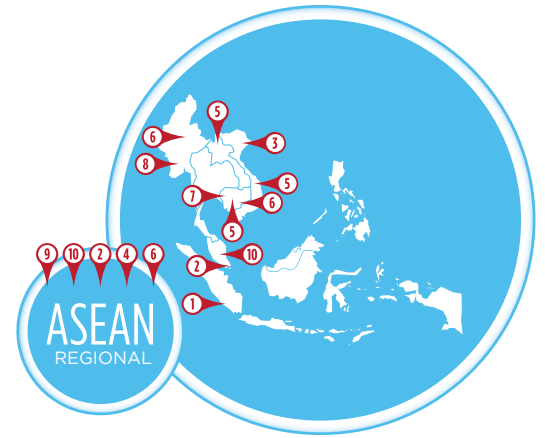


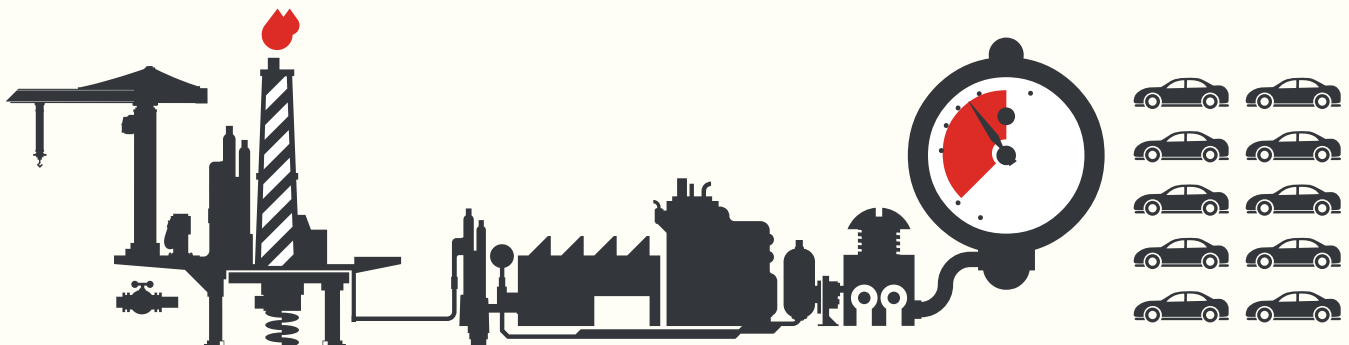
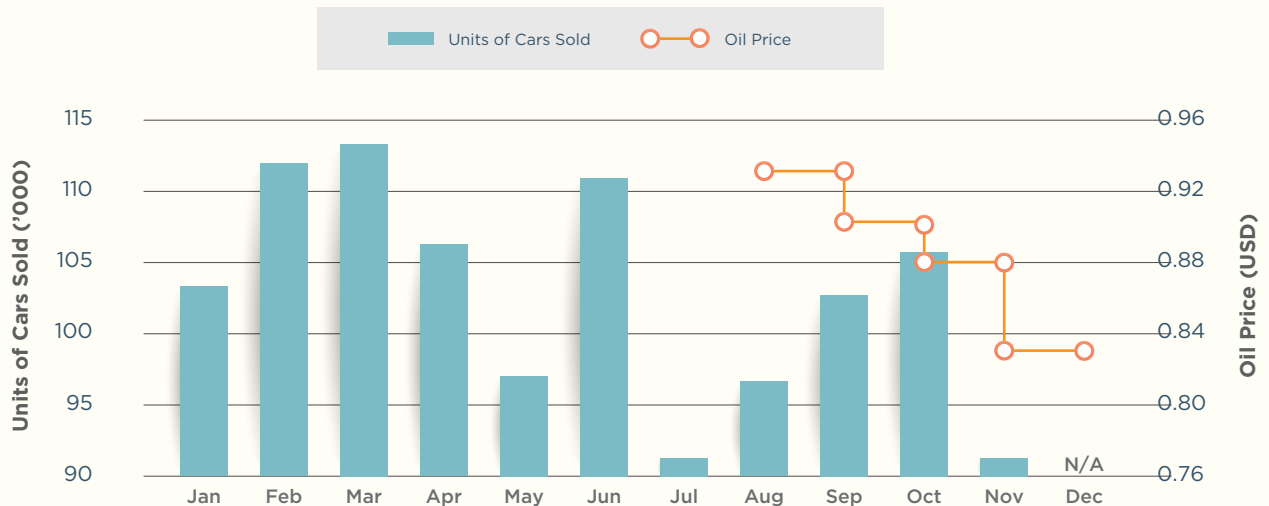
CARI CAPTURES



01 RISING FUEL PRICES TO SLOW AUTO-SALES

INDONESIA

Fuel Prices Impact on Car Sales in Indonesia



[International Energy Agency](#)
[International Institute for Sustainable Development](#)

The 30% rise in fuel prices caused by subsidy cuts in Indonesia are slated to slow consumer purchases in four wheel automobiles, whilst bolstering demand for two wheeled vehicles.

▶ According to senior research manager at Bahana Securities, Leonardo Henry Gavaza, growth rates in car sales are expected to be stagnant over 2015, whilst motorbike sales remain resilient to the fuel subsidy cuts; the slowed sales will also be exacerbated by a 25 basis point rise in Indonesia's benchmark rate to 7.75%, which the central bank is undertaking to combat inflation within the nation

- ▶ The Indonesian government under then President Susilo Bambang Yudhoyono had previously raised fuel subsidy prices by 88% shortly after his inauguration in 2005; the increased subsidies resulted in a 43% plunge in car sales and a 12% fall in Motorbike sales
- ▶ On the other hand however, when the government raised fuel prices in 2013, car sales increased by 7% whilst motorbike sales rose by 11%; the trends were explained by consumer interest in new low-cost green cars in 2013 and price discounting by auto retailers

[Reuters \(17 November 2014\)](#)

02 SINGAPORE'S ECONOMY EXPANDING AT 2.8% IN Q3



The Ministry of Trade and Industry (MTI) said it expects the economy to grow by around 3 per cent for the whole of 2014, and between 2 and 4 per cent in 2015. Growth was supported by the finance and insurance, and business services sectors.

- ▶ On a quarter-on-quarter seasonally-adjusted basis, Singapore's economy expanded 3.1 per cent, beating MTI's advance estimate of 2.4 per cent.
- ▶ Finance and insurance sector recorded the highest growth up to 10.5 per cent year-on-year, from 5.5 per cent in the previous quarter, with growth supported primarily by the financial intermediation and insurance segments. The business services sector expanded at a faster pace of 3.4 per cent year-on-year, compared to 2.4 per cent in the second quarter.

- ▶ However, there are concerns that the growth recorded is below the medium-term potential growth rate of four per cent and is within the end range. There is also concern about the 2015 growth outlook. The external demand side may face a bit softness in terms of growth which may affect Singapore quite significantly, and some of the major trading partners or recipients of their exports are still quite soft in terms of growth.
- ▶ For 2014, MTI has narrowed the growth forecast to around 3 per cent, from the earlier forecast of 2.5 to 3.5 per cent. For 2015, global growth is expected to pick up modestly, with the pace of recovery likely to remain uneven across the economies. Domestically, the labour market is expected to remain tight, with low unemployment and rising vacancy rates.

[Channel News Asia \(25 November 2014\)](#)

03 VIETNAM LIBERALISES REAL ESTATE OWNERSHIP



According to the Head of the National Assembly's Law Committee, foreigners with valid visas and foreign organisations/companies operating within the country will be able to purchase properties.

- ▶ In a bid to revitalise its struggling real-estate market, the Vietnamese government recently passed legislation to approve the foreign ownership of property for residential purposes; it is hoped that the regulatory restrictions placed on the newly liberalised foreign ownership laws will act as safeguards against speculators

- ▶ Furthermore, foreign organisations and individuals will not be able to purchase more than 30% of the units in an apartment building, whilst leases on property ownership will only span 50 years with the possibility of extensions
- ▶ Whilst foreign investment is the prime motive for said legislation, further restrictions and stipulations on foreign ownership are expected to continue to be drafted in order to guarantee that Vietnam's residential markets remain fundamentally sound

[The Star \(14 November 2014\)](#)

Foreign Property Ownership in ASEAN



Foreigners can only own private units of co-owned buildings from the first floor up and not exceeding 70 % of total private units in one co-owned building, located in:

▶ Special Economic Zones ▶ Important urban areas ▶ Areas determined by Royal Government

▶ Other areas further than 30km from the land borders of Cambodia



Foreigners are only permitted to hold title with Right to Use (Hak Pakai). Residential units with Hak Pakai may only be acquired by foreigners residing in Indonesia and whose presence benefits national development.

Foreigners may not hold the following titles:

▶ Right of Ownership ▶ Residential units categorized as modest or very modest



Residential - Restricted by the Residential Property Act, Planning Act and Executive Condo Housing Scheme Act to condos and non-landed properties.

Commercial and industrial - requires approval from the Controller of Residential Property Land Dealings.

Vacant land, landed properties and units in buildings < 6 flrs - requires approval from the Singapore Land Authority.



Foreigners may not own :

▶ Real property below RM1,000,000 ▶ Residential units under category "low and low-medium cost" ▶ Real property built on Malay Reserved Land ▶ Properties allocated to Bumiputera interests.



Foreigners may only acquire a lease or tenancy for a term of no more than 1 year.

The Myanmar Investment Commission may grant leases of up to 50 years with extensions subject to conditions and approvals.

Subject to conformity with the laws of inheritance and approval of the Ministry of Foreign Affairs, foreigners may inherit immovable property.



Foreigners may only acquire land use rights (with State approval)

Foreigners may own fixed assets on land with land use/concession rights.

▶ Right to sell/sublease ▶ Security for loans ▶ Capital contribution ▶ Rights vide Investment Law (including the right to sell as rightful owner and no limited period of right to use)



Subject to conditions and approvals, foreigners may apply for acquisition of:

▶ Residential units where foreigner invests ≥ 40 million baht for ≥ 5 years ▶ Rights under specific laws and regulations (e.g. Investment Promotion Act.) ▶ Inheritance as a statutory heir (subject to the Land Code)

Foreigners may also own up to 49% of all units of a condo without obtaining any approval.



Foreigners may only lease land and own only ONE condominium in a commercial residential house development project subject to conditions.

Foreign invested companies may also own condominiums on commercial residential housing development projects subject to among others, holding an investment certificate.

04 AEC- WHY, FOR WHAT, AND BY WHOM



A recent article by the Global Research Centre for Research on Globalisation questions why, for what and whom is the AEC is for.

- ▶ In addition to buying out and monopolizing all that resides within Southeast Asia, Wall Street and London desire to use Southeast Asia as a bulwark against China's rising power. These special interests may have even used the rise of China as a means to extort cooperation from respective ASEAN member states in the creation of the AEC.
- ▶ The AEC will multiply the effects of Free Trade Agreements (FTAs) by creating larger markets across all industries and between all of ASEAN's members. Additionally, the AEC then seeks to integrate ASEAN into the greater "global economy," or in other words, FTAs with the United States (US) and European Union (EU).

- ▶ Other than the policymakers within Asean countries, more efforts need to be made by US by setting the agenda for regional institutions supplements referring to the ASEAN and the Asia-Pacific Economic Cooperation (APEC).
- ▶ However, some researchers argued that the AEC is not up for debate because most of the societies of Asean are undemocratic. The voices of people do not manage to reach the policy makers. Compared to EU's citizens, the people of Southeast Asia have many advantages, including the advantage of time on their side to mitigate a repeat of the EU's slow-motion collapse, which is only an advantage if the people begin acting now.

[Global Research Centre \(26 November 2014\)](#)

05 EXPANSION OF COOPERATION IN THE CLV TRIANGLE



During the eighth Cambodia-Laos-Vietnam (CLV) Development Triangle Summit in Vietnam, both premiers agreed to promote trade, investment and tourism among the three countries. Vietnamese Prime Minister Nguyen Tan Dung and his Lao and Cambodian counterparts Thongsing Thammavong and Samdech Hun Sen revised a master plan on socio-economic development in the CLV triangle through 2020.

- ▶ In order to facilitate the cooperation, PM Dung urged for the early completion of an agreement on promoting and facilitating trade activities, the upgrading of border gates, the implementation of a one-stop-shop model at border gates in 2015, and the implementation

of the Cross Border Transport Agreement within the framework of the Greater Mekong Sub-region

- ▶ PM Dung mentioned the three countries should focus on implementing the master plan's targets, striving for an annual average GDP growth rate of 10 percent and an annual per capita income of US\$1, 500 to US\$1, 600 by 2015
- ▶ He also emphasised the need for the CLV triangle to attract more support from other partners, including Japan and South Korea and international financial institutions such as the World Bank and the Asian Development Bank

[Thanh Nien News \(26 November 2014\)](#)

06 MYANMAR'S ROLE IN EASING TENSION DURING THE ASEAN SUMMIT



Myanmar's Information Minister mentioned that the country has played a pivotal role in helping to ease tensions in the South China Sea during the ASEAN summit. He has also defended the government's handling of the Rohingya issue.

- ▶ Some observers agreed that Myanmar managed to play a key role in pulling the member nations together on the South China Sea issue. "The chair has the responsibility to make sure that they have consensus and Myanmar was able to carry out their task efficiently," said Kavi Chongkittavorn, senior fellow at Chulalongkorn University's Institute of Security and International Studies
- ▶ "We were able to handle the most sensitive regional issue during our chairmanship," said Myanmar Information Minister Ye Htut. The Chinese government has agreed to implement the full implementation

of the DOC (Declaration on the Conduct of Parties in the South China Sea) and work to speed up the process to implement the CO

- ▶ There are concerns that the Rohingya issue has not been approached accordingly. However the minister rejected criticisms on Myanmar's handling of the Rohingyas or Bengalis, who are largely residing in the western Rakhine state. Mr Hye Tut in his statement mentioned that they have finalised the action plan with the international partner and that both communities now clearly understand they have to live together
- ▶ Mr Ye Htut says the ASEAN grouping plays a critical role in Myanmar's reform process. For such reforms to take place, he says it is vital to build trust with the people and maintain peace and stability peacefully. ASEAN can also lend a hand in helping Myanmar resolve their problem (Rohingya issue) as it has regional ramifications

[Channel News Asia \(25 November 2014\)](#)

07 CAMBODIAN PM DEFENDS AUSTRALIAN REFUGEE DEAL



Prime Minister Hun Sen continues to affirm Cambodia's deal with Australia regarding the housing of refugees turned away from Australian sanctuary; the \$35 million resettlement program has raised concerns over the social and economic costs incurred in the sheltering of refugees.

- ▶ In addition to those concerns, the US Based Human Rights Watch has continued to call for the program to be suspended until Cambodia improves its refugee support system; Prime Minister Hun Sen cited the successful resettlement of 85 asylum seekers in an earlier 2009 program as proof that the country was willing and able to undertake any and all refugees redirected from Australia
- ▶ Currently, the resettlement program involves Australia funding the accommodation and resettlement services for refugees going to Cambodia for a one year duration with the option to extend said funding; furthermore, Australia has promised to provide health insurance for resettled refugees for a total of five years
- ▶ Refugees sent to Cambodia are however limited in a socioeconomic sense as they are only issued "Prakas", interim documents that do not qualify for a refugee to open a bank account and other essential purposes

Cambodia Refugee Deal Details

Refugees Re-settled in Cambodia

Australian-Cambodian Refugee Resettlement Agreement

Paid to Cambodia US\$35million

for 1000 refugees.

Identity Document

Refugees provided with temporary identification documents with restricted rights.

Essentials such as healthcare, resettlement, and living costs will be subsidised on a case by case basis by the Australian government

[The Nation \(14 November 2014\)](#)

08 MYANMAR MONITOR 

POLITICS

▶ Myanmar ranked 156th place out of 175 countries rated by the Corruption Perception Index. The 2014 rank is an improvement from the year 2012 when Myanmar was ranked 172nd out of 174 countries.

[The Nation \(15 December 2014\)](#)

ECONOMY

▶ A report published on 11 December by The Asia Foundation reveals that a majority of 62% of respondents believes things in Myanmar are going in the right direction, while 28% say they don't know. But the poll - based on over 3,000 face-to-face interviews conducted between May and June across all 14 states - also finds limited knowledge among the public about government institutions and their functions, a low level of social trust, a high degree of political polarization, and deep apprehension about economic opportunities.

[Deutsche Welle \(15 December 2014\)](#)

▶ The International Finance Corporation (IFC), a member of the World Bank Group, will increase its financial support to Myanmar to US\$1 billion over the next three years to support development of the private sector, IFC officials said during a press conference on 12 December. The institution is focusing on three main areas - private sector development, financial reforms, and infrastructure projects, particularly in the power sector.

[The Nation \(15 December 2014\)](#)

▶ The Mon State government has awarded Tala Mon Company Ltd. a contract to develop a museum, a hotel, a restaurant and other tourist facilities at the site of the World War II-era Death Railway in Thanbyuzayat Township, south-eastern Myanmar. During the WWII occupation, the Japanese army forced tens of thousands of prisoners of war to construct a railway connecting Thailand's Kanchanaburi District with Mon State's Thanbyuzayat Township.

[The Irrawaddy \(15 December 2014\)](#)

▶ Malaysia's state-owned energy firm Petronas is looking at new opportunities in Myanmar as part of a regional push, according to company senior executives. The firm has won four onshore blocks and intends to bid in future rounds for offshore blocks. "We would like to see Myanmar as one of our headliners with steady growth," said Sharbini Suhaili, vice president of Petronas Upstream International.

[Myanmar Times \(15 December 2014\)](#)

▶ Google Translate has added "Burmese" to its portfolio, enabling the easy online translation of Myanmar language into other tongues and back. The move comes more than a year after Google executive chair Eric Schmidt visited Myanmar and promised the company would develop services for the country.

[Myanmar Times \(15 December 2014\)](#)

FOREIGN AFFAIRS

▶ The European Union launched a European Chamber of Commerce in Myanmar on 12 December, two years after the EU lifted sanctions against trade with the country. The launch is expected to strengthen trade links between the two sides and according to the Myanmar presidential economic adviser, European firms are expected to bring with them three things - finance, technology, and management.

[The Nation \(15 December 2014\)](#)

09 MANILA TO HOST FIRST ASEAN PPP FORUM



ASEAN's first Public-Private Partnership (PPP) Forum is set to be held in Manila in December 2014, where members of the ASEAN Connectivity Coordinating Committee (ACCC), national coordinators and perspective private contractors are set to discuss infrastructure projects within the region.

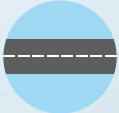




▶ The forum is expected to facilitate the discussion surrounding experiences on the PPP environment of each member state in hopes of tackling challenges, address opportunities, and affirm innovative PPP practices

▶ The forum is being organized by the Philippine Permanent Mission to ASEAN, led by Ambassador Elizabeth P. Buensuceso, with support from the ACCC, the ASEAN Economic Community (AEC) Division of the Department of Foreign Affairs (DFA), and the PPP Center of the Philippines. The forum, sponsored by the Economic Research Institute for ASEAN and East Asia (ERIA) and ASEAN Regional Integration Support from the EU (EU ARISE), will be held at the Sofitel Philippine Plaza Hotel from December 16 to 17

▶ Earlier this month, President Benigno Aquino III made the announcement of the country's hosting of the said forum to fellow ASEAN leaders and top business officials during the ASEAN Business Advisory Council (ABAC) dialogue, which was part of the recently-concluded 25th ASEAN Summit in Nay Pyi Taw, Myanmar

[Channel News Asia \(12 November 2014\)](#)

Key Areas Public-Private Partnership Would Facilitate Development

					
Per 1000 people	Roads (KM)	Rail (KM)	Phones (%)	Electrification (%)	Clean Water (%)
ASEAN	10.51	0.27	3.53	71.69	86.39
Asia	12.83	0.53	3.47	77.71	87.72
OECD	211.68	5.21	13.87	99.80	99.63
Latin America	14.32	2.48	6.11	92.70	91.37
Africa	N/A	0.95	1.42	28.50	58.36

[Proposed Equity Contribution and Administration of ASEAN Infrastructure Fund \(ADB 2011\)](#)

10 ASEAN PASS WILL BE AVAILABLE IN JANUARY 2015



AirAsia ASEAN Pass has been introduced by the Malaysian low-cost airline, AirAsia Bhd where its clients can travel within Asean countries by using one pass. The Asean Pass involves a credit based system for flights within Asean and it will be commercially available in January 2015.

▶ Group CEO of AirAsia, Tan Sri Tony Fernandes said: "The credit-based system acts like a single currency that reduces the hassle of differing foreign exchange rates as routes will be valued according to the credits."

▶ There are two options for the Asean Pass. Firstly, at RM500 with 10 credits (each credit worth RM50). The second being priced at RM900 for 20 credits

▶ The pass holders will be able to purchase flights to over 137 routes throughout the region with these credits being priced from one credit up to a maximum of eight credits one way

[The Star \(20 November 2014\)](#)

