

Highlight News | August 08/2019



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## Cambodian, Thai bourse regulators to work together



*Cambodia News | 07 August, 2019*

The bourse regulators in Cambodia and Thailand this week announced plans to work together to boost their capital markets through cross-border listings and depositary receipts. During a meeting on Monday in Phnom Penh, Ruenvadee Suwanmongkol, secretary-general at the Securities Exchange Commission (SEC) in Thailand, and Sou Socheat, general director of the Securities and Exchange Commission of Cambodia (SECC), agreed to sign a memorandum of understanding on cooperation next month. The MoU will cover equity offerings and depositary receipts and will allow entities to make an offer or list stock outside their countries. The agreement is seen as an effort to boost the development of the Cambodian bourse, which launched in 2012 but has thus far attracted just five companies to the main board. During the meeting on Monday, the regulators exchanged views on cooperation and assistance, according to a statement issued after the meeting. “Building on a MoU on cooperation signed in 2014, SECC and SEC Thailand have agreed to sign an additional MoU on cross-border equity offering and the issuance of DR which will allow issuers from both Cambodia and Thailand to make an offer or to list their equity securities outside the issuer’s home jurisdiction,” it said. “Cross-border equity offering will help expand the issuers’ businesses, increase their liquidity

derived from trading in more than one exchange and give them access to a larger pool of potential investors,” it said. The MoU will establish a working group composed of SECC and SEC Thailand officials. Kim Sophanita, director of the market operations department at the Cambodia Securities Exchange (CSX), said the cooperation will be an important milestone for CSX. “CSX welcomes this cooperation. We believe that it will provide mutual benefits because it will allow listed companies and investors in both countries to access more funding and a wider offer of investments,” she said. “There are many examples of this type of cooperation in other markets. CSX aims to enhance its offer with products from Cambodia as well as Thailand, China, Korea and more.” She said both capital markets will benefit from the cooperation. “The Thai stock market is no doubt more attractive but Cambodia is a big market for Thai products.” Prom Visoth, president and CEO of brokerage firm Acleda Securities, said the agreement will improve the local capital market by bringing more products online, increasing trading activity and attracting new companies. “CSX will soon have more securities-related products available. More products mean more choice for investors. Moreover, the agreement will encourage more local companies to launch IPOs,” he said. Besides the five companies listed on CSX’s main board, two local companies (Hattha Kaksekar Limited and LOLC) have issued bonds. ABA Bank will likely follow suit in upcoming weeks, after recently obtaining SECC’s approval to issue bonds.

During the seven years that the bourse has been active, listed companies have raised a combined \$120 million, according to SECC.'

Source : <https://www.khmertimeskh.com/50630865/cambodian-thai-bourse-regulators-to-work-together/>

## First Cambodia-made e-bike to launch in September



Cambodia News | 07 August, 2019

The first Cambodia-made electric motorcycles will soon be cruising around Phnom Penh. Voltra Motors, a local scooter manufacturer, will officially launch at the beginning of next month, company founder and director Yann Vaudin disclosed. The company was registered with the Ministry of Commerce (MOC) late last year, and the patent for the Voltra brand was approved in 2017. Mr Vaudin, a renewable energy engineer from France, said they created Voltra Motors to help the local economy and environment. Mr Vaudin, who came to Cambodia in 2013 and is married to a local, is also the owner of Green e-Bike, the first electric bike rental business in Cambodia. Green e-Bike was started in Siem Reap in 2014. "Environmental pollution is a problem here. Electric scooters can help minimise it," he said. Cambodia's rapid growth has led to significant environmental pollution, which is most pronounced in the cities. Phnom Penh alone has around 1.7 million motorbikes, significantly contributing to the problem. "Each year, motorbikes release 3.2 million tonnes of CO2 in the atmosphere in Phnom Penh. This is causing a short-term public health problem," he

said. "To reduce pollution, we need to plant 15 million trees. 10,000 electric motorbikes on the roads would mean 18,000 fewer tonnes of CO2 per year, which is equivalent to planting 88,000 trees. "Another thing is that this will make Cambodia known not just for rice, clothes, and other products, but also as a country that can produce technology," he stressed. Mr Vaudin said they have already produced two prototypes that have been shown around Phnom Penh, Siem Reap, and other parts of the Kingdom. "Customers can order from us, and we will make the scooters for them," he said. Voltra Motors will import high-quality parts and assemble them at a warehouse and manufacturing site close to Phnom Penh's airport. Their showroom is located at St. 111, near Orussey market. Mr Vaudin said they are focusing on quality. "The parts were made according to European standards. Its assembly will be under French supervision," he stressed. "Later on, we are planning to manufacture many of the parts locally, especially plastic components," he said. Mr Vaudin said the Voltra e-bikes have many advantages compared to the gasoline-powered motorbikes common in Cambodia. "First, they don't pollute. They are cheaper than regular motorbikes and easier to drive," he said. "They are also much cheaper to operate. No oil, no filters, and no maintenance," he stressed, noting that driving one kilometre costs 15 riels, seven times less than driving a gasoline motorbike. Mr Vaudin also pointed out that a Voltra e-bike has a top speed of 40 km/h, promoting safe driving in cities. "With a full battery,

you can drive it for 50 km before you need to recharge it. And you can recharge it anywhere as long as there is a power source for its removable battery. Charging the battery takes about four hours, but you can also just carry an additional battery to be able to cover 100 km in one go,” he pointed out. “It also runs well on and off the road,” he added. Other electric bikes are being sold in Cambodia, most of them imported from China. But according to Mr Vaudin, these are much heavier, more expensive, and use a bulky lead-acid battery that makes recharging inconvenient. “We use lightweight lithium removable batteries that are much more advanced,” he noted. Mr Vaudin said they have partnered with a United Nations agency, a leading bank, and an NGO to promote their product. The United Nations Development Program (UNDP) has included Voltra in its 2019 Youth Impact Challenge and is helping it find partners and investors. Aceda Bank, meanwhile, agreed to an ultra-low 1 percent interest rate per month for those who want to take out a loan to purchase a Voltra e-bike. Voltra Motors is also discussing a partnership with Pour un Sourire d’Enfant (PSE) that would make maintenance and repair of electric scooters a part of the vocational school’s curriculum. “The import taxes for eco-friendly transport, unfortunately, are too high and don’t make electric vehicles competitive. This will be a small step for Cambodia and a big step for the environment,” he said. Mr Vaudin said they want to expand their operations in the future. “We want to export our ‘Made in Cambodia’ product to North

America, Europe, Australia, and South America,” he concluded. A Voltra e-bike costs \$899 with a 1-year warranty. Voltra Motors opened a pre-order website ([www.voltramotors.com](http://www.voltramotors.com)) where you can get it at just \$799 until October 31. called ‘CamGAP’, and added that a set of standards for growing organic produce will soon follow.

Source : <https://www.khmertimeskh.com/50630863/first-cambodia-made-e-bike-to-launch-in-september/>

## Alipay Payment Platform

### Set to Enter Laos



Laos News | 07 August, 2019

Chinese mobile payment platform Alipay is set to make a foray into Laos after Lao Development Bank (LDB) entered into an agreement with KIWI Company to roll out the service. KIWI Group, a fintech operator in Southeast Asia, provides cashless payment solutions for its clients. The service will allow users to make payments and transactions at stores and restaurants in Laos that are partnered with LDB. The application also can be used to pay visa fees on arrival at the Boten International Checkpoint in Luang Namtha province, which borders Yunnan province in China, and at the 4th Friendship Bridge International Checkpoint in Bokeo province. Those who want to use the service need to register in China, and LDB will provide facilities for transaction services only. Alipay is a third-party mobile and online payment platform, established in Hangzhou, China in February 2004 by Alibaba Group. It is one of the most used mobile

payment applications in China, with more than 1 billion users. This came after Banque pour le Commerce Extérieur Lao Public (BCEL) joined hands in July with Chinese payment service provider UnionPay International (UPI) to roll out a new QR code payment service in Laos. The move will enable UnionPay app users to make payments by scanning QR codes at local stores in the country. UnionPay currently operates one of the most popular mobile payment apps in China, with about 150 million users across 18 cities. Such developments are a boon to Laos, which is currently pushing its tourism campaign, Visit Laos-China Year 2019, to attract more Chinese tourists. More than 4.1 million visitors came to Laos in 2018, an 8.2 percent increase compared to 2017. Among them, over 800,000 tourists came from China, a rise of 26 percent, according to the Lao Ministry of Information, Culture, and Tourism.

Source : <https://laotiantimes.com/2019/08/07/alipay-payment-platform-set-to-enter-laos/>

## Foreign casino operators looking to set up in Myanmar

 Myanmar News | 07 August, 2019

A number of casino operators from Hong Kong, Taiwan and Macau have enquired about operating casinos in Myanmar following the passing of the Gambling Law 2018 in May, which replaced an earlier law from 1986. Directorate of Investment and Company Administration acting director-general U Thant Sin Lwin said casino operators from Hong

Kong, Taiwan and Macau have been actively seeking out opportunities in the country following the passing of the law, which allows only foreigners to enter casinos. “These operators have been seeking information and surveying the market in Myanmar. They’re looking to set up business either in Yangon, border areas or on islands,” he said. While the law has been passed, U Thant Sin Lwin said specific rules and procedures still need to be in place before operators can set up casinos, whether as stand-alone businesses or with hotels attached. The government plans to allow casinos into the country as a tourist attraction and boosts its tax revenue.

Source : <https://www.mmtimes.com/news/foreign-casino-operators-looking-set-myanmar.html>

## Vietnam investigates plastic dumping by China, Malaysia, Thailand



Vietnam News | 07 August, 2019

Vietnam is investigating the alleged dumping of plastic film material from China, Thailand and Malaysia, hurting the local industry. The investigation was initiated Monday at the request of two plastic producers, Taiwanese firm Hung Nghiep Formossa and South Korean firm Youl Chon Vina, on biaxially-oriented polypropylene (BOPP), a plastic film material used to make tapes. They claimed that the imports of plastic products from these three countries have inflicted "significant damage" on local manufacturing, the Ministry of Trade and Industry

said in a statement. As these firms account for up to 77 percent of the country's production of related plastic products, they are eligible to represent local manufacturers in requesting an investigation, it said. The firms have proposed respective tariffs of 20.22 percent, 15.12 percent, and 20.35 percent on BOPP materials from China, Malaysia and Thailand. This is the fifth anti-dumping investigation Vietnam has initiated this year. It has issued temporary anti-dumping duties on aluminum products originating in China and some wood-based materials originating in Thailand and Malaysia.

Source: <https://e.vnexpress.net/news/business/industries/vietnam-investigates-plastic-dumping-by-china-malaysia-thailand-3964222.html>

## Viet Nam earns \$1.73 billion from rice exports in first seven months of 2019



Vietnam News | 07 August, 2019

HA NOI - Viet Nam exported 4.01 million tonnes of rice worth US\$1.73 billion in the first seven months of 2019, up 2.1 per cent in volume but down 14.3 per cent in value from the same period last year, according to the Ministry of Agriculture and Rural Development. In July alone, the country shipped 651,000 tonnes of rice worth \$285 million. Minister Nguyen Xuan Cuong said this year, prices of agricultural products in markets around the world

have fallen by between 5 and 15 per cent. Notably, rice prices have fallen sharply in all segments. He said the El Nino in late 2015 and the first half of 2016 led to a decline in global grain output, forcing countries to re-stock their reserves once supply returned to normal. As a result, 2018 was a very strong year for the rice market in terms of both export volume and value, helping Vietnamese rice prices reach a record of more than \$500 per tonne on average. However, many countries – including big ones that purchase large amounts of Vietnamese rice – had already restocked their reserves by the start of 2019, leading to a year-on-year downturn. Cuong said that in the short term it is necessary to explore new markets, especially in Africa and ASEAN, to make up for the drop in shipments to China – a major importer. Meanwhile, production costs must be reduced by applying scientific advances to ensure farmers profit. In the long term, the agricultural sector is planning to transform 500,000ha of land currently used to grow rice for use in aquaculture or growing fruit or other cash crops to ease the rice output pressure. The rice industry will need to promote processing and value chains to make use of not only the grain but also its by-products like the husk, bran and oil and diversify offerings to provide organic and medicinal rice, the minister noted. The Philippines was the biggest buyer in the first half of the year, purchasing 33.7

percent of Viet Nam's rice exports. The markets with strong growth in rice imports from Viet Nam included the Ivory Coast (up 67 per cent), China's Hong Kong (60 per cent) and Saudi Arabia (38 per cent). Export prices of rice averaged \$431 per tonne in the six month period, down 15 per cent from the first half of 2018. The ministry forecast that rice prices in the country would increase in the coming months thanks to higher demand. — VNS

Source : <https://vietnamnews.vn/economy/523714/viet-nam-earns-173-billion-from-rice-exports-in-first-seven-months-of-2019.html#b142US0x0ZDSWpzm.97>

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