

Highlight News / July 11/2023



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Ministry urges SMEs to embrace sustainability, inclusiveness



Cambodia News | 10 July, 2023

The small and medium enterprises (SMEs) in Cambodia play an important role in socio-economic development and it is necessary to encourage SMEs to embrace the principles of sustainability and inclusiveness, a top official said. SMEs represent 99 percent of registered businesses in the country and employ about 70 percent of workers. SMEs operate and create opportunities across sectors. They employ different labour force segments, including low-skilled workers, and provide skill development opportunities. “The Ministry of Industry, Science, Technology & Innovation, through the IBeeC Steering Group, has always paid close attention to this topic and has continued to promote inclusive business in Cambodia, which is an initiative to create a win-win situation,” Heng Sokkung, Secretary of State at the Ministry of Industry, Science, Technology & Innovation, and President of IBeeC Steering Group, said. Talking at the Sustainable Business Forum, organised by Oxfam and Young Entrepreneurs Association of Cambodia (YEAC) in Phnom Penh recently, Sokkung said promoting the livelihoods of the poor and low-income people is crucial. “Promoting and maintaining business profits for business owners, and sustainable and inclusive socio-economic development are also significant,” he pointed out. The forum was held under the theme of ‘Together for Micro, Small and Medium-sized

Enterprises Growth in Cambodia’ to promote responsible, inclusive and sustainable business practices in Cambodia. Sophoan Phean, Oxfam National Director, said: “Embracing inclusive and responsible business practices not only holds immense importance for driving economic growth but also plays a crucial role in alleviating poverty. As part of the private sector, SMEs/MSMEs play an instrumental role in this aspect, but they require assistance to expand and adopt these practices. Therefore, we recognize the necessity of supporting them to operate in a more responsible, inclusive and sustainable manner.” “Oxfam believes public, private partnerships (PPP) in collaboration with the NGO sector can harness the needed resources, and expertise to support the growth of SMEs/MSMEs for a more equitable and prosperous future for Cambodia and the ASEAN,” she added. The forum provided insight into sustainable business practices that contribute to local economic activity, social well-being, and environmental footprint. In 2020, the Ministry of Industry, Science, Technology and Innovation (MISTI) approved a strategy for promoting an enabling environment for inclusive business in Cambodia known as (the IBeeC strategy). Oknha Pech Bolen, President of YEAC, said: “Recently, Young Entrepreneurs Association of Cambodia has established a Young Entrepreneurs Development Center (YEDC) to support capacity building of young entrepreneurs especially YEAC’s members in order to compete in ASEAN and beyond, to access to investment opportunities, as

well as to join venture with local and international investors. YEAC's vision is for Digital, Inclusive and Innovative MSMEs in Cambodia". The forum concluded on a positive note highlighting a need for a kind of 'Sustainable Business Platform' to keep the momentum of sustainable business practices going in Cambodia. Meanwhile, the Credit Guarantee Corporation of Cambodia (CGCC), indicated in a recent report that it provided credit guarantees of \$113.6 million to businesses in the first quarter of this year. By the end of the first quarter CGCC supported nearly 1,300 businesses by providing credit guarantees for their loan applications, amounting to \$113.6 million, the report added.

Source : <https://www.khmertimeskh.com/501321304/ministry-urges-smes-to-embrace-sustainability-inclusiveness/>

FSA approves draft scheme proclamation



Cambodia News | 10 July, 2023

The Council of Non-Bank Financial Services Authority (FSA) of the Ministry of Economy and Finance (MEF) has approved in principle a draft proclamation to allow investors to trade collective investment scheme funds on a unit basis among traders in the financial market, said a press statement issued on Friday. The draft proclamation was approved on Wednesday at the video-conference meeting presided over by Aun Pornmoniroth, Deputy Prime Minister and Minister of MEF and attended by senior officials of FSA who are

the council's members including Sou Socheat, Director General of the Securities and Exchange Regulator of Cambodia (SERC). The statement pointed out that the draft proclamation on the issuance of the collective investment scheme fund units, which consists of eight chapters that are further divided into 52 articles, was issued to set requirements or conditions and procedures for the issuance and operations of funds after the issuance under SERC regulation. "The draft proclamation ... was issued to assure the accountability and transparency in accordance with the applicable laws and regulations. Ultimately, the council ... reviewed and approved in principle this proclamation as per applicable laws and regulations along with an instruction for cleaning before proceeding the implementation," read the statement. Socheat told Khmer Times yesterday that the draft proclamation would be sent to Pornmoniroth to sign most probably within one or two weeks for implementation with some dissemination workshops after the approval procedures were completed on Wednesday last week during the ninth meeting of FSA's council of which the finance minister is the chairman. Socheat went on to add that SERC would be responsible for the implementation under its regulations and other relevant applicable laws after it has completed the preparation of the official document, but it has not been publicly available before the signature to be affixed by Pornmoniroth, who is the chairman of FSA that covers the non-banking sector of about 15 percent of the entire financial market, while the rest

has been dominated by the banking sector. “The collective investment scheme is a kind of project as a whole or a package, but to be able to be issued for trading, the entire scheme needs to be divided into smaller unit funds like shares of stock. We do not call it shares, but unit fund,” said Socheat, adding that SERC would conduct dissemination and training workshops for the public and other stakeholders. FSA also approved the request of the foreign firm Binance KH Co. Ltd for placement of the digital asset trading platform in the FinTech Regulatory Sandbox—a pilot digital trading platform—in the securities sector, but another proclamation needs to be prepared and issued by FSA to set a package of necessary guidelines for relevant regulators under the authority. SERC has taken measures to crack down on operators who have convinced the public to invest in their schemes wherein they would face risks of loss or investment schemes might turn out to be fraud in collaboration with relevant authorities has started investigating non-governmental organisations (NGOs), associations, companies and individuals that have illegal investment schemes. The illegal collective schemes have been promoted online through Facebook and Telegram groups to register as members or deposit cash directly or through bank accounts—to collect funds from the public. The people who run the illegal investment schemes asked the public or investors to invest in projects they propose with an assurance to provide compensation or unusually high monthly return. Socheat said collecting money from the public for

any specific investment is considered a collective investment scheme – a type of security – which is considered illegal. Those illegal scheme owners shall be liable to a term of imprisonment and a fine pursuant to the Law on the Issuance and Trading of Non-Government Securities 2007 if such activity is conducted without a license from the regulator. “In the case of collecting money from the public for an unknown project and promising to return the profit at an unusually high rate, this can be a type of arrangement where previous depositors are paid returns from funds contributed by subsequent depositors. Fortunately, previous depositors may get money back, whereas subsequent depositors will encounter financial loss when new depositors are not found,” Socheat explained.

Source : <https://www.khmertimeskh.com/501321301/fsa-approves-draft-scheme-proclamation/>

S. Korea provides US\$4.25 million for upgrade of Mekong ports



Laos News | 10 July, 2023

The Republic of Korea has contributed US\$4.25 million to the Development of the River Port Management Information System (Port-MIS) project taking place in Laos. The aim of the project is to achieve systematic and efficient operation of ports on the Mekong River by improving the administrative efficiency of port management through the establishment of the Port-MIS at five river ports. These have been named as the Km4 port in Vientiane, the Ban Mom port and Huayxai port in

Bokeo province, the Luang Prabang port in Luang Prabang province, and the Pakxan port in Borikhamxay province. In addition, the project will develop a master plan for port management and support capacity building for central and local government officials and the representatives of port operating organisations for Port-MIS application and operation. The Korea International Cooperation Agency (KOICA) will provide ICT equipment to improve ICT infrastructure at the five ports and the Ministry of Public Works and Transport. The five-year project will be implemented until 2027. KOICA and the Ministry of Public Works and Transport signed a Record of Discussion in Vientiane on July 7 to initiate the project. Those taking part in the signing ceremony included the Ambassador of the Republic of Korea to Laos, Mr Jung Yung-Soo; Minister of Public Works and Transport, Mr Ngampasong Muongmany; Country Director of the KOICA office in Laos, Ms Kim Myung Jin; and Deputy Minister of Public Works and Transport Mrs Vilaykham Phosalath. Ambassador Jung Yung-Soo said “We are pleased that the Korean government has played a leading role in the infrastructure connectivity of Laos through diverse ODA projects and investment. I am confident that cooperation between our two countries will be expanded in the future under the Korean government’s Korea-Asean solidarity initiative.” Mr Ngampasong Muongmany added “I believe the Port-MIS project will play a significant role in implementing and expanding the waterway law, particularly in developing the baseline data on

port management and waterways transport in Laos, so that port operations are modernised, become effective and reliable, and ports are able to attract both domestic and international investment.” The KOICA office in Laos hopes the project will not only contribute to achieving Sustainable Development Goal 16 to build effective, accountable and inclusive institutions at all levels, but also to laying the foundation for the development of inland waterways in Laos.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_131_SKorea_y23.php

Myanmar earns over USD862M from agricultural exports in Q1



Myanmar News | 10 July, 2023

YANGON (XINHUA) – Myanmar earned USD862.4 million from agricultural exports in the first quarter of the current fiscal year 2023-24, according to data released by the Ministry of Commerce on Saturday. The Southeast Asian country changed its fiscal year from the original October-September period to April-March in 2022. The figure marks a decline from the USD1,091.55 million recorded in the same period a year ago. Myanmar mainly exports agricultural, animal and marine products, minerals, forest products and manufactured goods. Myanmar exported over 2.26 million tonnes of rice and broken rice in fiscal year 2022-23, according to the Myanmar Rice Federation.

Source : <https://borneobulletin.com.bn/myanmar-earns-over-usd862m-from-agricultural-exports-in-q1/>

Vietnam becomes largest ASEAN trading partner of Cambodia



Vietnam News | 10 July, 2023

Vietnam became the largest trading partner of Cambodia among members of ASEAN in the first five months of 2023 as bilateral trade made up nearly 50% of the total between Cambodia and ASEAN members during the period. During the five months, trade between the two countries topped 2.8 billion USD, rising nearly 3% from a year earlier. Cambodia exported about 1.3 billion USD worth of goods to and imported commodities totalling over 1.5 billion USD from Vietnam, said the Cambodian Ministry of Commerce as cited by sbm.news. With such positive trade growth, Vietnam was not only the biggest in ASEAN but also ranked third among all trading partners of Cambodia, after China and the US, during the period. The growth in Cambodia's exports to Vietnam was mainly driven by the higher shipments of farm produce thanks to increased harvests. Its main exports include rice, rubber, cashew nut, cassava, corn, banana, mango, tobacco, and natural resources. Meanwhile, the main imports from Vietnam include construction materials, machinery, fuels, electrical and electronic devices, fertiliser, seasonings, vegetables, and fruits, the Cambodian newswire reported. Trade turnover between the two countries has risen continually in recent years, by an annual average of 18.5% during 2010 - 2015 and over 21% during 2015 - 2020. Amid the COVID-19 pandemic, Vietnam was

also one of the top three trading partners of Cambodia, with bilateral trade surging over 79% from 2020 to 9.54 billion USD in 2021. In 2022, the figure stood at 10.57 billion USD, up nearly 11% from the previous year, data of the Cambodian Commerce Ministry showed./VNA

Source : <https://vietnamnet.vn/en/vietnam-becomes-largest-asean-trading-partner-of-cambodia-media-2163621.html>

VN spends over \$480 million on meat imports in first 5 months



Vietnam News | 10 July, 2023

HA NOI — Việ Nam imported more than 239,000 tonnes of meat and meat products worth US\$480 million in the first five months of this year. The number climbed by roughly 1.6 per cent in terms of quantity but declined by 9.1 per cent in terms of value, according to the General Department of Customs of Việ Nam. In May, Việ Nam imported 57.62 thousand tonnes of meat, worth \$108.8 million, up 9.5 per cent in volume but down 10.2 per cent in value year-on-year. This marked its fourth monthly growth in import volume of meat and meat products. During the period, the country imported from more than 36 markets, with the five largest suppliers being the US, India, Russia, Brazil, and Poland. In particular, meat imports from Russia have steadily soared after decreasing in 2022. The main types of imported meat and include poultry and offal, fresh chilled or frozen pork, and fresh chilled or frozen beef. Imports of chilled or frozen poultry, offal of

pigs, buffaloes, and cows were on the uptrend, while pork and beef imports decreased year-on-year. In the first five months of 2023, Việt Nam imported 29,610 tonnes of fresh chilled or frozen pork, worth \$73.62 million, down 19.9 per cent in volume and 5.7 per cent in value. — VNS

Source : <https://vietnamnews.vn/economy/1550906/vn-spends-over-480-million-on-meat-imports-in-first-5-months.html>
