

CARI CAPTURES



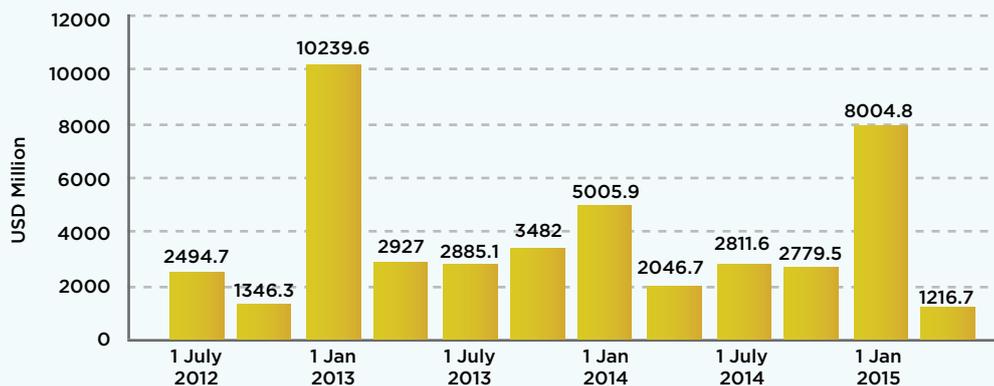
01 VIETNAM TO LIBERALISE FOREIGN OWNERSHIP



Vietnam GDP



Vietnam Foreign Direct Investment



[Trading Economics](#)

According to a recent government statement, the current 49% restriction on foreign ownership in select industries is to be abolished in September 2015.

- ▶ Whilst the foreign ownership cap will be lifted in most industries, an exception has been made in the present for banks, where the foreign investment cap will remain at 30% for the time being; currently approximately 30 companies straddle the 49% foreign ownership limit
- ▶ To date, the VN index grew by 6.6% since the beginning of the year,

making Vietnam the strongest growing economy in Southeast Asia; the further deregulation of foreign ownership restrictions will only serve to bolster the influx of foreign investment which will in turn fuel economic growth

- ▶ Furthermore, it should be noted that key industries such as telecommunications, airlines, and defence in addition to the aforementioned banking are expected to have a more selective process with regards to the removal of the

[Sydney Morning Herald \(27 June 2015\)](#)

02 INDONESIA TO JOIN AIIB

INDONESIA

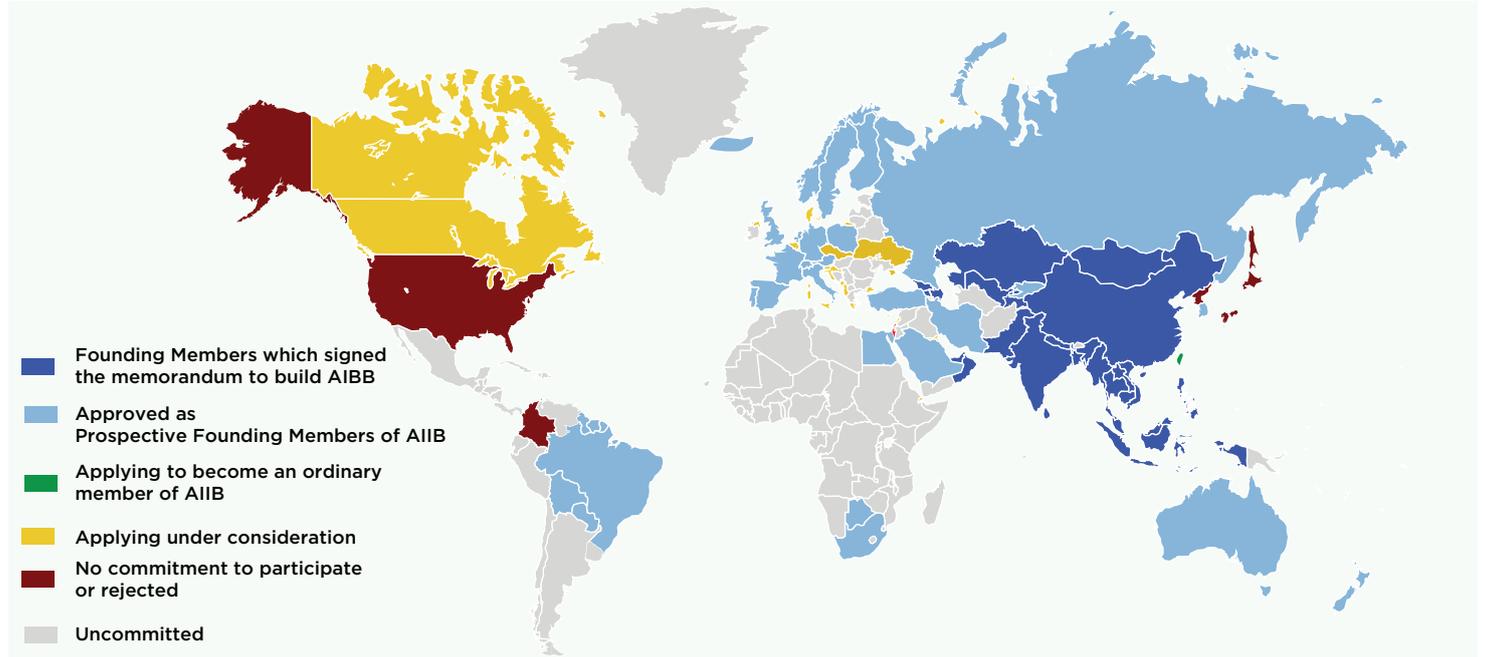
Indonesia is slated play a major role as a co-founding member state in the new Chinese-led Asian infrastructure bank, Asian Infrastructure Investment Bank (AIIB); to be funded by a total of US\$50 billion in capital, the bank is expected to start operations by the end of the year, and has continued to attract a growing list of countries from Britain to India to New Zealand.

- ▶ According to the Bank's interim chief, Jin Liqun, Indonesia will sign up as a founding member of the the AIIB with an investment of US\$672.1 million to be paid over five years, officially making the nation the AIIB's eight-largest shareholder

- ▶ Whilst the bank currently stands at a guaranteed level of US\$50 billion in capital, it hopes to continue to grow in order to reach its eventual target of US\$100 billion in due time; rivalling in significance the IMF and other global finance institutions in terms of financial presence within the region
- ▶ It should be noted that the United States has expressed concern about China's growing presence within the region, and has questioned whether the AIIB will have sufficient standards of governance, and environmental and social safeguards

[American Journal of Transportation \(29 June 2015\)](#)

AIIB Participants



[European Center for Disease and Prevention Control](#)

03 JOKOWI LIKELY TO RESHUFFLE CABINET SOON

INDONESIA

President Joko "Jokowi" Widodo has indicated that he is likely to reshuffle his working cabinet any moment now as a result of the worsening economic condition. Jokowi gave the signal during a meeting with 11 economists at the Presidential Palace on 29 June, where he discussed the country's latest economic developments.

- ▶ Destry Damayanti, a senior economist at the state-owned Bank Mandiri said that the President indirectly expressed his disappointment with his economic ministers' performances, especially after seeing the slowing down of economic growth in the first semester
- ▶ Another economist Anton Gunawan concurred, that a minister with a powerful influence was much needed considering that one factor influencing economic growth, besides economic fundamentals, was market perception

[Jakarta Post \(29 June 2015\)](#)

04 VIETNAM, LAOS INK BORDER TRADE AGREEMENT

VIETNAM LAOS

In recent years border trade between Vietnam and Laos has grown, with a larger number of businesses involved and import-export demands on the rise. Administrative procedures and policies have been improved, while the infrastructure along the border has been upgraded. Efforts to prevent smuggling and the trade in counterfeit goods have also produced positive results.

- ▶ The new border trade agreement comprises 23 articles, documenting that all border gates on land are open to trade
- ▶ The import tax rates for goods made in Vietnam and Laos, as well as various products made by Vietnamese investors in Laos, will be reduced to zero
- ▶ The agreement also regulates payments for trans-border trade, controls the transportation of cash via border gates, and manages the entry-exit regulations for humans and vehicles
- ▶ According to the document, the Governments of Vietnam and Laos agreed to set up a joint Steering Committee on Border Trade and organise a biennial cooperation conference on the development of Vietnam-Laos border trade, and encouraged the establishment of a border trade entrepreneur association

[Vietnam Net \(29 June 2015\)](#)

05 MALAYSIA TO GRANT VISA WAIVER FOR CHINESE TOURISTS



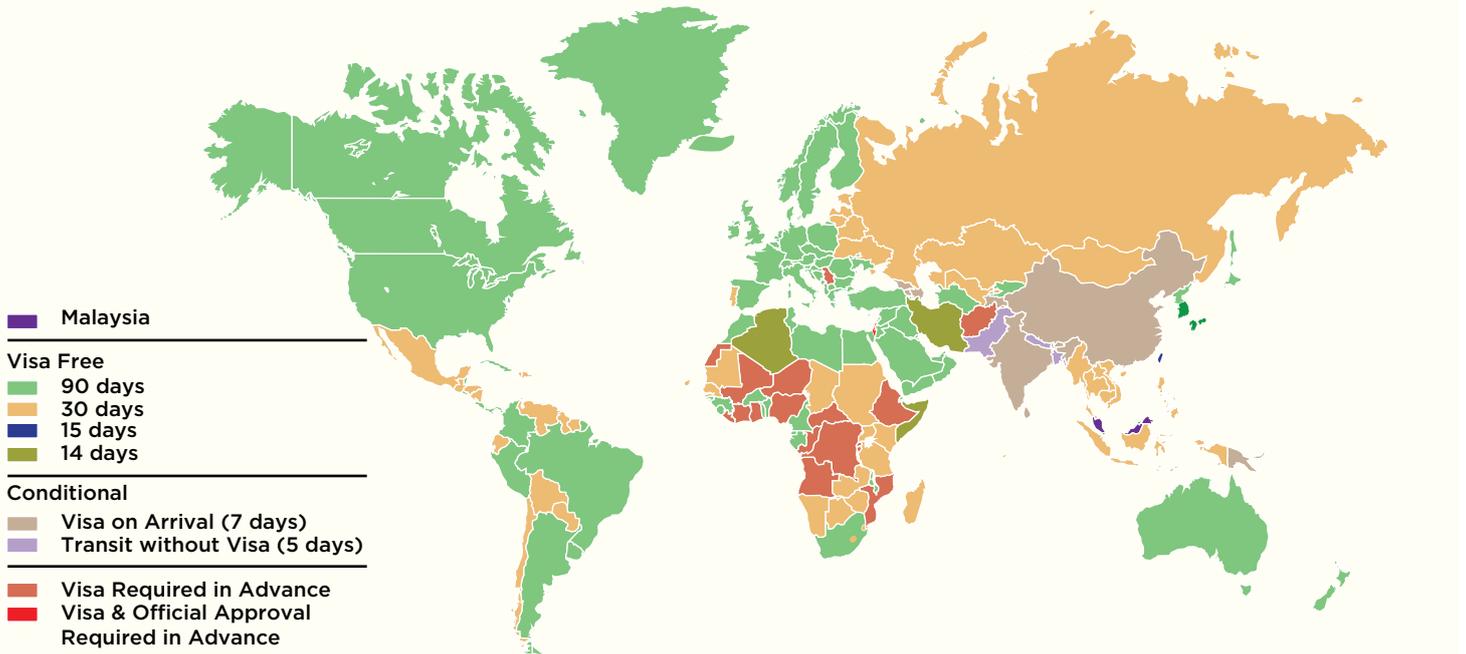
Tourism Malaysia, which has targeted a total of two million Chinese tourist arrivals by the end of 2015, has rolled out a visa waiver on a trial basis for Chinese tourists in order to facilitate growth in tourism and to better meet its targets.

- ▶ After a six month trial period, the visa waiver scheme will be reevaluated by tourism Malaysia to assess the impact of the proposed policy shift; currently, the visa application process takes three to four days to complete, with Visa-On-Arrival (VoA) schemes offered at select entry points into the nation

- ▶ As of the present, VoAs are only offered to tourists at five locations throughout Malaysia; Bayan Lepas International Airport in Penang, Senai International Airport in Johor, Kota Kinabalu International Airport in Sabah, Kuching International Airport in Sarawak, and the Kuala Lumpur International Airport (KLIA and KLIA2)
- ▶ In the interim of the roll out of the visa waiver, Malaysia is also slated to increase its offering of VoA points of entry into the country, as well as a streamlined visa application process in order to capitalise upon growing tourism

[Sin Chew Daily \(26 June 2015\)](#)

Visa Free Travel Offerings in Malaysia



malaysia.org

06 CAMBODIA POST STARTS TRANSPORT SERVICE



State-owned postal service Cambodia Post launched a point-to-point van service on 29 June, to tap into the rising demand for passenger transportation, in a bid to increase its revenue from domestic services.

- ▶ Currently Cambodia Post's van service is used only for delivering post to the different provinces
- ▶ Minister of Post and Telecom Prak Sokhon, who presided over the launch, said successful implementation of the new van service would build more trust in Cambodia Post's service quality
- ▶ "The launch of passenger and EMS vans will contribute to improving the domestic services of Cambodia Post, which brings in less than 5 per cent [of revenues] as compared to foreign mail services," Sokhon said

[Phnom Penh Post \(30 June 2015\)](#)

07 1.4 MILLION POOR MANILA RESIDENTS TO LOSE HOMES



Around 1.4 million informal settlers and urban poor residents in Metro Manila stand to lose their homes in the implementation of the government's Private-Public Partnership program.

- ▶ Urban poor group Kadamay said it expects more displacement of poor families because of demolitions under the PPP scheme of the Aquino administration
- ▶ Based on its data, the group said that in five years of the PPP implementation, at least 70,000 urban poor families lost their homes while 98 informal settlers lost their lives in demolitions
- ▶ Most of the relocations or resettlement sites provided by government to informal settler-families are in the provinces, which bring them far from their sources of livelihood in the metropolis

[Today Online \(28 June 2015\)](#)



08 MYANMAR MONITOR

POLITICS

▶ Lawmakers in Myanmar passed a controversial legislation on 7 July that imposes restrictions on interfaith marriages, despite opposition from rights advocates. The law requires Buddhist women and men of other faiths to register their intent to marry with local authorities, who will display a public notice of the engagements. Couples can marry only if there are no objections.

[Radio Free Asia \(7 July 2015\)](#)

▶ Myanmar's government announced on 7 July that it would halt five controversial property developments near the Shwedagon pagoda, the country's most famous Buddhist site. Myanmar's influential monks have led calls to stop the projects, which they say risk damaging and desecrating the golden pagoda. The Myanmar Investment Commission and the Ministry of Defence also suggested that these projects should be stopped.

[Reuters \(7 July 2015\)](#)

ECONOMY

▶ The Myanmar Garment Manufacturers Association (MGMA), which represents 280 factories employing about 200,000 workers met on 2 July after the Myanmar's National Minimum Wage Committee announced a proposal that the minimum wage be set at 3,600 kyats (US\$3.24). Myanmar's garment manufacturers oppose the proposed national minimum wage, claiming the increase it represents could force some factories to close.

[bdnews24 \(7 July 2015\)](#)

▶ Complications facing western companies looking to enter Myanmar have been laid bare after Coca-Cola disclosed a local business partner is linked to the much-criticised jade industry. There are no claims of wrongdoing against any of the trading partners and Coke has claimed it is confident its investment in Myanmar complied with US laws. "Unfortunately Coca-Cola won't be the last western company to find skeletons in its Myanmar partner's closet," said Juman Kubba, a researcher at Global Witness, the UK-based campaign group.

[Financial Times \(1 July 2015\)](#)

FOREIGN AFFAIRS

▶ Singapore and Myanmar reconvened the bilateral Joint Ministerial Working Committee (JMWC) in Yangon on Monday 6 July. The meeting affirmed the growing bilateral economic ties between both countries and discussed ways to deepen cooperation in several areas such as urban solutions, transport and logistics, agro-trade, expansion of air connectivity and development of small and medium enterprises.

[Channel NewsAsia \(6 July 2015\)](#)

▶ Japan will grant Myanmar a US\$211 million loan as Official Development Assistance (ODA) under an agreement signed between the two countries in Naypyidaw on 30 June, state-run media reported. The loans will be spent on Yangon City electrification project, infrastructure development project in Thilawa Special Economic Zone and small- and medium-scale enterprise development project.

[Daily Mail \(1 July 2015\)](#)

09 INCREASING INCIDENCE OF INSURANCE IN THAI FARMERS

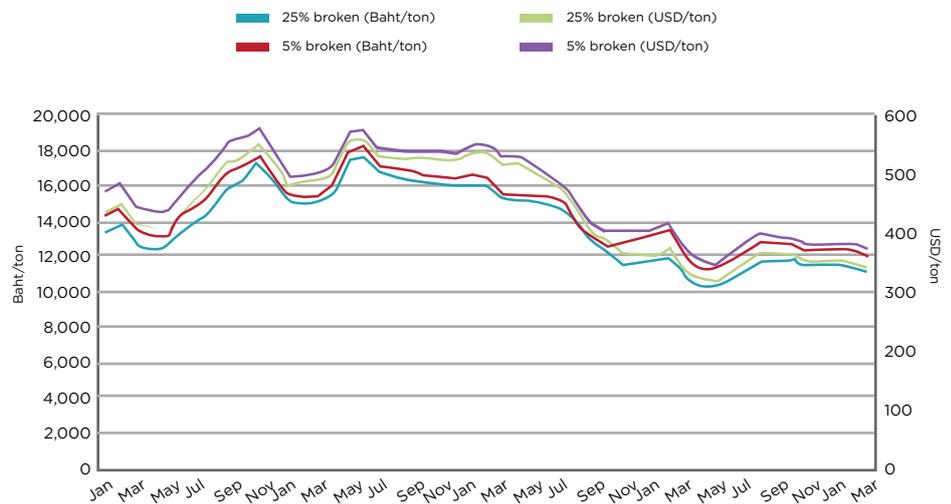
THAILAND

The prospect of continued severe drought has encouraged more rice farmers to buy main-crop insurance, which helps to hedge against harvest failures caused by natural disasters such as drought.

- ▶ In 2014, 112, 000 hectares out of a total of 9.5million hectares of farmland was insured; in 2015, a total of 240,000 hectares of farmland is projected to be insured according to the Thai General Insurance Association as a result of increasing awareness regarding the possibilities of risk reduction with said insurance
- ▶ The current drought affecting much of the country has caused rice farmers to buy insurance, while the government helps via a scheme to subsidize them to the tune of 80% of the premium
- ▶ According to the association, other countries in similar situations do not rely on subsidies but rather, facilitate the introduction of insurance to help mitigate risk from natural disasters such as drought; this would mean funds from the National Catastrophe Insurance fund would be normatively shifted to insurance schemes instead of insurance in order to better aid the farmers whilst maintaining a strong fiscal budget

[Philstar \(30 June 2015\)](#)

Thailand Average Wholesale Rice Prices (January 2011 - March 2015)



[FAO](#)

10 THAILAND LAUNCHES MUSLIM-FRIENDLY TOURIST APP

THAILAND

Thailand has launched a smartphone app to attract Muslim visitors, something that could help further boost an industry which has been steadily recovering since a 2014 coup. Thailand is predominantly Buddhist but parts of the south are majority Muslim.

- ▶ Efforts to welcome Muslim travelers to Thailand come amid rising anti-Muslim sentiment in some Western countries and recent Islamist militant attacks
- ▶ With search and navigation features, it will help visitors find hotels and shopping centers with prayer rooms and halal, or permissible under Islamic law, restaurants
- ▶ The app is available in English and Thai but will be expanded to include Arabic and Bahasa Indonesia

[Reuters UK \(29 June 2015\)](#)