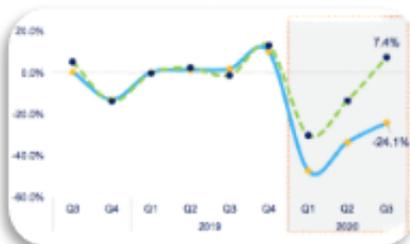


Highlight News / October 29/2020



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## \$400 million transmission line to bring in Laos, Thailand power



*Cambodia News | 28 October, 2020*

The construction of a combined more-than \$400 million power transmission line connecting Cambodia to Laos and the Thai border will start next year, according to an official from the Ministry of Mines and Energy (MME). The government through the Council of Ministers approved a 500 kilovolt transmission line investment project from Phnom Penh to the Cambodia-Laos border and 500 kilovolt transmission line from Battambang to the Cambodian-Thai border. Victor Jona, MME's director-general of the energy department, said that the government has invited SchneiTec Co Ltd to invest in these two projects after offering the company a technical study and environmental assessment. He said the transmission line connecting to the Laos border will be 300 kilometres (km) in length and the one from Battambang province to the Thai border will be about 110 km. Of the more-than \$400 million total cost, \$300 million will go on the Laos transmission line. "To be timely for 2024, when a Laos-based coal power plant is due for completion, the construction will start from next year," he said. "The company has already completed a technical study and environmental impact and they are just waiting for final approval from the Ministry of the Environment for its assessment report," said Jona. He added the 500 kilovolt transmission line connecting with Laos will be

used to transfer hydroelectric power as well. In September 2019, Cambodia's state-owned utility firm Electricite du Cambodge (EDC) signed a 30-year deal to buy coal power from two producers with a combined capacity of 2,400 megawatts (mW) situated in Laos' Sekong province. Cambodia expects to import 300 mW from the plant in the first phase by 2025 and another 300 mW next year until the total 2,400 mW target is reached. A megawatt is a unit for measuring power and represents 1 million watts which is equivalent to the energy produced by 10 automobile engines or 330 average homes for one hour. Cambodia is trying to maintain its momentum as one of the fastest-growing economies in Asean, even as it grapples with having one of the highest electricity tariffs in the region. The government has just approved a 150 mW hydropower project upstream on the Tatai River to help bring down the country's electricity tariff. Te Taingpor, president of the Federation of Associations of Small and Medium Enterprises of Cambodia (FASMEC), said that this will reduce the electricity tariff, especially for industry consumption. He added even though the electricity price in Cambodia can be seen to be decreasing the rate has remained high compared with neighbouring countries, which affects the country's competitiveness. "We welcome the government's move to increase electricity capacity so we will be able to increase our production and competitiveness as well," he said. Taingpor said currently FASMEC is encouraging the establishment of small and medium enterprise

clusters in each province, providing economies of scale such as electricity consumption and transportation. About 92.68 percent – 13,131 villages of Cambodia's total villages – had access to electricity by the end of 2019, according to a report from the Mines and Energy Ministry. The government is committed to having all villages in the Kingdom connected to electricity by the end of 2020. Cambodia's main electricity sources are hydroelectric dams and coal-fired power plants. The country has seven Chinese-built hydropower dams with a total capacity of 1,328 mW and three coal-fired power plants with a combined capacity of 675 mW.

Source : <https://www.khmertimeskh.com/50777612/400-million-transmission-line-to-bring-in-laos-thailand-power/>

## Micro, small, medium firms vital but need support: Report



*Cambodia News / 28 October, 2020*

Strengthening the dynamics of micro, small, and medium enterprises (MSMEs) with innovation and internationalisation will be key to revitalising Southeast Asian economies devastated by Coronavirus, according to a new report from the Asian Development Bank (ADB). The report, dubbed Asia Small and Medium-Sized Enterprise Monitor 2020, reveals that MSMEs are a critical driving force in Southeast Asian economies, accounting for an average of 97 percent of all businesses and 69 percent of the national labour force from 2010 to 2019. They contributed an average of 41 percent of

each country's gross domestic product over the same period. MSMEs in Southeast Asian economies mainly focus on domestic markets and their level of entrepreneurship is suboptimal, according to the ADB. Supporting the development of MSMEs, particularly in technology adoption and participation in global supply chains, will contribute to inclusive growth and aid in recovery efforts from COVID-19, said ADB Chief Economist Yasuyuki Sawada. "We're confident that this new report, Asia Small and Medium-Sized Enterprise Monitor (ASM) 2020, which provides a rich set of data and analyses on MSME development in Southeast Asia's pre-COVID-19 pandemic, would become a benchmark in helping design feasible government assistance for MSMEs amid a new normal in the region." Sunniya Durrani-Jamal, ADB country director for Cambodia, said as with other countries in the region, MSMEs are the backbone of the Kingdom's economy. They stimulate domestic demand, create jobs, innovate and compete nationally and, potentially, regionally. Access to finance and expanded markets remain at the core of MSME growth. "The main challenges for continued MSME development are access to finance, development of human capital and skills, market access and adoption of the latest technology," Durrani-Jamal said. Asia's economic transformation and pandemic recovery offer the chance to accelerate business opportunities for MSMEs to learn how to digitise and embrace digital financial services and e-commerce, without abandoning the traditional MSME strengths in

wholesale and retail trade, agribusiness, food processing, accommodation and other service-related business. A recovery in demand, trade and investment is needed and MSMEs should be at its heart, the report noted. MSME development remains key to promoting inclusive growth in developing Asia. The design of MSME policies has become more challenging because of the complexity of the MSME business climate and the rapidly changing external environment. The Ministry of Industry, Science, Technology and Innovation's SMEs' Department Director Chhea Layhy said MSMEs are playing an important role in Cambodia's economy, contributing 70 percent of the total workforce. In total, 99.8 percent of the number of Cambodian business establishments are MSMEs. He said the current challenges faced by MSMEs are access to finance, access to information, access to market, law and regulation support, unfair competition, low productivity, labour and human resources, raw material, packaging and standard compliance. "At present the government has issued the mechanism and measures to support MSMEs, such as the SME Development Policy, and SME Law, which will be ready by the end of the year or early next year," Layhy added. He said the ministry is drafting the sub-decree for SME cluster zones, an entrepreneurship fund, national SME information portal and centre and an IT platform of SME registration. "The other challenges are the perception of consumers of local products. Some SMEs are family-based businesses that are not using

high technology for their industry – and are reluctant to the move to digital and technology as well as packaging. We have projects to nurture them, but the education is limited. We need more time," he added. According to Durrani-Jamal, in the long run, the Ministry of Economy and Finance (MEF) envisions a skill development committee that would span multiple agencies, departments and stakeholders. The committee would plan strategy and coordinate efforts to build workforce skills. In addition, an entrepreneurship promotion centre, Khmer Enterprise, will assist startups with capacity building in areas such as tax compliance, accounting and book-keeping and financial reporting.

Source : <https://www.khmertimeskh.com/50777691/micro-small-medium-firms-vital-but-need-support-report/>

## NA session opens with economic recovery topping agenda



*Laos News | 29 October, 2020*

The National Assembly (NA)'s 8th legislature on Tuesday opened its three-week 10th ordinary session with debate set to focus on measures to restore the economy, which has been hard hit by the coronavirus pandemic. Delivering the opening remarks, Assembly President Mrs Pany Yathotou said the session would consider and approve reports on the implementation of this year's socio-economic development plan, budget and currency plans, and plans for 2021. President Bounhang

Vorachit, Prime Minister Thongloun Sisoulith and other cabinet members were among those present at the opening. It is expected that Assembly members will focus their debates on the steps needed to revive the economy next year amid the uncertainty of the Covid-19 pandemic, financial difficulties, and impact from natural disasters. The year 2021 will see the start of the 9th five-year national socio-economic development plan (2021-2025). The biannual session of the National Assembly will discuss a draft of the 9th five-year plan before submitting a final draft for further debate and approval by the NA's next legislature. A general election of members of the 9th legislature is expected to take place early next year. The session – the last of the NA's 8th legislature - will also consider and approve urban planning for Vientiane, reports made by the State Audit Organisation on the results of the audit of the state budget for 2020, audit plan for 2021, and an audit summary report for 2019. The Government Inspection Authority is scheduled to report the findings of its inspections of audited reports for the 2018, 2013-2014 and 2015-2016 fiscal years for the session to consider and approve. Assembly members will also be briefed on the implementation of laws and regulations concerning the management of entertainment. The People's Supreme Prosecutor and People's Supreme Court will report on their performances for 2020 and submit plans for 2021 for the Assembly to consider and endorse, Mrs Pany said. The NA's 8th legislature will report on the implementation of its five-year plan for

2016-2020, the plan for 2020, and the plan for next year. The Lao Front for National Development will comment on the performance of the NA, which is Laos' top legislative body and represents the interests of the multiethnic Lao people. Lawmakers are scheduled to debate and approve five laws, comprising four newly-drafted laws and the drafted amendments of a law. The laws concern diplomatic rankings, youth, international cooperation in the fields of crime and higher education, and amendments on state auditing law. With 2020 being the final year of the current 8th five-year national socio-economic development plan (2016-2020), the session is scheduled to discuss draft reports on the implementation of the plan, five-year state budget plan, and plans for the next five years (2021-2025). Assembly members will also share views on a draft of parliament's next five-year plan. Mrs Pany called for all state organisations to give their full cooperation and provide all the necessary information and explanations in response to questions raised during the session, which will end on November 17.

Source : [http://www.vientianetimes.org.la/freeContent/FreeConten\\_NA\\_210.php](http://www.vientianetimes.org.la/freeContent/FreeConten_NA_210.php)

## Construction costs rise in Myanmar



*Myanmar News | 28 October, 2020*

Prices of imported construction materials have risen in Myanmar during the COVID-19 pandemic due to supply and logistics challenges, according to local developers. "Arrivals of imported construction

materials have been delayed because of transport and logistics issues. As some construction work cannot be stopped here, we have to buy the required materials in the country at higher prices," said U Myo Myint, CEO at MKT Construction Co. For example, brick baking businesses have declined and availability of bricks for projects has declined, leading to a rise in brick prices, said U Myo Myint. - Translated

Source : <https://www.mmtimes.com/news/construction-costs-rise-myanmar.html>

## Vietnam's listed non-financial firms post V-shaped recovery in Q3



*Vietnam News | 28 October, 2020*

The Hanoitimes - Profits of 347 non-financial firms expanded by 7.4% year-on-year in the first nine months of 2020, equivalent to the rate recorded in the pre-Covid-19 period. Excluding flag carrier Vietnam Airlines, 347 non-financial stock exchange-listed firms in Vietnam maintained positive growth in the third quarter against the same period of last year, showcasing a V-shaped recovery during the process, according to a study by financial data provider Fiin Group. While Vietnam Airlines is still struggling with an estimated loss of VND5.64 trillion (US\$242.44 million), profits of these remaining non-financial firms expanded by 7.4% year-on-year in the first nine months of 2020, equivalent to the rate

recorded in the pre-Covid-19 period. Specifically, earnings before interest and taxes (EBIT) of these 348 public firms declined by 12.4% year-on-year in the third quarter, or one third of the decline in the second quarter. This showed core business activities of all non-financial firms have significantly improved once the Covid-19 pandemic was put under control. Notably, a number of sectors recorded strong growth in both revenue and profit, including the automobile and retail. Revenues from the retail sector in the third quarter rose 7-fold against the previous one, while profit growth was over 30% year-on-year, with Digiworld (DGW) and PetroVietnam General Services Corporation (PSD) being major contributors. FiinGroup attributed high demand for electronic products and smartphones during the Covid-19 outbreak to positive business results of these retailers. For financial companies, including commercial banks, insurance and securities firms, their revenues in the third quarter rose by 7.1%, higher than the growth rate recorded in the second quarter, and profit growth was 4.5%. The result, nevertheless, remained positive amid the economy facing severe impacts from the Covid-19 pandemic, stated FiinGroup.

Source : <http://hanoitimes.vn/vietnams-listed-non-financial-firms-post-v-shaped-recovery-in-q3-314637.html>

## Demand for organic farm produce on the rise in Vietnam



*Vietnam News | 28 October, 2020*

HCM City (VNA) - Demand for organic products has been rising sharply globally including in Vietnam, and this is good news for businesses investing in them, according to the Ministry of Agriculture and Rural Development. Deputy Minister of Agriculture and Rural Development Tran Thanh Nam said the area under organic crops in the country had increased from 53,350ha in 2016 to 237,693ha last year and they are grown in 46 out of 63 provinces and cities. They had been exported to 180 countries and territories including the US, the EU, China, Japan, Germany, the UK, the Republic of Korea, Russia, and Singapore, and annual shipments are worth 335 million USD, he told a seminar in HCM City on October 26. But Ha Phuc Mich, Chairman of the Vietnam Organic Agriculture Association, said the rapid growth in organic agriculture was also causing concern about the ability to control quality. While the country had standards for organic farming TCVN11041: 2017/2018, the list of inputs allowed to be used had not been issued, he said. "There are many co-operatives and enterprises that want to enter the field but are stymied by this." Sharing his experience in producing and exporting organic produce, Thai Nhu Hiep, Director of Vinh Hiep Co., Ltd, said: "Organic agricultural products are favoured by global consumers and will be an inevitable requirement for making agriculture

sustainable, but organic production in our country faces many difficulties. "The cost of analysis of samples and evaluation to grant organic certification is high. It usually takes two to three years or even longer to fully meet the requirements, while the validity of the certification is only one year, and producers must routinely apply for reassessment. "His company has faced difficulties in expanding the scale of organic farming because productivity and yields are not high, farmers do not have the habit of taking notes about their daily farming activities and their knowledge about organic production remains low. Inputs such as fertilisers that can be used in organic production are still not widely available and are expensive. "To sustainably develop organic agriculture, it is necessary to apprise farmers, businesses and consulting officials about standards through seminars, workshops and training courses. "The Government needs to strengthen promotion of organic produce ... domestically and globally. "Creating domestic organisations for analysing and certifying organic production is imperative to reduce costs." Nam said development of organic agriculture was part of plans to restructure the agricultural sector to increase value added and make it sustainable. So organic agriculture was being actively developed in 2020-30 with targets of having 1.5-2 percent of all agricultural lands under organic farming by 2025 and 2.5-3 percent by 2030, he said. To accomplish these objectives there would be incentives for businesses and co-operatives to participate in organic production and training to

improve knowledge about organic farming, he said.

There would be efforts to improve the professional capacity of local certifying organisations, he added./.

Source : <https://en.vietnamplus.vn/demand-for-organic-farm-produce-on-the-rise-in-vietnam/189381.vnp>

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