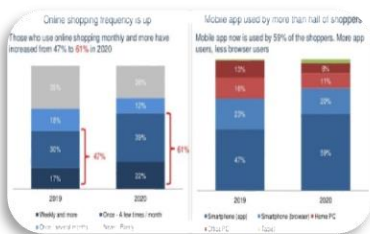




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SME Bank of Cambodia open for business



Cambodia News | 05 November 2020

The Small and Medium Enterprise (SME) Bank of Cambodia will commence banking operations today. It is on the corner of Street 51 (Pasteur) Street 126 (Prey Nokor), Phsar Thmei Ti Muoy, Commune, Daun Penh District, in Phnom Penh. As a state-owned policy bank, it aspires to be consistent and has aligned itself with the strategic goals of the government of Cambodia. As set out under the Cambodia Industrial Development Policy 2015-2025, the bank will provide better and affordable access to financing for SMEs in key priority sectors, including food manufacturing and processing, the manufacturing of local consumer goods, waste recycling, the production of goods for the tourism sector and making finished products, spare parts or assembling parts to supply other manufacturing, research and development associated with information and technology (IT), or the supply of IT-based services and enterprises located in SME cluster zones and enterprises developing a cluster zone. The bank has a mission to provide financing and commercial banking services in an effective and sustainable manner to support local small and medium enterprises with an objective to increase economic diversification and expand export volume. This will cohere with the policies set out by the Cambodian government. SME Bank of Cambodia endeavours to provide four main value-added

benefits to the SME community, such as better and more affordable access to financing, technical assistance to SMEs to enhance their productivity and efficiency, downstream business advisory support and facilitating access to regional markets. The SME Bank of Cambodia provides a wide range of SME loan products and services including an SME Co-Financing Scheme (SCFS) and Cambodia SME Scheme (CSS). The bank will also be extending various loan schemes to organisations such as the Cambodia Women Entrepreneurs Scheme and Cambodia Digital and Automation in the coming months. In addition to the above products and services that are offered to SMEs, the SME Bank of Cambodia is to introduce other banking services comprising savings accounts, junior saver accounts, retirement accounts, current accounts and term deposit accounts. Tan Dexter, chief executive officer of SME Bank of Cambodia, said the SME Co-Financing Scheme of \$100 million that was distributed on April 1 had been fully subscribed by mid-October, four months earlier than planned. The SCFS fund has benefited 753 SMEs. “We’d like to thank all the participating financial institutions for their support and the successful SCFS arrangement,” he added. “We are committed to support SMEs especially on providing accessible and affordable financing.” Dexter said the SME Bank will be developing its own products to support SMEs under the Cambodia Industrial Development Plan. Another area of focus will be developing its digital capability to provide services to SMEs by using

digital channels. “We will also be engaging and collaborating with local and international bodies to support SMEs’ development in Cambodia,” he added. “We are ready to serve SMEs. Our new loan product offering, i.e. the Cambodia SME Scheme, will be offered to SMEs to support their business growth. CSS, a product that caters to SMEs’ affordable financing, is available at SME Bank. We endeavour to invigorate the SMS business community and look forward to beneficial long-term relationships with all our stakeholders,” he said.

Source: <https://www.khmertimeskh.com/50780008/sme-bank-of-cambodia-open-for-business/>

Cambodia-US trade increase 16 percent in the first nine months



Cambodia News | 05 November 2020

The bilateral trade between Cambodia and the US has remained strong despite the COVID-19 pandemic. Statistics from the US Census Bureau, from January to September, show two-way trade reached more than \$5 billion, an increase of 16 percent compared with the same period last year. According to the report, the Kingdom exported \$4.8 billion of products to the world’s largest economy, up 21 percent compared with the same period last year. Cambodia imported goods totalling \$232 million from the US, down 40 percent year-on-year. Cambodia mainly exported textiles, footwear, travel goods and agricultural products to the US and imported vehicles, animal feed and machinery. Last

year, bilateral trade between the two countries reached \$5.8 billion, a year-on-year increase of 37 percent.

Source : <https://www.khmertimeskh.com/50780103/cambodia-us-trade-increase-16-percent-in-the-first-nine-months/>

Laos May Not Graduate from Least Developed Country in 2024



Laos News | 05 November 2020

The United Nations is reevaluating the likelihood that Laos will graduate from Least Developed Country (LDC) status in 2024 amid the effects of the Covid-19 pandemic. Speaking to National Assembly members on Monday, Deputy Prime Minister Sonexay Siphandone said the United Nations was looking into how the pandemic will affect the progress of developing nations, including Laos, in their goals of LDC status graduation. “The United Nations is studying and assessing the impact of Covid-19 on countries that are working to free themselves from least developed status. Laos is one of these countries, so we need to collect more detailed data and analyze it properly,” Mr. Sonexay was quoted as saying by the Vientiane Times. He said a thorough analysis of the effects of the pandemic on the graduation of Laos from LDC status could help to reduce potential development risks in future. The criteria set by the United Nations for graduation from LDC status mean that countries must achieve certain goals relating to the human asset index (HAI) which assesses health and

education targets, economic vulnerability (EVI), and gross national income (GNI) per capita. A 2018 Laos review found that the country had met requirements for GNI per capita and the HAI. However, the Economic Vulnerability Index (EVI) had not passed the threshold. Amid the Covid-19 pandemic, Laos faces a number of development challenges including a significant impact on economic growth, with the growth rate projected to be just 3.3 percent this year. In spite of these challenges, Deputy Prime Minister Sonexay said Laos must do more to develop rural areas and eradicate poverty nationwide. If Laos does graduate from Least Developed Country status in 2024, it will no longer be eligible for the Generalized System of Preference, which provides duty-free treatment to goods of designated beneficiary countries. This would mean an increase in tariff charges, further reducing the country's competitiveness in the global export market.

Source: <https://laotiantimes.com/2020/11/05/laos-may-graduate-from-least-developed-country-in-2024/>

Govt announces cuts in state-funded projects



Laos News | 06 November 2020

A significant portion of the budget allocated for state-funded projects will be cut next year to enable the government to maintain financial liquidity. The government says it will consider only urgent and essential projects in a move to avoid unmanageable debts. New projects must relate to poverty reduction, human resource development, transfer of

technology, labour skill development, promotion of Small and Medium Enterprises (SMEs), and the development of agricultural products for export. Addressing the National Assembly recently, Deputy Prime Minister and Minister of Planning and Investment, Dr Sonexay Siphandone, explained why the government would prioritise development projects. "We have to limit the number of new and unnecessary projects, prevent the creation of chronic debt, and help to ease the financial tensions being experienced by the government," he said. "Over the next five years, the portion of the budget allocated for state-funded projects will rise by only 10-15 percent, which is very limited." This year, the government allocated 3.9 trillion kip to finance state-funded projects, of which 2 trillion kip came from regular investment capital. But next year, only 1.3 trillion kip will be allocated as the regular budget for state investment, apart from the 700 billion kip carried over from 2020 to be disbursed in 2021. Less important projects will be rejected or postponed as part of the government's efforts to control expenditure. This has given rise to concerns within the National Assembly about the various goals to be accomplished by the government over the next five years, given the reduced budget available for state-funded projects across the country. Assembly members asked Dr Sonexay about the government's management of state investment and sources of financing to repay debts if new projects are carried out. The Deputy PM assured the Assembly that all government bodies had been instructed to comply

with the law and that all state-funded projects were required to go through a bidding process before a contract was awarded. He said the government was attempting to halt the roll out of unauthorised and non-essential projects that did not guarantee economic returns. Laos has experienced a fiscal deficit for several **years**, resulting in a rising debt burden. Budgetary tensions have forced the government to cut spending and prevent the country from being dragged further into chronic debt. A few years ago, Prime Minister Thongloun Sisoulith issued Prime Ministerial Order No. 9 to prohibit the purchase of new vehicles for use in state administration, as part of a national austerity policy. Unfortunately, the Covid-19 pandemic and global economic slowdown has slowed revenue collection, affecting Laos' debt service capability and key economic sectors. The government predicts that the economy will grow by only 3.3 percent this year in light of the protracted travel restrictions imposed to prevent the spread of Covid-19. The government will no longer accept loans from foreign countries in order to address the fiscal deficit. Loans will only be taken out to repay the principal on existing loans when the time arrives for debts to be serviced.

Source: http://www.vientianetimes.org.la/freeContent/FreeConten_Govt217.php.

Consumer protection program drafted in Myanmar



Myanmar News | 05 November 2020

Myanmar has finished drafting a national-level consumer protection program, according to the Consumer Affairs Department under the Ministry of Commerce. The program includes consumer protection, education, communication, market observation and taking action for consumers. The draft was accepted by the Myanmar Consumer Protection Commission and will be submitted to the government. The program has been in the works since 2017 and will be announced to the public," said Consumer Affairs Department's Deputy Director U Zayar Swe. The program, which was drawn with international help, includes recourse for online consumers. - Translated

Source : <https://www.mmmtimes.com/news/consumer-protection-program-drafted-myanmar.html>.

Vietnamese shoppers increase online purchase frequency in 2020: Survey



Vietnam News | 05 November 2020

The Hanoitimes - E-commerce is the fastest-growing digital economy in Vietnam as online usage becomes part of the Vietnamese shopping life. Vietnamese consumers have increased their online shopping frequency in 2020 compared with the previous years, of which the percentage of

monthly online users has risen from 47% in 2019 to 61% in 2020, according to the latest survey conducted by Asia Plus Inc., the Asia and ASEAN market research company. The survey titled "Vietnam E-commerce market 2020" was conducted in October 2020 amongst nearly 700 customers who are shopping online to have an up-to-date understanding on e-commerce market in Vietnam. Mobile application becomes the dominant media to enjoy online shopping. About 59% use mobile app the most, which is the huge increase from 47% of the previous year. Meanwhile, 19% use office and home PC, lower than the 29% of the users in 2019. As Vietnamese shoppers had to stay home more during Covid-19, the category usage has been widened. Online usage for the food and beverage category has increased during this period. Fashion, cosmetics, sport items, books, mobile phones, personal care products are the main categories in online shopping during Covid-19. Regarding amount spent, 53% of the users spend less than VND500,000 (US\$21.6) per month while 21% of high spenders consume VND700,000 (US\$30.3) - VND1 million (US\$43.2) monthly. The survey noted that the mixing of the pricing/promotions and product variety are the big motivations for the online shopping. In addition, delivery speed became one of the good motivations to the rise of online shopping. This is the great improvement by the e-commerce providers. Although cash on delivery is still dominant method, online shopping witnessed the method declined from 88% to 75% of the users choosing.

Meanwhile, the number of those who use mobile payment in online shopping increased 9% compared to the 1% of 2019. Cashless penetration has gradually increased compared with the previous year. Regarding e-commerce platforms, Shopee, with 36% Vietnamese shoppers, is the most preferred platform for online shopping, followed by Lazada (28%) and Tiki (11%). Shopee increased its popularity in online shopping due to the strong pricing and product varieties, with good fun shopping images. Tiki delivers the sensation of premium and trustful. About 45% of e-commerce shoppers also use social network for online purchase. The image of social shopping is pricing and fun shopping, according to the survey.

Source : : <http://hanoitimes.vn/vietnamese-shoppers-increase-online-purchase-frequency-in-2020-survey-314726.html>.

Ministry predicts 2020 export growth of 3%-4%



Vietnam News | 05 November 2020

Hanoi (VNA) - Vietnam still managed to maintain export growth in the first 10 months of this year despite COVID-19, and exports for the year as a whole are expected to rise 3-4 percent against 2019, according to the Ministry of Industry and Trade (MoIT). Export revenue stood at 26.7 billion USD in October, down 1.7 percent compared to September but up 9.9 percent year-on-year. The 10-month figure stood at 229.27 billion USD, an increase of 4.7 percent year-on-year. Exports by domestic

companies grew 0.7 percent and accounted for nearly 28.7 percent of total value, while those by foreign-invested enterprises, including crude oil, rose 6.5 percent and made up 71.3 percent of the total, ministry figures show. Deputy Director of its Export-Import Department Tran Thanh Hai said 31 commodities earned over 1 billion USD each from exports during the first 10 months, five of which brought home more than 10 billion USD each. The US remained Vietnam's largest export destination, with 62.3 billion USD worth of goods, up 24 percent year-on-year. It was followed by China (37.6 billion USD, up 14 percent), the EU (28.9 billion USD, down 3 percent), ASEAN (18.9 billion USD, down 11.4 percent), the Republic of Korea (16.3 billion USD, down 2.6 percent), and Japan (15.6 billion USD, down 7 percent). Trade analysts said local exporters have continued making use of traditional markets and sought new destinations by capitalising on free trade agreements (FTAs) that have taken effect or are being negotiated. Vietnam's continual reform of administrative procedures and facilitation of business activities have also provided significant momentum for exporters to boost shipments and expand investment. Meanwhile, imports increased 1.2 percent to 24.5 billion USD month-on-month in October, raising the 10-month figure to 210.55 billion USD, up 0.4 percent year-on-year. This import growth indicates production recovery, as businesses have been buying materials for production and export in anticipation of a demand surge during the year-end holiday season. Vietnam posted a record trade

surplus of 18.72 billion USD in the first 10 months. Analysts believe that the export growth and the trade surplus are the result of the major efforts undertaken amid falling exports and slowing growth in many regional countries. Deputy Minister Cao Quoc Hung said industrial production, export, and domestic trade in 2020 may show better performance than estimates made in July, adding that MoIT has forecast that exports will climb 3-4 percent compared to 2019. However, to further boost exports in the two remaining months of the year, the ministry will overhaul and introduce policies in a more concerted and effective manner to promote trade and expand markets. Apart from the stronger application of e-commerce and digital platforms to maintain relations with importers and foster shipments, it will also order subordinate agencies to push ahead with improving the business climate and national competitiveness, and creating the conditions necessary for enterprises to prepare for optimising new-generation FTAs, Hung said./.

Source : <https://en.vietnamplus.vn/ministry-predicts-2020-export-growth-of-34-pct/189865.vnp>
