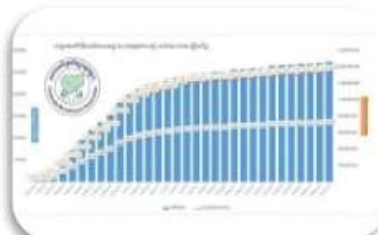


Highlight News / November 24, 2020



- MoU aims to improve logistics to strengthen Cambodia-China trade
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- Deputy governors to develop plans to tackle child poverty
- New ASEAN-led trade deal to boost Myanmar manufacturing sector
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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)



MoU aims to improve logistics to strengthen Cambodia-China trade



Cambodia News | 23 November, 2020

The Logistics Business Association (LOBA) and European Chamber of Commerce and Industry (EACHAM) have signed a memorandum of understanding (MoU) towards improving trade investment and logistics between Cambodia and China. The agreement was signed “virtually” with both parties using Zoom to facilitate the signing event. Chandara Chea, president of LOBA, said: “Huge potential has been facilitated for both parties with the signing of this MoU. It will foster opportunities for both investors and future business development. The agreement acts to strengthen Cambodia’s relationship with China and I am excited to see what the future holds for all concerned.” He added: “Working together, LOBA and EACHAM will help members discover the best fits for import and export related firms from both nations towards finding products and potential trading and business partners. We will stay current with the needs of Cambodian and Chinese interests in order to serve both diligently. We will, however, focus primarily on agricultural and construction-based products as well as those from the garment and shoe accessories sectors.” Chea said: “There are many garment and shoe factories that have been set up in the Kingdom by China. They are doing very well and play an important part in boosting economic growth in Cambodia. I think that with so many firms doing well

already, the signing of this MoU will encourage yet more money to flow into the country, helping the Kingdom to prosper even further.” Chea concluded by saying, “The FTA agreement signed by the Chinese and Cambodian governments means that the tariff will be reduced to 0 percent [for most goods]. This will be particularly convenient for both us and future business investors. I believe both parties will see additional business growth and a LOBA provides logistics consultancy in Cambodia. The company offers services and training to import and export sector companies in the Kingdom. EACHAM, is a nongovernmental organisation and global chamber that was first headquartered in Belgium. The company now has 10 offices worldwide in Belgium, Netherlands, the United States, Germany, France, Italy, Romania, India, Beijing and Guangzhou, China. Throughout its 16 year history, EACHAM has remained committed to the enhancing of multilateral civil diplomacy between China and the rest of the world, making contributions in the areas of culture, politics, economics, science and technology.

Source: <https://www.khmertimeskh.com/50785080/mou-aims-to-improve-logistics-to-strengthen-cambodia-china-trade/>

Banks and FI loan restructuring extended until mid-2021



Cambodia News | 23 November, 2020

The National Bank of Cambodia (NBC) will allow banks and financial institutions to continue loan

restructuring until mid-2021, according to a letter sent to the Association of Banks in Cambodia (ABC) and the Cambodia Microfinance Association (CMA) last week. Signed by NBC Governor Chea Chanto, the letter said, “I would like to inform you [ABC and CMA] that in support the royal government’s policy on matters regarding the COVID-19 pandemic and the impact of the flash floods, NBC has decided to extend loan restructuring conditions as set out in Circular No. B7-020-001.” NBC is extending loan restructuring to all sectors impacted by pandemic and floods, based on evaluations conducted by the banks and financial institutions. Restructuring will be dependent on a mutual understanding between banks and financial institutions and their clients and will include provisions for the reduction of interest rates and waiving of other additional fees. The central bank will permit restructuring up to three times without any impact to the loan classification during the referred period and specified that all financial institutions must follow implementation of the extension as directed.” CMA Head of Communications Kaing Tongngy welcomed the decision on behalf of the association. He added that the policy provides all the needed legal framework for MFIs and other financial institutions to support clients still being affected by pandemic and flood disruptions to their revenue streams. “During this difficult time, the CMA has actively monitored the enforcement of the restructuring policy by our 103 members. “This included MFIs, leasing companies, rural credit operations and some banks,” Tongngy added. He

noted that the sector has been able to maintain a relatively low non-performing loan (NPL) ratio. The current NPL figure stands around 2.5 percent, thanks in large part to the NBC policy measures implemented in March, he noted. Say Sony, PRASAC MFI Plc ‘s senior vice-president and chief marketing officer, also welcomed the move, saying that it would be great for both clients and the banking sector because it would enable economic growth. He emphasised that the extension of the restructuring policy would not adversely affect his institution’s performance because its clients have a very good record of credit discipline. “This additional measure will maintain financial stability, support economic activity and ease the burden of borrowers who face continued cash-flow issues,” said Sony. PRASAC reported an NPL ratio of 1.16 percent, up from 0.31 percent in Q3 last year. Net profit for Q3 was reported at 256,378 million riels (\$63.2 million), a decrease of -13.3 percent compared with the same period last year. As of Nov 15, approvals for loan restructuring totalling \$1.341 billion were provided to 273,536 clients, a figure that represents 94 percent of the total number of restructuring requests.

Source:<https://www.khmertimeskh.com/50785076/banks-and-fi-loan-restructuring-extended-until-mid-2021/>

Deputy governors to develop plans to tackle child poverty



Laos News | 24 November, 2020

Deputy governors from the 18 provinces met in Vientiane on Monday to reflect on the progress of the

commitments made last year under the Lao Generation 2030 initiative, to mark the 30th anniversary of the Convention on the Rights of the Child. The meeting discussed the deputy governors' commitment to putting the convention into practice, specifically the development of context-specific commitments focused on reducing multi-dimensional child poverty at the subnational level through action plans and budgets. Minister to the Prime Minister's Office and Vice President of the National Commission for the Advancement of Women, Mothers and Children, Mr Alounkeo Kittikhoun, said "When assessing the overall situation in Laos, we can see that the country has made great strides in reducing poverty in the last decade. Recent data shows that monetary poverty is currently at 18 percent and the number of children living in these households is about 17 percent." "However, there are still many more things we need to do to address child poverty so this meeting is important, as are the action plans to be implemented at the provincial level." According to the 2018 Multiple Overlapping Deprivation Analysis, 88 percent of children under 18 years of age are multi-dimensionally deprived, meaning they suffer from more than one form of poverty. Seventy percent of children suffer from at least two deprivations and 50 percent suffer from three or more deprivations in nutrition, health, education, early childhood development, child protection, water, sanitation, housing, or access to information. During the meeting, a representative of the participants said the

data indicates that the most vulnerable children are those living in rural areas with limited road access, children of mothers with little or no education, children from non-Lao-Tai ethno-linguistic groups, and children from households in the poorest groups. With this in mind it is necessary to develop specific plans for each province and allocate resources to make them a reality and this has to be done involving children. At the provincial level, the highest rates and intensity of multidimensional deprivation is found in the provinces of Phongsaly, Savannakhet, Saravan, Xekong and Xaysomboun. Vientiane has the lowest rates and intensity of multidimensional deprivation. The Covid-19 pandemic has affected children disproportionately. In Laos, during the lockdown, far too many children were deprived of education, health and immunisation services were affected, and the livelihoods of many families have been jeopardised due to the economic impact of the pandemic. UNICEF Representative to Laos Dr Pia Rebello Britto said "Our commitment to the Sustainable Development Goals (SDGs) and their multispectral nature begs for a multidisciplinary approach to ensure that we can reduce poverty in all its dimensions by half by the year 2030." "Furthermore, SDGs on early childhood development and addressing violence against children will enable us to meet our commitments to children while achieving these goals. By investing in children's future, we are also investing in human capital and subsequently the prosperity of Laos," she added.

Source:http://www.vientianetimes.org.la/freeContent/FreeContent_Deputy_229.php

New ASEAN-led trade deal to boost Myanmar manufacturing sector



Myanmar News | 23 November, 2020

The newly formed ASEAN-led global trading bloc, Regional Comprehensive Economic Partnership (RCEP), could boost the Myanmar manufacturing sector, according to the research and advisory firm Oxford Business Group. Myanmar could capitalise on the 15-country trade bloc, the biggest in the world, to grow its manufacturing base, the research group said. Peter Crowhurst, the chief executive officer of the British Chamber of Commerce Myanmar, told OBG that “local, regional and indeed global manufacturers who want to be active in the ASEAN market place are taking advantage of the opportunities in Myanmar”. “The Myanmar economy is very young, it is agriculturally based and overall manufacturing is in its infancy,” he said. Crowhurst noted that Myanmar has a lower cost base, a growing infrastructure and a receptive government that is seeking to strengthen and diversify its economy. He expressed confidence that the fresh overwhelming mandate the ruling National League for Democracy received during the November 8 polls would give impetus for more reforms that would enable the country to take advantage of the RCEP. “With the new government under the direction of Daw Aung San Suu Kyi, now is the time to build and strengthen capabilities of the respective ministries to

support the effective and balanced implementation of RCEP,” he added. During the last five years, international business invested over US\$6 billion in 711 manufacturing businesses in Myanmar. Similarly during those five years, firms mostly from Japan and Singapore invested US\$1.1 billion in 50 businesses in Myanmar special economic zones. Manufacturing sector attracted the most foreign investments during the from 2016 to 2020 with \$7.4 billion according to Directorate of Investment and Company Administration. The RCEP was signed on November 15 on the sidelines of the ASEAN summit. The signatories are the 10-country ASEAN, China, Japan, South Korea, Australia and New Zealand. The new trading bloc represents around 30 percent of the world’s population, 30pc of global gross domestic product and about 28pc of the international trade. ASEAN groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. -Translated

Source: <https://www.mmtimes.com/news/new-asean-led-trade-deal-boost-myanmar-manufacturing-sector.html>

RCEP will not worsen trade deficit: ministry



Vietnam News | 23 November, 2020

Hanoi (VNS/VNA) - The Regional Comprehensive Economic Partnership (RCEP) would not worsen the trade deficit Vietnam was running with signatory markets, according to the Ministry of Industry and Trade. Statistics showed that Vietnam ran a trade

deficit worth 5.58 billion USD with ASEAN, 27.71 billion USD with China and 21.37 billion USD with the Republic of Korea in the first nine months of this year, which triggered concerns the deal might widen the country's trade deficit figures. The ministry said that Vietnam already participated in ASEAN Trade in Goods Agreement (ATIGA) and free trade agreements (FTAs) between ASEAN and other partner countries, meaning that trade liberalisation had already been implemented over the past two decades. RCEP was basically an agreement which unified pre-existing bilateral agreements between ASEAN and five of its major trade partners, which would not create any shocks on tariff liberalisation to Vietnam, the ministry said, adding that RCEP mainly aimed to create favourable conditions for business operation and investment. Hence, the trade deal would not weigh on the trade deficit. In the long term, Vietnam's trade would even improve, according to the ministry. The trade deficit was not the only factor to consider about an FTA, the ministry said. More importantly, FTAs would help enhance cooperation between economies, attract foreign investment and bring other values to the economy and citizens. Looking at the time when Vietnam joined the World Trade Organisation, the country ran a considerable trade deficit but this was an opportunity to improve the competitiveness of the economy and enterprises. Nguyen Thi Quynh Nga, Deputy Director of the ministry's Multilateral Trade Policy Department, urged Vietnamese firms to study the trade deal carefully to be able to grasp the

opportunities arising from the trade deal and overcome challenges from the intensifying competition pressure on the domestic market. RCEP was signed last Sunday between 15 Asian countries, excluding India, after eight years of negotiations. The ministry said that RCEP would come into force when at least six ASEAN countries and three partner countries approved the trade deal. Minister of Industry and Trade Tran Tuan Anh said that RCEP provided a perfect opportunity for Vietnam and other ASEAN countries to become a centre of investment attraction. RCEP creates the largest free trade-economic region in the world, accounting for 30 percent of global GDP with 2.2 billion consumers./.

Source: <https://en.vietnamplus.vn/rcep-will-not-worsen-trade-deficit-ministry/190918.vnp>

PetroVietnam remains in Vietnam's top 3 largest firms for 10th consecutive year



Vietnam News | 23 November, 2020

Hanoi (VNA) – The State-owned Vietnam Oil and Gas Group (PetroVietnam) has made it into the top three largest firms in Vietnam this year, the tenth year in a row, according to the latest ranking co-released by Vietnam Report (VNR) and e-newspaper VietNamNet. The VNR500 ranking lists the 500 largest companies in Vietnam, considering revenues, profits, growth rates, labour, owner's equity, and total assets. It is the 14th consecutive year the ranking has been announced. PetroVietnam was listed in the third place, after Samsung Vietnam

in the first position and state-run firm Vietnam Electricity (EVN) in the second. A number of subsidiaries of PetroVietnam were also named in the top 40 of the list, including Binh Son Refining and Petrochemical JSC (BSR) in the 11th position; PetroVietnam Oil Corporation (PVOIL), 15th; PetroVietnam Gas Corporation JSC (PV Gas, 16th; Vietnam-Russia joint venture Vietsovpetro, 28th; PetroVietnam Exploration Production Corporation (PVEP), 39th; and PetroVietnam Power Corporation (PV Power), 40th. Other member companies on the list include PetroVietnam Technical Services Corporation (PTSC), Vietnam Public Joint Stock Commercial Bank (PvcomBank), insurer PVI Holdings, PVI Insurance, PetroVietnam Technical Services Corporation Mechanical & Construction (PTSC M&C), PetroVietnam Transportation Corporation (PVTrans), PetroVietnam Low Pressure Gas Distribution JSC (PV Gas D), PetroVietnam Fertiliser and Chemicals Corporation (PVFCCo), PetroVietnam Power Nhon Trach 2 Corporation, PetroVietnam Ca Mau Fertiliser JSC (PVCFC), PetroVietnam Gas South JSC (PGS), PetroVietnam Drilling & Well Service Corporation (PV Drilling), and PetroVietnam Chemical and Services Corporation (PVChem). In October, PetroVietnam topped the list of 500 most profitable businesses (Profit500) also released by VNR and VietNamNet. This is the third consecutive year the corporation has led the ranking. Enterprises honoured are those with efficient and sustainable production and business activities, as well as high profitability amid

challenges caused by the pandemic-triggered crisis. PetroVietnam and its members have taken a comprehensive set of response measures to tackle challenges induced by COVID-19 and maintain stable production since the beginning of this year. It exploited an estimated 17.32 million tonnes of oil equivalent in the first ten months of the year, surpassing the plan for the period by 2.3 percent. The group's total revenue reached 464.5 trillion VND (20.1 billion USD), or 83 percent of the yearly plan while its contribution to the State budget hit 58.3 trillion VND, equivalent to 86 percent of the yearly target. Amid a global economic downturn caused by the COVID-19 pandemic, the group was among a few oil and gas businesses in the world that have managed to post positive growth in the January-October period. In the past 10 months, the group reduced costs by 8.1 trillion VND as part of the effort to weather the crisis. Towards the year's end, PetroVietnam sets the goal of continuing to exercise thrift, effectively using resources and devising scenarios to cope with market developments, as well as grasping new opportunities for effective disbursement, thus propelling its next growth. An October survey by VNR found that 24.4 percent of asked enterprises said they performed better in the first nine months of this year compared to the same period last year. Some 36.6 percent said production was stable and 39 percent said they performed worse than a year earlier. About 41.5 percent of firms said their nine-month revenue declined against the same period last year while 43.9 percent saw higher

revenue. Some 14.6 percent said their revenue did not change much, according to the survey. The survey also showed the top five strategies that enterprises had adopted to tackle challenges this year, namely accelerating personnel training and maximising human resources (90.4 percent of asked enterprises); cutting costs (86.5 percent); sharpening competitive edges (73.1 percent); increasing investment in technology and digital technology application (53.8 percent); and strengthening customers' experience, 42.3 percent. A ceremony to officially announce the VNR500 2020 will be held on January 8, 2021 in Hanoi./.

Source: <https://en.vietnamplus.vn/etrovietnam-remains-in-vietnams-top-3-largest-firms-for-10th-consecutive-year/190897.vnp>
