

Highlight News | January 31/2020



- 750,000 jobs put at risk in apparel, footwear, travel goods, says GMAC
- Swiss businesses see opportunities for investments in various sectors
- Vientiane People's Council draws up plans for 2020
- Wood pulp, waste paper exports hit US\$251 m in 2019
- Myanmar govt seeks to scrap mandatory review of minimum wage
- January FDI surges 179 percent
- Registered capital of new enterprises in January hits four-year high



750,000 jobs put at risk in apparel, footwear, travel goods, says GMAC



Cambodia News | 30 January, 2020

A letter signed by apparel brands and labour rights organisations addressed to Prime Minister Hun Sen urging the government to amend the Cambodian Trade Union Law was regarded as “disappointing and false” by the Garment Manufacturers Association in Cambodia (GMAC) in a response released on Tuesday. The letter was considered by GMAC to call into question the credibility of Cambodia’s apparel, footwear and travel goods sectors, which in return would affect the livelihood of the 750,000 workers in Cambodia who are reliant on the sectors. “The proposed amendments listed in the attachment to the January 22 letter do not raise points determinative of whether the fundamental principle and the right of freedom of association is established in our sector,” stated the GMAC. The response by the GMAC noted that while Cambodia has had its share of problems related to the sector, as pointed out in a report by the International Labour Organisation (ILO), the association recognises that much work is still needed in order to improve labour and living conditions, despite the government’s achievement in increasing wages and social security benefits. Additionally, an associated news release also says that in comparison with neighbouring countries Myanmar and Vietnam, the Kingdom has three trades union confederations with a membership of more than 500,00 workers who are affiliates of the International Trade Union Confederation. Myanmar has one affiliate with 10,000 members while

Vietnam has none. “Cambodia has also 10 unions affiliated to the industrial global union that represents the interest of workers in the garment and footwear sector globally,” GMAC states. The news release also states that GMAC’s partnership with the ILO to establish the Better Factories Cambodia programme of monitoring, reporting and ensuring transparency has resulted in continuous improvement. Additionally, GMAC highlights that one of the aims of the establishment of the ILO programme with the Arbitration Council is to play a key role in industrial relations dispute settlement in the country. The association has also voiced its commitment to working with all stakeholders to further improve labour conditions in the sector and has welcomed continued discussions on the recommendations in the letter with union leaderships and relevant government officials. The Royal Government has gradually increased minimum wages for workers in the garment and footwear sector, with 2020 observing a 4.4 percent increase in wages from the prior year.

Source : <https://www.khmertimeskh.com/50685264/750000-jobs-put-at-risk-in-apparel-footwear-travel-goods-says-gmac>

Swiss businesses see opportunities for investments in various sectors



Cambodia News | 30 January, 2020

A delegation from Switzerland’s Chamber of Commerce is keen to know more about investment opportunities in Cambodia, with members saying they are interested because of Cambodia’s strong economic growth. In a meeting with Minister of Economy and Finance Aun

Pornmoniroth, Swiss Ambassador to Cambodia Helene Budliger Artieda said the delegation will make visits to Cambodia to discuss investment opportunities with Cambodian officials. Having seen the potential of Cambodia's economy, the Swiss Chamber of Commerce delegation – based in Bangkok, Thailand – wants to explore more, said Artieda. Aun said Cambodia welcomes all foreign investors to Cambodia and underlined internal reforms taking place to attract more investment. “The Cambodian government considers the private sector as the engine for driving economic growth and as a partner for development,” he said. “At the same time, the government has set a series of reforms aimed at the improvement of the investment environment, economic diversification and the strengthening of the country's competitiveness to attract investment.” Lim Heng, vice-president of the Cambodia Chamber of Commerce (CCC), applauded the move. Understanding the opportunities will make investors feel confident in investing in Cambodia, Lim said. “When they visit here they need a business meeting with CCC's members who represent investment companies and enterprises. We arrange to show them Cambodia's potential investment and investment regulations,” Lim said yesterday. Currently, Cambodia has an organisation that deals with other countries, similarly to AmCham and EuroCham, the members of which establish investment in Cambodia and set up exports to foreign markets, Lim said. During a visit to Switzerland last year, Prime Minister Hun Sen met representatives of Swiss companies that expressed an interest in investing in Cambodian sectors such as energy, technology and education.

Source : <https://www.khmertimeskh.com/50685292/swiss-businesses-see-opportunities-for-investments-in-various-sectors>

Vientiane People's Council draws up plans for 2020



Laos News / 30 January, 2020

The socio-economic development plan for 2020 drawn up by the Vientiane People's Council spotlights the need for more local and foreign businesses to invest in projects in the capital. A report on the plan was presented at a meeting of the Council which took place from January 20-24 and was attended by Council members and members of the National Assembly. The 2020 socio-economic development plan also calls for increased food production by smallholders, particularly rice, vegetables, meat, fish, chicken and eggs. The plan also touches on the need for the public works and transport sector and the natural resources and environment sector to improve coordination in relation to construction projects that affect land belonging to local residents. It also advises the industry and commerce sector to collect information on businesses operating in Laos. The Vientiane People's Council encouraged the education sector to comply with the law on improving the management of private schools and to tackle the problem of students who spend their time gaming in internet shops and at entertainment venues.

Educators were also asked to encourage more students to attend vocational schools to improve their job prospects. The Council recommended that the health sector promote food safety and urged the information, culture and tourism sector to address problems associated with entertainment venues, as well as scale up tourism promotion to attract more visitors. The labour and social welfare sector was instructed to focus on vocational skills development and labour management. The meeting also discussed the problems of online gaming shops, drug abuse, traffic congestion, road accidents and human trafficking. Members of the Council and the National Assembly debated other matters of concern, including financial issues, which had been voiced by the general public. One of the most notable planned development projects in the capital is the improvement of lighting. Improved lighting is planned for 35 main roads, 41 smaller roads, nine parks, commercial buildings, and offices, in a bid to provide greater security and beautify the city.

Source : <http://annx.asianews.network/content/vientiane-people%E2%80%99s-council-draws-plans-2020-112909>

Wood pulp, waste paper exports hit

US\$251 m in 2019



Laos News | 30 January, 2020

Laos' wood pulp and waste paper exports last year were worth US\$251 million, putting these

commodities in fourth place overall in terms of export revenue. Electricity was in first place with exports of US\$ 1,066 million between January and October 2019. The second spot went to gold ore with exports of US\$550 million, and copper was in third place with US\$401 million. Wood pulp and waste paper exports to China were worth about US\$250 million, while exports to Thailand were valued at US\$800,000 and US\$200,000 for Vietnam, according to the Ministry of Industry and Commerce. The main raw material for wood pulp is eucalyptus trees, and the government is systematically promoting their planting along with environmental protection measures. The campaign has encouraged farmers to plant more eucalyptus as the land is suitable for their cultivation and more use of this wood would reduce hardwood imports. While wood pulp is produced from eucalyptus trees, waste paper is derived from recycled paper. Despite Laos' significant wood pulp and waste paper exports, the nation's imports of these two commodities are worth about US\$24 million. Of this figure, imports from China are worth about US\$86 million, from the US about US\$9 million, from the Republic of Korea US\$77,000, and from Thailand US\$62,000. The nation's largest wood pulp and waste paper plant is in Savannakhet province, with an annual production capacity of about 1.2 million tonnes, equal to the output of a large factory in Brazil. A Lao-Swedish

joint venture, Burapha Agroforestry Company Ltd. is a large promoter of eucalyptus plantations in Laos and has its own sawmill, processing facilities and plantations. The company is currently building a wood pulp factory in Vientiane province to supply domestic and export market needs. The company is encouraging local people to plant eucalyptus trees on thousands of hectares in provinces across the country.

Source : <http://annx.asianews.network/content/wood-pulp-waste-paper-exports-hit-us251-m-2019-112914>

Myanmar govt seeks to scrap mandatory review of minimum wage



Myanmar News | 30 January, 2020

The government submitted an amendment to the country's Minimum Wage Law on Thursday that would scrap the mandatory review of the minimum wage every two years. Under the bill submitted to the Amyotha Hluttaw (Upper House), ministries will continue to review the minimum wage and change it if the country's economic performance warrants. U Kyaw Htwe of the hluttaw's Immigration and Local and Overseas Labour Affairs Committee said the national committee will study the gross national product and cost of living, and submit their findings to the government. The amendment aims to provide workers with good jobs and a

better living standard, he added. Other proposals include revising the composition of the National Committee for the Minimum Wage, which sets the minimum wage. "I suggested that economists, labour and employment experts be on the committee," said U Kyaw Htwe. The bill would also remove exceptions for paying the minimum wage. "The minimum wage covers all types of business. I think it should be based on the cost of living in each region," he said. The current minimum daily wage is K4800 (US\$3.27) and would be up for review in May. Labour unions are calling for a K9800 daily minimum wage. The Minimum Wage Law was enacted in 2013, and the country's first daily minimum wage was set at K3600 in August 2015.

Source : <https://www.mmtimes.com/news/myanmar-govt-seeks-scrap-mandatory-review-minimum-wage.html>

January FDI surges 179 percent



Vietnam News | 30 January, 2020

Hanoi (VNA) – Vietnam raked in 5.3 billion USD in foreign direct investment (FDI) in the first 20 days of 2020, a year-on-year surge of 179.5 percent, according to the Ministry of Investment and Planning. The figure includes 4.5 billion USD funneled into 258 new FDI projects, up 454.1 percent and 14.2 percent, respectively, while the remainder came in the forms of additional FDI, capital

contributions and share purchases by foreign investors. Singapore was Vietnam's biggest foreign investor in the month with over 4.05 billion USD, representing 90.9 percent of the total FDI. Last year, the Southeast Asian country ranked third with 4.5 billion USD, following the Republic of Korea in the first place (7.92 billion USD) and Hong Kong (China) in the second (7.87 billion USD). Vietnam welcomed about 38.02 billion USD in FDI in 2020, a 10-year high and a 7.2 percent increase on a yearly basis./.

Source : <https://en.vietnamplus.vn/january-fdi-surges-179-percent/167896.vnp>

Registered capital of new enterprises in January hits four-year high



Vietnam News | 30 January, 2020

HÀ NỘI – Viet Nam had 8,276 new enterprises established in the first month of 2020, down 17.9 per cent year-on-year, but the total registered capital of the enterprises surged sharply by 76.8 per cent to VNĐ267 trillion (US\$11.46 billion), the highest growth rate in four years, the General Statistics Office (GSO) reported. With the surge, average registered capital of new enterprises was at VNĐ32.3 billion, up 115.3 per cent year-on-year. The decline in the number of new enterprises in January was attributed to the country's largest festival – Lunar New Year – while the sharp surge in capital was thanks to the establishment of a new enterprise in the finance-banking-insurance industry

that had a registered capital of VNĐ144 trillion, accounting for 53.9 per cent of the total registered capital. The new enterprises created 84,500 jobs, down 21.7 per cent year-on-year. January also saw 8,470 enterprises resuming operations, a rise of 0.1 per cent against the same period last year, bringing the total number of newly-registered and revived enterprises in January to 16,746. A number of industries witnessed significant declines in the number of newly-established enterprises in the month. Motorbike and automobile trading and repair was down 38.6 per cent year-on-year; mining, down 32.6 per cent, healthcare and social welfare down 23.9 per cent, construction down 15.1 per cent and manufacturing and processing down 7 per cent. However, five industries saw the number of newly established enterprises increasing, including production and distribution of electricity, gas and water up 8.6 per cent; information and communications up 8 per cent; science, technology, consultancy, design, advertising and others up 4.6 per cent; education and training up 2 per cent; and catering services and accommodation up 0.2 per cent. The GSO also reported that the number of enterprises temporarily ceasing operations in January was 11,702, up 8.3 per cent year-on-year. The number of enterprises which finished procedures for bankruptcy in the period was 1,621, down 10 per cent from the same period last year. Of

the enterprises, 1,451 had registered capital of less than VNĐ10 billion. VNS

Source : <https://vietnamnews.vn/economy/591583/registered-capital-of-new-enterprises-in-january-hits-four-year-high.html>
