

*Highlight News / December 03/2020*



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## Winds of change for renewables in the Kingdom



*Cambodia News | 02 December, 2020*

Kampot province will be home to the Kingdom's first wind farm – a step in the right direction in terms of Cambodia's renewable energy movement, say experts. The first wind power project in Cambodia is approaching the construction stage. The Blue Circle (Cambodia), the company that conducted the study on it is currently in discussions with Electricity of Cambodia (EDC) over the cost of future electricity. Chea Sophorn, development manager of The Blue Circle (Cambodia), said that if EDC agrees to the final proposed price then the company will start construction immediately. He added that the company chose Kampot to invest in the construction of wind power plants after studying potential sites around the country starting in 2016. The study initially found a wind capacity in Kampot of about 1,300 megawatts, of which 120 megawatts could be used immediately explained Sophorn Chea. "Blue Circle's first wind project in Kampot can generate 225 gigawatt hours of clean electricity annually which could supply 150,000 households and reduce more than 130,000 tonnes of CO2 emission equivalents a year." "This is crucial for Cambodia to meet the 2015 Paris Climate Change commitment and sustainable development goals," said Sophorn. To date, Cambodia is primarily reliant on different energy sources – hydro, coal, fuel oil and imported power. According to the Power Development Plan

(PDP) 2020-2030, the energy mixture of Cambodia will see a sharp-rise in coal-fired power generation of around 4,300 megawatts in the years to come – much of it imported from coal power plants in Laos. To address the growing energy demand, adopting renewable energy (RE) such as wind and solar not only could help Cambodia to achieve full energy independence and sustainable energy development, but also to deliver electricity at a very competitive price. Because wind occurs during both dry and rainy seasons and is available day and night, it can perfectly complement other sources of energy such as solar and hydro to provide a viable energy supply. Cambodia is uniquely positioned to take advantage of cheap wind and solar energy costs. In recent years, solar projects have been constructed in the Kingdom at a tariff price between 7.0 and 7.6 cents per kilowatt hour whereas wind is being proposed at 6.85 cents per kilowatt hour. Such cheap RE prices were not available to developing countries a decade ago. Compared with coal and fuel-oil generation, a combination of solar and wind is at least 30 percent cheaper, with the benefit of securing a fixed price for the long term because it does not depend on any fuel or carbon liability. This is in line with government goals to reduce the cost of electricity for both commercial and residential users in Cambodia. For his work on the wind farm project in Kampot, EnergyLab, a nonprofit organisation that supports the growth of the clean energy market, chose Cambodian wind farm developer Sophorn Chea as this year's Clean Energy Advocate Award

winner. Chea was presented the 2020 prize by Australian Ambassador Pablo Kang. Country Director of EnergyLab Cambodia Bridget McIntosh said: "There aren't many Cambodians with experience developing wind farms – as you know there are no wind farms in Cambodia. Yet Chea has worked in the wind industry for more than seven years and came back to Cambodia more than two years ago to develop Cambodia's first wind farm." McIntosh added: "Most importantly, Chea is blowing away the long-held myth that Cambodia doesn't have good wind resources for electricity production." She added that by getting out there and installing 50-metre tall monitoring masts, hiking for hours to get to them and installing monitoring equipment across the country, Chea has now developed a wind farm that can create electricity more cheaply than coal in Cambodia. Through his hard work we hope to see Cambodia's first wind farm, providing balance and sustainability for years to come.

Source : <https://www.khmertimeskh.com/50788448/winds-of-change-for-renewables-in-the-kingdom/>

## Microfinance 'bad loans' fall to 2.27% in October



*Cambodia News | 02 December, 2020*

The microfinance sector's nonperforming loan (NPL) ratio decreased from 2.56 percent in September to 2.27 percent in October after rising from 1.33 percent in January and peaking in May at 2.61 percent. The NPL ratio for the overall sector, including banks and financial institutions, also

decreased from 2.2 percent in September to 2.18 percent in October. Cambodian Microfinance Association (CMA) Head of Communications Kaing Tongngy, said yesterday the decrease was expected because banks and financial institutions continue to work with their clients whose finances have been affected by the pandemic. "As expected, the NPL of the microfinance sector decreased from 2.56 percent in September to 2.27 percent in October. This decrease is [the result of] a joint effort by CMA members to ensure that the needs of our clients are carefully addressed, especially during this difficult time," Tongngy said. "One of [those] needs is [the availability of ongoing] loan restructuring, which reduces the financial burden for clients who are affected by COVID-19. With the National Bank of Cambodia's continued restructuring policy, financial institutions have [in place] the needed legal framework to support any affected clients," Tongngy added. A loan is labelled non-performing when a borrower has not made a scheduled repayment in more than 30 days. It is considered a key indicator in assessing risk appetite and portfolio quality in the microfinance sector. For context, an NPL rate below 5 percent is considered "good" by global industry standards. Last month the NBC informed banks and financial institutions they should continue loan restructuring until mid-2021.

Source : <https://www.khmertimeskh.com/50788275/microfinance-bad-loans-fall-to-2-27-in-october/>

## Opening of Vientiane-Vangvieng expressway delayed



*Laos News | 03 December, 2020*

Authorities have postponed the opening of the 113.50-km expressway linking Vientiane and Vangvieng as work on the project is not yet fully complete. It had originally been planned that the expressway would open to traffic on National Day on December 2. Head of the expressway's Management Committee, Mr Khattiyasack Chaiyavong, told Vientiane Times on Tuesday that work was now 99.9 percent complete and the road would open this month. Construction began at the end of 2018 and was initially scheduled to finish in 2021 but is now projected to be complete by the end of this year. The road, which includes twin tunnels through Phoupha Mountain, will shorten the route by 43km compared to the existing Road No. 13 North. People who use the expressway will be required to pay a fee, but can continue to travel on Road No. 13 North free of charge. Chinese investors will operate the expressway under a 50-year concession agreement, with the total cost likely to be US\$1.2 billion. The Lao government holds a 5 percent stake in the project. The expressway is being built parallel to Road No. 13 North and the under-construction Laos-China railway. It runs from Sikeuth village in Naxaithong district, Vientiane, to Vangvieng district. Speeds on the expressway are designated at 100km per hour on flat terrain from Sikeuth village to Phonhong district in Vientiane province, and 80km

per hour through the more mountainous section between Phonhong and Vangvieng districts. With motorists able to travel at higher speeds, officials say the journey between Vientiane and Vangvieng will be much quicker than at present. A project development agreement was signed in 2017 during a state visit to Laos by Chinese President Xi Jinping. The Vientiane-Vangvieng expressway is the first section of a planned expressway from the capital through the northern provinces to Boten in Luang Namtha province, which borders on China.

Source : [https://www.vientianetimes.org.la/freeContent/FreeConten\\_Opening235.php](https://www.vientianetimes.org.la/freeContent/FreeConten_Opening235.php)

## Myanmar to introduce unemployment benefits system in 2021



*Myanmar News | 03 December, 2020*

Myanmar will start an unemployment benefits system in fiscal 2020-21 according to Daw Than Than Nu, director at the Department of Social Welfare under the Ministry of Labor, Immigration and Population. Although unemployment benefits are already stipulated under the 2012 Social Security Law, it has not been enforced. The ministry will commence implementation with help from the International Labor Organization and European Union. "We have many migrant workers in Myanmar. Townships like Hlaing Tharyar have the highest number of migrant workers. We gave them labour cards but most of them do not hold full time jobs and do not have permanent residences. We are still

considering how to manage all this once we start implementation of the unemployment benefits system next year," she said. Of the six types of insurance stipulated under the 2012 Social Security Law, only health and social insurance and employment injury benefits have so far been enforced. The four other types of insurance that remain to be implemented are family assistance insurance, unemployment benefits, disability insurance, superannuation and survivors' benefits as well as social security housing assistance. At present, there are about one million members entitled to social security benefits and about are social welfare members in Yangon Region. According to the law, social security contributions are 5pc - 2pc from the employee's salary and a 3pc contribution by the employer. 60pc of social security is used for employee healthcare and the remaining 40pc is invested, as enacted in the law. - Translated

Source : <https://www.mmtimes.com/news/myanmar-introduce-unemployment-benefits-system-2021.html>

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## Vietnam aviation industry needs more 3 years to recover



*Vietnam News | 02 December, 2020*

The Hanoitimes - Local aviation companies are continuing to face a challenging time ahead. Vietnam's aviation industry is predicted to take three years to return to the pre-Covid level of 2019,

according to Deputy Head of the Civil Aviation Authority of Vietnam (CAAV) Pham Van Hao. There were two scenarios forecast by the International Civil Aviation Organization (ICAO) for the world's aviation industry, Mr. Hao said at the national conference under the theme "Overcoming crisis, developing Vietnam's aviation sustainably" held recently in Hanoi. In the first scenario, the aviation industry will take a V-shaped recovery, plunging to the bottom and then rebounding strongly. In the second scenario, it will be a U-shape convalescence, in which the industry will sink to the bottom and remain there for 3-5 months, along with economic downturn. As a result, the aviation market will decline 48-71% depending on the situation of the pandemic. Mr. Hao predicted that the first scenario will happen to Vietnam aviation. The CAAV, after consulting market research firms, will submit the schedule on reopening borders for international flights to the government. The reopening, however, would not be carried out broadly, taking into consideration of disease prevention measures. Ms. Ho Ngoc Yen Phuong, Vietjet's Deputy General Director, said the low-cost air carrier suffered a nine-month cumulative loss of VND2.4 trillion (US\$103.4 million). She also proposed the government to direct credit institutions to offer low-interest loan to the carrier in a term for 3-5 years. Mr. Nguyen Tien Hoang, deputy head of Planning and Development Department at Vietnam

Airlines (VNA), said that Vietnam's aviation loss was estimated at US\$4 billion this year. "The national flag carrier is likely to be the hardest hit by Covid-19 among others, making a lost of about VND14 trillion-VND15 trillion (US\$603.5 million-\$646.6 million) this year. In the context that the purchasing power is weak and inbound tourism still suspended, the airlines have dropped airfares to stimulate domestic travel. The VNA predicts that the economic downturn and the fear of catching coronavirus on flights will hinder the recovery of the aviation industry. Deputy Minister of Transport Le Anh Tuan said that the government has paid great attention to the development of the aviation industry. In addition to financing or creating favorable mechanism to lure investment in infrastructure development, including transport infrastructure and air fleet expansion, the government has focused on building a legal framework to ensure the efficient operation of the industry.

Source : <http://hanoitimes.vn/vietnam-aviation-industry-needs-more-3-years-to-recover-315090.html>

## Hanoi ranks third in FDI attraction in 11 months



*Vietnam News / 02 December, 2020*

Hanoi (VNA) – About 3.2 billion USD in foreign direct investment (FDI) was poured into Hanoi between January and November, accounting for 12.2 percent of total FDI registered in Vietnam so far this year,

according to the municipal Statistics Office. This figure made the capital the third largest destination of FDI in the country during the period. Of the sum, 662 million USD was channeled into 464 new projects while over 1.24 billion USD added to 132 existing ones. Foreign investors also spent 1.28 billion USD on contributing capital to or purchasing shares of local enterprises. In November alone, Hanoi licensed 26 new FDI projects worth 7 million USD, including 26 projects wholly invested by foreigners. Six others were supplemented with 1 million USD. Meanwhile, 52 million USD was spent to contribute capital to or buy shares of local firms. Since the year's beginning, the city has also recorded 24,600 new businesses with total registered capital of 303.3 trillion VND (13.2 billion USD), and 5,774 companies resuming operations, data show./.

Source : <https://en.vietnamplus.vn/hanoi-ranks-third-in-fdi-attraction-in-11-months/191424.vnp>