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Registered vehicles increase 13 percent in one year



Cambodia News | 09 January, 2020

Registered vehicles have risen 13 percent in one year because of rapid economic expansion and rising incomes, according to the annual report from the Ministry of Public Works and Transport. The Ministry's report puts the number of newly registered vehicles this year at 640,183 in total. Consisting of 15,956 heavy vehicles, 92,958 cars and 531,269 motorbikes. Chhoun Voun, director-general of the Ministry's General Department of Land Transport, told Khmer Times that the increase of registered vehicles is from the economic growth, rising income of the people, and full peace in the country. This has meant that people want to travel and they can purchase vehicles. Voun stressed that from 1990 until today, there have been more 5 million registered in the Kingdom. He said that it has increased by more than 300,000 to 400,000 vehicles year on year. Of which, motorbikes share 40 percent. "For the unregistered and illegal vehicles, the Ministry of Public Works and Transport cooperate with the Ministry of Interior and Police to not run those cars on the road without a number plate, we have achieved it, however, for new cars they have compliance with the law," Voun added. Tan Chong Motor Cambodia, the only distributor of Nissan vehicles in Cambodia, has enjoyed remarkable growth in recent years because of the importation of new cars, according to Hout Kimmeng, senior country manager of Tan Chong Motor Cambodia. He told Khmer Times that the company supplies the

local market with a wide range of models from Japanese carmaker Nissan, including Navara, Pickup, Terra and the 15-seat Urvan, according to Mr Kimmeng, who pointed out that the pickup is the most popular model here. "The pickup is in high demand here as it is a very versatile vehicle," he said. He said the company's imports of new cars is on the rise. Every year, its import activity grows by 15 to 20 percent. "Sales are growing every year," he said. Un Kanha, General Manager of Mazda, told Khmer Times that her company is seeing a surge in sales of new cars in 2019. She said that the sales increased 145 percent to nearly 4,000 cars in 2019. Kanha added that currently, customers are aware of the use of a new car, while the price of used cars is increasing, so customers are moving to purchase these new cars. Also, banks have provided loans that are fast and at affordable interest rates. Based on these factors our company has seen considerable sales growth. Kanha said that she is deeply worried about the unregistered and unlicensed vehicles being sold in Cambodia because they impact new cars and result in a price that is lower than the authorised dealership. "What can help our customers to facilitate vehicles with 3 years of guarantee and 2 years of free maintenance," Kanha added. Sun Chanthol, Minister of Public Works and Transports, said that to continue to provide services to the people, the government will issue the sub-decree number 73 that allows the current owner to keep their old number plate when they sell their cars, so they can use those number plates with their new car. "Currently, there is no sub-decree. So, when they sell a car, they will

sell the number plate with, so we are now preparing the draft sub-decree to the chairman of the National Road Safety Committee for checking with all members of the committee, and to Prime Minister Hun Sen. The premiere signed this draft sub-decree on June 3, 2019," Sun added. "After having the Prime Minister's approval of the sub-decree, the Ministry of Public Works together with the Ministry of Economy and Finance, and the anti-corruption unit will establish the Inter-Ministry's commission to manage and study how various countries sell special and personalised number plates," he added. Speaking at a graduation ceremony in Phnom Penh last month, Prime Minister Hun Sen said government revenue from tax collection is growing rapidly because of rising incomes and the country's economic development. "In the past, car and motorcycles accounted for only 33 percent of total income from customs and excise but this year that figure has risen to 52 percent. This is because more and more Cambodians can now afford to buy a car," Mr Hun Sen said.

Source : <https://www.khmertimeskh.com/50677837/registered-vehicles-increase-13-percent-in-one-year>

Solid growth in nation's ports



Cambodia News | 09 January, 2020

Cambodian ports saw solid growth in both container and tonnage traffic in 2019, as the Government expanded the port's capacity for increasing imports and exports. The number of containers handled in the Sihanoukville Autonomous Port (SAP) the country's only deep-sea port.

Increased by 17 percent, to 633,099 TEUs (20-foot equivalent units) from 2018 to 2019, according to a report by the Ministry of Public Works and Transport. Phnom Penh Autonomous Port (PPAP) also saw a strong growth of 29 percent, handling a total of 275,000 TEUs, over the same period. By tonnage, the SAP handled 6.533 million tons and PPAP handled 3.810 million tons with resulting in a remarkable growth of 22 percent in combined growth over the 2018 to 2019 period. In 2019 the total tonnage handled via PPAP, 1.740 million tons were from oil imports and 2.070 million tons were from goods and products. The report stated that of the total tonnage, 5.183 million tons were exported from SAP while 1.350 million tons were imported. Meanwhile, exporting goods via PPAP was at 1.345 million tons while importing was at 724,500 tons. With the growth of container traffic via these ports, facilities including dockyards, container yards and roads to the ports are being built and expanded, Minister of Public Works and Transport, Sun Chanthol said, during as he presided over the Ministry's annual meeting to review works in 2019 and set objectives for 2020. "Sihanoukville Autonomous Port and Phnom Penh Autonomous Port are both growing...we are now planning and building new facilities. In Sihanoukville Autonomous Port we are building a deep port for containers and it is expected to finish in 2022 or 2023 to handle big ships that dock off at the port," Mr Chanthol said. The ministry is in the stage of conducting a study to expand the port complex in PPAP because current capacity is already full, Mr Chanthol said. "Expanding ports and roads are because of more traffic from vehicles and more ships docking off the ports that keep

increasing...and this is because of the country's economy continues to grow," Mr Chanthol said. Sihanoukville Autonomous Port is located in Preah Sihanouk province, some 240 km south of Phnom Penh and Phnom Penh Autonomous Port is laid down along the Mekong River bank in Kandal province's Kean Svay district, some 30 km east of Phnom Penh. Gross income during the period for SAP's was reported at \$80.9 million, up 17 percent and PPAP's income increased by 35 percent to \$30.2 million.

Source : <https://www.khmertimeskh.com/50677964/solid-growth-in-nations-ports>

Govt imposes new regulations on growing vehicle industry



Laos News / 09 January, 2020

The government has promulgated a new prime ministerial decree, which aims to more effectively administer the growing number of businesses involved in the import, sale and assembly of vehicles in Laos. The Ministry of Industry and Commerce on January 3 posted the decree at <https://www.laotradeportal.gov.la/>, a government website that provides business operators with useful trading information. Under the new decree, which Prime Minister Thongloun Sisoulith endorsed on December 27, the government makes it clear that the import and export of vehicles, dealerships, and assembly plants are different types of business. In this regard, a company that wants to operate all three types of business must obtain three operating licences from the commerce ministry. In the past,

some companies used a single business licence to both import and sell vehicles. According to the decree, a firm which obtains a licence to import and export cars may operate only on a wholesale basis while a firm which has a vehicle sales business licence can operate both wholesale and retail businesses. A firm which has a vehicle assembly licence is only authorised to import parts and assemble them and sell the finished products to customers on a wholesale basis. If this firm wishes to engage in vehicle retail sales, it must also obtain a licence to operate such a dealership. One of the main requirements that companies must fulfill under the decree is that a business wishing to acquire a licence to import and export vehicles must have registered capital of at least 4 billion kip for three-wheel vehicles and 5 billion kip for four-wheel vehicles. A business that wishes to acquire a car distribution business is required to have registered capital of at least 1 billion kip for the sale of three-wheel cars and 5 billion kip for four-wheel vehicles. Companies that were given a business operating licence before the decree came into effect have one year to adjust their business operations to meet the requirements of the new decree. Applications for a vehicle business operation licence can be submitted to the Ministry of Industry and Commerce. The licence registrar must issue the licence within 15 days after receiving all the necessary documents.

Policy makers say the main objective of the prime minister's decree is to enable state agencies to effectively administer vehicle businesses, which have been growing rapidly in recent years. The effective administration of vehicle businesses is aimed at limiting the number of operations that sell low quality vehicles, as these are harmful to the environment. The government's policy is to encourage the sale of vehicles that are environmentally friendly, such as electric vehicles. In addition, the government wants to encourage Lao companies to operate vehicle assembly plants through tax incentives, according to the prime minister's decree.

Source : http://www.vientianetimes.org.la/freeContent/FreeConten_Govt06.php

Kip exchange rate fluctuating due to growth in imports



Laos News | 09 January, 2020

The value of the Kip when exchanged for other currencies at commercial banks in Laos has gradually decreased, with the Bank of the Lao PDR issuing a neutral rate of 8,864 kip per US dollar as of January 8. The rate of exchange of the kip against the US dollar and Thai baht has been fluctuating over past months with several factors at play, including higher demand for imported consumer goods. As of January 7, the buying price of kip at the Banque pour

le Commerce Extérieur Lao Public (BCEL) was 8,865 kip per US dollar, while the selling rate was 8,883 kip. On Wednesday, the buying rate rose from 8,865 kip per US dollar to 8,868 kip and the selling rate was up from 8,883.00 kip per US dollar to 8,886 kip. The official rate of 8,864 kip per US dollar was issued by BOL's Monetary Policy Department on Wednesday as a reference or guideline for other banks and money exchange units in Laos. Speaking at a recent meeting of the planning and finance sectors, BOL's Governor Mr Sonexay Sithphaxay said the differences in the exchange rate between the official and market rates was because of the increased demand for imported consumer goods. In 2019, BOL initially set the amount by which the neutral and market rates should not differ at 2 percent, but after the first 11 months the difference was recorded at 3.3 percent. Mr Sonexay said that this year the central bank will attempt to keep the difference between the neutral and market exchange rates below 5 percent so that the kip does not fall below 8,800 to the US dollar. But this will be subject to changes in the economy. "Coordination within the government and other concerned parties is needed to seek solutions together on how to reduce the amount of imports and increase exports to balance the trade deficit," he said. Mr Sonexay also said the

central bank will continue to work with the Ministry of Planning and Investment to seek ways to address the overseas payment process for investment projects undertaken in Laos, which is currently hindering the inflow of foreign currencies. The recent meeting was co-organised by the Ministry of Planning and Investment and the Ministry of Finance. It was co-chaired by the Deputy Prime Minister and Minister of Planning and Investment, Dr Sonexay Siphandone, and the Deputy Prime Minister and Minister of Finance, Mr Somdy Duangdy.

Source : <http://annx.asianews.network/content/kip-exchange-rate-fluctuating-due-growth-imports-111708>

Myanmar, Thailand agree on cross border transfers



Myanmar News | 09 January, 2020

Two private banks, Ayeyarwady Bank (AYA Bank) in Myanmar and Thailand's Siam Commercial Bank (SCB) have signed a memorandum of understanding (MOU) to collaborate in the development of cross border payments and fund transfer services between the two countries. This cements an October 2019 agreement between the Central Bank of Myanmar and the Bank of Thailand to promote the official use of the Myanmar kyat and Thai

baht when trading at the border. The Central Banks also inked a second MOU to promote financial innovation and services for payments through collaboration between the two countries. "We hope to start the work within the year," U Hpone Thet Oo, vice president of Financial Institutions and Corporate Banking for AYA Bank, told Myanmar Times. Even though trading at the Thai-Myanmar border is already conducted in kyat and baht, payments that are processed through the banks are conducted in US dollars, resulting in leakages through foreign exchange losses. "Through this MOU, we can bring more of the payments through the formal channel and make the process more convenient," Mr Kamalkant Agarwal, Advisor to the CEO, SCB Bank. This will also encourage remittances through proper channels. Even though there large numbers of Myanmar migrant workers in Thailand, international money transfers take place via the unofficial Hundi system and there is no guarantee the funds will be safe. Of the four countries that share borders with Myanmar, Thailand is the second largest trading partner. Trade volumes at the Thai-Myanmar border, including Tachileik, Myawaddy, Kawthoung, Myeik, Htee

Khee and Maw Taung during fiscal 2018-19 amounted to US\$3.8 billion, according to government data.

Source : <https://www.mmtimes.com/news/myanmar-thailand-agree-cross-border-transfers.html>

New bank notes will not affect inflation, expert says



Myanmar News | 09 January, 2020

The release of new K1000 bank notes bearing the portrait of Bogyoke Aung San on January 7 is not expected to impact inflation, economists and banking experts said in response to market concerns. When the Central Bank circulates new notes into the economy, it will retrieve the equivalent amount of old notes to avoid inflation, said U Than Lwin, a former vice governor of the Central Bank of Myanmar. This is in accordance with monetary rules and regulations, he said. U Than Lwin went on to address rumours that the printing costs for the new K1,000 notes are higher than their value. “It is not true. The CBM would not print new currency if the cost of printing a new K1,000 note is more than K1,000,” he said. He noted that the new K1,000 can easily be mistaken for K10,000 though, as the colour scheme and design of both notes are similar, but said it is a “good idea” for Myanmar to have a leader on its bank notes. “No country in the world today

prints special symbols that are not related to important persons in their history on their currency notes. It’s a great idea to have those who showed loyalty to the country on the notes,” U Than Lwin said. U Kyaw Soe Lin, Technical Officer at Yoma Bank, said despite the new bank notes, people should change their mindsets and adopt cashless payments as the way forward. “Cashless payments have many advantages like providing convenience and lowering costs. People need to change their mindsets about it,” he said.

Source : <https://www.mmtimes.com/news/new-bank-notes-will-not-affect-inflation-expert-says.html>

Strong FDI inflows poured into textile and fiber projects



Vietnam News | 09 January, 2020

VOV.VN - The first 11 months of 2019 saw a large amount of capital injected into various textile, dyeing, and fiber projects across the nation, according to information released by the Vietnam Textile and Apparel Association (Vitas). Throughout the reviewed period, the total foreign direct investment (FDI) being pumped into the textile and garment industry reached US\$1.546 billion across 184 projects. Hong Kong led the way in terms of FDI investment in the country’s textile and apparel industry with US\$447 million, followed by Singapore (US\$370 million), China (US\$270 million), the Republic of Korea (US\$165 million), and the

Seychelles (US\$103 million). In addition to these nations, Vietnam's textile and apparel industry also enjoyed US\$61 million of total registered capital from Japanese investors, the United States with US\$19 million, Taiwan with US\$15 million, with a further US\$100 million coming from other sources. In terms of the localities receiving the largest capital in the textile and garment sector, Tay Ninh province tops the list with 16 projects capitalized at US\$464 million. This is followed by Quang Nam that has 10 projects valued at US\$107 million, Nghe An with three projects worth a total of US\$210 million, and Thua Thien Hue with two projects worth US\$213 million. FDI inflows being put into the textile and apparel industry throughout last year saw surges in capital turn into various material projects. This includes 90 textile projects worth US\$1.245 billion, 24 dyeing projects valued at US\$673.3 million, 109 garment projects with US\$587.2 million of capital, 45 fiber projects with US\$640.4 million, and three fiber production projects with a total registered capital of US\$1.3 million.

Source : <https://english.vov.vn/economy/strong-fdi-inflows-poured-into-textile-and-fiber-projects-408588.vov>

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