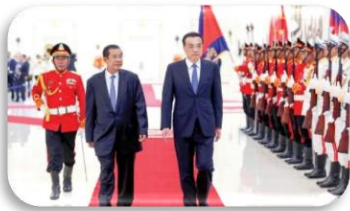


*Highlight News* | January 30/2020



- Cambodia, China wrap up first round of trade talks
- KrisEnergy commissions Dutch based Fugro for offshore Cambodia geotechnical studies
- BOL launches QR Code payment standard
- World Bank approves US\$50 million for disaster management, road repairs
- Good prospects in Myanmar for long-term investors: Oxford Business Group report
- Muse's trade volume reaches to US\$1.67 B within three and a half months
- Discounts drive car sales in Vietnam
- CPI in January hits record high in recent 7 years



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

## Cambodia, China wrap up first round of trade talks



*Cambodia News | 29 January, 2020*

Cambodia and China have wrapped up the first round of negotiations on a free-trade agreement (FTA) resulting in positive outcomes, which the two countries will continue to discuss in the second round of talks scheduled to be held in Cambodia. The first round of FTA discussions were held in Beijing, China, for two days from January 20 to 21, with follow-up meetings. They were the first talks after the bilateral FTA was initiated by the leaders of the two countries in 2019. The negotiations were led by the Ministries of Commerce of the two countries which, in the earlier January talks were led by Sok Sopheap, secretary of state of Cambodia's Ministry of Commerce, and his Chinese counterpart, Ren Hongbin. The two sides discussed the topics raised by 10 working groups including goods, investment, services, said Seang Thay, a spokesman at the Ministry of Commerce. "There is not a list of points that the two sides have agreed from the negotiations last week because they will continue," Seang said yesterday, citing that each working group has sub-topics to discuss which take time. He added the momentum was good. More negotiations will be conducted, according to Seang, who added that the second round of negotiations are scheduled to be held in Siam Reap in April this year. "I cannot say that how long or how many sets of negotiations on the bilateral FTA before they come to an end but, with

China, I believe that it will not take a long time," he said. Cambodia and China have started studying the possibility of establishing a bilateral FTA) at the technical level in December 2019, when the two sides set the mechanism and process of negotiations. If successfully concluded, this FTA would be a new mechanism that boosts and diversifies the economic potential and visions of the two nations. Lim Menghour, deputy director of the Mekong Centre for Strategic Studies, part of the Asian Vision Institute, wrote in an opinion published in Khmer Times dated yesterday, the FTA would be a new mechanism that boosts and diversifies the economic potential and visions of the two nations. "This FTA offers a new opportunity for growth for both China and Cambodia. The two countries would likely gain reciprocal benefits considering positive trading trends in recent years," he wrote. The trade volume between the two countries has steadily increased from \$5.16 billion in 2016 to \$6.04 billion in 2017 and to \$7.4 billion in 2018, respectively. The two countries aim to reach \$10 billion in trade a year by 2023.

Source: <https://www.khmertimeskh.com/50684889/cambodia-china-wrap-up-first-round-of-trade-talks>

## KrisEnergy commissions Dutch based

### Fugro for offshore Cambodia

#### geotechnical studies



Cambodia News | 29 January, 2020

KrisEnergy has contracted Fugro for geotechnical investigations for the Apsara oil field project in block A offshore Cambodia. Apsara will provide the first ever production from the Khmer basin in the Gulf of Thailand. Fugro will use the drillship Fugro Mariner to conduct shallow gas pilot-hole drilling and cone penetration tests and to drill geotechnical sample boreholes, all related to the design and installation phases of the Apsara Mini Phase 1A development. The company supported the field's previous operator Chevron in 2006, when it supported drilling of the initial exploration wells that led to the field's discovery. Vladimir Lavie, senior geophysicist for KrisEnergy, said: "We've already completed our geophysical surveys, and Fugro's geotechnical investigation will provide the final set of geomechanical information needed to de-risk the design, installation, and operation of our project."

Source:<https://www.khmertimeskh.com/50677668/government-approves-draft-of-intermodal-master-p>

## BOL launches QR Code

### payment standard



Laos News | 30 January, 2020

The Bank of the Lao PDR (BOL) had a soft launch of the Lao QR Code standard for payments on Wednesday to prompt the development of the standard and boost payment integration. The launch for the Lao QR Code standard for payments was held in Vientiane alongside a panel discussion on domestic payment systems. Governor of the Bank of the Lao PDR, Mr Sonexay Sithphaxay, along with representatives of commercial banks, financial institutions, Fintech, World Bank Group, UnionPay and the Bank of Thailand attended the event. The launch has been hailed as a major achievement in the banking sector, especially for the BOL. It will lead to faster and safer services in payments and integration with other banks. Prior to the official launch, Director General of the bank's Payment Systems Department, Mr Soulysak Thamnuvong, dwelled on the finer points of the Lao QR Code standardisation and outlined the department's role in payment management. He said the department was established in 2018 to focus on payment management and to ensure the system is compliant with the regulations and legal processes. "For

instance, the department under the BOL will not only focus on payment management but will cooperate with the World Bank Group to develop and modernise the banking system. This is a priority along with the active implementation of the banking policy,” he said. Speaking at the opening ceremony, BOL Governor Mr Sonexay said the utilisation of the QR code standard would comply with the finance and currency sector’s strategic plan and minimise the use of cash, driving the onset of a digital economy and boosting socio-economic development. “The launch of the Lao QR code standard will encourage other banks in Laos to speed up QR code development so that they are integrated,” he said. He explained that if banks did not develop their systems, they would not be able to attract customers. Along with the launch of the Lao QR code standard, an intensive panel discussion on local payment systems was arranged with the participation of several experienced banking specialists from Laos, the World Bank Group and Bank of Thailand, and other foreign speakers. “We also are taking into consideration the positives that may come out of the negative impacts. This panel discussion will enable us to know the risks involved and how to minimise security issues in using the digital system,” Mr Sonexay added. The use of QR codes for payments, services and transactions has

been widely adopted in Laos, but is not well integrated with other domestic and international systems. The Lao QR Code standard has five purposes: peer-to-peer transfer, payments for products and other domestic and international services with coverage for general stores and e-commerce, future tax payments for the government, e-donations and future payment innovation

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Source : <http://annx.asianews.network/content/bol-launches-qr-code-payment-standard-112913>

## World Bank approves US\$50 million for disaster management, road repairs



Laos News | 30 January, 2020

The Ministry of Finance and the World Bank on Tuesday signed a Financing Agreement of US\$50 million extending support to the ongoing Lao PDR Southeast Asia Disaster Risk Management Project and Lao Road Sector Project II. Deputy Minister of Finance Mr Bounchom Ubonpaseuth and the World Bank’s Country Manager for the Lao PDR Mr Nicola Pontara signed the agreement, witnessed by Deputy Minister of Public Works and Transport Dr Viengsavath Siphandone and other government officials. According to a media

release, the additional financing, endorsed by the World Bank Board of Executive Directors on December 13, 2019, will support efforts to strengthen climate resilience in the waterways and road sectors. A total of US\$25 million will improve the capacity of the Lao government to better prepare for and withstand natural disasters in waterways. Another amount of US\$25 million will support repairs to damaged roads and the resilience of road infrastructure. The World Bank's Senior Infrastructure Specialist, who is also project team leader for the Disaster Risk Management Project, Mr Henrike Brecht, said the World Bank's funding will not only bring innovative solutions for restoring riverbank protection and urban wetlands but also promote risk-informed planning and disaster preparedness in the flood-prone provinces of Oudomxay, Luang Prabang and Borikhamxay. Meanwhile the World Bank's Senior Infrastructure Specialist and project team leader for the Road Sector Project II, Mr Sombath Southivong, said the financing will improve climate resilience of national road 13 South in Borikhamxay including raising the road profile in flood-prone sections, improving drainage, and applying bio-engineering solutions to protect road slopes. It will also improve road safety. In 2018, Laos suffered its most costly floods in a decade. Heavy rains from two tropical cyclones affected the country and a saddle dam in Attapeu province collapsed, causing flash floods. The floods impacted more than 600,000 citizens, resulting in 64 deaths. The Post-Disaster Needs Assessment estimated total damages and losses of US\$371.5 million, equivalent to 2.1 percent of Laos'

Gross Domestic Product in 2018. The World Bank's International Development Association (IDA), established in 1960, provides grants and low- to zero-interest loans to the world's poorest countries for projects and programmes that boost economic growth, reduce poverty, and improve poor people's lives. Projects such as these aim to support poor communities who have limited capacity to cope and often bear the brunt of the impacts of natural disasters. The Ministry of Finance and the World Bank on Tuesday signed a Financing Agreement of US\$50 million extending support to the ongoing Lao PDR Southeast Asia Disaster Risk Management Project and Lao Road Sector Project II. Deputy Minister of Finance Mr Bounchom Ubongpaseuth and the World Bank's Country Manager for the Lao PDR Mr Nicola Pontara signed the agreement, witnessed by Deputy Minister of Public Works and Transport Dr Viengsavath Siphandone and other government officials. According to a media release, the additional financing, endorsed by the World Bank Board of Executive Directors on December 13, 2019, will support efforts to strengthen climate resilience in the waterways and road sectors. A total of US\$25 million will improve the capacity of the Lao government to better prepare for and withstand natural disasters in waterways. Another amount of US\$25 million will support repairs to damaged roads and the resilience of road infrastructure. The World Bank's Senior Infrastructure Specialist, who is also project team leader for the Disaster Risk Management Project, Mr Henrike Brecht, said the World Bank's funding will not only bring



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Source: <http://annx.asianews.network/content/world-bank-approves-us50-million-disaster-management-road-repairs-112841>

## Good prospects in Myanmar for long-term investors: Oxford Business Group report



*Myanmar News | 29 January, 2020*

Myanmar's growth and forecasts make an exciting prospect for companies seeking long-term opportunities, Oxford Business Group's The Report: Myanmar 2020, says. The Report: Myanmar 2020 marks the culmination of 12 months of field research by a team of analysts from Oxford Business Group, is a global research and advisory company. The

publication assesses trends and developments across the economy, including those in macroeconomics, infrastructure, banking and others. "Investors eyeing Myanmar's potential will inevitably come across challenges typical of those found in frontier markets, such as infrastructure gaps and a workforce in need of upskilling," OBG's Editor-in-Chief Oliver Cornock, said. "However, the country's growth story over the last decade and forecasts putting it among the fastest-growing economies in ASEAN in the coming years make it an exciting prospect for companies seeking long-term opportunities." Cornock added. The report said that Myanmar's inherent advantages, which include a dynamic internal market, an abundance of natural resources and a strategic location between China and India, meant it had plenty to offer the international business community. The report said that Myanmar's efforts to expand the formal economy on the back of strong GDP and trade growth are given wide-ranging coverage. Oxford Business Group is a global research and advisory company with a presence in over 30 countries, from Asia, the Middle East and Africa to the Americas providing of on-the-ground intelligence on the world's fastest growing markets for sound investment opportunities and business decisions.

Myanmar's growth and forecasts make an exciting prospect for companies seeking long-term opportunities, Oxford Business Group's The Report: Myanmar 2020, says. The Report: Myanmar 2020 marks the culmination of 12 months of field research



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Source: <https://www.mmtimes.com/news/good-prospects-myanmar-long-term-investors-oxford-business-group-report.html>

## Muse's trade volume reaches to US\$1.67 B within three and a half months



Myanmar News | 29 January, 2020

The volume of 18 border trade centers is over US\$3.1 billion within three and a half months in this fiscal year and trade volume of Muse border trade center alone is reached over half of total trade volume in that period, according to the Ministry of Commerce. Myanmar earned US\$2.504 billion in the same period in the last fiscal year. The 18 border trade centers in Myanmar are Muse, Lweje, Chinshwehaw, Kanpiketi, Kengtong, Techilek, Myawady, Kawthoung, Myeik, Nabule/Htikhi, Mawtaung, Maese, Sittwe, Maungdaw, Tamu, Reik, Htantalan and Kyaingleik. Union Minister for Commerce Dr Than Myint said: "To boost trade, we need to improve both quantity and quality. In import sector, we need to import more capital goods that can generate sustainable economy." The volume of 18 border trade centers is over US\$3.1 billion within three and a half months in this fiscal year and trade volume of Muse border trade center alone is reached over half of total trade volume in that period, according to the Ministry of Commerce. Myanmar earned US\$2.504 billion in the same period in the last fiscal year. The 18 border trade centers in

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Source: <https://elevenmyanmar.com/news/muses-trade-volume-reaches-to-us167-b-within-three-and-a-half-months>

## Discounts drive car sales in Vietnam



*Vietnam News | 08 January, 2020*

Hanoi (VNA) - Nearly 400,000 cars were sold in the Vietnamese market in 2019 thanks to valuable gift and discount programmes, which were launched at the beginning of the year, said the Vietnam Automobile Manufacturers' Association (VAMA). Of the figure, more than 320,300 units were sold by VAMA members, marking a year-on-year increase of 12 percent. The other nearly 80,000 units came from TC Motors. VAMA said that the above sales did not fully reflect the overall figures for the automobile market, because there was also the presence of Audi, Jaguar, Land Rover, Mercedes-Benz, Subaru, Volkswagen, Volvo and Vietnamese automaker VinFast. To achieve the above sales, businesses offered promotions, incentives, discounted car sales

and valuable accessories for car buyers. Toyota Motors Vietnam offers up to 100 million VND (4,300 USD) for customers buying Corolla Altis, Vios, Innova and Fortuner cars. VinFast also offers a discount of 100 million VND to buyers of Trailblazer SUVs. Meanwhile, Mitsubishi reduced prices by up to 91 million VND and presented gifts to customers who bought Attrage, Mirage, Outlander, Pajero Sport and Triton models. Mazda Vietnam also cut all its models by 100 million VND. Insiders said Viet Nam's automobile market in 2020 would maintain a growth rate of 10-20 percent thanks to the current abundant supply of cars. Pham Van Dung, CEO of Ford Vietnam, said businesses would continue to launch promotional programmes to stimulate consumption as well as introduce new cars to meet demand. Dung said the demand for cars was increasing. Many people would want to buy new cars, not only to be safer on the road but also to experience new models. According to a forecast by Viet Dragon Securities Corporation (VDSC), the Vietnam automobile industry has many opportunities to develop in the future. The VDSC statement was based on three factors supporting the development of the retail automobile market. The first one is rising incomes, which in turns leads to higher demand for cars. This is forecast to continue, as the country's GDP is forecast to be 7 percent per year in 2021-2030. The second factor is based on strong development infrastructure, while the last factor is that the rate of car owners in Vietnam is still much lower than that of Southeast Asia./.

Source:

<https://vietnamnews.vn/economy/570809/khanh-hoa-aims-to-have-30000-private-businesses-by-2025.html>

## CPI in January hits record high in recent 7 years



*Vietnam News | 29 January, 2020*

Vietnam's consumer price index (CPI) in January hit a record high, up 1.23 percent over the previous month and 6.43 percent year on year, according to the General Statistics Office (GSO). This is the highest January CPI growth recorded in the last seven years. Compared to the previous month, an upturn was seen in the prices of ten out of 11 main groups of goods and services, leading by food and catering services (2.29 percent). It was followed by housing and construction materials (1.47 percent); goods and other services (0.92 percent); transport (0.69 percent); drinking and tobacco (0.65 percent); garment and textile, headwear and footwear (0.33 percent); household equipment and products (0.27 percent); and culture, entertainment and travel (0.25 percent). The only group experiencing price fall was post and telecommunications (0.03 percent). Do Thi Ngoc, head of the GSO's Price Statistics Department, explained that the CPI in January saw a strong rise due to the higher demand for food and foodstuff, drinks and textiles for the Lunar New Year (Tet) festival. The petrol and oil prices in January averagely increased by 1.29 percent compared to December 2019. Meanwhile, the price of gas in the month climbed 14.08 percent against the previous month. At the same time, domestic gold price was up 4.37 percent over

the previous month; while that of US dollar has been kept stable, at around 23,222 VND/USD. GSO said the core inflation in January, which is CPI excluding grain food, fresh foodstuff, energy and the State-managed medical and educational services, increased by 0.76 percent from December 2019, and 3.25 percent compared to the same period last year. The general inflation in January grew at a faster pace than the core inflation, reflecting that price changes were mainly driven by higher prices of food, services, and petrol.

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Source : <https://english.vov.vn/economy/cpi-in-january-hits-record-high-in-recent-7-years-409385.vov>

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