



- Indications of new strength in bilateral trade with Thailand
- 7-Eleven expansion into the Kingdom coming as planned
- Public, private partnership aims to strengthen tourism
- 80 billion kip low-interest loans issued to SMEs, parliament told
- Myanmar takes delivery of LNG for Yangon power plants
- E-commerce serves as a gateway for Vietnamese exports
- Government, firms are key to create breakthroughs in Vietnam digital economy



Indications of new strength in bilateral trade with Thailand



Cambodia News | 26 November 2020

An announcement of the upcoming opening of a Cambodian representative office in Bangkok coincided this week with the general manager of Thailand's largest air conditioner and solar energy supplier, PPJ. Engineering Co (PPJ), giving assurances of expansion into the Kingdom next year, positive indicators that the strengthening of ties between the nations is gaining steam. It was announced this week that Cambodia will soon establish a representative office, the Cambodia Business Council Centre (CBCC), in Thailand's capital in a bid to facilitate trade and business activities between the two kingdoms. According to the Ministry of Commerce, the CBCC will act as a one-stop business chamber for Cambodia in Thailand. It will assist in promoting Cambodian products, providing information and training and facilitating trade and investment between the two countries in order to help reach the goal of \$15 billion targeted by the two nations' Prime Ministers for 2021. Seang Thay, secretary of state and spokesman at the Ministry of Commerce, said: "The relationship between the governments of the two countries, particularly between the two ministries of commerce, has seen strong cooperation over the years, pushing up the value of trade. We want to continue to promote bilateral trade to further increase it." That news came alongside assurances from Somkiat Limcharunthon,

general manager of PPJ, that the company would expand its business to Cambodia next year based on growing local demand from the construction sector. The expansion aims to create jobs for local people and contribute to Cambodia's economic development. His comments came during a visit to PPJ's Bangkok factory by Commercial Attache and Representative of the Cambodian Ambassador, Heng Sovannarith, who encouraged additional investment by PPJ in Cambodia in response to high demand. The efforts of the embassy of Cambodia in Bangkok in promoting economic cooperation and investment between the two nations were specifically noted by Heng Sovannarith during his visit. Panyarak Poolthup, Thai ambassador to Cambodia, stated last month that because of the COVID-19 pandemic situation, bilateral trade has been strained because border crossings have been tightened, making it difficult for the flow of goods. "In terms of investment, however, even though we have felt the impact of COVID-19 like the rest of the world, Thai companies in Cambodia have continued their normal production chains and many Thai companies are still looking at investment opportunities in Cambodia," he added. In the first three quarters of 2020, trade between Cambodia and Thailand was worth \$5.569 billion, down 19 percent compared with the same period last year, according to data from Thailand's Ministry of Commerce. Cambodian exports to Thailand reached \$958 million, falling 48 percent, while imports were worth \$4.611 billion, down 9 percent compared with the same period. The majority of

Cambodia's exports to Thailand are agricultural products, aluminium, gemstones and jewelry. Cambodia's imports from Thailand primarily consist of fuel, cars, motorcycles, gemstones and jewelry.

Source: : <https://www.khmertimeskh.com/50786411/indications-of-new-strength-in-bilateral-trade-with-thailand/>

7-Eleven expansion into the Kingdom coming as planned



Cambodia News | 26 November 2020

CP All Public Co Ltd has released a statement that the expansion of its 7-Eleven convenience stores to Cambodia and the Lao PDR will take place as planned. The statement was released following Thailand's The Nation report on Nov 20 that CP All, the local operator of 7-Eleven convenience stores, had suspended its plan to launch 7-Eleven stores in Laos and Cambodia because of the ongoing COVID-19 outbreak in both countries, reporting that the company would go ahead with the launch plan once the outbreak situation improved. CP ALL (Cambodia) and CP All (Laos) have each been granted 30 years of franchising rights for the establishment and operation of 7-Eleven stores. CP All's Thailand operation is ploughing ahead with plans to open another 700 branches in Thailand this year. A total of 513 of the planned 700 had already opened as of September, according to Thailand's The Nation. Cambodian Ambassador to Thailand Ouk Sorphorn said major Thai businesses such as CP All Plc (the sole operator of 7-Eleven convenience stores) and

TCC Group (the operator of Big C supermarkets) have pledged to expand their investments in Cambodia this year. "Besides these two conglomerates, we also received [substantial] interest from Thai businesspeople who wish to explore partnership opportunities in Cambodia after we signed our first bilateral Free-Trade-Agreement (FTA) with China. These investments will significantly contribute to the growing trade between the two countries," he added. Sorphorn added the Cambodian embassy to Thailand, through its commercial office, has provided the company with up-to-date information on Cambodian investment opportunities, technical consultation and full support in business registration for their head office in Cambodia. "Recently, we also signed a memorandum of understanding (MoU) with Bangkok-based law firm iLAWASIA, to provide legal advice and support to Cambodian and Thai business people. Moreover, we are now working with Thailand's Horeca Investment Co Ltd to setup the first-ever Cambodia Business Council Centre (CBCC), a one-stop business chamber for Cambodia in Thailand's main capital." Sorphorn also said the CBCC, once operational, will help promote Cambodian products by providing information and training programmes to entrepreneurs and facilitating bilateral trade and investment between the two countries in support of the \$15 billion bilateral trade goal targeted by the two nations' prime ministers for 2021. "Cambodia is an emerging country that has experienced strong economic

growth, with an average annual gross domestic product (GDP) growth near 7 percent over the last two decades,” the ambassador said. He added that this stable growth has created many opportunities for Thai and other foreign firms to generate favourable returns on Cambodian investments. Although Thailand remains in lockdown, Thai investors are still seeking business and investment opportunities in Cambodia in part because many are aware of the Thai plus-one strategy, the new investment law and the deep reforms spearheaded by the Cambodian government to improve the business climate for foreign investors. According to statistics from the Cambodian embassy in Thailand, during the first 10 months of 2020, Thailand’s cross-border trade with Cambodia, (including transit trade), amounted to \$6.1 billion, a 21 percent decrease compared with the \$7.7 billion reached during the same period in 2019. Cambodia’s exports to Thailand totalled \$1 billion, a decline of 51.5 percent year-on-year with 2019’s \$2.1 billion. Imports from Thailand were valued at \$5.1 billion, down 11 percent year-on-year, compared with 2019’s same period total of \$5.6 billion. These statistics represent a Cambodian trade deficit with Thailand of \$ 4.1 billion

Source : : <https://www.khmertimeskh.com/50786446/7-eleven-expansion-into-the-kingdom-coming-as-planned/>

Public, private partnership aims to strengthen tourism



Laos News | 27 November 2020

The Ministry of Information, Culture and Tourism and Amazing Lao Sole Co., Ltd. are partnering to boost sustainable tourism in line with government policy. The two parties signed a Memorandum of Understanding (MOU) on Wednesday to plan a tourism consulting company that will provide advice to businesses considering investing in tourism in Laos. The MOU is aimed at strengthening tourism based on Laos’ natural, cultural, historical and agricultural attractions and their potential for the development of tourism. It also aims to improve the standards of tourism personnel to ensure greater efficiency, as well as attract more investment in tourism development. The MOU was signed in Vientiane on Wednesday by the Head of Office of the Ministry of Information, Culture and Tourism, Mr Bualay Phanouvong, and Director of Amazing Lao Sole Co., Ltd., Mr Zhou Yao. Minister of Information, Culture and Tourism, Prof. Dr Kikeo Khaykhamphithoune, witnessed the signing. Under the MOU, the two parties will seek funding as well as technical and business units to invest in tourism. They will create development and administration plans for tourist sites and formulate a tourism marketing plan. They will jointly run a tourism information campaign in Laos for local and foreign tourists, which will support the government’s goal to promote tourism and attract more local and overseas

investment in the industry. Director of Amazing Lao Sole Co., Ltd., Mr Zhou Yao, said Laos has the potential to attract more local and international visitors, especially to places of natural beauty. “We will cooperate with both state and private sectors when the tourism consulting company is set up. The company will provide advice for tourism investors and information about Lao tourism for tour operators,” he said. Mr Zhou Yao believes that a large number of foreign tourists will come to Laos after the Covid-19 pandemic subsides. The MOU paves the way for the development of a tourism consulting company to provide information and technical assistance to ensure quality tourism administration in Laos. According to the ministry, Laos has vast potential for the development of tourist attractions and offers incentives to boost investment in the sector. Investors are welcome to develop and operate tourist sites in line with the country’s laws. There are at least 1,000 sites that have not been developed or opened for service as the necessary facilities and infrastructure to access them is not in place.

Source: http://www.vientianetimes.org.la/freeContent/FreeConten_Public232.php/

80 billion kip low-interest loans issued to SMEs, parliament told



Laos News | 27 November 2020

Low-interest loans worth as much as 80 billion kip (more than US\$8.6 million) have been provided to small and medium enterprises (SMEs) so far, a

senior government official has told the National Assembly (NA). The government has allocated 200 billion kip for its SME Promotion Fund to be issued to SMEs through commercial banks at a uniform interest rate of just 3 percent in a bid to provide small businesses with financing. Deputy Minister of Industry and Commerce, Mr Somchit Inthamith, told the recent NA session that applicant SMEs need to meet certain criteria in order to obtain a loan. He was responding to questions raised by NA members who asked the government to explain why obtaining financing involved so many time-consuming and complicated procedures for SMEs. They said this hindered the growth of SMEs and called on the government to address the matter. To be eligible for a government-subsidised loan, SMEs must meet the following criteria: Have a clear business plan, Complete SME professional training certified by the industry and commerce sector or authorised body, Keep accounts in accordance with the Law on Accounting and have no non-performing debts to banks or other financial institutions. These criteria have been set to ensure that loans are used beneficially to sustain funding and prevent it from becoming a non-performing loan, Mr Somchit said. As a compromise, borrowers will be given one year to prepare themselves and set up a comprehensive accounting system. “SMEs have one year to improve their operations and keep proper accounts. If they are unable to do this after one year, they will have to pay interest at the commercial rate, not the 3 percent rate,” he told the session. Four SME service centres

– one each in Vientiane, Luang Prabang, Savannakhet and Champassak - have been opened to provide coaching and training for businesses. Priorities are given to four business sectors when it comes to applying for loans, namely agricultural product processing, handicrafts, crop planting and animal farming, and tourism. So far, businesses in 13 provinces have secured loans. Businesses wanting to apply for a loan can approach the Lao Development Bank, LaoVietBank, Sacombank Lao, Maruhan Japan Bank Lao, and Xaisomboun Fund – the five financial institutions selected by the government to issue and manage loans. It was reported previously that the maximum amount that could be loaned to micro SMEs is 1.5 billion kip per agreement. For small enterprises the amount is 3 billion kip per agreement and for medium-sized enterprises the amount is 4 billion kip. All enterprises will pay 3 percent interest on the loans. Regarding a claim raised by NA members that businesses had to pay to attend a professional training course, Mr Somchit said that until recently the government had financed the training, which meant that businesses did not have to pay. The government issued a notice on October 14 stating that it would finance the training, he added. The government's subsidised loans coupled with loans lent by commercial banks to SMEs has totalled 20,000 billion kip to date, according to Mr Somchit. The government places great importance on helping SMEs to obtain financing, as they are an integral part of the economy. SMEs account for about 99 percent of all

registered businesses in Laos and about 82 percent of jobs, according to the World Bank.

Source: http://www.vientianetimes.org.la/freeContent/FreeContent_80232.php.

Myanmar takes delivery of LNG for Yangon power plants



Myanmar News | 27 November 2020

Myanmar has taken delivery of its second load of liquefied natural gas (LNG) from Malaysia, U Soe Myint, deputy permanent secretary for the Ministry of Electricity and Energy, said on November 25. A total of 126,000 cubic meters of LNG was delivered to CNTIC VPower at the Thilawa port in Yangon and will be transferred via a floating storage unit to the 350MW Thanlyin power plant and the 400MW Thaketa power plant. The Ministry of Electricity and Energy signed agreements with Petronas LNG Ltd of Malaysia and CNTIC VPower of China earlier this year to purchase the LNG over a five-year period. The LNG will be used to power up seven new plants in Magwe, Shwe Taung, Kyun Chaung, Ahlone, Kyauk Phyu, Thanlyin and Thaketa to produce a total of 1166MW of power for summer this year. Petronas delivered the first two LNG cargoes to Myanmar in May and June. As part of the deal, the cargoes were sold on a free-on-board basis from the Petronas LNG complex at Bintulu, Sarawak, in East Malaysia, and totalled 190,000 cubic meters. CNTIC VPower is a joint venture company between Chinese state-owned engineering, procurement and construction firm China National Technical Import and Export

Corporation and Hong Kong-based power generation distributor VPower Group International Holdings. Last year, the consortium won three LNG-to-power projects in Yangon and Rakhine totaling 900MW through a tender issued by state-owned Electric Power Generation Enterprise. – Translated Source : <https://www.mmtimes.com/news/myanmar-takes-delivery-lng-yangon-power-plants.html>.

E-commerce serves as a gateway for Vietnamese exports



Vietnam News | 26 November 2020

Hanoi (VNA) - E-commerce offers businesses, especially small and medium-sized enterprises (SMEs), a direct reach to international customers, boosts their sales, speeds up the marketing process and saves costs, experts have said. Industry insiders were speaking at a seminar on exporting local goods through e-commerce, held by the Vietnam Chamber of Commerce and Industry (VCCI) and the Innovative Hub Company in Hanoi on November 24. In the context of the COVID-19 pandemic, the supply chains are disrupted and e-commerce shows its superiority and strengths that can help SMEs continue their business, maintain operations and create a breakthrough more clearly, said Pham Hoang Tien, Director of the VCCI's Small and Medium Enterprise Promotion Center. Sharing how Singapore has practised effective e-commerce, Zoe Zuo, CEO of Innovative Hub said Vietnamese businesses need to acquire and do some things that are considered useful in Singapore with positive values to help

promote the implementation of e-commerce in the country. Zuo advised firms to select and carefully identify customers, focus on different groups and select products suitable for them, adding they should also select e-commerce platforms and interfaces appropriate to the objectives of the business and find qualified staff. According to the Vietnam E-Commerce Association, the country's e-commerce market value will increase by more than 30 percent this year, exceeding 15 billion USD and reach 52 billion USD by 2025. Doan Thuy, a representative of Glovimex which produces handicrafts for export, said her enterprise has accelerated transactions through e-commerce and reported positive results. Thuy said e-commerce platforms have helped her overcome difficulties and maintain growth amid the pandemic. Lawyer Le Trong Thiem, from the law firm LTT & Lawyers, said e-commerce transactions bring benefits but create many potential risks of cash flow, security on international payment transactions, transaction costs, technology risks or fraud and hackers. Thiem recommended businesses develop a full, detailed and specific sales policy, learn and grasp the rules of the game and ensure the deadline to receive money in any transaction. He added there should be a clear agreement with the partner while the enterprises must make a careful investment in technology and have knowledge about the geopolitical situation when trading via e-commerce. The Asian Development Bank (ADB)'s Asian Development and Outlook 2020 Report

forecasts that Vietnam's economic growth will reach 2.8 percent in 2020 amid a global economic slowdown due to COVID-19. The growth was expected to increase by 6.3 percent in 2021. Notably, the report assesses that Vietnam is showing stronger resilience compared to similar economies. Like other countries, Vietnam faces a very difficult period with more risks of cybersecurity and also the dependence on digital technologies. Trinh Minh Anh, Head of Office of the Inter-sectoral Steering Committee for Global Economic Integration suggested that the government should give priority to developing digital identity in Vietnamese, build smart barriers and strongly develop electronic payment methods. Vu Tu Thanh, a representative of the US-ASEAN Business Council, said the pandemic is having uneven impacts in each geographical area and business sector, by firm size and by digital transformation level, so Vietnam should take its chance to take advantage of the digital economy. With the scale of the local internet economy of 14 billion USD, which was increasing 16 percent from the previous year despite the pandemic, Vietnam was forecasted to reach a scale of 50 billion USD in the next five years and be second only to Indonesia in the regional digital economy. "Doing business on digital platforms with goods and services transactions over the internet is a great opportunity for Vietnam," Thanh said./.

Source : : <https://en.vietnamplus.vn/european-firms-in-vietnam-more-positive-about-q3-performance/191126.vnp>.

Government, firms are key to create breakthroughs in Vietnam digital



Vietnam News | 26 November 2020

The Hanoitimes - In Vietnam's new framework to promote digital transformation, enterprises would stay at the center of the process, while the government is responsible for gathering the required conditions to promote digital economy. A strong push for digital transformation in both the government and enterprises would help create breakthroughs in the development of Vietnam's digital economy, according to a new report from the Central Institute for Economic Management (CIEM). The Vietnamese government is focusing on creating a legal framework to promote digital transformation. The digital economy should also ensure its inclusivity to remote areas and vulnerable groups, including women or the poor, added the report with title "The development of Vietnam's digital economy in the post-Covid-19 period". In a recent study from Google, Temasek and Bain, the Covid-19 pandemic has served as an accelerator for Vietnam's digital economy to expand by 16% this year to US\$14 billion, which is set to further grow to US\$52 billion by 2025. Before the Covid-19 outbreak, Vietnamese users were estimated to spend around 3.1 hours per day for surfing in the internet. The figure spiked to 4.2 hours at the height of national social distancing,

and now rests at 3.5 hours per day. The study also revealed e-commerce is fast becoming a major contributor in the digital economy, which is set to grow 63% year-on-year in 2020 to US\$62 billion and US\$172 billion by 2025. As new Industry 4.0 technologies are expected to bring tremendous benefits to the production process, many countries have given priority to the development of digital economy as a strategy for future growth. During the Covid-19 pandemic, such interest for new technologies has only grown further, and Vietnam is no exception to that trend. Notably, the Vietnamese government is focusing on creating a legal framework to promote digital transformation that is based on international practices. In this framework, enterprises would stay at the center of the process, while the government is responsible for creating the required conditions to promote digital economy. CIEM Director Nguyen Thi Hong Minh suggested in the future, while it is essential to ensure a safe cyberspace, the government should ensure the improvement of a legal environment for the digital economy, including tax policies for enterprises operating on a digital platform; the enhancement of the intellectual property rights protection as part of Vietnam's commitments to a number of next-generation free trade agreements such as the CPTPP and EVFTA; the revision of existing regulations related to labor market and social welfare to adapt to changes in a digital economy.

Source : <http://hanoitimes.vn/government-firms-are-key-to-create-breakthroughs-in-vietnam-digital-economy-315008.html>.
