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Malaysia's AirAsia looks to expand into the Kingdom



Cambodia News | 25 November, 2019

Acknowledging the potential that Cambodia holds in terms of air travel and tourism, budget airline AirAsia is eyeing to expand into Cambodia through partnership with a local player. The Nikkei Asian Review reported this week that Cambodia is among three countries in Asia where AirAsia is looking at having a local affiliate. The report also mentions Myanmar and China as the other countries where the Malaysia-headquartered budget carrier wants to expand. Tony Fernandes, AirAsia CEO and co-founder, said in the Nikkei Asian Review article that their repeated failure to establish a Vietnamese affiliate pushed them to look elsewhere in the region. AirAsia has tried three times to engage with a Vietnamese partner, but for various reasons, negotiations broke down or partnerships fell through. Among the major reasons Mr Fernandes cited for their failure to enter Vietnam is the failure to find the right partner and the presence of many airline companies. The latest failure came in April of this year when Air Asia Limited, the airline's wholly-owned subsidiary, amicably terminated its partnership with Gumin Company Limited and Hai Au Aviation Joint Stock Company. "We cannot find the right partner and now I think there are too many airlines there," he stressed. "I like Cambodia. We are now on the lookout for a Cambodian partner." AirAsia already flies to Cambodia, but unlike in Indonesia,

Thailand and other countries in Southeast Asia, currently does not have a local affiliate here. Cambodia's growing reputation as a tourism destination has led to many foreign carriers to look at expanding into this Kingdom of 16 million people. There are currently 49 airline companies that serve the Cambodian aviation market. While many of these are foreign carriers, there are also an increasing number of home-grown airlines, many of them set up with Chinese assistance, that have started operating out of Cambodian airports. Cambodia is the third-fastest tourism destination in Southeast Asia after Vietnam and Indonesia. In 2018, Cambodia received a total of 6.2 million visitors, with another 6.7 million expected by the end of this year. Cambodia's push to develop more ecotourism sites could lead to more foreign visitors coming to the Kingdom in the next few years. Cambodia is targeting 12 million foreign visitors by 2025.

Source: <https://www.khmertimeskh.com/50663646/malaysia-airasia-looks-to-expand-into-the-kingdom/>

Singapore Embassy proposes street art festival



Cambodia News | 25 November, 2019

The Ministry of Tourism and the Embassy of Singapore are considering organising a street art festival in Phnom Penh in February to mark the 55-year anniversary of diplomatic relations. The festival would also aim to promote the Kingdom's tourism industry. In a meeting last week with Tourism Minister Thong Khon, Michael Tan, Singapore's Ambassador

to Cambodia, said he is seeking the support of Cambodia's Ministry of Tourism and Ministry of Culture and Fine Arts to organise the event. "People would be able to attend performances by various artists and enjoy delicious food and drinks," Mr Tan said, adding that the event could also be held in Siem Reap, Sihanoukville, and Battambang if the first edition proves successful. The festival would give visitors the opportunity to witness the creation of large art projects while interacting with the artists, he said. Tourism Minister Thong Khon welcomed the initiative and said it is similar to a similar event the ministry is working on. "In some respects, this event would be similar to the Food Street Festival. Both would play an important role in helping us attract tourists from around the world," Mr Khon said. "I believe that the Street Art Festival will promote new tourist destinations in Cambodia and will help attract tourists," Mr Khon said. The ministry is currently organising the Food Street project which will bring together dozens of local food vendors in Kampot. The aim is to promote hygiene in the preparation of street treats and increase the number of international tourists.

Source:<https://www.khmertimeskh.com/50663743/singapore-embassy-proposes-street-art-festival/>

International food delivery service enters Lao market



Laos News | 25 November, 2019

VIENTIANE (Vientiane Times/ANN) - A food delivery service that was originally established in Singapore, foodpanda, is testing the waters in Laos in the belief there will be strong consumer interest. The CEO of foodpanda APAC, Mr Jakob Angele, said "We established foodpanda about seven years ago in Singapore and expanded our business to countries in the Asia-Pacific (APAC). Laos is the ninth country. Even though Laos is small it has an interesting eating tradition and we hope to go the extra mile to find the most dazzling dishes to share with our customers." A ceremony to mark the official start of foodpanda's operations in Laos took place in Vientiane on Friday after a two-week trial period. The event was attended by officials, Lao celebrities, and other invited guests. Fifty restaurants who have joined the foodpanda platform exhibited their foods and drinks for members of the public to buy and taste. "Foodpanda provides a user friendly platform that makes it easy for customers to enjoy good food anywhere they are," Mr Angele said. Foodpanda Managing Director, Laos, Ms Thanyalat Chaleunsouk, said "Foodpanda wants to change the way people see and experience food delivery by efficiently taking care of our customers' desire to receive food fresh and warm. Whatever our customers crave, we want to help and we will continue to evolve to serve our customers' needs." Currently, the application has

over 300 curated restaurants available in Vientiane and it is expected that about 50 more restaurant will join by the end of this year. The company plans to expand services to Luang Prabang and Champassak provinces in the near future. Foodpanda is a food order and delivery service offered through a mobile application available for both iOS and Android. The application allows customers to browse from a large variety of big chain and local restaurants to find the perfect meal with the optimum convenience. The application is available daily from 7am to 11pm.

Source:<http://annx.asianews.network/content/international-food-delivery-service-enters-lao-market-108915>

Mekong countries gather in Vientiane to drive community development agenda

 *Laos News | 25 November, 2019*

VIENTIANE (Vientiane Times/ANN) - Representatives of Mekong countries promoted mutual understanding and shared experiences and best practices at the Lancang-Mekong Seminar on Community-Driven Development held in Vientiane on Friday. The best practices are aimed at strengthening cooperation in the area of community-driven development as an effective form of rural development and poverty eradication. Deputy Minister of Agriculture and Forestry, Mr Thongphat Vonmany, World Bank Country Manager, Mr Nicola Pontara, ambassadors of Cambodia and Thailand,

along with representatives from regional countries, attended the seminar's opening ceremony. The meeting heard that Laos is in the process of drafting its 9th five-year National Socio-Economic Development Plan, striving to graduate from the status of Least Developed Country and moving forward to upper-middle-income ranking by 2030 accompanied by green and sustainable development. Mr Thongphat said the Lancang-Mekong Cooperation framework was a significant contribution to the well-being of all people and the prosperity of all countries in the region. "In Laos, community-driven development has been strongly encouraged by the government through various channels, particularly the Poverty Reduction Fund," he said. The Fund was established in 2002 and is the government's key initiative supported by the World Bank and its financing partners to eradicate mass poverty by 2020, he added. Community-driven development is not a project but the process of political and socio-economic change from the grassroots level. It is the implementation of the Party's "Three Builds" (Sam Sang) directive, namely building provinces as strategic units, districts as overall strengthened units, and villages as developed units. Mr Pontara said the seminar was an excellent opportunity for self-reflection and knowledge-sharing among key community-driven development implementers across the Southeast

Asia region. He noted that the Poverty Reduction Fund had played an essential role in helping to decrease poverty in Laos, particularly by increasing access to basic services such as improved water supply, primary education, health, roads, electricity, irrigation and other services. The seminar heard that the CDD approach complemented the large development projects carried out by the government and its development partners as well as private sector investment. With additional World Bank financing, the government is urging the Poverty Reduction Fund to use its community-driven development expertise to form groups of mothers to address high levels of child stunting through the production, consumption and preparation of healthy food for their young children. For the Sustainable Development Goals, poverty eradication remains the top priority for Laos. As of last year, the World Bank had 199 active community-driven development projects in 78 countries, with total financing of nearly US\$20 billion, 65 percent of which comes from the World Bank and the remainder from government financing (as in Laos), and other development partners.

Source: <http://annx.asianews.network/content/mekong-countries-gather-vientiane-drive-community-development-agenda-108912>

China seeks road, river route via Ayeyarwady for economic corridor



Myanmar News | 25 November, 2019

China is planning to build vital trade and logistics links with Myanmar along the Ayeyarwady River as part of the China-Myanmar Economic Corridor (CMEC) to bypass poor road infrastructure. Proposed by China in November 2017 as part of its global Belt and Road Initiative, the CMEC is expected to connect China's Yunnan Province with Mandalay in central Myanmar before branching southeast to Yangon and southwest to Rakhine. The Chinese have commenced feasibility studies on a road and river route linking Kunming to Mandalay and Yangon via the Ayeyarwady, said President of China Kunming South Asia & Southeast Asia International Logistics Research Institute Liu Jinxin during a forum in Yangon this month. He said that on the China side, railroads and bonded warehouses have already been constructed at Kunming Tenjun International Dry Port. On the Myanmar side though, Mr Liu said supporting infrastructure such as inland river ports and other facilities will be needed along the Ayeyarwady. Myanmar will need help constructing a port in Bhamo, the Kachin city located by the Ayeyarwady. "Currently, infrastructure along the Ayeyarwady River is still weak," Mr Liu said, adding that based on the conditions of the river, facilities like ports would be a challenge to build

without help. U Hla Oo, chair of the Cross-Border Trade Development Committee, said this is due to high silt levels in the river. “We will have trouble clearing the silt in a cost-effective and systematic way. The conservation work involved will be very expensive,” he said. Nevertheless, investors from Japan and Singapore have shown interest in port projects along the Ayeyarwady, which is the country’s largest river. In fact, river ports are slated for construction at Bhamaw, Mandalay, Pakokku, Magwe along the Ayeyarwady and Monywa and Kalaywa along the Chindwin River under the National Transport Master Plan 2015-35 drafted by the Japan International Cooperation Agency and Ministry of Transportation and Communication. “Bhamo has strong economic relations with China so the town has potential to become a port city. Mandalay has been designated as it is expected to receive larger volumes of containerised goods via the Mandalay-Kunming railroad. Pakokku is also a popular transit point for goods so it would be important to have a port there,” said U Win Khant, permanent secretary of the Ministry of Transportation and Communications. The focus on linking the CMEC via the Ayeyarwady comes in the wake of “serious congestion problems” and damage caused by armed clashes along the Mandalay –Muse and Lashio-Chinshwehaw highways, said Mr Liu. At present, construction of the Myanmar Mandalay

International Dry Port and Yangon International Dry Port has been completed and both facilities have commenced operations. Meanwhile, a land-river channel along Zhangfen-Bhamo-Mandalay-Yangon is also already in use to transport freight. Once all the facilities are in place, the route has the potential to handle over 20 million tonnes of freight per year, the authorities said.

Source: <https://www.mmtimes.com/news/china-seeks-road-river-route-ayeyarwady-economic-corridor.html>

China seeks road, river route via Ayeyarwady for economic corridor



Myanmar News | 25 November, 2019

Myanma Tourism Bank has announced that it will begin providing Union of Myanmar Travel Association members uncollateralised SMEs loans beginning this month. MTB announced the SMEs loans for UMTA members, who are primarily travel and tour companies, at an event in a hotel in Yangon yesterday. “We will release the loans within two week to a month if the applicants have provided the necessary documents for their application,” said MTB Deputy Managing Director Andrew Khant. While the loans are being initially offered to UMTA members, MTB will later on open them up to other tourism-sector businesses, Khant said. The interest rate for the uncollateralised loans is set at 13 percent a year and applicants are also required to take up

credit guarantee insurance (CGI) from Myanmar Insurance. The maximum amount for the loans is set at K20 million for applicants who show viable plan for the use of the funds. “As a tourism-related bank, we will focus on lending to this sector. But we also plan to offer financial support to other related sectors and businesses to add further support for the tourism industry,” said MRB Chair U Yan Win. However, some tourism-business owners say they are less than happy with the interest rate for the loans and the requirement to take up the credit guarantee insurance, which will raise the cost of the loan. “As a businessmen ,I think the rate for the loan is too high. But we face difficulties in getting loans with other bank so we welcome MTB’s efforts. Most small tour companies need some sort of financing,” said U Than Naing, the owner of a tourism business. According to Ministry of Hotels and Tourism statistics, there are roughly more than 2500 travel and tour companies in the country, but the majority are categorised as small and medium-sized enterprises. Meanwhile, UMTA has around 1000 members. MTB was one of five sector-specific banks granted a banking licence by the Central Bank of Myanmar (CBM) in 2017. It was founded by a public tourism company during U Thein Sein’s government. K2 billion was raised to start the bank so it could help boost the tourism sector. The bank aims to offer low interest rate loans to assist the tourism sector. At

present, there are a few large hotel, and travel and tour companies in Myanmar that are able to invest large amounts to finance their businesses. The bank is located on 347 Pyay Road, Kamayut township, Yangon.

Source: <https://www.mmtimes.com/news/bank-provide-tourism-association-members-no-collateral-loans.html>

Vietnam’s logistics sector faces labor shortage of 2 million people



Vietnam News | 25 November, 2019

The issue of labor shortage is becoming more severe as Vietnam is a member of ASEAN Economic Community (AEC) and is joining in a number of next generation free trade agreements. With annual growth rate of over 10% and contributing 5% to the country's GDP, Vietnam’s logistics sector is facing a labor shortage of around two million people, according to the Vietnam Logistics Association (VLA). Statistics showed Vietnam currently has 30,000 logistics companies, including 4,000 operating in cargo transportation domestically and internationally. Notably, the majority of logistics firms operating in Vietnam are of small and medium size. 89% of them are local, 10% are joint-ventures and 1% wholly foreign owned enterprises. The issue of labor shortage is becoming more severe as Vietnam is a member of the ASEAN Economic Community (AEC) and is joining a number of high-standard free trade agreements, VnEconomy reported. A survey

from the Ho Chi Minh City Institute for Development Studies (HIDS) revealed the Vietnamese workforce in the logistics sector is not only in short supply but also lacks the quality, particularly those assuming senior positions. Specifically, 53.5% enterprises lack staff with qualification and logistics knowledge; 30% have to retrain employees and only 6.7% are satisfied with the capacities of their employees. Another survey conducted by the Institute of Economics and Development (IED) under the National Economics University indicated up to 80.26% of employees in logistics firms are trained through day-to-day work; 23.6% took part in local training courses; 6.9% are trained by international experts and only 3.9% joined training courses abroad. The VLA predicted in the next three years, logistics firms in Vietnam would need 18,000 new employees and companies in other sectors would need over millions of employees with logistics knowledge. Tran Thanh Hai, deputy head of the Import – Export Department under the Ministry of Industry and Trade (MoIT), said the quality of workforce training in the logistics sector should be improved to meet international standards and remove the weaknesses of Vietnamese human resources in logistics, including the lack of discipline and teamwork capability. Hai suggested policy makers propose new teaching plans in the fields of logistics and supply chain in Vietnamese universities. According to Hai, in order to develop high quality human resources in logistics, it is essential to have a joint-effort from the government,

provinces/cities, logistics firms and vocational schools, while the government should continue to provide supporting policies for logistics. Le Quoc Tien, vice principal of Vietnam Maritime University, said to improve the quality of teaching staff in logistics, the contribution of foreign and local logistics experts is necessary, as well as close the collaboration with logistics firms in setting up training programs in logistics. Vietnam's logistics and warehousing market is expected to register a positive compound annual growth rate (CAGR) of 13.3% in the 2018-2022 period, reaching a revenue of US\$86.7 billion by 2022, according to Ken Research – a market research and consulting company based in India and the US.

Source: <https://english.vov.vn/economy/vietnams-logistics-sector-faces-labor-shortage-of-2-million-people-406638.vov>

Vietnam Railways to upgrade infrastructure



Vietnam News | 25 November, 2019

Vietnam Railways (VNR) plans to upgrade rail infrastructure to satisfy passenger demand by building 300 new carriages and purchasing more locomotives by 2023 to provide better services. Vu Anh Minh, Chairman of VNR's Member Council, said that outdated locomotives and carriages led to higher fuel consumption and maintenance costs. In accordance with the 2017 Railway Law, the lifespan of locomotives and carriages should not stretch beyond 40 years for passenger trains and 45 years

for cargo trains. This necessitated the purchase of new equipment, he said. Of the 257 locomotives in operation, 115 locomotives had been in use for less than 20 years; 18 for 20-30 years; 89 for 30-40 years; and 45 for more than 40 years. About 667 carriages of the 1,008 in use were less than 30 years old, while 103 had been in operation for 35-40 years and 163 for 40 years or more. According to Minh, the VNR had been working with foreign partners on an investment solution for the plan. "The partner will build the trains and offer them to the VNR on a lease-purchase agreement." In the meantime, the cost of building carriages would be cut by 10 percent, Minh said. For example, it costs about 300 billion VND (12.9 million USD) to build a carriage and 40 billion VND for lifetime maintenance. The VNR would have to spend 300 billion VND instead of 340 billion VND without taking out loans. "We expect 50 new trains to go into operation in the next 3-5 years," he said. Minh also said the VNR would ask its partner to form a joint venture with Gia Lam Train Company or Di An Train Company to lower the cost of building trains, while ensuring domestic workers, machines and materials were utilised. Along with the new carriages, the VNR would upgrade old ones to save money.

Source: <https://english.vov.vn/economy/vietnam-railways-to-upgrade-infrastructure-406655.vov>
