

*Highlight News February 19/2020*



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## Garment, footwear, and travel goods exports valued at \$9.3 billion



*Cambodia News | 18 February, 2020*

Cambodia exported garments, footwear and travel goods worth \$9.35 billion in 2019, a year-on-year increase of 11 percent, according to a report from the Ministry of Industry and Handicraft. The report was released at an annual meeting held yesterday for a review of 2019 and to set objectives for 2020. The report stated there were 1,069 factories last year, of which garment and textile factories comprised 823, travel goods factories 114 and footwear factories 132. They employed a combined 923,313 workers. Cham Prasidh, Minister of Industry and Handicraft, said in an opening speech that the ministry is working to facilitate more investment in industry and provide better goods and services. “With the government’s sharp reform, the ministry will continue to facilitate and attract more investment in the industry sector,” he stated. “The ministry’s aim is to help the private sector progress, which contributes to economic growth.” According to the Garment Manufacturers Association of Cambodia (GMAC), Cambodia’s exports of garment and travel goods represents 75 percent of Cambodia’s total merchandise exports and some 90 percent of exports to the EU, the largest buyer of Cambodian garments. Lim Heng, vice-president of Cambodia Chamber of Commerce, told Khmer Times recently that the increase in the country’s exports was

because of high demand for Cambodia-made products.

Source: <https://www.khmertimeskh.com/50692028/garment-footwear-and-travel-goods-exports-valued-at-9-3-billion>

## Five new solar farms to be connected to the national grid



*Cambodia News | 18 February, 2020*

Solar farms across five provinces are being launched this year, according to the Ministry of Mine and Energy. In its annual report, the ministry stated five solar parks are having their construction works accelerated so they can be connected to the national grid as soon as possible. Together, the solar projects will boost the nation’s power supply by a total of 160 megawatts (mW) a year. With each province accounting for; Svay Reign (20mW), Pursat (30mW), Kampong Speu (20mW), Battambang (60mW) and Banteay Meanchey (30 mW). Next year, according to the ministry, the country will launch another 60 mW in Kampong Chnang and 60 mW solar farm in Pursat provinces, generating 120 mW when combined. Actions taken by the government have aimed to diversify power sources within the country because power demands have notably increased in recent years from investment activities, especially in the construction and manufacturing sectors. Cambodia still generates energy predominately from coal-fired power plants and hydropower dams, with solar energy making up less than 1 percent of total energy output in 2018. Sokun

Sum, chairman of the Solar Energy Association of Cambodia, told Khmer Times yesterday that he noted the government has taken concrete actions to diversify its power sources, one of which is renewable energy. He estimated that renewable sources now represented about 15 percent of total power consumption since 2018. Sokun stated that the government is now prioritising renewable energies, particularly solar energy because it has great potential and could help end the country's energy woes. "Power demand will continue to increase year-on-year as investment activity continues to rise. In this sense, my understanding is that the government should give more opportunities for renewable energy investments," he said, adding that 1,000 mW of renewable energy infrastructure should be created. According to a recent study by the Asian Development Bank, Cambodia has about 10,000 mW of hydropower potential, 8,100 mW for solar and about 6,500 mW for wind. Sokun also explained that construction times for solar farms are lower than for hydropower dams. However, he argues that solar farms can be expensive and require large plots of land, but returns on investment are high. In a survey by Japanese consultant company Chugoko Electric Power Co Inc, the nation's power demand is projected to be 12,000 mW per year by 2030. The country's energy mixture will change drastically in upcoming years, said Keo Rattanak, director-general of Cambodian state-run energy utility Electricite Du Cambodge (EDC) "We will be able to produce at least 20 percent of our

energy from solar systems in the next few years," Rattanak said during a forum on energy in Phnom Penh. "We are prioritising solar power because it is good for the environment. We want to integrate green energies into the country's economic development strategy," he added. The nation's total power supply generated increased from 2,635 mW in 2018 to 3,382 mW in 2019, a 28 percent year-on-year increase.

Source : <https://www.khmertimeskh.com/50692029/five-new-solar-farms-to-be-connected-to-the-national-grid>

## Govt drawing up measures to improve business environment



*Laos News | 18 February, 2020*

VIENTIANE (Vientiane Times/ANN) - The government has told the business sector that it is pro-actively tackling the remaining issues that are impediments to business operations in Laos. Deputy Prime Minister and Minister of Finance, Mr Somdy Duangdy, told those gathered at the Business Leader Awards 2019 in Vientiane on Friday that the government is determined to facilitate business operations by removing unnecessary procedures and other barriers. "The Prime Minister's Order No.2/PM is being implemented actively and we are set to be more proactive in 2020 to boost macroeconomic stability as well as the stability of the kip in relation to other currencies, and to tackle inflation and related problems," he said. He made the remarks following requests by representatives of the business community who were given the

Business Leader Awards for the government to pay special attention to business facilitation. The main issues relate to access to finance for SMEs, minimising the time taken to register a business, and bolstering the sale of goods made in Laos. Mr Somdy said the government distributed 100 billion kip for the promotion of SMEs to various banks in 2019, and this amount will be increased in 2020. "A Chinese loan of US\$100 million was signed recently by the two sides. With an interest rate of one percent per year, it is considered the lowest rate and loans will soon be available at selected banks in Laos," he added. He stressed that borrowers must be prepared to improve their operations to meet the bank's conditions, standards and requirements, to avoid non-performing loans. At the same event, Mr Somdy called on the Lao National Chamber of Commerce and Industry (LNCCI) to summarise requests from businesses and to submit them to the government. He said Laos was not doing enough to comply with the needs of the business sector for several reasons, and this had resulted in its ranking on the global ease-of-doing-business index remaining unchanged. "Laos was ranked 154 out of 190 countries on the World Bank Group's ease-of-doing-business index in 2019, which was the same as in 2018," he said. The Country Head of ANZ Bank (Lao branch), Mr Rufus Pinto, who was one of the awardees, told the media that ANZ Bank Laos was privileged to be one of the leading international banks in the country. It has been operating in Laos since 2017 and supporting the nation's economic

growth, he said. "This award is very special for us as it gives us a sense of recognition, pride and achievement for all the work that we've done throughout the years." Playing a significant role in facilitating trade and the provision of capital, the bank will continue to support Laos in growing businesses and attracting investments from across the ANZ customers' network, Mr Pinto said. Asked what the government could do to help the bank operate more efficiently, he said the government was doing a great job in terms of recognising the challenges of foreign indirect investments thanks to the PM's Order No. 2 and other measures. "We'd like to see these activities going through and ensuring that the government continues to do what they are already doing, which is making the policies and environment a lot easier, introducing a new policy to support foreign indirect investments, and easing the barriers that we currently have," Mr Pinto said. During the Business Leader Awards 2019 ceremony, which was organised by the LNCCI in cooperation with the Vientiane Times, awards were presented to 53 companies active in fields such as banking, tourism, agriculture and industry.

Source : [http://annx.asianews.network/content/govt-drawing-measures-improve-business-environment-](http://annx.asianews.network/content/govt-drawing-measures-improve-business-environment-114030)

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## Falam airport to open in May



Myanmar News | 18 February, 2020

The construction work of Falam (Surbung) airport will be finalized in coming May and the kind of ATR-72

planes can land at the new airport, according to Department for Civil Aviation (DCA). The airport is located in the middle of Chin State and it is connected with towns such as Falam, Lonpi Mountain, Haka, Thantlang and Tiddim, Reik Lake to reach all airports in states and regions. The airport is installed with necessary navigation facilities used in mountainous areas such as DVOR, AWOS, Precision Approach Path Indicator (PAP), Runway Lighting, Rotation Beacon, HF and VHF systems. The projects to build a new Falam airport and to upgrade Thandwe airport will be carried out using state owned funds in 2019-20 FY. "The 6000-feet long runway is paved with tar and concrete. The construction work of airport building, air traffic control tower and fire services building are finished," said Deputy Minister Kyaw Myo for Ministry of Transport and Communications. The ministry asked for Ks141.112 billion for projects with foreign aid and loans in 2020-21 FY. More than 4,000 out of over 6,000 feet of runway have been built, according to the department. "The airport project started in April 2016. It can facilitate transportation, social, health, administration, economy, trade, tourism and emergency rescue operations for locals," said Director Kyaw Soe from Aerodrome Standards and Safety Division under the department. The airport is being built as locals solely depend on roads for the transportation in the state and transportation is

difficult in the rainy season. Once it is completed, it will become the aerial gateway of Chin State and will enable visitors to reach Chin State in a short time. It can send local products across the country easily.

Source: <https://elevenmyanmar.com/news/falam-airport-to-open-in-may>

## Melon sales most affected following coronavirus outbreak in China



*Myanmar News | 18 February, 2020*

Trade between Myanmar and China has almost halted for 20 days due to the coronavirus with watermelon and muskmelon most affected, according to sources from Khwar Nyo fruit wholesale centre. While trying to control the virus, China is also striving to make its slow economy return to normal. The Facebook page of the wholesale centre said China would reopen transport routes within days but the market will still be lost in the seven coronavirus-hit provinces. According to the Ministry of Commerce, the government is helping merchants to seek local markets and sell melons in Yangon by opening shops. Local market plan includes selling melons at festivals and markets in Yangon city, opening shops in the Yangon municipality areas and selling products door to door. Muse 105th Mile Border Trade Zone released a statement on January 27 saying that there is much difficulty with sale of Myanmar fruits following China's restriction of transport routes due to the coronavirus outbreak.

The situation is unavoidable and trade can be resumed only if China can put the coronavirus under control.

Source: <https://elevenmyanmar.com/news/melon-sales-most-affected-following-coronavirus-outbreak-in-china>

## Ca Mau airport planned to serve 1 million passengers per year



*Vietnam News | 18 February, 2020*

The Civil Aviation Administration of Vietnam (CAAV) is planning to upgrade the capacity of Ca Mau airport in the southernmost province of the same name to serve 1 million passengers per year by 2030. In a decision in 2018, the Prime Minister ordered to double the airport's capacity designed in the previous plan, in order to receive 1 million passengers a year. In a plan approved in 2014 concerning the facility, by 2030, Ca Mau airport will receive 4-C Category licence in line with the standard of the International Civil Aviation Organisation (ICAO) and be able to serve as a military airport.

Source : <https://english.vov.vn/economy/ca-mau-airport-planned-to-serve-1-million-passengers-per-year-410162.vov>

## Cement demand forecast to climb 4-5% this year



*Vietnam News | 18 February, 2020*

HA NOI — The Ministry of Construction has forecast cement demand will increase by 4-5 per cent this year thanks to a recovery in the real estate market.

Demand is estimated to reach 101-103 million tonnes, an increase of 4-5 per cent from last year, of which 69-70 million tonnes will be used at home and 32-34 million tonnes will be shipped overseas. According to the Department of Construction Materials, two cement production lines are expected to be put into operation this year, bringing the total number of cement production lines in Viet Nam to 86 with a total output of 105.84 million tonnes. However, Nguyen Quang Cung, chairman of the Viet Nam Cement Industry, said the construction material market this year would remain unchanged from last year, and could even slow. Enterprises should reduce output and renew technology to increase quality, according to Cung. Now, they should not only focus on profits but also on product quality. The current difficulties facing cement companies include rising fuel prices and wages, environmental issues and technology. A proposal has also been put forward to impose an environmental tax on cement manufacturers. In addition, the construction ministry said cement exports from China and Thailand could increase so Viet Nam would face more competition in the global market. Domestic enterprises needed to follow the global market to adjust production and maintain stable prices with a long-term production and business strategy. To stabilise the domestic cement market this year, the construction ministry has asked the Ministry of Industry and Trade to

increase prices of key commodities such as electricity, coal, petrol and oil. The ministry has asked the Viet Nam Coal and Mineral Industry Group to stock enough quality coal for cement plants while Viet Nam Electricity needed to ensure enough power for cement production. Cement experts said Vietnamese enterprises need to identify existing difficulties to renew their technology and produce better quality products and improve their competitiveness. A number of large cement enterprises said they were focused on green development in production and business, use of new technology, saving natural resources and protecting the environment. According to the ministry, the cement industry's growth exceeded 2 per cent in 2019. Despite facing increasing fuel prices and fierce competition, the industry still witnessed growth in domestic consumption and exports. The total consumption volume of cement and clinker in 2019 reached about 98 million tonnes, an increase of 2 per cent year-on-year. Domestic consumption reached 67 million tonnes, up by 1 per cent, while the export volume stood at about 32 million tonnes, earning US\$1.27 billion. According to Cung, the growth in domestic consumption did not reach the goal of 5-7 per cent. Meanwhile, exports exceeded the target of 25-27 million tonnes set for 2019. — VNS

Source : <https://en.nhandan.com.vn/business/item/8395002-state-bank-of-vietnam-becomes-bis-member.html>