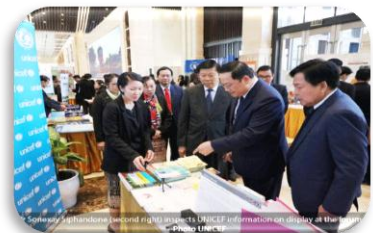


Highlight News December 11/2019



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## Poipet industrial park begins operations



*Cambodia News | 10 December, 2019*

Poipet PP Special Economic Zone (Poipet PPSEZ) yesterday announced it is officially beginning operations. Poipet PPSEZ – located about eight kilometres east of Poipet City in Banteay Meanchey province on the border with Thailand – is owned by Phnom Penh SEZ Plc and boasts access to the border crossing. Also yesterday, Sumitronics Manufacturing (Cambodia) Co Ltd, a subsidiary of Japanese electronics manufacturer Sumitronics Corporation, held the official launch of its operations in the Kingdom. The firm has set up inside Poipet PPSEZ after reaching a land leasing deal in April 2018. Presiding over Sumitronics' launching ceremony, Sok Chenda Sophea, secretary-general of the Council for the Development of Cambodia (CDC), said the firm's investment reflects the confidence of the private sector in the government. The firm will significantly contribute to the development of the industrial sector in Cambodia, he added. "This investment will generate jobs for locals and it is in line with the 2015-2025 Industrial Development Policy," he was quoted as saying in a CDC statement released yesterday. Newly appointed Japanese ambassador Masahiro Mikami said Sumitronics' facilities contribute to the 'Thailand-Plus-One' strategy. 'Thailand-Plus-One' refers to a business model in which Japanese firms maximize revenue by expanding their existing

supply chain network in Thailand towards Cambodia, Laos, and Myanmar. The Toyota Group is a good example of the strategy, as it is shifting labor-intensive auto parts manufacturing to these countries. Mr Mikami said Cambodia has become an attractive destination for Japanese investors due to its fast economic growth, investor-friendly environment, and strategic location. Hiroshi Uematsu, director of Phnom Penh SEZ Plc, told Khmer Times that Poipet – with its strategic location, geographical connectivity, and abundant young labour force – is becoming a regional hotspot for industrial development in Asean, especially under the 'Thailand-Plus-One' strategy. "The Royal Government of Cambodia has put a lot of effort into infrastructure development to stimulate cross-border business activities, such as new international border gate development, railway rehabilitation, and road expansion," he said. According to the company, Poipet PPSEZ occupies 65.7 hectares of land and targets companies in the manufacturing sector, particularly auto parts, electronics, garments, packaging, and plastics. Strategically located with direct access to National Road 5, Poipet PPSEZ is an important hub along the Hoh Chi Minh – Phnom Penh – Siem Reap – Bangkok route, the company said. The SEZ is about 250 km away from the deep-sea port in Laem Chabang, Thailand. According to CDC's report, the Kingdom has 23 active special economic zones, which together are home to 490 factories and 130,000 jobs. Poipet now has three active SEZs with a total of 17 factories and 7,500

jobs. Eight of those factories belong to Japanese companies.

Source: <https://www.khmertimeskh.com>

[/50668493/poipet-industrial-park-begins-operations/](https://www.khmertimeskh.com/50668493/poipet-industrial-park-begins-operations/)

## Cambodia seeks more Japan direct flights



*Cambodia News | 10 December, 2019*

Aiming to boost tourist arrivals from Japan, a senior government official last week called for more direct flights between Cambodia and the East Asian country. Thong Khon, the Minister of Tourism, urged investors to establish more direct flights connecting cities in Japan to Phnom Penh and Siem Reap, home of the Unesco-listed Angkor Archaeological Complex, the country's top tourist draw. Minister Khon was speaking during the '3rd Japan Travel Fair' held in Phnom Penh on Saturday. The event sought to strengthen tourism cooperation between the nations. "Japan continues to be a significant source of tourists for Cambodia, ranking seventh in terms of its importance to the local tourism industry," he said. During the first nine months of the year, the Kingdom welcomed nearly 150,000 tourists from Japan, a 3 percent hike compared to the corresponding period last year, according to ministry data. Meanwhile, 20,000 Cambodians visited Japan in the whole of 2018. "As more and more Japanese tourists visit Cambodia, we need to increase our understanding of the Japanese tourism market and learn to cater to Japanese tourists," Mr Khon said, adding that Japanese tourists favour

cultural sites, green spaces and orderly societies. He stressed that the government has been working to develop existing tourism destinations in the county, including Siem Reap, Kep, and ecotourism sites in Monduliri province. He said his ministry is encouraging new investments in tourism products and services. In 2016, Japanese-based All Nippon Airways (ANA) launched a direct flight between Tokyo's Narita International Airport and Phnom Penh International Airport. The flight was hailed by Minister Khon as an important element in boosting the number of Japanese tourists to Cambodia. Luu Meng, president of the Cambodia Tourism Federation, said recently that the ANA route between Tokyo and Phnom Penh continues to play a key role in increasing the number of tourists travelling from one nation to the other. "Before this direct fly, Cambodians had to go through Vietnam, South Korea, Shanghai, or Bangkok to reach Japan. It would be much better if soon there is a direct connection with Osaka," he said. The ministry expects at least 230,000 Japanese tourists will have visited the Kingdom by the end of the year. The ministry's goal is to attract more than 300,000 Japanese tourists a year by 2020. China continues to dominate the Kingdom's tourism market, accounting for the largest number of tourists. However, the Ministry of Tourism has announced its commitment to diversify the market. From January to September, Cambodia attracted 1.8 million Chinese tourists, an increase of 29.4 percent compared to the same period last year. The ministry aims to welcome

3 million Chinese tourists a year by 2020, 5 million by 2025, and 8 million by 2030. “China continues to be the top market for Cambodia’s tourism industry but that does not mean we target only Chinese tourists – we also target Japanese, Koreans and others. Japan is in the top ten when it comes to tourist arrivals by nationality,” ministry spokesperson Top Sopheak told Khmer Times last week.

Source : <https://www.khmertimeskh.com/50668681/cambodia-seeks-more-japan-direct-flights/>

## Public, private sectors address Japanese business constraints in Laos



*Laos News | 11 December, 2019*

Representatives of the public and private sectors from Laos and Japan met in Vientiane on Monday to discuss addressing constraints for Japanese firms doing business in Laos. They met for the 13th annual meeting of the Lao-Japan Public and Private Sectors Joint Dialogue (Lao-Japan PPSJD), aiming to boost investment from the land of the rising sun. The vital dialogue was co-organised by the Embassy of Japan in Laos and the Ministry of Planning and Investment in cooperation with Japanese Chamber of Commerce and Industry in Vientiane, Japan External Trade Organisation in Vientiane, Japan International Cooperation Agency Laos Office, and Japan Bank for International Cooperation in Bangkok. The dialogue is a mechanism where Japanese and Lao public-private sectors directly discuss issues, which Japanese companies face in

Laos. It aims to improve the investment climate and attract more Japanese investors to Laos by finding specific solutions for each issue. In his opening remarks, Deputy Prime Minister and Minister of Planning and Investment, Dr Sonexay Siphandone thanked the embassy, Japanese organisations, and other sectors for supporting the previous 12 meetings. He highly valued the cooperation of the Japanese government, organisations, and the private sector for their continued support to Laos. “From the previous dialogues it has helped the government of Laos to understand the problems and interests of Japan, and many issues have been addressed,” he said. According to Dr Sonexay, improvements included investment authorisation for general businesses and concessions, broadening of wholesale and retail joint ventures, enhancing local labour supply, foreign representative office management, and import tax policy. The Lao government has issued a decision on the establishment and management of representative offices of foreign legal entities, with many related issues addressed, and there has been a more favourable determination of tax regulations. “As the result of the improvements, Japanese investment in Laos has been growing,” the DPM said. Japanese firms have 90 investment projects in Laos valued at US\$203 million. Of these, 32 are joint ventures valued at US\$93.5 million with the remaining projects being fully direct investments from Japan. Japanese companies have been actively investing in Laos; many in the manufacturing sector, with the current

number of firms having now increased to 163. Investment in Laos from Japan has contributed to employment creation and the sharing of production technology and management know-how, resulting in the growth of the Lao economy and the nation's development. Speaking at the meeting's opening ceremony, Japanese Ambassador to Laos, Mr Keizo Takewaka noted Japan's intention for technology transfer to Laos through the investments. He spoke about Laos concluding the implementation of the eighth National Socio-Economic Development Plan (NSEDP), entering the next NSEDP, and making efforts to realise highly effective production. To support these efforts, the Japanese government will encourage more Japanese companies to invest in Laos in diverse sectors, according to the ambassador. Through the dialogue, unresolved issues will continue to be discussed in the existing working group, while new working groups may be established to discuss matters arising in cooperation with the Lao government.

Source : [http://www.vientianetimes.org.la/freeContent/FreeConten\\_Laos262.php](http://www.vientianetimes.org.la/freeContent/FreeConten_Laos262.php)

## DPM urges ongoing investment in nutrition



*Laos News | 11 December, 2019*

Laos will continue to promote investment in nutrition at the local level to create communities that can sustainably produce and have access to nutritious food. Although the malnutrition situation has improved, investing in nutrition for local communities

is still playing a critical role to meet the criteria for Laos graduating from least developed country status. Deputy Prime Minister, Minister of Planning and Investment, Dr Sonexay Siphandone gave the advice at the official closing ceremony of the fifth annual National Nutrition Forum and the National Nutrition Committee meeting in Vientiane yesterday. Minister of Health, Assoc. Prof. Dr Bounkong Syhavong, along with other officials from involved sectors and partner organisations attended the event. While the Lao Social Indicator Survey (LSIS-II, 2017) reported stunting has decreased from 44 percent in LSIS-I to 33 percent, significant disparities remain across the 18 provinces because some nutrition projects still lack support. Dr Sonexay said the financing of the National Nutrition Strategy still relied heavily on external finance from development partners and despite the positive downward trend, significant disparities remained across the 18 provinces. "We call for the gradually increased government financing for nutrition as a sustainable response to nutrition challenges. Development Partners financing should complement, and not substitute, government financing on nutrition," he said. "We know that a constraining factor for policymakers has been the difficulties they face in tracking public spending in nutrition, both at national and provincial levels for your contribution in improving the nutrition situation of our people," he added. Ambassador of the European Union to Laos, Mr Leo Faber said the National Plan of Action on Nutrition had been costed

in great detail; and the absence of a functional classification of the budget has prevented the compilation of comprehensive budget execution data in support of the National Plan of Action on Nutrition. He said the theme of this year's Nutrition Forum was 'Investing in nutrition for human capital development, growth and prosperity'. The importance of increased investments for nutrition across sectors, particularly by government, for the development of a productive and prosperous society was stressed by multiple speakers and is key for the Lao Government to meet its goal of graduating from least developed country status and fulfil its pledges under the Convention on the Rights of the Child. UNICEF representative, Mr Octavian Bivol said "Today marks another important milestone in our continuing path towards eliminating all forms of malnutrition in Laos." He said much of the discussion focused on what investments in nutrition meant for building human capital at which children and young people are the core. Participants showed their commitment to improving the implementation of the nutrition programme in Laos with the endorsement of an outcome statement which highlighted the need to increase public financing for nutrition.

Source : [http://www.vientianetimes.org.la/freeContent/FreeContenten\\_DPM267.php](http://www.vientianetimes.org.la/freeContent/FreeContenten_DPM267.php)

## Government sets sights on curbing illegal trade



*Myanmar News | 10 December, 2019*

The government will increase its focus on the eradication of illicit trade by drawing up better strategies officials say. This was revealed during a meeting of the Private-Sector Development Committee led by Vice President U Myint Swe and representatives of the private sector on December 8. The Private-Sector Development Committee was formed in 2016 and to help solve the challenges faced by the private sector through better coordination between government ministries, state and regional governments, and the business sector. Vice President U Myint Swe said at the meeting that illegal trade through border areas has serious impacts on local small and medium businesses, and urged efforts to combat the problem be stepped up. As part of the efforts, the government has formed the Illegal Trade Eradication Steering Committee, which will focus on promoting cooperation between state-level government departments on key focus areas and strategies to curb the issue. The Economist Intelligence Unit stated that Myanmar ranked the lowest on its Global Illicit Trade Environment Index in 2018. The steering committee will focus on strict control of illegal trade, boosting local micro, small and medium businesses, better collection of state revenue, prevention of bribery, and ensuring fair

trade practices, U Myint Swe, said. A study by the European Chamber of Commerce on illicit trade in Myanmar released in September reported that, based on foreign customs data from Thailand, China, India and other countries, a total of US\$25.12 billion worth of goods were exported to Myanmar last year. Meanwhile, Myanmar recorded official imports of US\$18.68 billion for the same period, indicating that the volume of illegal trade might be as high as US\$6.44 billion. According to Myanmar official import data, foreign customs data and survey findings, the total illicit trade value of six selected consumer goods was US\$2.37 billion out of US\$6.44 billion in total. Most illicit trade is believed to involve smuggling through border trade routes. Customs and other government authorities seized smuggled products at ports, airports and borders worth nearly K34.2 billion (US\$25.14 million) last year, equivalent to just 0.4 percent of illicit trade volumes. The main driver of illegal trade is profit from evading taxes. Another cause is the restriction on the legal imports on certain goods, according to the European Chamber of Commerce report. The Private Sector Development Committee has formed special units to curb illegal imports in nine states and regions. These units prevented 1,065 attempts to smuggle goods worth a total of K15.645 billion from September 2018 to October 2019.

Source: <https://www.mmtimes.com/news/government-sets-sights-curbing-illegal-trade.html>

10/12/2562

## 76 million dollars fresh water supply project under way in Myeik



*Myanmar News | 10 December, 2019*

Myeik Public Corporation Company will implement a \$76 million fresh water supply project in Myeik Township in cooperation with a Thai company, according to an investment forum held in Myeik on November 7 and 8. Aung Chain, Associate Managing Director of Myeik Public Corporation Company said, "The company signed a MoU with the regional government on October 31, 2019. Now the feasibility studies are underway in Taninthayi and Myeik Townships. The main purpose of the project is because Myeik township has to rely mainly on tube wells. Underground water may run dry in the long term. Even now the water from tube wells is salty. The project aims to enable the people to access healthy water. The report on feasibility studies will be submitted to the regional government within one year. Two fresh water sources are chosen from Taninthayi River. We will pump the river water from Mawtone and Tonebyaw villages. Water will be sent to Ingamaw village in Myeik Township where the water purifying plant is located. Purified water will then be supplied to Myeik via hilly Shwekadu village. We are working to search for the available water

sources near Myeik.” Myeik Public Corporation Company will jointly implement it with Bright Blue Water Company from Thailand. “When the project achieves success, we can supply water to new fish and prawn processing factories and ice freeing plants. We can supply water to more than 1,000 fishing boats in Myeik. Thanks to the project, the people in Myeik can use water at a cheaper price. According to the rough calculation, the project will cost 2,300 million Bahts (estimated 76 million US dollars). The water supply will start within one year, he added. Now, fresh water price per unit is Ks 1,300 in Myeik.

Source: <https://elevenmyanmar.com/news/76-million-dollars-fresh-water-supply-project-under-way-in-myeik>

## Foreign investment increases in wood processing industry



*Vietnam News | 10 December, 2019*

HCM CITY — Foreign direct investment in the wood processing industry has increased rapidly, especially since 2018, the Viet Nam Timber and Forest Product Association has said. In the first nine months of the year foreign investors had registered to invest the same amount as in the whole of 2018, it quoted the Ministry of Planning and Investment's Foreign Investment Agency as saying. A report on foreign direct investment in the wood processing industry by Tô Xuân Phuc of Forest Trends, Cao Thi cam of VIFORES, and Tran Le Huy of Forest Product Association of Binh Dinh showed that FDI projects

have been and would continue to be an integral part of the wood processing industry. “Last year 529 foreign enterprises were directly involved in exports worth nearly US\$3.96 billion, or 46.7 per cent of the industry’s exports. “In the first nine months of 2019, the number of foreign enterprises directly participating in exports increased to 565, with their exports being worth nearly \$3.4 billion. “[Besides], many other foreign enterprises are now providing materials to processing enterprises and providing logistics services and other types of services.” Low labour costs, easy access to raw materials, favourable infrastructure, and preferential tariffs due to free trade agreements the country has signed are among factors that make the industry attractive to foreign investors, it said. The US-China trade war could create new opportunities for foreign investment in the industry, it added. Dien Quang Hiep, chairman of the Binh Duong Furniture Association, said foreign investment in the industry, especially in the context of the trade war, is also causing concern, especially about origin fraud. In addition to the Government’s efforts, the industry association must also proactively detect origin frauds to notify authorities, he said. In addition to encouraging foreign investment in the wood processing industry, there should also be policies to encourage the development of local companies, he added. Cao Chi Cong, deputy director general of the Viet Nam Administration of Forestry, said wood and forest product exports are expected to meet the Government’s target of \$11 billion this year.



“Vietnamese wood products are available in over 120 countries and territories. The country is the largest exporter in Southeast Asia, second largest in Asia and fifth largest in the world. This is a very proud achievement.” — VNS

Source : <https://vietnamnews.vn/economy/569605/foreign-investment-increases-in-wood-processing-industry.html#d7SY8bmUk5U1KudL.97>

## Ha Noi attracts highest FDI in 11 months



*Vietnam News | 10 December, 2019*

HA NOI - Ha Noi attracted the most foreign direct investment (FDI) in Viet Nam during the first 11 months of this year with US\$7 billion, accounting for nearly a quarter of the total, according to the Ha Noi Department of Planning and Investment. This figure was higher than the \$6.3 billion registered in the same period last year. Total registered investment capital for new projects and additions to existing projects reached about \$2.1 billion, including \$1.6 million for 788 new projects and \$580 million for 160 existing projects. During the 11 months, foreign investors poured \$5.3 billion into Ha Noi through capital contributions and share purchases. Foreign investors have chosen Ha Noi thanks to its good infrastructure, completed industrial zones and convenient transportation. The capital is one of the centres of economy, industry, trade and services and the population is rising sharply, creating a huge demand for housing. Unsurprisingly, the largest

recipients of FDI include real estate, manufacturing and processing, commercial services, and information and communications, according to the department. The largest foreign investors in Ha Noi are Japan, Singapore and South Korea. This year, the city is looking to attract over \$7.5 billion in FDI, but many experts predict it will surpass \$8 billion. Ha Noi is planning to attract more FDI associated with sustainable development, while prioritising quality projects as well as value-added and highly competitive products. The city is continuing to improve the investment environment, promote start-ups, improve the provincial competitiveness index and simplify administrative procedures. During Prime Minister Nguyen Xuan Phuc's recent visit to South Korea, the leader of the Ha Noi People's Committee Nguyen Duc Chung signed a memorandum of understanding with South Korean firms to invest \$4 billion in Ha Noi. By 2025, Ha Noi will need investment capital of about VND 3 quadrillion (\$130 billion) for development. The city's budget can only meet about 20 per cent of the demand, so it will need to find a way of attracting the remaining. According to the Department of Planning and Investment, in November, the city welcomed 60 new FDI projects with total registered capital of \$600 million, including 52 wholly-foreign invested projects and eight joint venture projects. Besides that, eight projects registered to increase their investment

capital by \$6.7 million in total while foreign investors poured \$72.9 million into the city through capital contributions and share purchases. VNS

Source : <https://vietnamnews.vn/economy/569661/ha-noi-attracts-highest-fdi-in-11-months.html#PcSlgw4fY54QgWt6.97>