

Highlight News / November 28/2023



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Cambodia entrepreneurs foresee rise in exports of agri, food products to US



Cambodia News | 27 November, 2023

Cambodian entrepreneurs and producers are expecting to increase their exports of potential agricultural and food processing products to the US market, said Innovations and Development Investors Association (IDI) sources. A group of 90 entrepreneurs, business owners and investors who have just wrapped a week-long visit to the US, exploring the opportunity of seeking partners, learning legal compliance and procedures on exports, and understanding opportunities and challenges in exporting products from Cambodia to the US. The visit was organised by Innovations and Development Investors Association (IDI), under cooperation with Cambodia Chamber of Commerce in California, AmCham and Khmer Entrepreneur. The visit was aimed at creating opportunities to meet buyers, increase awareness and experience to small and medium enterprises on principle demand and legal procedures related to export as well as standard of production, sanitary, and food package toward exports to the US market, said IDI Chairman Hor Sereyvath. Addressing a press conference on November 24 in Phnom Penh, Sereyvath said, "We hope that through a visit in March and this time we will see potential agricultural and food processing products on the list of product exports to the US." Chheang Vann Monin, Executive Director of Khmer Enterprise, said that the program of US visit is

designed to help SMEs in seeking partners in the US in export from Cambodia. "The participation of the Khmer Enterprise aims to support Cambodia's SMEs to achieve exports through getting connections between domestic business owners and foreign buyers as well as potential investors," Vann Monin said. During their stay in the US, the Cambodian delegation displayed products in an exhibition and business forum, visited supermarkets to understand supply chains of finished products, and memorandum of understanding with key businesses and investment firms in the US. The US market has remained potentially the biggest export destination for Cambodian products and accounts for about 40 percent of Cambodia's total export. Cambodia's exports to the US reached \$6.8 billion in the first nine months, a drop of 2.1 percent from \$7 billion for the same period in 2022, a report from the General Department of Customs and Excise showed. The shipments to the US accounted for 40 percent of the total export volume of \$16.9 billion. Cambodia's main products exported to the US are apparel, clothing accessories, leather, travel goods, handbags, electrical machinery and equipment, and footwear, while its imports include vehicles, machinery and mechanical appliances, medical instruments and pharmaceutical products.

Source :

<https://www.khmertimeskh.com/501398041/cambodia-entrepreneurs-foresee-rise-in-exports-of-agri-food-products-to-us/>

Cellcard lists \$20 million sustainability bond on CSX.



Cambodia News | 27 November, 2023

CAGSM Plc (Cellcard) and Cambodia Securities Exchange (CSX) co-hosted official bond listing ceremony of CAGSM Plc, which was presided over by Hean Sahib, Secretary of State of the Ministry of Economy and Finance and Chairman of CSX. The bond has been named as CAMGSM Sustainability Bond with a total offering amount of \$19.9 million for a ten-year maturity and coupon rate SOFR plus three percent or 5.5 percent per annum (whichever is higher). According to a statement issued by CSX, the proceeds from the issuance of this sustainability bond will be used to finance capital expenditure and refinance the projects that benefit to society and environment. The bond aims at using energy efficiently, reduce carbon emission apart from promoting renewables. Speaking at the event, Hean Sahib said the national government is keen on further developing the securities sector in accordance with the Pentagonal Strategy Phase I. "The securities sector is a priority sector and since 2011, the Royal Government of Cambodia issued the Prakas on tax incentives on securities sector with 50 percent reduction of annual income tax for the first three years and other tax liability waivers," he pointed out. Christopher Donald Tiffin, Group Chief Operations Officer of Royal Group said that raising capital through CSX allowed the company to obtain a strong source of financing to expand business operations

to meet the needs of customers through network and infrastructure expansion. "And this also is an honour that the Royal Group has participated in the development of the securities market."

Source :

<https://www.khmertimeskh.com/501398160/cellcard-lists-20-million-sustainability-bond-on-csx/>

Laos mulls rare earth pilot project to earn foreign currency.



Laos News | 27 November, 2023

The government is considering a rare earth token project to be piloted in Laos to generate more foreign currency amid the country's economic and financial difficulties. As rare earths are in high demand globally, the government has stressed the need to ensure that Laos fully benefits from the mining of deposits of such minerals. At last week's cabinet meeting, the concerned sectors were told to handle urgent issues and to enforce measures to address the economic and financial difficulties facing the country. One of the most important measures is to stabilise exchange rates, modernise the revenue collection system to boost the national income, and boost exports. The government is attempting to ensure that export receipts are paid through the banking system in Laos to ensure more foreign currency enters the country. The government has reiterated the need to restrict the import of luxury items and goods that can be produced or manufactured domestically. Government sectors have been told to remove red tape and improve the

business environment to attract more foreign investment to Laos. The sectors responsible need to inspect ineffective investment projects as some investors obtained concessions for projects without proceeding with operations, and are now planning to sell them on to other investors.

Source :

<https://www.nationthailand.com/world/asean/40033252>

Bago Region attracts substantial foreign investments



Myanmar News | 27 November, 2023

In November 2023, Bago Region received a foreign investment project worth \$1.622 million, as stated by U Ko Ko Latt, the Director of the Bago Region Directorate of Investment and Company Administration. "Bago Region Investment Committee allowed a foreign investment valued at \$1.622 million in November. Additionally, the committee approved the currently-operating foreign business to add \$7 million to its original investment at meeting No. 7/2023," said U Ko Ko Latt. Furthermore, regional authorities are eager to invite external investors to invest businesses related to manufacturing agricultural machinery and equipment, producing fertilizers, and establishing cold storage facilities to promote the development of multi-functional agriculture and the manufacturing of farming products. Relevant departments will provide necessary assistance in line with the law. There were \$197.117 million worth of foreign investments and K 75,456.275 million in domestic investments in Bago

Region between February 2021 and November 2023, consequently generating job opportunities for more than 11,281 labourers.

Source : <https://www.gnlm.com.mm/bago-region-attracts-substantial-foreign-investments-approves-additional-funding-for-industrial-business/#article-title>

OWIC cards issued to about 1,700,000 workers aboard



Myanmar News | 27 November, 2023

According to the Department of Labour, Overseas Workers Identification Cards (OWIC) have been issued to approximately 1,684,934 workers employed in foreign countries during the 33-year period from 1990 to 2023. OWIC cards are issued at the Migrant Workers Unit of the Department of Labour in Dagon Myothit (North) Township. For those who return home on leave, the cards are issued at the Department of Labour in Mayangone Township. OWIC cards have been issued to 1,110,595 workers in Thailand, 52,035 in Singapore, 64,364 in Korea, 60,013 in Japan, and 385,566 in Malaysia.

Source : <https://www.gnlm.com.mm/owic-cards-issued-to-about-1700000-workers-aboard/>

VIETNAM'S PLAN FOR SPENDING \$15.5 BILLION FOR ITS CLEAN ENERGY TRANSITION TO BE ANNOUNCED AT COP28



Vietnam News | 27 November, 2023

A plan for how Vietnam will spend \$15.5 billion to transition to cleaner energy has been finalized and

will be announced at the COP28 climate conference, which begins in Dubai this week. Mark George, the climate counselor for the British Embassy in Hanoi, said that after months of coordination with key Vietnamese ministries to iron out details of how the money will be used, the final plan was finalized on Thursday. George gave no details of the plan. The United Kingdom is co-chair of a group of nine, rich industrialized nations that have agreed to provide the \$15.5 billion to help Vietnam end its reliance on dirty coal power and more quickly switch to renewable energy as a part of a Just Energy Transition Partnership, or JETP. “That is a really important milestone,” said George. George was speaking at a panel discussion hosted by the UK-Vietnam Joint Economic and Trade Committee centered around opportunities for the two nations after Britain officially joined an Asia-Pacific trade group that includes Japan and 10 other nations. Earlier this year, Vietnam released a national energy plan that aimed to more than double the maximum power Vietnam can generate to some 150 gigawatts by 2030. It called for a drastic shift away from heavily polluting coal and pledges that no new coal-fired plants will be built after 2030. It also called for expanding use of domestic gas and imported liquefied natural gas or LNG, which will account for about 25% of total generating capacity, while hydropower, wind, solar, and other renewable sources will account for nearly 50% by 2030. Tang The Hung, the deputy director general of Vietnam’s department of Energy Efficiency and Sustainable

Development, who also was at Friday’s panel, said “great support” from the international community was needed to ensure Vietnam can carry out its plan.

Source : <https://macaudailytimes.com.mo/vietnam-plan-for-spending-15-5-billion-for-its-clean-energy-transition-to-be-announced-at-cop28.html>

Vietnam set to raise effective tax rate on multinationals as part of global deal



Vietnam News | 27 November, 2023

Vietnam's parliament is set to approve on Wednesday a top-up tax for multinationals, which will raise the effective rate of the corporate levy to 15% from January in line with a global agreement. Vietnam had initially planned to combine the approval of the tax with measures to partly compensate large foreign investors affected by the higher levy, including South Korean electronics giant Samsung Electronics Co Ltd (005930.KS) and U.S. chipmaker Intel Corp (INTC.O), but the separate resolution is not on the parliament's agenda. In a sign of how controversial the new tax is, as it could reduce Vietnam's appeal among foreign companies if not matched with accompanying subsidies, the parliament had initially ruled out a vote in its current session, the last of the year. But it has eventually added it back to its schedule, with the vote on the tax expected now at the last day of its month-long session. It is unclear whether additional incentives for some foreign investors could be adopted in this session in separate legislation, without passing a specific resolution on that. The parliament could in any case adopt the incentives resolution in a later

session. Under the new rules being shepherded through by the Organisation for Economic Cooperation and Development (OECD), companies paying less than 15% in a low-tax jurisdiction will face a top-up levy either in that jurisdiction or in their home country from next year. Vietnam's corporate income tax is already set at 20%, but the country has offered for years effective rates as low as 5% and lengthy zero-tax periods to large foreign investors.

Source : <https://www.reuters.com/world/asia-pacific/vietnam-set-raise-effective-tax-rate-multinationals-part-global-deal-2023-11-27/>
