

CARI CAPTURES

SINGAPORE STILL WORLD'S
MOST EXPENSIVE CITY

SINGAPORE MUST STRENGTHEN
ITSELF AS INFRASTRUCTURAL HUB

MALAYSIA TO HALT INFLUX
OF FOREIGN WORKERS

01 INDONESIA

THREE WAY GAS TURBINE DEAL SIGNED



- Boost country's Electricity by 35 GW by 2019, projected to cost US\$88 billion



- Expected electricity demand growth is 8.7% a year on average until 2019



- 210 power plant projects have been announced
 - 10 GW of projects to be directly managed by PT Pertamina
 - 25 GW of projects will be privately run



- Geographically:
 - 59 projects will take place in Sumatra
 - 34 in Java, 49 in Sulawesi
 - 34 in Kalimantan
 - and 34 in eastern Indonesia



- Power Source:
 - 20 GW of power plants will be coal fired
 - 13 GW of projects will be gas fired
 - 3.7 GW will come from renewable energy sources

Source: enerdata.net

A consortium made up of Indonesia's PT Pertamina and Japan's Marubeni Corp has signed a deal with US firm General Electric to provide gas turbines for a US\$2 billion power plant in Indonesia's island of Java.

- ▶ When completed, the gas and steam power station will be the largest of its kind in Indonesia; the deal was part of an initiative set forth by President Widodo to build more than 35 gigawatts worth of power stations by 2019

- ▶ The 1,600 megawatt plant will begin its tender process for construction in May, which will be held by state utility firm PT Perusahaan Listrik Negara
- ▶ Earlier, the Pertamina-Marubeni consortium had signed an agreement with Samsung C&T to provide engineering, procurement and construction (EPC) services; Pertamina claimed that the agreements made with big players in the electricity industry reflected Pertamina's commitment as the leader of the consortium to support the government and PT PLN to realise the project.

reuters (13 March 2016)

SINGAPORE STILL WORLD'S MOST EXPENSIVE CITY

According to the Economist Intelligence Unit (EIU), Singapore still leads the world as the spiciest city ahead of Zurich, Hong Kong, Geneva, and Paris.

- ▶ Although Singapore was the most expensive, the cost of living there was 10% cheaper when compared to New York than was the case in the EIU survey a year ago
- ▶ Researchers said they saw considerable movement in the rankings as cities coped with economic factors ranging from the strength of the US dollar and currency devaluations to falling oil and commodity prices and geopolitical uncertainty
- ▶ The EIU also noted that 2015 was the most volatile year in terms of living costs in almost two decades worth of research

[BBC \(10 March 2016\)](#)

Worldwide Cost of Living Statistics, Singapore 2015

Average US\$ price 1kg loaf of bread	Current	\$3.54
	Last Year	\$3.36
	5 Years	\$2.88
	10 Years	\$3.04
Average US\$ price 1 bottle table wine (750ml)	Current	\$25.24
	Last Year	\$25.04
	5 Years	\$22.80
	10 Years	\$16.04
Average US\$ price 20 branded cigarettes	Current	\$10.32
	Last Year	\$9.55
	5 Years	\$8.15
	10 Years	\$5.59
Average US\$ price 1 litre unleaded petrol	Current	\$1.76
	Last Year	\$1.73
	5 Years	\$1.19
	10 Years	\$0.86

Source: EIU

SINGAPORE MUST STRENGTHEN ITSELF AS INFRASTRUCTURAL HUB

According to Indraneel Rajah, Singapore's Senior Minister of State for Finance and Law, increased financial market volatility, a downgraded economic outlook, and fears of a global slowdown mean that the island state must boost growth through policies supportive to investments in infrastructure.

- ▶ The minister's statement was further underpinned by a report by International Enterprise (IE) Singapore, which project an increase of US\$8 trillion in demand for infrastructure within the region in the coming years

- ▶ The minister also stated that the key elements of sustainable infrastructure development comprise of expertise in urban planning and project management, infrastructure financing, and a conducive business environment
- ▶ Reforms to facilitate infrastructure and urban development whilst activating private sector players was highlighted as a priority for Minister Rajah, who stated that Singapore's past successes can be attributed to public private pairings

[Channelnewsasia \(10 March 2016\)](#)

MALAYSIA TO HALT INFLUX OF FOREIGN WORKERS

According to Deputy Prime Minister Ahmad Zaid Hamidi, the nation would be halting the recruitment of foreign workers into the country with immediate effect.

- ▶ Employers wishing to recruit foreign workers would need to source their hires internally, from the existing pool of foreign workers already in the nation; the policy shift also means Malaysia's plans to bring in 1.5 million Bangladeshi workers has been shut down
- ▶ Harsher punitive actions have also been adopted to

uphold Malaysia's new immigrant worker policy, with employers or agents found guilty of protecting illegal foreign workers facing both a fine and whipping

- ▶ The policy however, does not include domestic help or the maid sector; furthermore, the legalisation of existing illegal foreign workers is to be undertaken by employers in conjunction with the Malaysian Employers Federation, Malaysian Trades Union Congress, and the Federation of Malaysian Manufacturers

[Channelnewsasia \(12 March 2016\)](#)

ASEAN TO ENHANCE SUSTAINABLE PORT DEVELOPMENT

The Philippines has announced that it will host the first ever meeting of the Training Network for Sustainable Port Development (SPD), which will work towards developing ASEAN's port industries.

- ▶ The Training Network is an offshoot of the partnership forged by the German International Cooperation Agency (GIZ) with Asean and the Partnerships in Environmental Management for the Seas of East Asia (Pemsea) in 2009 to implement the SPD

- ▶ The one day event has prioritised 3 major aspects of port development including the handling of dangerous goods, integration of safety health and environment management, and safety management systems in ports
- ▶ Participating institutions include Northport (Malaysia) Bhd., Sabah Ports Sdn Bhd., Phnom Penh Autonomous Port, Myanmar Port Authority, Port Authority of Thailand and Vietnam Maritime College One, and GIZ

[businessmirror \(12 March 2016\)](#)

VIETNAM'S COFFEE SALES SLOW AS INDONESIA PREMIUMS RISE

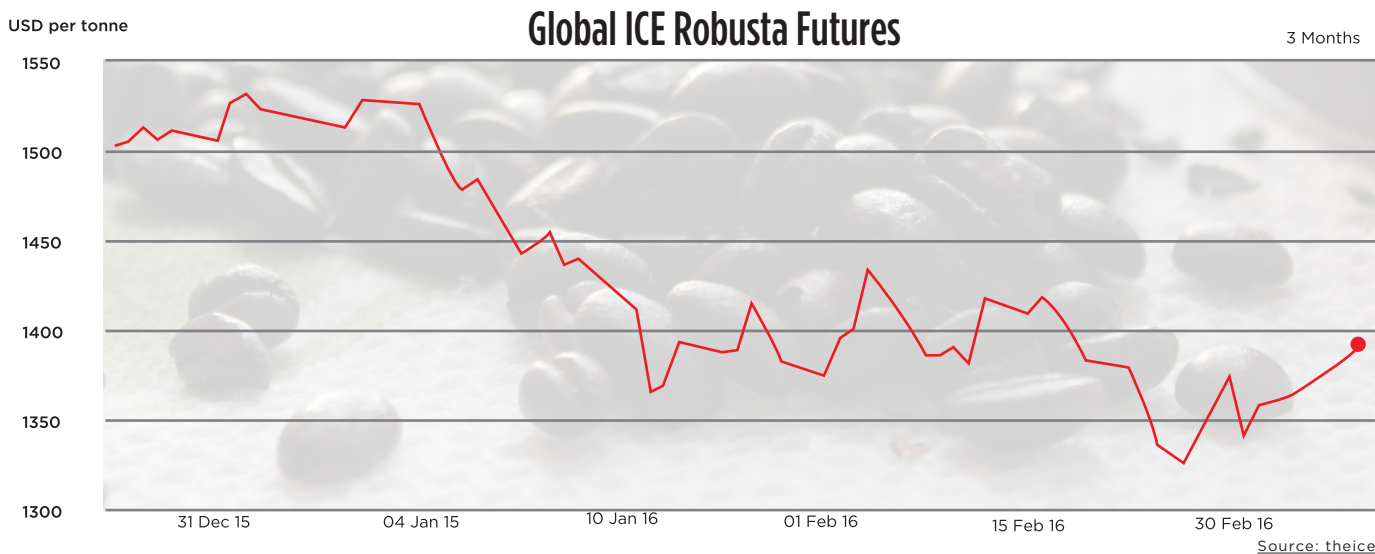
Vietnam, which is the world's top robusta producer, has had water shortages cut the forecasted 2016 and 2017 output; concerns about a shortage have pushed up Indonesian coffee prices to 15 month highs.

- ▶ The current El Nino weather event is likely to delay the usual arrival of the rainy season by 10-15 days; the lack of rain has affected 40 of Vietnam's 63 provinces and has instigated the government to announce US\$23.5 million in drought fighting initiatives
- ▶ Vietnam's domestic prices are setting one month highs,

with premiums for grade 2 beans steady at US\$50 to US\$70 a tonne in the month of may; meanwhile, Indonesia's premiums have risen to US\$300 to US\$320 a tonne for grade 4 coffees

- ▶ Indonesia's 2016 coffee output has been projected to rise by 27% in response to Vietnam's reduced output, from 550,000 tonnes of coffee in 2015 to 700,000 tonnes should current trends continue

[Reuters \(10 March 2016\)](#)



ASEAN PLUS MILITARY EXERCISE A "WATERSHED EVENT"

Indian Army Chief General Dalbir Singh said in a statement that ASEAN's Exercise Force 18, which showcased the largest ground forces operation ever to be conducted on Indian soil by joint forces, was a watershed event for ASEAN Plus Nations.

- ▶ The military exercise, which focused on themes such as "Humanitarian Mine Action" and "Peacekeeping Operations" demonstrated and developed synergy towards ASEAN Plus Nations working together in a military capacity
- ▶ Participants from ASEAN member states included Brunei, Cambodia, Malaysia, Myanmar, Laos, Philippines, Singapore, Vietnam, Indonesia and

Thailand; hosts India and major military powers like China, Australia, Russia and the US also took part in the joint exercise

- ▶ The exercise was viewed as a success for the ASEAN Defence Ministers Meeting (ADMM) Plus forum, but also comes at a time when the Philippines and other ASEAN states have begun to reach out towards forging new alliances as tensions increase in the South China Sea
- ▶ The Philippines and Japan signed a defence equipment transfer agreement in February, showcasing an accelerated diplomatic process in order to secure both new allies and arms by ASEAN member states

[thediplomat \(10 March 2016\)](#)

POLITICS

▶ Myanmar's parliament has elected the NLD nominee Htin Kyaw as the next president of Myanmar, with 360 of the 652 votes cast in the two houses of parliament. The parliament erupted into applause when the result was announced. "Victory! This is sister Aung San Suu Kyi's victory. Thank you," Htin Kyaw said. In second place with 213 votes was military nominee Myint Swe and in third place was the second NLD nominee, ethnic Chin candidate Henry Van Thio, with 79 votes. They will serve as first vice-president and second vice-president respectively.

Htin Kyaw, an Oxford graduate in economics, joined the party just two months ago as its lower house candidate. He acted as an interlocutor between Aung San Suu Kyi and the outside world when she was kept under house arrest after the 1990 elections. Htin Kyaw is expected to carry out Suu Kyi's wishes and serve as her proxy.

[BBC News \(15 March 2016\)](#)
[Reuters \(10 March 2016\)](#)

ECONOMY

▶ Myanmar's new stock exchange will see its first listing on March 25 with the debut of First Myanmar Investment (FMI). FMI was established in 1992 as one of Myanmar's first public companies and maintains investments in three key sectors: financial services, real estate, and healthcare. The FMI currently has over 6,700 shareholders.

[Mizzima \(15 March 2016\)](#)

▶ Japan's ANA Holdings and Shwe Than Lwin-owned Golden Sky World have formed a joint venture and applied to set up an international airline. The application is awaiting approval from the Myanmar Investment Commission (MIC). The airline is tentatively named Asian Blue, and will only serve international routes

[Bangkok Post \(15 March 2016\)](#)

▶ Myanmar has granted operating licenses to four Asian banks, bringing the total number of foreign banks allowed to conduct business to thirteen. The Myanmar's Foreign Bank Licensing Committee granted preliminary licenses to the Bank for Investment and Development of Vietnam, State Bank of India, Taiwan's Sun Commercial Bank and South Korea's Shinhan Bank on 4 March. This is the second time that Myanmar grants licenses to foreign banks, with the 2014 round giving licenses to nine foreign banks, also all from Asia.

[Reuters \(5 March 2016\)](#)

FOREIGN AFFAIRS

▶ China is pursuing efforts to resolve the problem of a stalled dam project in Myanmar, its foreign minister said on 8 March, adding that Beijing had confidence in NLD's incoming government. In 2011, Myanmar President Thein Sein suspended the US\$3.6 billion Chinese-invested Myitsone dam project, of whose 90 percent of power would have gone to China. Beijing has worked towards strengthening ties with the NLD and Aung San Suu Kyi, who met Chinese President Xi Jinping in Beijing last year.

[Reuters \(8 March 2016\)](#)

THAILAND FACES WORST WATER SHORTAGE IN TWO DECADES

Thailand is facing its worst water shortage in two decades according to government officials, with water rationing being imposed in some provinces and hotels told to minimise their laundry loads.

- ▶ As Thailand enters its dry season, water levels in the country's biggest dams are at their lowest since 1994, said Suthep Noipairoj, director-general of the Royal Irrigation Department; Thailand is also facing drought in 14 of 77 provinces, while 31 other provinces are at risk, according to the Interior Ministry
- ▶ Since October, the government has spent US\$655 million on measures to help farmers cope with the drought; it is expected that many of the drought hit provinces will have to ration water supplies until at least June, which will hopefully mark the start of them monsoon season
- ▶ The Thai Hotel Association has asked 700 hotels to save water by giving out fewer towels to hotel guests to minimise their wash load, among other measures; this is expected to adversely affect the economy, where tourism accounts for around 10% of the nation's income

[scmp.com \(10 March 2016\)](#)

INDONESIA IS WORLD'S SECOND-LEAST LITERATE NATION

Measuring 61 countries, the Central Connecticut State University in New Britain has declared Indonesia the second least literate nation besting only Botswana.

- ▶ According to the University, out of the 200 countries studied, only 61 had the requisite statistics to form an educated opinion on literacy; the report also concluded that not a single Pacific Rim country made the top 25 most literate nations of the world
- ▶ Meanwhile, Singapore topped the list as the most literate nation in the world, followed by Finland, South Korea, Japan, and China; the added caveat for this ranking would be the fact that Singapore would only come out on top if it ranked nations solely on their reading assessment results
- ▶ The report went on to conclude that literacy was inextricably tied to the welfare of the nation, stating that societies that do not practice literate behaviour often fell by the wayside in terms of development and social progress

[The Star \(13 February 2016\)](#)



TOP 5 NATIONS

- Finland
- Norway
- Iceland
- Denmark
- Sweden

LITERACY RANKINGS

- Singapore - 36
- Malaysia - 53
- Thailand - 59
- Indonesia - 60

Note that all other ASEAN nations did not have sufficient data to rank.

Source: washingtonpost

YOU CAN SUBSCRIBE OUR WEEKLY CAPTURES AT : WWW.CARIASEAN.ORG/NEWSLETTER-SIGNUP