Currently, overseas investors may only own up to 40% of Indonesian lenders, however, Indonesia's financial regulator has announced its reconsideration of said restrictions for Islamic Banks.

The move would aimed at raising additional funds for Islamic banking in Indonesia from Middle Eastern lenders such as Bahrain's Al Baraka Banking Group; a relaxation of the rule would help Bahrain-based Al Baraka with its plans to enter Indonesia's Islamic banking sector by as early as 2016 according to Chief Executive Adnan Ahmed Yousif.

In the past, the Dubai Islamic Bank also attempted to raise its stake to the 40% cap, showing a robust and growing interest of foreign investment in Indonesia's thriving Islamic finance markets.

Consideration of the repeal was facilitated by China Construction Bank Corp's ownership of a 40% stake in a single entity following the merger of two entities in which the bank owned a 20% interest in...
MERS SCREENING TO BEGIN IN MALAYSIA, THAILAND

Following reports of new cases in South Korea and the first reported case of a MERS patient in Thailand, Malaysia and Thailand have begun stepping up its health screening efforts to prevent the further spread of the respiratory syndrome.

In addition to the already existing temperature scans implemented in airports, Malaysia’s deputy health minister Hilmi Yahaya has stated that further precautions are to be implemented in airports and other entry points such as relevant information campaigns.

In Thailand, the first MERS case was a 75 year old man from Oman who came into contact with 94 individuals; whilst they have been quarantined and remain under watch, the added pressures of pilgrims traveling to Saudi Arabia during the pilgrimage period will add added strain on containing the virus.

Currently, South Korea is handling its 172 infected cases of MERS since May, with the death toll at 27 and suspected individuals currently at 3,833.

SINGAPORE AND CHINA TO COLLABORATE ON BEIDOU APPLICATIONS

Singapore and China have agreed to open a center to develop applications for China’s Beidou global navigation system and have signed a commercial agreement to create anti-jamming systems to protect Beidou signals.

The companies described the effort as one that would work against unintentional jamming of Beidou signals in urban environments in which wireless devices occasionally overstep their radio-frequency boundaries.

Like the U.S. GPS and European Galileo positioning, navigation and timing constellations, Beidou has both an open signal and a protected, encrypted signal reserved for government and military use.

The China-Singapore agreement is the first such arrangement outside Chinese territory, creating a center of excellence for Chinese navigation and location-based services.

INDONESIA’S TELECOMMUNICATION PROJECT IN SINGAPORE STIRS CONTROVERSY AT HOME

The groundbreaking of a telecommunication project carried out by Telin, a subsidiary of Indonesia’s state-run telecommunication firm Telkom in Singapore, sparked controversy at home for the fear that it is prone to breach that may risk the state’s data secrecy.

Following the groundbreaking of the project located in Jurong, Singapore, a public organization of Indonesian Club (IC) lodged a complaint with Indonesia’s police criminal investigator section alleging that the State-owned Enterprises Minister Rini Soemarno intends to sell the nation’s confidential data through the project.

IC Director Gigih Gunarto said the minister has violated the existing laws concerning state intelligence and information and technology, presidential decree and law on corruption act.

DISCLAIMER: The news articles contained in this report are extracted and republished from various credible news sources. CIMB ASEAN Research Institute (CARI) does not make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report. Should any information be doubtful, readers are advised to make their own independent evaluation of such information.
**05 RIDE SHARING REGULATIONS TO BE IMPLEMENTED**

Countrywide guidelines for the Philippines are to be announced on 24 June, outlining ride-sharing service rules which make the nation the first to implement service rules of this nature in the world.

- The regulations require prospective drivers to register with a ride-sharing company approved by the government, and will be required to pay an annual US$12 fee to the government in order to operate as an officially licensed ride-sharing operator.

- The added fee imposed upon ride-sharing service operators is designed to even the playing field between traditional taxis and those who operate under Uber and GrabTaxi; previously, without the annual fee, ride-sharing service operators were given an advantage over taxi drivers.

- In a statement, Uber Senior Vice-President David Plouffe hailed the Philippine action, which he said would "advance urban mobility, create new economic opportunity and put rider safety first."

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**CAMBODIA FACES GROWING INTERNATIONAL OPPOSITION TO DRAFT NGO LAW**

Sixteen international human rights groups urged Cambodia to withdraw a proposed law they fear will muzzle government critics and severely restrict the activities of non-governmental organisations. The law would require Cambodia’s 5,000 domestic and international NGOs to report their activities and finances to the government.

- Of particular concern is a provision that gives the government discretionary powers to prohibit any activities it perceives to jeopardise peace, stability and public order or harm the country’s national security, culture and traditions.

- The letter, to be delivered on Monday to National Assembly President Heng Samrin, said the law would also give the government complete discretion in deciding whether to accept NGO registration requests.

- The groups criticised a lack of public consultation and opportunity to comment on the draft law, which they say the government had tried to keep secret before it goes to parliament.

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**MYANMAR, CAMBODIA, LAOS, VIETNAM AGREE TO BOOST COOPERATION**

The leaders of the four least-developed members of the Association of Southeast Nations — Cambodia, Laos, Myanmar and Vietnam — agreed at a summit in Naypyitaw to promote cooperation in such areas as trade and investment, transport, agriculture, tourism and development of human resources.

- The four leaders called for deeper coordination to make best use of economic corridors, facilitate cross-border movement of goods and passengers, and facilitate air transport through bilateral and multilateral agreements on air services.

- They also agreed to mutually facilitate investments in agriculture, industry, energy, technology and telecommunications sectors, through incentives in important areas including SME development, renewable energy, and mineral exploitation.

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POLITICS AND SECURITY

- Myanmar has replaced a high ranking air force officer, officials said on 29 June, a move seen as a response to China’s anger over stray bomb that fell in Chinese territory and killed four farmers three months ago. Myanmar initially denied it was responsible for the bomb, later accepted blame and apologized.
  - Reuters (29 June 2015)

- Students in Myanmar led a peaceful protest on 30 June, urging Myanmar’s military to remove itself from politics, days after lawmakers voted down a measure to scrap the military’s effective legislative veto. The constitution reserves a quarter of parliamentary seats for unelected members of the military, and any change to the constitution must win support from at least 75 percent of lawmakers, giving the military an effective veto power. The proposed change would have cut the support threshold to 70 percent, but the measure failed, as had been expected.
  - The Irrawaddy (20 June 2015)

- People queued for hours at Myanmar’s first KFC restaurant on 30 June, as the US fast food chain became the latest big foreign brand to open an outlet in the country. KFC is the first major US restaurant chain to open in Myanmar as reforms and the removal of most sanctions tempt investors to a market of millions of prospective consumers.
  - Channel NewsAsia (30 June 2015)

ECONOMY

- The National Minimum Wage Committee proposed on 29 June that Myanmar’s minimum wage be set at $3,600 (US$3.24) for an eight-hour working day. If approved, the proposed wage—which amounts to less than 50 cents per hour—will be applied across all sectors nationwide, with the exception of certain small and family businesses.
  - The Irrawaddy (20 June 2015)

FOREIGN AFFAIRS

- Singapore renewed its commitment to Myanmar’s development as the two countries extended an official training programme on 30 June in Naypyidaw. The Singapore-Myanmar Technical Cooperation Programme is valid for another three years according to the agreement and will fund and provide training for Myanmar officials in economic development, human resources and public administration.
  - Channel NewsAsia (1 July 2015)

- A scheme to regularise Myanmar migrant workers in Thailand seems to be running aground as workers find it both unreliable and expensive. Of the 70,000 workers in the border town of Mae Sot who signed up for the program, only half had registered on the registration deadline. Many workers say the program does not offer enough advantage to be worth the cost.
  - Myanmar Times (20 June 2015)

LAOS LOOKS FOR CUBAN COOPERATION IN BIOTECHNOLOGY

Laos deputy Prime Minister Thongloun Sisoulith expressed in Havana his country’s interest in expanding cooperation with Cuba in the biotechnology sector.

- During a visit to the Havana-based Genetic Engineering and Biotechnology Center, Sisoulith met with the director of that entity Dr. Luis Herrera as well as with specialists and workers.
- He was interested in learning about current projects in Cuba to treat HIV-Aids patients and their effectiveness in the quality of life of those receiving the specialized attention.
  - Cuba News (17 June 2015)

THAILAND FIGHTS TO RETAIN WORLD HERITAGE SITES

The United Nations Educational, Scientific and Cultural Organisation (UNESCO) has threatened to downgrade the Dong Phayayen-Khao Yai Forest Complex as a world heritage site, whilst also expressing concerns over the Ayutthaya Historical Park.

- During the 2015 UNESCO world heritage committee meeting in Doha, the UN body expressed concerns over the Dong Phayayen-Khao Yai Forest Complex’s state; where illegal Siamese rosewood logging, resource management for forest rangers, forest encroachment, infrastructural initiatives into forest land and insufficient sustainable tourism development strategies have threatened its status as a UNESCO world heritage site.
- Furthermore, recent floods which damaged the Ayutthaya Historical Park has raised concerns with UNESCO, concerns which Natural Resources and Environment General Dapong Rattanasuwan has stated are to be addressed by professional undertakings to repair the site.
- The upcoming World Heritage Committee is to be held on 28 June in Bonn, Germany, where the Thai delegation hopes to defend both World Heritage sites and their statuses.
  - The Nation (23 June 2015)