy for Agriculture and Rural Development, Vietnam has faced difficulties in exporting rice to China as the neighbouring country has seen high rice stockpile and looked to diversify its suppliers. In many years, Vietnam's rice export to China remained stable at 2 million tonnes per year with value of about 900 million USD. But since 2018, the figures dropped considerably. Due to stricter regulations on Vietnamese farm produce, only 20 Vietnamese firms have been qualified to export rice to China. Meanwhile, Vietnamese exporters have faced fiercer competition in the market where requests for rice

export permission from 40 Cambodian firms are being considered. Thang also noted that a lack of new contracts and decreasing demand of the Philippines have posed pressure on Vietnamese rice prices. At the same time, Indonesia has announced that it will prioritise Indian products, including basmati rice. Amidst the situation, Nguyen Quoc Toan, head of the Agro Processing and Market Development Authority (Agrotrade) asserted that it is necessary to remove obstacles in export to China, while promoting other markets such as the Philippines and African countries. The Import-Export Agency under the Ministry of Industry and Trade revealed that it has invited Chinese importers to Vietnam to seek partnership with their Vietnamese peers as part of rice trading promotion activities. MARD Minister Nguyen Xuan Cuong stressed the need to explore new markets, especially Africa and the ASEAN, and produce products to suit these markets. He said that 500,000 hectares of rice fields will be converted into aquatic and fruit farms. He also underlined the need to develop processing and enhance rice value chain.

Source : <https://english.vov.vn/economy/rice-export-revenue-suffers-from-price-drop-406119.vov>

Hanoi remains top FDI destination in 10 months



Vietnam News | 13 November, 2019

Hanoi continued to top the list of foreign direct investment destinations in Vietnam in the first 10 months of this year, raking in about 6.85 billion USD, most of which came in form of capital contributions and share purchase. The figure left Ho Chi Minh City, who ranked second with 4.96 billion USD, far behind. Of the FDI flow into Hanoi, 945 million USD was poured into new projects, while 578 million USD was added to existing ones and about 5.33 billion USD was injected by foreign investors via capital contributions and share purchase. Noteworthy projects in the period included the smart city project in Dong Anh district which costs more than 4.2 billion USD, invested by a joint venture between BRG Group and Sumitomo Corporation of Japan. Hong Kong's BeerCo Limited spent 3.85 billion USD on acquiring a stake in Vietnam Beverage Co., Ltd, a local unit of Thai Beverage Public Co., Ltd. Meanwhile, Japan's Meiko Electronics added 200 million USD to its facility. According to the municipal Department of Investment and Planning, the FDI capital flowed the most into property development, processing and manufacturing industry, trade and services, and telecommunications and information. In October, the capital city licenced 91 new FDI projects, worth 468 million USD, including 72 wholly

foreign invested and 19 associate and joint venture ones. The month also saw ground broken at the smart city project in Dong Anh district, the biggest FDI project in Vietnam so far. The 272-hectare project stretches across over 11km along both sides of the Nhat Tan – Noi Bai Road. It will be built in five phases, which are all scheduled to be operational by 2028, and will apply digital technologies including smart energy management, transportation systems, security management, classroom systems, economics and smart life. The highlight will be the 108-storey financial tower, with the investors saying it will become a financial hub for not only Vietnam, but also Southeast Asia. The Department of Investment and Planning said the FDI injection has been on a rise in Hanoi and was forecast to exceed 8 billion USD this year. The department's director Nguyen Manh Quyen noted Hanoi prioritised high-quality projects that produce value-added products and are competitive in pursuit of sustainable development. Prioritised sectors include IT services, biotechnology, education, tourism, healthcare and logistics, he said. Last year, Hanoi attracted 7.5 billion USD worth of FDI, the highest among the country's 63 provinces and cities, and more than twice as much as the 2017 figure. Eighty percent of the city's projects were wholly owned by foreign investors. The remaining were associate and joint venture businesses. Japan was Hanoi's largest

investor with total capital of 10.2 billion USD. The followers included Singapore (6 billion USD) and the Republic of Korea (5.5 billion USD).

Source : <https://english.vov.vn/economy/hanoi-remains-top-fdi-destination-in-10-months-406118.vov>
