

Highlight News / November 09, 2020



- Japan unveils plan to build waste-to-energy plant in Cambodia
- 51,000 tourism-based jobs in Cambodia vapourised because of COVID-19 pandemic
- Expo gives boost to regional tourism
- Laos and Vietnam strengthen ties, more than US\$1.2bil in trade agreements despite pandemic
- More costs, damage incurred while trading at Thai border
- Non-performing loans surge due to pandemic
- More firms established, resuming operation in October



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

Japan unveils plan to build waste-to-energy plant in Cambodia



Cambodia News | 7 November, 2020

Japanese firms have mulled their investment on the waste-to-energy plant and Liquefied Natural Gas (LNG) storage stations in Cambodia. This was said by Mikami Masahiro, Ambassador of Japan to Cambodia, in a meeting with Suy Sem, Minister of Mines and Energy, in Phnom Penh earlier in the week. The Ambassador said that the COVID-19 pandemic has greatly affected the world and impacted many development projects. However, the importance is that Cambodia and Japan have to work together for the future through dialogue to promote development of investment projects between the two countries. The minister welcomed the Japanese investment projects in the energy sector, stressing that Cambodia is adjusting electricity supply plan to respond to the country's rapid development. The waste-to-energy projects in Cambodia have been proposed by many investment companies, but due to the high cost of investment compared to other energy projects, no investment has been taken to the ground. Chea Vannak – AKP

Source: <https://www.khmertimeskh.com/50780638/japan-unveils-plan-to-build-waste-to-energy-plant-in-cambodia/>

51,000 tourism-based jobs in Cambodia vapourised because of COVID-19 pandemic



Cambodia News | 7 November, 2020

Close to 51,000 jobs have disappeared from the once thriving tourism sector as 2,838 tourism-related businesses in Cambodia have shuttered down or temporarily closed due to the COVID-19 crisis as of September this year, according to the Ministry of Tourism. Speaking at a workshop on Tourism Business Operation in COVID-19 era held in Siem Reap province on Friday, Song Tonghap, Secretary of State for Tourism, said that the affected number accounts 29.6 percent of the tourism-related businesses nationwide. About 62 percent of COVID-19-affected tourism businesses are based in Siem Reap province, making 14,702 workers out of jobs, he added. To restore the sector, Ministry of Tourism is preparing key strategic documents such as roadmap on the rehabilitation and promotion of Cambodia's tourism sector (2020-2025), master plans for tourism development in Siem Reap, Kep and Mondulkiri provinces (2020-2035), and Tourism Development Strategic Plan (2021-2030), the Secretary of State pointed out. To support tourism business situation in this COVID-19 period, the Royal Government of Cambodia has launched six rounds of measures to continue to manage the impact on key sectors of the national economy, including tax measures, workers-employees' protection measures, and exemption of tourism licence renewal

fees nationwide for 2021, he said. The total foreign arrivals in Cambodia in the first nine months of 2020 dropped by 74.1 percent to 1,247,680, according to the ministry's report. Chea Vannak – AKP

Source: <https://www.khmertimeskh.com/50780626/51000-tourism-based-jobs-in-cambodia-vapourised-because-of-covid-10-pandemic/>

Expo gives boost to regional tourism



Laos News | 6 November, 2020

The 3rd edition of the Asean Sustainable Tourism Solutions Expo took place at the Crowne Plaza Hotel in Vientiane last week. The event was branded as the Asean Sustainable Tourism Solutions Expo to reflect its importance in Southeast Asia, with this year's expo taking place on November 6-7. Some 35 exhibitors from around Laos showcased their products, services, and initiatives. Exhibitors represented several categories relevant to the theme of the event: eco-friendly hotel supplies, plastic alternatives, water and energy conservation systems, as well as initiatives and projects. The Lao Thiao Lao (Lao Visit Laos) campaign was also represented, with information about the promotion of domestic tourism. One of the most enriching parts of the expo was the symposia programme, bringing together renowned thinkers to discuss topics that matter greatly to the Lao and regional tourism industries. On Friday, there were three panel discussions, namely "The Future of Tourism in Asean and Laos", "Safe Travels: The Importance of Health

and Safety in Effective Recovery Protocols", and "Rebuilding a More Resilient Tourism Workforce". On the second day, visitors could attend two panel discussions - "Developing a Post-Covid-19 Recovery Plan for the Tourism Sector" and "Practical Solutions to Plastic Reduction in Laos". Also on Saturday, there was an interactive biodiversity and conservation activity led by the Lao Conservation Trust for Wildlife and Free the Bears. This year, in an attempt to include regional visitors who were unable to attend in person due to travel restrictions, the organisers took the expo online. Visitors could find another 20 exhibitors and high-tech communication tools at astse.vfairs.com. There were also symposia to watch on the site, including several live panel discussions, in addition to on-demand webinars. The opening ceremony took place on Friday morning, with the opening remarks delivered by Deputy Minister of Information, Culture and Tourism, Mr Ounthouang Khaophan. Also attending the expo were Deputy Minister of Natural Resources and Environment, Ms Bounkham Vorachit; President of the Lao National Chamber of Commerce and Industry, Mr Oudeth Souvannavong; Director General of the Tourism Development Department, Ms Phonemany Inthaphome; and Vice Head of Mission at the German Embassy to Laos, Ms Nicole Stechmann. In his opening speech, Mr Ounthouang said "This is the third edition of the expo. The first took place in Luang Prabang in 2018 and the second was held in Vientiane last year, both of which were a success." "Several hundred visitors attended these two events.

The expo is the region's leading specialised fair for the tourism industry to celebrate, explore, and exhibit the latest trends, insights, and technology in sustainable tourism and hospitality practices," he added. "The expo encourages the practice of sustainable development as part of efforts to develop Laos as a middle- or high-income country in line with the government's wish to pursue a path of green and sustainable development. It's also a part of efforts to fulfill the UN's Sustainable Development Goals." "In particular, the expo supports green and sustainable development and aims to make Laos a quality tourism destination." The expo was organised by the Ministry of Information, Culture and Tourism in cooperation with the Ministry of Natural Resources and Environment, the Lao National Chamber of Commerce and Industry, and the Asean Secretariat, and supported by German Development Cooperation and other groups.

Source:http://www.vientianetimes.org.la/freeContent/FreeContent_Govt217.php

Laos and Vietnam strengthen ties, more than US\$1.2bil in trade agreements despite pandemic

Laos News | 7 November, 2020

VIENTIANE, Nov 7 (Xinhua): The export value of Laos to Vietnam has increased in 2020, despite the Covid-19 pandemic. In 2019, the export value from Laos to Vietnam in the first nine months was US\$757.4 million, which increased to almost US\$758 million,

according to the Lao Ministry of Industry and Commerce. While the import value decreased from US\$458 million, compared to the nine months of 2019, to 410 million U.S. dollars in the nine months of 2020. Meanwhile, both sides will increase efforts to promote bilateral trade in 2020 with the forecast of an increase of between 10 and 15 percent, local daily Vientiane Times reported on Friday. The main items exported to Vietnam are drinking water, minerals, and wood products, and agricultural products such as rubber, coffee, maize, cassava, rice, and cattle. In contrast, imports focused on key groups such as petroleum, fertilizer, steel, machinery, electrical equipment, construction materials, and spare parts. Vietnam remained Laos' third-largest trading partner and third-largest foreign investor in Laos, trailing Thailand and China. Vietnamese businesses have invested in 413 projects in Laos at a total value of US\$4.2 billion, mostly in hydropower, mining, transport, industrial tree plantations, and services, which have played an important role in the development of both countries, according to the government report. Ties between Laos and Vietnam are so strong, and the two countries enjoy a great friendship, according to the Vietnamese Embassy to Laos. This special relationship and cooperation are reflected in all aspects of dealings between the two countries, and this confirms the close relationship is unique in the

world. Cooperation between Laos and Vietnam in all fields has its roots in the two countries' shared revolutionary movement. The Lao government is hoping the country's combined imports and exports will achieve the target in the revised plan. The Lao government had earlier set a combined trade target of US\$1.3 billion for 2020 and revised it to US\$1.2 billion due to the Covid-19 crisis.

Source: <https://www.thestar.com.my/aseanplus/asean-plus-news/2020/11/07/laos-and-vietnam-strengthen-ties-more-than-us12bil-in-trade-agreements-despite-pandemi>

More costs, damage incurred while trading at Thai border



Myanmar News | 6 November, 2020

Instructions requiring goods for trade at the border to be offloaded and reloaded onto separate vehicles at the Thai-Myanmar Friendship Bridge 2 has led to damage and higher costs for local traders. "There is no shelter on the bridge so some goods get damaged while being moved from truck to truck. Some goods cannot be overexposed to sunlight or rain. For example, rice flour gets damaged if it gets wet. But the process of reloading the goods onto Thai trucks requires the food to be held temporarily at terminals exposed to the weather. Moving the cargo also requires additional labour costs," said U Aung Myint Oo, director of trading firm Klootoo Wah Co. Ltd. After further five people tested positive for COVID-19 in Mae Sot, Thailand, last month, the Thai-

Myanmar Friendship Bridge 2 at the border was closed for a week. Traffic resumed on October 25, but new rules requiring goods transported to the border in Myanmar vehicles to be transferred to Thai vehicles applied. The moving process is done at an open air terminal beside the bridge. "Normally, it takes only three hours and six workers per truck to cross the border into Thailand. Now, we need about 20 workers and charges are extremely high. Both imported goods from Thailand and exported goods from Myanmar need to be transferred into separate vehicles at the bridge. We have to wait for the trucks from Thailand to export the goods and we are given only seven hours to unload the goods at the bridge," U Aung Myint Oo said. Merchant associations, government departments and the Myanmar business chambers are now in negotiations with the Thai officials to find a solution that eases this burden. Currently, more than 300 vehicles pass the bridge daily. Construction materials are being imported from Thailand while Myanmar exports crops such as corn, chilli and peanuts. - Translated

Source: <https://www.mmtimes.com/news/more-costs-damage-incurred-while-trading-thai-border.html>

Non-performing loans surge due to pandemic



Vietnam News | 8 November, 2020

Of 15 commercial banks that have published their third quarter results, 14 reported a surge in non-performing loans by 30 percent or more. State-owned

VietinBank posted the highest rise of 66 percent to VND17.95 trillion (\$779.36 million), followed by TPBank at 60 percent and MB Bank, 39 percent. BIDV, the largest bank in Vietnam by asset, saw non-performing loans rising 16 percent to VND22.5 trillion, highest among all lenders. Bank leaders say that the rising number of low quality debt is unavoidable amid the Covid-19 pandemic when many businesses went into financial difficulties due to social distancing measures and dwindling demand for goods and services. Nguyen Dinh Tung, CEO of Orient Commercial Bank (OCB), said although the value of non-performing loans has surged, the ratio of it over total debt is still under control. But economists say that these figures will continue to be worsen next year. Economist Nguyen Tri Hieu said that a circular issued by the State Bank of Vietnam in March has allowed banks to lower or cut interest rates on loans to support borrowers amid the pandemic and allow them to delay their payback time. Although this circular has given businesses more time to recover from Covid-19 impacts, the loans they had acquired will eventually have to be paid and those unpayable will be turned into bad debts for banks, he said. "Banks cannot escape from losing some of their loans in the future." As the global situation of Covid-19 is still intense globally, Vietnamese businesses will still have financial difficulties in this and next year, and therefore the central bank should prolong its low-interest credit program to support local companies, Hieu said. Banks, meanwhile, should increase their

provisions for doubtful and bad debt to protect themselves from unavoidable risks in the future, he added.

Source: <https://vietreader.com/business/22446-non-performing-loans-surge-due-to-pandemic.html>

More firms established, resuming operation in October



Vietnam News | 7 November, 2020

Hanoi (VNA) – Noticeable increases in the number of enterprises that were newly established or restarted operation were recorded in October in comparison to September, signaling a recovering post-pandemic market, an office has said. According to the Agency for Business Registration under the Ministry of Planning and Investment, 12,205 new firms entered the market last month, up 18.4 percent from September and 0.2 percent from the same period last year. Meanwhile, October saw 5,044 companies resume their businesses, mostly in retail sale, automobile repair, construction, processing-manufacturing industry, realty and tourism. The figure is 10.4 percent higher than that of the previous month. In the first 10 months of this year, Vietnam had 111,160 new firms, a mere annual decrease of 2.9 percent. The period also recorded a 14.4 percent on-year increase in the average registered capital per enterprise which was 14.3 billion VND (617,070 USD). This meant the scale of new firms has been expanded. Also in the period, existing companies added 3.89 quadrillion VND to their capital, up 17 percent from last year, reflecting their confidence in

the country' post-pandemic recovery. On the other hand, 85,541 firms withdrew from the market in the 10 months, increasing 58.7 percent year on year. Of them, 41,783 registered for a limited shutdown. The agency said such figures demonstrated a prolonged and heavy impact of COVID-19 on business and production./.

Source: <https://en.vietnamplus.vn/more-firms-established-resuming-operation-in-october/189979.vnp>
