## **Report # 121**

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## **Business and Politics in Muslim World**

### South East Asia

## Tatheer Zahra Sherazi

## From 21 May to 28 May

#### (Outline)

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- Authorities in a devoutly Islamic district of Indonesia's Aceh province
- Indonesian party's new head
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Summary

# **At political Front**

• Indonesia

Looking at the percentage of women who competed for national parliamentary seats in Indonesia s April 2009 election - 35.25 percent of 11,301 candidates - one can conclude that the right of women to actively participate in Indonesia s political life is guaranteed. When it comes to voting and running for public office this might be true but, collectively, Indonesian women still have a long way to go when it comes to shaping the public policies that affect their lives.

Women s organizations are changing this reality with voter education programs that address political, cultural and, perhaps most importantly, religious issues. Since 1999, organizations have trained women to exercise their political rights so they can improve the efficacy of their participation in politics. With official results of the election released this past weekend, women will occupy 15 percent of total legislative seats. Although limited, this participation is a step in the right direction and helps to set an example and motivate other women to become more involved in politics. Voter education programs that address the obstacles to greater female participation and provide religious justification for women s empowerment will help ensure that this participation is also effective when it comes to shaping policy.

A 40-YEAR-OLD politician on Sunday won a surprising victory over the two top contenders in the election to lead Indonesia's largest political party.

Anas Urbaningrum was elected chairman of the Democratic Party in a two-part vote Sunday at the conclusion of the party's three-day Congress in the west Java city of Bandung, party official Evert Ernst Mangindaan announced.

The outcome shows that the party of President Susilo Bambang Yudhoyono is looking to a younger generation of politicians to take on the political machinations necessary to stand off against the opposition or even pro-government coalition parties.

'The young figure who has character and spirit is very much needed by the party for the future, and Urbaningrum fits the bill,' said political analyst Andrinof Chaniago from the University of Indonesia. In a surprising turn of events, popular Youth and Sports Minister Andi Mallarangeng, 47, was ousted in the first round of votes, despite being widely expected to win the chairmanship and having Yudhoyono's son as his campaign leader. In the second round, Urbaningrum won 280 of 531 delegates' votes, defeating House Speaker Marzuki Alie, 54, the party's senior cadre who took 248 votes.

- Malaysia
- Philippine

Philippine President Gloria Macapagal Arroyo said on Friday a deal to end a Muslim separatist conflict in the south could not be reached in her final month in office, but said she would continue to support the peace talks. Arroyo brought the government and the Moro Islamic Liberation Front (MILF) back to the negotiating table, and tapped the Malaysian government to help facilitate talks, after her predecessor waged an all-out war on Mindanao island in 2000. However, negotiators said a peace deal would have to be left to the incoming government, with Senator Benigno Aquino III set to be declared the country's next president after elections earlier this month. "As president, I fought every day in office to bring that peace to that great island," Arroyo, who will become a member of Congress after her term ends on June 30, told a forum of international peace negotiators

• Thailand

Despite its calls for "reconciliation" in the wake of last week's military's crackdown on "Red Shirt" protests, the Thai government is widening its witch hunt against alleged leaders, financial backers and supporters of the United Front for Democracy against Dictatorship (UDD). By widening the witch hunt against UDD leaders, the Abhisit government will only harden hostility among the urban and rural poor toward the ruling elites and ensure that further political upheavals are inevitable.

Thai Prime Minister Abhisit Vejjajiva said on Saturday that holding of elections this year was unlikely."Obviously, it's a lot more difficult to hold elections by the end of the year," he said at a news conference. Abhisit said peace needed to be fully restored after deadly riots last week involving anti-government protesters and that a reconciliation plan needed to be implemented.

### Foreign Relation

• Indonesia

President Barack Obama's long-awaited return to Indonesia is scheduled for June 14, the US State Department announced on its Web site, but officials in Jakarta couldn't confirm the date. Obama's visit to Indonesia, where he spent a few years of his childhood, had initially been set for March but was postponed so he could focus on pushing a landmark health reform bill through US Congress. It was not known whether first lady Michele Obama and their two daughters would also come

#### At Geo-strategic Front

• Indonesia

Malaysian Defence Minister Datuk Seri Ahmad Zahid Hamidi said on Friday he believes new opportunities are available for the Malaysian defence industry to collaborate with key defence industry players in the United States. "The US' key defence industry players are starting to look at Malaysia and are more forthcoming on the issue of transfer of defence technology," he said

#### At economic Front

### • Indonesia

The World Bank today approved its first ever development policy loan dedicated to climate change mitigation and adaptation in Indonesia. The US\$ 200 million "Climate Change DPL" is designed to support the Indonesian government in its efforts to adopt a lower carbon, more climate-resilient growth path. With this investment, the World Bank joins the support provided over the last two years by the Governments of Japan (JICA) and France (AFD).

• Malaysia

Malaysia must cut subsidies on areas such as fuel and food in order to avoid a debt crisis in the next 10 years similar to that seen in Greece, a minister warned Thursday.

Idris Jala, a minister in the prime minister's department said the subsidies were an unsustainable financial burden on Southeast Asia's third-largest economy that the government needed to address swiftly.

"We do not want to end up like Greece ... Our (budget) deficit rose to record high of 47 billion ringgit (14 billion dollars) last year," he was quoted as saying by Bernama news agency. "Malaysia could go bankrupt in 2019." Malaysia's economy grew 10.1 percent year-on-year in the first quarter, its highest jump in a decade, and is on track for six percent expansion for the whole year.Earlier this year it unveiled plans for economic reforms including an overhaul of racial preferences for majority Malays, part of a roadmap to achieve developed-nation status by 2020.

External Affairs Minister Prof. G.L. Peiris in discussion with his Malaysian counterpart Ahmed Susni Manadzlah.External Affairs Minister Prof. G.L. Peiris met his Malaysian counterpart, Ahmed Musni Manadzlah, during the G-15 summit in Tehran, Iran.

The two Ministers discussed avenues of enhancing bilateral cooperation. Prof. Peiris enlightened the Malaysian Minister on the investment opportunities that have arisen in the post-conflict Sri Lanka.

Strong positive signals are beginning to be received from Middle-East countries to invest in Malaysia, said Prime Minister Datuk Seri Najib Tun Razak.

He said the Qatar Investment Authority had recently committed a US\$5 billion investment in the country, reportedly, to tap, among others, the energy sector as well as strategic real estate development in the Klang Valley.

A memorandum of understanding (MoU) between the QIA and 1Malaysia Development Bhd (1MDB) was signed on May 14. Accordingly, up to 10,000 additional jobs, involving a substantial number of high-qualification jobs, 100 PhD holders, 1,000 degree holders, 3,000 diploma and certificate holders will be created at the facility over time.

• Thailand

The recent violent movement by the anti-government protestors could cost the Thai economy from about 138 billion baht (4.239 billion U.S. dollars) to 155 billion baht (4.761 billion U.S. dollars), Thanawat Polwichai, director of the Economic and Business Forecasting Centre at the University of the Thai Chamber of Commerce (UTCC), said on Thursday.

The country's gross domestic product (GDP) for the whole 2010 could be deducted by 1.4 percent to 1.6 percent due to the political violence, the Thai News Agency (TNA) quoted Thanawat as saying. "The political unrest has not yet affected the Thai export sector as there was no shut down of airports or sea ports," she said."(The) curfew imposition will have a short term affect on the transportation of oil, but it will not affect the second quarter," she said.

• Philippine

Thai authorities launched a massive clean-up operation in Bangkok's charred commercial district yesterday as the city prepared for the resumption of business after the worst riots in modern history. Thailand's stock exchange and other financial markets will resume full-day trading today, after being closed on Thursday and Friday following a wave of arson and street battles when the army dispersed thousands of anti-government protesters.

The Philippine economy accelerated in the first quarter, underpinned by a rebound in exports and election-related spending.Gross domestic product rose a seasonally adjusted 3% compared with the previous three months, when the economy grew 0.9%.

On a year-to-year basis, the economy grew 7.3%, more robust than the 0.5% growth recorded in the same quarter of 2009 and from the revised 2.1% expansion posted in the fourth quarter, the National Statistical Coordination Board said Thursday.

• Singapore

Singapore and Hong Kong are the world's most competitive economies, an annual survey said Friday, demoting the United States from the top spot for the first time since 1993.

The study lists 58 economies according to 328 criteria that measure how the nations create and maintain conditions favorable to businesses - a formula that had favored the United States for 16 years."They are so close in the rankings, that it would be probably better to define them as a leading trio," said Stephane Garelli, professor at the Lausanne, Switzerland-based IMD business school, publisher of the World Competitiveness Yearbook.

### **At Social Front**

#### • Indonesia

With the national census due to close at the end of this month, Vice President Boediono on Tuesday stressed the need to focus on the data about people's lives instead of just being concerned with the size of the population."Population is a national asset, therefore it should be managed, recorded and developed in the best way possible," Boediono said during the opening of the 2010 national coordination meeting on population and civil registry at the Bidakara building in Jakarta. Boediono also warned the teams that would be in charge of implementing the programs at the national and regional levels to take care in managing the funds that would be put at their disposal."There should be accountability for every rupiah," he said.

Authorities in a devoutly Islamic district of Indonesia's Aceh province have distributed 20,000 long skirts and prohibited shops from selling tight dresses as a regulation banning Muslim women from wearing revealing clothing took effect.

The long skirts are to be given to Muslim women caught violating the dress code during a two-month campaign to enforce the regulation, said Ramli Mansur, head of West Aceh district.

Cambodia

Cambodia's Prime Minister Hun Sen said Tuesday that a single country cannot fight against crimes and terrorism, but joint cooperation.Eang Sophalett, spokesman of Prime Minister Hun Sen said the premier made such remarks during his meeting with an ASEANAPOL delegation in Phnom Penh.

"Samdech said that fighting against crimes and terrorism cannot be made alone by a single country, but needs joint cooperation among member states of Association of Southeast Asian Nations (ASEAN) and other states in the region," he was quoted as talking to the delegation.

• Malaysia

A group of Rohingyas on Sunday appealed to the government to exclude them from the upcoming amnesty programme for undocumented foreigners in the country, since they were registered with the United Nations High Commission for Refugees (UNHCR).

Prime Minister Datuk Seri Najib Tun Razak's 1Malaysia concept is a blessing to folk deep in the state's interior because it ensures that they are not left out of the country's development programmes and processes, a gathering here was told Saturday. "This is 1Malaysia. It is about social justice as well where the people, especially the minority groups living in the remote areas, are given due attention," he said at a 1Malaysia gathering with the leaders at Rh.George Chungut in Pakan near here.

Mawan also cautioned the people against falling prey to attempts by a certain group out

to disunite them through whatever means.

"These people are simply crazy for power. They will not hesitate to exploit racial, religious and cultural issues to achieve their aims," he said, adding that it was important for the public to remain united to counter the group

• Philippine

The head of the government's peace panel on Saturday asked the Moro Islamic Liberation Front (MILF) to be more patient with the peace talks.

"Peacemaking is never easy, and the search for a political settlement to long-standing conflicts, such as that in Mindanao, requires continued focus, lots of compromises on both sides and tons of patience," government peace panel head Rafael Seguis said in a statement.Seguis was reacting to MILF panel chairman Mohagher Iqbal's statement that he is "disgusted" with President Gloria Macapagal Arroyo's failure to seal a peace agreement with their group after 9 years of talks.

TODAY starts a series of mass actions by journalists, workers, students, professionals, business and church leaders and civil- society groups in their vigorous final push for Congress to ratify the Freedom of Information (FOI) Act.

But the world waits and watches, too. More than just a Philippine story, the 14-year advocacy of Filipinos for Congress to enact the law has become a serious concern of freedom of information advocates, scholars and members of parliament across the globe.

At noon today, over 130 groups under the Right to Know, Right Now! Coalition will hold a motorcade from the University of the Philippines in Diliman, Quezon City (Metro Manila) to the House of Representatives to press lawmakers to ratify the Congress's bicameral conference committee report on the FOI Act.

A Thai court issued an arrest warrant Tuesday for ousted Prime Minister Thaksin Shinawatra on terrorism charges, accusing the fugitive former leader of fomenting two months of unrest in Bangkok that left 88 people dead. If found guilty of the charges, he could face the death penalty. Thaksin, who was ousted in a 2006 military coup and later fled abroad ahead of a corruption conviction, has been accused by the government of being a key force behind Red Shirt protesters who seized areas of downtown Bangkok before being overcome by army troops last week.

• Vietnam

Thirty-five years after the end of the Vietnam war, its most contentious remaining legacy is Agent Orange. Eighty-two per cent of Vietnamese surveyed in a recent Associated Press-GfK Poll said the United States should be doing more to help people suffering from illnesses associated with the herbicide, including children born with birth defects.

After president George W. Bush pledged to work on the issue on a Hanoi visit in 2006,

the US Congress has approved US\$9 million mostly to address environmental clean-up of Agent Orange. But while the US has provided assistance to Vietnamese with disabilities - regardless of their cause - it maintains that there is no clear link between Agent Orange and health problems.

Vietnamese officials say the US needs to make a much bigger financial commitment - US\$6 million has been allocated so far - to address the environmental and health problems unleashed by Agent Orange.

"Six million dollars is nothing compared to the consequences left behind by Agent Orange," said Le Ke Son, deputy general administrator of Vietnam's Environmental Administration. "How much does one Tomahawk missile cost?"

• Singapore

Public beaches stained by an oil slick from a tanker damaged in a collision off Singapore have been closed ahead of the island's summer school holidays, officials said Thursday.

A chocolate-like film covered a stretch of water along the popular East Coast Park after crude from Tuesday's collision slipped out of a floating cordon at sea.

Officials maintained that most of the spill was still far from the shores of the city-state, which has one of the world's busiest ports and expects 11.5 million to 12.5 million tourists this year, more than double its population.

### **Detailed News Monitoring Report**

Indonesia

Political front

# • US Govt Says Obama Arriving June 14, But Indonesian Officials Can't Confirm

President Barack Obama's long-awaited return to Indonesia is scheduled for June 14, the US State Department announced on its Web site, but officials in Jakarta couldn't confirm the date.

Presidential spokesman Dino Patti Djalal said on Tuesday that the palace did not yet know when Obama would arrive. "So I can't comment on others' statement about it," he said, adding that the comprehensive partnership agreement Obama and President Susilo Bambang Yudhoyono were due to sign during the visit was still being drafted. "It's not final yet so I can't tell you the details. We will announce it ahead of the visit."

US Embassy spokesman Paul Belmont said "no exact dates have been announced, just mid-June."Foreign Ministry spokesman Teuku Faizasyah said it was unclear whether Indonesia or Australia would be Obama's first stop on his trip to the region.

He added that he was unsure whether migrant workers issues would be part of the partnership agreement. "But it is an important issue for our country and we share common concerns on human trafficking," he said.Visiting last week, US Under Secretary of State Maria Otero met with officials and representatives of international nonprofit organizations working to combat trafficking here.

Obama's visit to Indonesia, where he spent a few years of his childhood, had initially been set for March but was postponed so he could focus on pushing a landmark health reform bill through US Congress. It was not known whether first lady Michele Obama and their two daughters would also come.

http://www.thejakartaglobe.com/home/us-govt-says-obama-arriving-june-14-butindonesian-officials-cant-confirm/377097

# • Boediono Urges Indonesia to Focus on Quality of Life Measurement in Census

With the national census due to close at the end of this month, Vice President Boediono on Tuesday stressed the need to focus on the data about people's lives instead of just being concerned with the size of the population.

"Population is a national asset, therefore it should be managed, recorded and developed in the best way possible," Boediono said during the opening of the 2010 national coordination meeting on population and civil registry at the Bidakara building in Jakarta.

"It should not only be about numbers, but also include in-depth data on the quality of people's lives. Only with improvements in the population's quality of life can we say that development has been a success."

The meeting was in preparation for three major government programs related to

population — the citizen registration number (NIK), the Population Administration Information System (SIAK) and the electronic identification card (E-KTP).

All three are joint programs between the central and regional governments, and all are expected to be completed by 2012.

Home Affairs Minister Gamawan Fauzi, in a report to the vice president, acknowledged problems with the administration of the country's population."The first problem is the poor quality of the population database," he said. "The databases at the district and municipal levels are not online and not connected to those of the provinces and the central government."

He said many people had been able to obtain more than one identification number as the result of the off-line databases.Multiple identification numbers are a frequent source of dispute, particularly during elections, when candidates raise the specter of voters casting multiple ballots using different ID numbers.

Security experts also warn of the dangers posed by people being able to obtain multiple ID numbers, which would help them move around the country easier without being detected."The third problem is there are many people who have several KTPs [identification cards] and there is also the problem of fake KTPs," Gamawan said.

Boediono said the national program to improve the population administration system could no longer be delayed."For that reason, both the central and regional governments should work together in order to prevent the program from falling short of its targets," he said.

The three population programs, with a combined budget of Rp 6.6 trillion (\$706 million), had originally been planned to be carried out by the Home Affairs Ministry. However, Boediono said the president would issue a decree to establish a special team to oversee the programs."The presidential decree is to form an advisory team for the NIK and E-KTP programs which will include eight ministers," he said. "The coordinating minister for political, legal and security affairs will head the team, with the home affairs minister as the managing director."

Boediono also warned the teams that would be in charge of implementing the programs at the national and regional levels to take care in managing the funds that would be put at their disposal."There should be accountability for every rupiah," he said.

http://www.thejakartaglobe.com/home/boediono-urges-indonesia-to-focus-on-quality-of-life-measurement-in-census/377052

# Voter education improves Indonesian women's political impact

Looking at the percentage of women who competed for national parliamentary seats in Indonesia s April 2009 election - 35.25 percent of 11,301 candidates - one can conclude

that the right of women to actively participate in Indonesia s political life is guaranteed. When it comes to voting and running for public office this might be true but, collectively, Indonesian women still have a long way to go when it comes to shaping the public policies that affect their lives.

Women s organizations are changing this reality with voter education programs that address political, cultural and, perhaps most importantly, religious issues. Since 1999, organizations have trained women to exercise their political rights so they can improve the efficacy of their participation in politics.

Due to my own involvement in the Muslim women's organization Muslimat, I have come to realize that many Indonesian women are unaware of the potential impact they can have on the quality of Indonesian democracy.

Most importantly, they lack the knowledge and tools to exercise their political rights and therefore choose to remain silent. As a result, they are often uninvolved in the legislation that affects their rights and are underrepresented in decision-making bodies that affect their broader interests.

But a lack of knowledge is not the only factor keeping them from fully participating in the country s politics; cultural and religious values play a role as well. Religion, including Islam, has been used to perpetuate strict segregation of men and women in the public and private domains. Politics have long been considered a male domain and women are often discouraged from participating.

As a result, voter education programs for women - particularly training conducted by Muslim women s organizations - not only emphasize the idea that political rights are human rights and that women s experiences are important in public policymaking, but also that Islam, practiced by the majority of Indonesians, guarantees women s political rights in their fullest sense.

In chapter 60 of the Quran, God commands Prophet Mohamed to accept the oaths of allegiance of the women in Medina who participated in the Aqaba meeting preceding his move from Mecca to Medina. This passage demonstrates the significance that Islam places on women s voices. The Prophet s assent to grant his female cousin, Ummu Hani, authority to protect a defeated enemy soldier on the day he returned to Mecca also shows that women s voices and actions are valued.

The Quran encourages both men and women to discuss affairs that affect their lives through a public consultative mechanism, known as shura. Islam sees women as legitimate parties in shaping decisions related to public life. It even states that Muslim women and men are partners to each other in enjoining good and preventing injustice (Quran 9:71).With this religious support, numerous Muslim women who were at first reluctant to participate in politics dared to join political parties and become nominees for legislative, provincial, regional or municipal assemblies. Some have even competed for leadership of their respective political parties at the regional level. Guided by Islamic values, these female nominees are committed to changing society in a positive way.

These passages also provide justification to feminists and Muslim women s organizations to improve women s participation in politics; monitor policies and regulations that restrict and violate women s rights; and propose regulations that advance women s equality in all sectors.

With official results of the election released this past weekend, women will occupy 15 percent of total legislative seats. Although limited, this participation is a step in the right direction and helps to set an example and motivate other women to become more involved in politics. Voter education programs that address the obstacles to greater female participation and provide religious justification for women s empowerment will help ensure that this participation is also effective when it comes to shaping policy.

Siti Musdah Mulia is chairperson of the Indonesian Conference on Religion and Peace (ICRP), professor of Islamic studies at Syarif Hidayatullah Islamic University in Jakarta as well as one of the recipients of the 2007 US Secretary of State s International Women of Courage Awards. This article is part of a series on Muslim women and their religious rights written for the Common Ground News Service (CGNews).

http://thedailynewsegypt.com/index.php?option=com\_content&view=article&id=111825 &catid=1&Itemid=183

#### • Authorities in a devoutly Islamic district of Indonesia's Aceh province

Authorities in a devoutly Islamic district of Indonesia's Aceh province have distributed 20,000 long skirts and prohibited shops from selling tight dresses as a regulation banning Muslim women from wearing revealing clothing took effect.

The long skirts are to be given to Muslim women caught violating the dress code during a two-month campaign to enforce the regulation, said Ramli Mansur, head of West Aceh district.

Islamic police will determine whether a woman's clothing violates the dress code, he said.During raids Thursday, Islamic police caught 18 women travelling on motorbikes who were wearing traditional headscarves but were also dressed in jeans. Each woman was given a long skirt and her pants were confiscated. They were released from police custody after giving their identities and receiving advice from Islamic preachers.

"I am not wearing sexy outfits, but they caught me like a terrorist only because of my jeans," said Imma, a 40-year-old housewife who uses only one name. She argued that wearing jeans is more comfortable when she travels by motorbike.

Motorbikes are commonly used by both men and women in Indonesia."The rule applies only to Muslim residents in West Aceh," Mansur told The Associated Press. "We don't enforce it for non-Muslims, but are asking them to respect us."

He said any shopkeepers caught violating restrictions on selling short skirts and jeans would face a revocation of their business licenses.

No merchants have been seen displaying jeans or tight clothing in stores in West Aceh district in recent weeks.

The regulation is the latest effort to promote strict moral values in the world's most populous Muslim-majority nation, where most of the roughly 200 million Muslims practice a moderate form of the faith. It does not set out a specific punishment for violators, but says "moral sanctions" will be imposed by local leaders.

Mansur said women caught violating the ban more than three times could face two weeks in detention.Rights groups say the regulation violates international treaties and the Indonesian constitution.

Aceh, a semiautonomous region, made news last year when its provincial parliament passed an Islamic, or Shariah, law making adultery punishable by stoning to death. It also has imposed prison sentences and public lashings for homosexuals and paedophiles.

Islamic law is not enforced across the vast island nation. But bans on drinking alcohol, gambling and kissing in public, among other activities, have been enforced by some more conservative local governments in recent years. Opinion polls show that a majority of Indonesians oppose the restrictions on dress and behaviour, which are being pushed by hard-liners in the secular democracy.

http://www.3news.co.nz/Indonesian-district-bans-tight-

pants/tabid/417/articleID/158040/Default.aspx?ArticleID=158040&utm\_source=feedbur ner&utm\_medium=feed&utm\_campaign=Feed%3A+co%2FHCaY+%283News-+Latest+News%29

### Indonesian party's new head

A 40-YEAR-OLD politician on Sunday won a surprising victory over the two top contenders in the election to lead Indonesia's largest political party.

Anas Urbaningrum was elected chairman of the Democratic Party in a two-part vote Sunday at the conclusion of the party's three-day Congress in the west Java city of Bandung, party official Evert Ernst Mangindaan announced.

The outcome shows that the party of President Susilo Bambang Yudhoyono is looking to a younger generation of politicians to take on the political machinations necessary to stand off against the opposition or even pro-government coalition parties.

The young figure who has character and spirit is very much needed by the party for the

future, and Urbaningrum fits the bill,' said political analyst Andrinof Chaniago from the University of Indonesia. In a surprising turn of events, popular Youth and Sports Minister Andi Mallarangeng, 47, was ousted in the first round of votes, despite being widely expected to win the chairmanship and having Yudhoyono's son as his campaign leader. In the second round, Urbaningrum won 280 of 531 delegates' votes, defeating House Speaker Marzuki Alie, 54, the party's senior cadre who took 248 votes.

Urbaningrum, who had been a member of the National Electoral Commission, joined the party in 2005 amid a corruption investigation against the commission that led to its chairman and another member convicted of graft charges. At the time, Urbaningrum's critics said he joined the party to deflect attention from the case. He became the Democratic Party's faction chairman in parliament after the party won 20.8 per cent of the vote in the 2009 parliamentary election.

The Democratic Party was founded at the initiative of Yudhoyono and was officially declared in 2003 to support his candidacy in the 2004 presidential election. The party won 61 per cent of the vote in the 2009 presidential election and now controls 37 per cent of parliamentary seats.

http://www.straitstimes.com/BreakingNews/SEAsia/Story/STIStory\_530545.html

#### • Leading Indonesia party elects reformist chairman

Indonesia's Democrat Party, the largest in parliament and the reformist president's main power base, elected a new chairman on Sunday, a position seen as a stepping stone to power in the 2014 elections.

Anas Urbaningrum, an advocate of civil service reform who wants to modernise the party, won a vote that puts him in pole position to run for president or vice president when President Susilo Bambang Yudhoyono's second -- and final -- term ends.

Yudhoyono, a former general, was elected in 2004 and again last year on promises to tackle graft in a country that routinely ranks among the most corrupt in the world.

He also pledged to attract investment, spur economic growth, and create jobs.

While foreign investors rushed to buy Indonesian assets last year, Yudhoyono's top reformers have met strong resistance from the political old guard and vested interests in Southeast Asia's biggest economy, giving rise to a power struggle between reformers and those opposed to change.

Urbaningrum, 41, faces the challenge of turning a party seen as a Yudhoyono fan club into a modern political organisation in a country where patronage-style, dynastic politics are the norm.

The quiet, bookish Urbaningrum beat his rivals -- Sports and Youth Minister Andi Mallarangeng and Parliament speaker Marzuki Alie -- at the party's national congress in

the West Java city of Bandung.

Yudhoyono at the congress opening on Friday urged members not to let internal rifts destroy the party, which holds more than a quarter of the seats in parliament and relies on the support of several coalition partners.

"However tough the competition, don't overstep the boundaries of what is appropriate. Avoid (internal) politics, money politics, and unnecessary violence. Don't start fights," he said in a speech.

However, conference proceedings on Saturday were marred by interruptions and disorder, including at least one case of pushing and shoving between cadres dressed in the Democrat's signature blue jackets.

http://www.iii.co.uk/news/?type=afxnews&articleid=7907185&subject=companies&acti on=article

## Economic Front

# Thai Crisis Not Impacting Indonesian Trade: Hatta

Indonesia's trade with Thailand has so far not been damaged by the riots and political crisis destabilizing that country, Coordinating Minister for the Economy Hatta Rajasa said on Friday."So far there is no sign that our exports will drop. The crisis is local in nature and so far it has not affected our exports and imports," he said.

Hatta said that some companies had canceled planned investments in Thailand. "Yes, there is information on investment cancellations but I have so far not received reports on investment diversion," he said.

Amid the current uncertain global economic conditions Indonesia was still able to maintain stable economic and political conditions enabling it to continue to attract investment, Hatta said.

http://www.thejakartaglobe.com/business/thai-crisis-not-impacting-indonesian-trade-hatta/376658

• New World Bank Financing to Support Indonesian Climate Change Agenda The World Bank today approved its first ever development policy loan dedicated to climate change mitigation and adaptation in Indonesia. The US\$ 200 million "Climate Change DPL" is designed to support the Indonesian government in its efforts to adopt a lower carbon, more climate-resilient growth path. With this investment, the World Bank joins the support provided over the last two years by the Governments of Japan (JICA) and France (AFD). The policy loan focuses on (i) addressing the need to mitigate Indonesia's greenhouse gas emissions; (ii) enhancing adaptation and resiliency efforts in key sectors; and (iii) strengthening the institutions and policies needed for a successful climate change response. The Climate Change DPL marks the first in a planned series of four annual loans of similar value.

"Indonesia is potentially a major victim of climate change. At the same time, Indonesia's emissions make up a significant part of the global total. We are delighted that today Indonesia is taking this step to address the threat of global climate change. Since hosting the UN Climate Change conference in 2007, Indonesia has shown strong commitment to addressing climate change. Over the last two years, the government has already managed to bring climate change into the national planning and budgeting process," said World Bank Country Director for Indonesia, Joachim von Amsberg, referring to Indonesia's new National Council on Climate Change and the recently published Development Planning Response to Climate Change.

"The Climate Change DPL series is a recognition of these commitments and is aimed at helping Indonesia implement its ambitious climate change agenda. With the right policies and greater capacity, Indonesia can gradually make the shift to a low-carbon growth and also reach its shorter term target of a 26 percent reduction in greenhouse gas emissions. I am happy that Japan, France, and the World Bank are jointly supporting Indonesia through this well coordinated program."

Indonesia is highly vulnerable to climate change impacts – seal level rise, changing weather patterns, and increasing uncertainty.

Climate change could potentially impact food security; agricultural productivity; water storage; the spread of water- and vector-borne diseases; and coral ecosystems. The Climate Change DPL series – in addition to putting the country on a lower carbon growth path – is expected to help reduce Indonesia's vulnerability against these impacts by focusing on key policy issues and governance challenges related to mitigation, adaptation and institutional development.

Government policies that are supported through the Climate Change DPL series, are expected to bring he following key benefits:

Mitigation

- § a reduction in forest loss and peat land conversion and burning
- § a reduction in the overall use of fossil fuels
- § the development of renewable energies like geothermal and biomass
- § the promotion of energy efficiency

Adaptation

- § improved water resource management
- § greater ability to respond to water-related climate change impacts (droughts and floods)
- § farmers better prepared for climate change impacts on food production (flood,droughts, pests)

- § greater government capacity for managing and reducing disaster risk
- § improved climate preparedness and resilience in the coastal and marine sector

Institutional development

- § improved knowledge, policies and legal framework for implementing mitigation and adaptation programs
- § greater climate policy coordination
- § greater legal and institutional framework for financing climate change actions

The Climate Change DPL draws from experiences gained from other development policy loans which the World Bank has extended to Indonesia. So far, six macroeconomic development policy loans have been disbursed while a development policy loan series targeting infrastructure has already reached its third year. Development policy loans allow governments to carry out key reform activities that span over several years, even despite fluctuating financial and political interests. These policy loans are successful when there is broad government support.

In the case of the Climate Change DPL, Bappenas – Indonesia's National Development Planning Agency – and the Ministry of Finance are playing a central role in coordinating across all stakeholder agencies and ministries involved in mitigation and adaptation. http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:22592177~men

uPK:34463~pagePK:34370~piPK:34424~theSitePK:4607,00.html

- Social front
- At Environmental Front

Malaysia

Political Front

# Zahid In US To Explore Collaboration In Defence Industry

Malaysian Defence Minister Datuk Seri Ahmad Zahid Hamidi said on Friday he believes new opportunities are available for the Malaysian defence industry to collaborate with key defence industry players in the United States.He said Malaysian Prime Minister Datuk Seri Najib Tun Razak had opened up the door for closer relations between both countries.Malaysian Ambassador to the US Datuk Seri Jamaludin Jarjis had also paved the way for possible collaborations in the defence sector not only in terms of exchange of officers and joint exercises but also in terms of investment opportunities, with Malaysia serving as the location, he said.

"The US' key defence industry players are starting to look at Malaysia and are more forthcoming on the issue of transfer of defence technology," he said.

During his week-long visit to the US, Ahmad Zahid visited Hartford, Connecticut to see for himself the production of weapons such as rifles used by the military and enforcement agencies. Ahmad Zahid also met Defence Secretary Robert Gates where they discussed issues such as joint training, and collaboration between the military colleges of both countries.

Meanwhile, Ahmad Zahid said the Afghan defence minister would visit Malaysia soon during which he is expected to convey his country's request for Malaysia to send medical teams and women doctors and nurses to treat women patients."As Muslims, we understand that women are more comfortable if they are examined by women doctors or nurses," he said.

http://www.bernama.com/bernama/v5/newsgeneral.php?id=501870

### • Economic Front

# • Malaysia must cut subsidies to avoid crisis, warns minister

Malaysia must cut subsidies on areas such as fuel and food in order to avoid a debt crisis in the next 10 years similar to that seen in Greece, a minister warned Thursday.

Idris Jala, a minister in the prime minister's department said the subsidies were an unsustainable financial burden on Southeast Asia's third-largest economy that the government needed to address swiftly.

"We do not want to end up like Greece ... Our (budget) deficit rose to record high of 47 billion ringgit (14 billion dollars) last year," he was quoted as saying by Bernama news agency. "Malaysia could go bankrupt in 2019."

Bernama said Malaysia's total subsidy bill in 2009 was 74 billion ringgit, equivalent to 12,900 ringgit per household.

It covered areas including social welfare (42.8 billion ringgit), fuel (23.5 billion ringgit), infrastructure (4.6 billion ringgit) and food (3.1 billion ringgit).

Greece has been forced to go cap-in-hand to the IMF and European Union to help it pay billions of dollars in debts, while it has also had to impose stiff austerity measures to qualify for the bailout. The crisis has caused shockwaves throughout the world amid fears it could hit other eurozone nations and derail the global recovery.

Idris, who was taking part in a roadshow gauging public opinion on possible cuts, said: "We desperately need an exit strategy for subsidies, as they are unsustainable.""Even Somalians are paying much more for petrol than Malaysians. Our subsidy bill is not sustainable, especially in light of the rising budget deficit," he added.

Idris said over five years Malaysia could save about 103 billion ringgit if subsidies were cut now. "The time for subsidy rationalisation is now," he said. However, fuel is a sensitive political issue in Malaysia, where in 2008 about 2,000 protesters marched through Kuala Lumpur to oppose a 41 percent hike in prices. Malaysia's economy grew 10.1 percent year-on-year in the first quarter, its highest jump in a decade, and is on track for six percent expansion for the whole year. Earlier this year it unveiled plans for

economic reforms including an overhaul of racial preferences for majority Malays, part of a roadmap to achieve developed-nation status by 2020.

http://www.channelnewsasia.com/stories/afp\_asiapacific/view/1059376/1/.html

# • Malaysia Aims For RM40 Billion Investment This Year, Says Mustapa

Malaysia is targeting at least RM40 billion worth of investments this year from the RM32.6 billion approved in 2009, says Minister of International Trade and Industry Datuk Seri Mustapa Mohamed.

"The focus this year is quality investments as the country is moving up the economy from middle-income to high-income model," he told reporters after the ministry's monthly gathering hosted by the Malaysian Investment Development Authority (MIDA).

Retaining the well-known acronym, MIDA, was previously known as Malaysian Industrial Development Authority. The new name symbolises the corporatisation efforts recently announced by the Prime Minister Datuk Seri Najib Tun Razak. To ensure the target is achieved, Mustapa said his ministry is leading a trade mission to Japan from June 4-7, as the country remains the top investor in Malaysia.

"I will meet up with Japanese investors to encourage them to re-invest in Malaysia to expand their existing operations as well as attract new investments," he added.

Mustapa said the objective of the mission is also to ensure the interest of Japanese companies to invest in the country still remain strong.

He said Malaysia had received more than US\$50 billion worth of investments from Japan in the past 30 years, with the bulk of them in the electrical and electronics, chemical, machinery and equipment sectors.

Mustapa said MIDA, as Malaysia's investment promotion arm, was encouraging private sector investments both domestic and foreign to meet the objective under the New Economic Model.

He said MIDA would set up an office in Singapore to assist investors from the republic following Najib's recent visit to strengthen cooperation between both countries on the political front, trade and investments.

Pointing out that Iskandar Malaysia in Johor has the potential to attract Singapore-based companies and investors, Mustapa said interest had picked up from Singaporean investors after Najib's visit.

"Johor is one natural choice for them (Singaporeans). Singapore is a high- income economy with successful multinational companies and home-grown investors. I believe this synergy will further consolidate," he said.Mustapa also said the 10th Malaysia Plan would emphasise on greater efforts to attract more private investments as they would be a major engine to drive the country's economic growth. "The key role of private investments in the 10th Malaysia Plan and private investments means MIDA," he said, adding that private investments are also crucial to the success of the New Economic Model.On MIDA corporatisation, Mustapa said it was an important change to MIDA to make it more effective as an investment promotion agency and to continue playing a pivotal role in attracting investors to the country."The empowerment will also give MIDA the authority to negotiate directly with investors for targeted projects in the manufacturing and services sectors. This will enable us to approve incentives in real time and act swiftly to engage investors more effectively," he said.

A new logo and name of MIDA will be unveiled by the end of next month.Mustapa said the National Committee on Investment has been set up following plans to corporatise MIDA to consider and approve applications for investments.

The committee was chaired by MIDA chairman and director-general and its members comprising Ministry of Finance, Ministry of International Trade and Industry, Bank Negara Malaysia and the Economic Planning Unit in the Prime Minister's Department. http://www.bernama.com/bernama/v5/newsbusiness.php?id=501562

#### • Pakistan to promote with Malaysia in fruit and vegetable sector

13-member trade delegation lead by Minister for Agriculture & Cooperatives Department of Balochistan, Mir Asadullah Sadozai will arrive here on May 30 to promote cooperation with Malaysia in fruit and vegetable sector. According to Commercial Counselor Pakistan Embassy, Malaysia, Wajiullah Kundi, the trade delegation during its five day stay here will hold meetings with President and members of the National Chamber of Commerce and Industry, Malaysia (NCCIM), Federal Agricultural Marketing Authority (FAMA), Malaysia Fruit Exporters Association (MFEA) and Ministry of Agriculture and Agro-Based Industry. The members of the delegation will discuss the ways and means to promote bilateral ties in production, preservation, packaging and marketing of fruit and vegetable produced in Balochistan.

The Commercial Counselor further informed that the agriculture-related delegation comprising public sector as well as private sector representatives will also visit wholesale market at Selayang, Malaysian Agri Food Corporation (MAFC), Giant Hypermarket/ Distribution Centre, Vegetables and Cash Crop Unit, Farmers Organization Authority (FOA) and Vegetable Farms to study marketing of fruits and vegetables and price mechanism practiced by the Malaysian whole sellers and retailers and consumers preferences for fruit and vegetables.

Balochistan is bestowed with fertile soil along with optimum temperatures required for the growing fruits like apple, grapes, dates, pomegranate, peaches, apricot, pistachio, almonds, walnuts, watermelon and fig and therefore is called as, "Fruit basket of Pakistan".

The Province is also known for producing high quality vegetables like onion, potato, tomato, green chilli and lentils which are appreciated due to their freshness, appropriate size and nutritious value.

The fruits and vegetables from Balochistan not only cater to the needs of Pakistan but are also exported to other countries, especially to the Gulf region.

The delegation consists officers from Ministry of Agriculture and Cooperative Balochistan, members of Chamber of Agriculture and Balochistan Horticulture Cooperative Society, and farmers of fruits and vegetables.

http://www.app.com.pk/en\_/index.php?option=com\_content&task=view&id=104236&It emid=39

# • Economic diplomacy should be pursued as essential component of foreign policy:

President Asif Ali Zardari has emphasized that economic diplomacy should be pursued and adopted by all diplomats for furthering economic interests of the country as an essential component of the foreign policy. The President was talking to Pakistan's Ambassadors and High Commissioner designate to Malaysia, Zimbabwe, South Africa, Jordan, Kazakhstan, Greece and Sri Lanka, who separately called on him here at the Aiwan-e-Sadr on Wednesday and discussed matters relating to their new assignments.

The newly appointed envoys who called on the President included High Commissioner designate to Malaysia Masood Khalid, High Commissioner designate to Zimbabwe, Syed Zulfiqar Ali Shah, High Commissioner designate to South Africa Zaigham Uddin Azam, Ambassador designate to Kingdom of Jordan, Ms. Attiya Mahmood, Ambassador designate to Kazakhstan, Muhammad Akhtar Tufail, Ambassador designate to Greece, Irfan ur Rehman Raja and High Commissioner designate to Sri Lanka Ms. Seem Illahi Baloch.

The President while felicitating the newly appointed envoys for their new assignments urged them to concentrate their efforts on promoting political, economic, trade and commercial ties between Pakistan and the countries of their posting.

The President also advised the envoys-designate to encourage chambers of commerce and the business community in countries of their posting to avail the investment opportunities and benefit from the investment friendly policies of the Government of Pakistan.The envoys-designate thanked the President for the confidence reposed in them and assured that they would utilize all their capabilities to boost Pakistan's bilateral ties with Malaysia, Zimbabwe, South Africa, Jordan, Kazakhstan, Greece and Sri Lanka. http://www.app.com.pk/en\_/index.php?option=com\_content&task=view&id=104135&It emid=38

#### Malaysia to assist economic development

External Affairs Minister Prof. G.L. Peiris in discussion with his Malaysian counterpart Ahmed Susni Manadzlah.External Affairs Minister Prof. G.L. Peiris met his Malaysian counterpart, Ahmed Musni Manadzlah, during the G-15 summit in Tehran, Iran.

The two Ministers discussed avenues of enhancing bilateral cooperation. Prof. Peiris enlightened the Malaysian Minister on the investment opportunities that have arisen in the post-conflict Sri Lanka.

Prof. Peiris also mentioned about the investment opportunities that have sprung up, specially in the North and the East, in sectors such as tourism, industries, fisheries, services and infrastructure development. The Malaysian Minister assured Prof. Peiris of his country's commitment to assist Sri Lanka in achieving economic development goals. http://www.dailynews.lk/2010/05/22/news22.asp

#### • A vote of confidence for Najib's reforms

The surge in Malaysia's competitiveness ranking is a vote of confidence in the reforms undertaken by the Government in transforming both the economy and public services, said Umno Youth chief Khairy Jamaluddin.

"It is a clear indication that we got things right as far as our economic stimulus was concerned, to weather the global recession and putting in place key reforms for long-term competitiveness," he said.

Khairy said the two-pronged reform strategy encapsulated in the Government Transformation Plan (GTP) and the Economic Trans-formation Plan that would be introduced with the New Economic Model (NEM) had given investors confidence and clarity that Prime Minister Datuk Seri Najib Tun Razak's road map to success was far-reaching and comprehensive.

"It also shows that Malaysia need not position itself as an investment destination and trade partner simply by being cheaper than other countries in the region.

"People now want to do business with us because our economy can add value to their supply chain and the regulatory environment is efficient and transparent," said Khairy.

Malaysia was ranked the world's 10th most competitive nation by Switzerland-based IMD World's Competitive Yearbook for 2010. This is an improvement from its 18th placing last year.

On its website, the IMD billed itself as "the world's most renowned and comprehensive annual report on the competitiveness of nations", measuring 58 countries based on 327 criteria.

Najib, in a Facebook posting, wrote: "Very pleased that Malaysia is now among the top

10 of IMD competitiveness rankings. I'm assured that we are on the right track for growth."

Former Domestic Trade and Consumer Affairs Minister Datuk Seri Shahrir Samad, said the improved ranking summed up the success of Malaysia's still on-going government and corporate transformation."Competitiveness is the key word for the world business community and Malaysia's enhanced ranking will put us back on the radar screen of the global business and financial community," he said,

Shahrir said it was important that Malaysia attracted the right kind of investments "to take our country and people to a higher income level and obviously our improved IMD ranking will be helpful in this regard.""The Government has to leverage on this improved ranking and stay focused to implement its GTP and NEM," he added.

Dr Yeah Kim Leng, chief economist of RAM Holdings, stressed that Najib had correctly identified that Malaysia needed new sources of investments, more flexible policies, and better skilled workers with English language capabilities.He said the Government had a flexible approach to build a business-friendly environment and improve workforce skills and expertise."These all add up to creating an environment where new sources of investments can generate high value, high wage and high income."

http://thestar.com.my/news/story.asp?file=/2010/5/21/nation/6306834&sec=nation

# • Privatization Minister asks foreign entrepreneurs to invest in Pakistan

Federal Minister for Privatization, Senator Waqar Ahmad Khan Thursday urged investors from 30 countries to invest in Pakistan in different areas of economy as the World Bank has also listed Pakistan above China, Russia and India for ease of doing business.

He also urged the investors to invest in areas such as energy, power, infrastructure housing, oil and gas exploration, milk and milk based products, live stock and Halal food products. The Minister for Privatization gave a detailed presentation on the theme, "Pakistan: The Land of Opportunities" to business delegates in the Plenary session at the 6th World Islamic Economic Summit held in Kuala Lumpur.

Senator Waqar said that owing to the sound and stable economic policies of the democratic government of Pakistan, the country had been placed at 87th position by the World Bank with regard to ease of doing business, whereas regional countries such as China, Russia and India ranked below Pakistan.

He said that currently Pakistan was ideal place for investment as it offered quite high rates of return on investments ranging from 20% to 30%. The country enjoyed a stable political government with sound and long-term prudent economic and fiscal policies, a growing GDP, sizable foreign exchange reserves of over US\$16 billion.

Pakistan also had put in place an Alternate Dispute Resolution Mechanism for speedy resolution of business and investment-related disputes. Given such attractive investment-friendly incentives, presently more than 700 foreign companies were successfully operating their business in Pakistan, he added.

Pakistan, he said offers very attractive incentives to the investors, such as 24-hour security, creation of special economic zones with tax breaks, durable monetary policies and one-window operation with regard to starting businesses in the country. The Ministers from Syria, Indonesia, Iran and Senegal also addressed the plenary session.

On the sidelines of the Forum, Senator Waqar Ahmad Khan also held a bilateral meeting with Deputy Prime Minister of Kazakistan Mr. Aset Issekeshevy. Both Ministers agreed for the need to expand bilateral relations for mutual benefit of both the countries.

The Minister also visited the custom-made Pakistan Pavilion at the 6th world Islamic Economic Exhibition.

He appreciated the display and hospitality of Pakistani mangoes. He also took keen interest at the traditional ladies garments, leather products and pottery displayed there.

Earlier, Senator Waqar Ahmad attended the opening session of the 6th World Islamic Economic Forum (WIFE). The Prime Minister of Malaysia Dato Mohd Najib Bin Tun Razzaq declared the forum open in a ceremony, which was attended by more than 2500 delegates from over thirty countries.Leaders from more than half a dozen Islamic countries attended the two-day annual Forum on 19-20 May in Kuala Lumpur.

http://www.pakistantimes.net/pt/detail.php?newsId=11353

• **PM: Strong Investment Signals Received From Middle East Countries** Strong positive signals are beginning to be received from Middle-East countries to invest in Malaysia, said Prime Minister Datuk Seri Najib Tun Razak.

He said the Qatar Investment Authority had recently committed a US\$5 billion investment in the country, reportedly, to tap, among others, the energy sector as well as strategic real estate development in the Klang Valley.

A memorandum of understanding (MoU) between the QIA and 1Malaysia Development Bhd (1MDB) was signed on May 14.

The MOU provides a framework for facilitating investment cooperation between the two entities to explore, evaluate and implement investment opportunities in Malaysia.

"I have got more investment signals from the Middle-East that I will announce from time to time," he told reporters at the groundbreaking ceremony of Utusan Malaysia's new headquarters building here on Thursday.He said the United Arab Emirates (UAE) was among the other Middle East country that had shown keen interest to invest here.

The Prime Minister also said foreign investments, overall, were on an upward trend,

citing Western Digital's announcement of RM1.2 billion investment.

Its President and Chief Executive Officer Datuk John F. Coyne said on Tuesday its new investment would involve the construction of a new 1.5 million square feet multi-storey building for research, development and manufacture of magnetic head, media components and hard disk drives.

Accordingly, up to 10,000 additional jobs, involving a substantial number of highqualification jobs, 100 PhD holders, 1,000 degree holders, 3,000 diploma and certificate holders will be created at the facility over time.

http://www.bernama.com/bernama/v5/newsbusiness.php?id=499637

## • PM for increased intra-Islamic economic cooperation

Prime Minister Syed Yusuf Raza Gilani has stressed the need for promoting unity among and within the Islamic countries coupled with broadening and deepening economic relations to harness individual and collective potential. "With a growing population and depleting resources in the world, such intra-Islamic cooperation is becoming increasingly important for ensuring our energy security, water security and food security", Gilani said in an interview pasted on "The Star Online", one of the most viewed and respected news related Malaysian website.

To a question about the World Islamic Economic Forum 2010 held in Kuala Lumpur on May 18-20, the Prime Minister said Pakistan has played an active role in WIEF, starting from its inception, and hopes to continue to enlarge this role in future."We should evolve an effective dispute resolution mechanism to resolve our issues and problems and put in place a sound framework for mutual cooperation", he added.

Prime Minister Gilani further said that there was a need to undertake necessary political, economic and social reforms to create an enabling environment "to harness our individual and collective potential"."For this, we need to ensure political stability and continuity, good governance, transparency and accountability as well as consistent economic policies and improved delivery of social services, especially in health and education", he added.

The Prime Minister said there was a need to focus on education and catch up in the field of science and technology."Skill development through vocational training should receive high priority to equip our growing work-force with capabilities which are in demand in national and international markets", he added.

Gilani further said, "We must evolve a comprehensive growth model to provide a strategy for balanced development".

He said moreover there was a need to provide for sharing of financial and commodity surpluses through institutional mechanisms driven by public-private partnerships.The Prime Minister said WIEF is the premier platform for exploring opportunities in Islamic countries, including an excellent opportunity for informal business interaction, networking, and regional consultation.

"It offered the opportunity of identifying and developing new partnerships in energy, agriculture, industry, trade and services and will contribute to the evolution of the global, economic and social agenda", he added.

About Malaysia's role in WIEF, the Prime Minister said Malaysia's contribution in establishing WIEF has been very significant and defining.

Since its inaugural session in October, 2005, Malaysia's efforts have been aimed at turning WIEF into a platform for dialogue and exchange of cross-cutting ideas, and business networking between governments and business leaders across the Muslim world and beyond, he added.

To a question about the prospects and key areas of Pakistan-Malaysia cooperation, Prime Minister Gilani said there existed a vast scope for trade and investment between these two brotherly countries.

Pakistan is deficient in edible oil production and can benefit from the rich Malaysian experience in palm plantation. Malaysia can render technical assistance and also come forward for investment in palm plantation projects and canned food industry", he added.

The Prime Minister said electricity generation and particularly electricity generation from coal will be the focal areas, adding, Pakistan has made strides in the area of defence production, which serves as an area where Malaysia can join hands both for trade and investment. In addition, Gilani said, greater investment and trade cooperation can occur in electronics, bio-technology, light engineering and financial services.

About Pakistan-Malaysia cooperation in financial sector, the Prime Minister said the financial institutions of both countries can share their experience to forestall and hedge any future situation. "Pakistan can benefit from the practical manifestation of the Islamic banking system in Malaysia for its replication in Pakistani conditions", he added.

The Prime Minister mentioned that already, significant investments have been made in Pakistan's financial sector by one of Malaysia's biggest banks, Maybank, adding, "We look forward to more such partnerships".

About Pakistan's commitment to climate sustainability, Gilani said Pakistan is a very low-level GHG (Green House Gas) emitter and an insignificant contributor to total global GHG emissions, adding, yet it faces challenges like any other developing country and needs large increases in energy supplies to fuel its much needed socio-economic development."As a responsible member of the world community, Pakistan intends to check its future GHG emission", he added.

http://www.app.com.pk/en\_/index.php?option=com\_content&task=view&id=104443&It

emid=38

- Social Front
- Rohingyas Want Malaysian Government To Exclude Them From Amnesty Plan

A group of Rohingyas on Sunday appealed to the government to exclude them from the upcoming amnesty programme for undocumented foreigners in the country, since they were registered with the United Nations High Commission for Refugees (UNHCR).

Myanmar Ethnic Rohingyas Human Rights Organisation Malaysia (MERHROM) president Zafar Ahmad Abdul Ghani said during the amnesty programme in 2002 and the last in 2004, many Rohningyas who were registered with the UNHCR were arrested, detained, charged and deported to the Malaysia-Thailand border.

"We hope this will not happen again to the refugees as we are not in the same category with the undocumented migrants," he said in a statement issued on Sunday.

Zafar Ahmad was commenting on the statement made by Deputy Prime Minister Tan Sri Muhyiddin Yassin on Thursday that the government proposed to grant amnesty to illegal foreign workers after the biometric identification system had been fine tuned for implementation."We are also worried what will happen to us after the amnesty period as there will be a mass crackdown on undocumented migrants," he said.

He also appealed to the government to allow the refugees to work while waiting for the UNHCR to find a durable solution for them.

http://www.bernama.com/bernama/v5/newsgeneral.php?id=500432

#### • 1Malaysia, A Blessing To Even Sarawak Rural Folk

Prime Minister Datuk Seri Najib Tun Razak's 1Malaysia concept is a blessing to folk deep in the state's interior because it ensures that they are not left out of the country's development programmes and processes, a gathering here was told Saturday.

State Social Development and Urbanisation Minister Datuk Sri William Mawan said that under the concept, those still needing assistance to move forward and catch up with the rest would be given special attention.

"This is 1Malaysia. It is about social justice as well where the people, especially the minority groups living in the remote areas, are given due attention," he said at a 1Malaysia gathering with the leaders at Rh.George Chungut in Pakan near here.

Mawan also cautioned the people against falling prey to attempts by a certain group out to disunite them through whatever means.

"These people are simply crazy for power. They will not hesitate to exploit racial, religious and cultural issues to achieve their aims," he said, adding that it was important for the public to remain united to counter the group.

http://www.bernama.com/bernama/v5/newsgeneral.php?id=500367

• Environmental Front

# Philippine

Political Front

# MILF told: Be patient, peacemaking not easy

The head of the government's peace panel on Saturday asked the Moro Islamic Liberation Front (MILF) to be more patient with the peace talks.

"Peacemaking is never easy, and the search for a political settlement to long-standing conflicts, such as that in Mindanao, requires continued focus, lots of compromises on both sides and tons of patience," government peace panel head Rafael Seguis said in a statement.Seguis was reacting to MILF panel chairman Mohagher Iqbal's statement that he is "disgusted" with President Gloria Macapagal Arroyo's failure to seal a peace agreement with their group after 9 years of talks.

Iqbal singled out the Memorandum of Agreement on Ancestral Domain (MOA-AD), which collapsed in 2008. The failed signing of the draft agreement prompted attacks by protesting MILF commanders in civilian communities in Mindanao.

Seguis said he understood Iqbal's comments, adding that even the government's peace panel has become frustrated with the prolonged talks.He, however, said that "imputing blame" would not be helpful for the on-going talks.

Seguis said Iqbal should not blame President Arroyo for the collapse of the MOA-AD, since it was the Supreme Court that prevented its signing."In a vibrant and strong democracy like ours, it is not fair to put the blame on President Arroyo for an action which was made by an independent and co-equal branch of government. Ours is not a totalitarian government. We are governed by the rule of law and not of men. We need a political settlement," he added.

In a forum on Friday, Mrs. Arroyo admitted that her administration would not be able to sign a peace agreement with the MILF.

She promised that she would continue to push for the peace agreement as a congresswoman."I will file the bills that I feel are needed in order to bring just and lasting peace to Mindanao," said Mrs. Arroyo, who will sit as representative of Pampanga's 2nd District in the next Congress.

Seguis said Mrs. Arroyo "never lacked political will" in pushing for peace talks talks with the separatist rebels.Despite the collapse of the MOA-AD in 2008 and the violent attacks made by some MILF commanders, the Arroyo administration resumed talks with the rebel group.

Seguis said the gains of the Arroyo administration in the peace talks provide the country's

next President a foundation from which to sign a peace agreement with the Moro rebels http://www.abs-cbnnews.com/nation/05/29/10/milf-told-be-patient-peacemaking-not-easy

# • Noynoy gets zero votes in 26 countries

Leading presidential candidate Senator Benigno "Noynoy" Aquino III got zero votes in at least 26 countries, based on the partial official tally of Congress. This is because no vote was cast in 23 countries. In 3 countries, there was only one voter each, and they didn't vote for Aquino.

The first 2 days of the official canvassing of the votes cast for president and vicepresident were marked by repeated announcements of zero votes.Congress, sitting as the National Board of Canvassers, has canvassed a total of 131 Certificates of Canvass (COCs). There is 1 COC per country or territory.A total of 133 ballot boxes were opened, but the COC from Iran was empty while the COC from the Bahamas was deferred. Why spend for OAV?

With the low voter turnout, several lawmakers were prompted to question to value of Overseas Absentee Voting (OAV).

"How much money did we spend for zero-zero votes? There is a budget, I think, for absentee voting from the Comelec (Commission on Elections). We send people," said House Speaker Prospero Nograles.Comelec records show that low registration for OAV. The voter turnout is low, too.

Thirteen of the 23 countries that registered zero votes have only 1 to 3 registered voters. In this year's election, there was only a 23% voter turnout in the OAV with 589,830 registered voters or around 135,000 voters.

However, this was higher than the 16.21% (81,732 of the 504,124 OAV) turnout in the 2007 Senatorial election. But it was lower than the 64.89% (233,137 of the 359,296 OAV) turnout in the 2004 presidential election.

Postal voting

In most of these countries, the OAV votes are sent by mail or through postal voting.

This is done in areas where there is low population of OAV voters, and where the embassy or the consulate is located far from overseas Filipinos' residences.

The voters receive their ballot by mail, which he or she should fill out and mail to the Philippines' designated post for his or her current country/territory of residence.

Personal voting, on the other hand, where voters go to the Philippine embassy or consulate to vote, is done in countries with big populations of OAV voters.

Countries (post) with zero ballotsMode of voting# of registered votersGuyana (Brasilia)Postal voting2

Barbados (Caracas) Postal voting 17 Costa Rica (Mexico) Postal voting 1 El Salvador (Mexico) Postal voting 1 Guatemala (Mexico) Postal voting 3 Honduras (Mexico) Posting voting 1 Postal voting 3 Panama (Mexico) Antigua and Barbuda (Washington) Postal voting 2 Cayman Islands (Washington) Postal voting 37 Saint Kitts and Nevis (Washington) Postal voting 1 Turks and Caicos (Washington) Postal voting 33 Mozambique (Pretoria) Postal voting 45 Namibia (Pretoria) Postal voting 41 Swaziland (Pretoria) Postal voting 11 Zambia (Pretoria) Postal voting 10 Zimbabwe (Pretoria) Postal voting 2 Nepal (New Delhi) Personal voting 2 Personal voting 3 Dominican Republic (Havana) Personal voting Madagascar (Nairobi) 8 Malawi (Nairobi) Personal voting 3 Mauritius (Nairobi) Personal voting 1 Tanzania (Nairobi) 11 Personal voting Iran (2nd COC from 2nd precinct) Personal voting 328

Source: Comelec Committee on Absentee Voting

According to Department of Foreign Affairs (DFA) Overseas Absentee Voting Section chairman Ambassador Nestor Padalhin, the Philippine embassies worldwide sought to increase the number of registered OAV voters. He said the bulk of the budget allocated for OAV voting was spent on encouraging Filipinos to register, including the transportation allowance for those who would conduct the registration.

"Plane and bus tickets and transport of machines are the budget concerns when sending proposals to the Comelec as well as when DFA goes on mobile registrations," Padalhin said. (Read: Campaign for overseas absentee voting in full gear)

The turn out for OAV in 2007 was similarly low.

There was only one vote each coming from Antigua and Barbuda and Barbados in the previous elections. Each also had only one registered voter.

http://www.abs-cbnnews.com/global-filipino/05/29/10/noynoy-gets-zero-votes-26-countries

#### Muslim peace deal to elude Arroyo

Philippine President Gloria Macapagal Arroyo said on Friday a deal to end a Muslim separatist conflict in the south could not be reached in her final month in office, but said she would continue to support the peace talks.

Arroyo brought the government and the Moro Islamic Liberation Front (MILF) back to the negotiating table, and tapped the Malaysian government to help facilitate talks, after her predecessor waged an all-out war on Mindanao island in 2000. However, negotiators said a peace deal would have to be left to the incoming government, with Senator Benigno Aquino III set to be declared the country's next president after elections earlier this month. "As president, I fought every day in office to bring that peace to that great island," Arroyo, who will become a member of Congress after her term ends on June 30, told a forum of international peace negotiators. "And I will continue to do so until the last moment of my term as president and maybe even beyond, because as congresswoman, I will file the bills that I feel are needed in order to bring just and lasting peace to Mindanao."Arroyo's peace adviser, Annabelle Abaya, said no consensus has been forged as yet on issues such as territorial coverage, wealth and power sharing. "If you try and ram it down people's throat, you can create an instability which is not good for our people," Abaya said. Negotiators from both sides told Reuters they would return to Kuala Lumpur next week to agree on mechanisms to sustain a shaky ceasefire and allow the European Union to participate in the peace process, but no long-term deal was expected. http://www.todayszaman.com/tz-web/news-211427-100-muslim-peace-deal-to-eludearroyo.html

#### • But the latest vote-fraud scare may be too weird to be true

IN THE aftermath of heated presidential, congressional and local elections on May 10th, the Philippines basked in the glow of international commendation of its use of computer technology to produce, for the first time, seemingly indisputable results. But then a mysterious masked figure dubbed Koala Boy dropped out of the foliage to shatter the national daydream about stable governments untroubled by accusations of electoral fraud. In a widely disseminated video-recording, a so-far unidentified man said he was a witness to wholesale electronic fraud during the elections. He is known as Koala Boy because the peculiar mask that he wore to disguise himself gave him a marsupial look. He said people, whom he did not name, short-circuited the computerised vote-counting system, selling blocks of fraudulent votes to candidates—in one case charging a vice-presidential candidate 1.4 billion pesos (\$30m) for 7m votes. There were 50m registered voters.

Both the election commission and the supplier of the vote-counting system scoffed at his allegations, as did the vice-presidential candidate. Koala Boy's tale lacks evidence, but plenty of politicians found it plausible. Several defeated candidates for congressional or local positions testified at a hearing in Congress that they had been approached by people (again, unidentified) offering to sell electronically generated fake votes. The candidates said they had declined the offers, with the implication that their victorious opponents were less scrupulous and had accepted.

It is possible that such offers were made by confidence tricksters who had no means of rigging the counting. It is also possible that Koala Boy's tale is a fiction concocted by persons unknown to shake faith in the elections, and so undermine the authority of the incoming national and local governments.

But whether or not there was actual fraud, Koala Boy has given a jolt to confidence in the computerised system. The system is meant to reinforce stability by removing doubt about the legitimacy of elected governments.

The immediate worry for the incoming president, Senator Benigno "Noynoy" Aquino, son of a former president, the late Corazon Aquino, is that Koala Boy's allegations will delay his official proclamation as the winner of the election. Mr Aquino has an unassailable plurality of the votes. But under the constitution it is Congress's job to make the final tally, before June 30th, when the outgoing president, Gloria Macapagal Arroyo, must step down. If arguments about the credibility of the election count prevent Congress from meeting the deadline, there is the risk of a dangerous power vacuum.

Nobody has suggested that Mr Aquino cheated. But even if he is proclaimed president on time, the legitimacy of the new national and local governments will be overshadowed by doubt, until Koala Boy's allegations are properly debunked.

For generations, Filipinos have quipped that there are no losers in their elections—only winners and those cheated of victory. As long as such cynicism persists, the new election technology will be judged to have failed in its purpose of returning governments with incontestable mandates; and governments will remain weak.

http://www.economist.com/world/asia/displaystory.cfm?story\_id=16219817&fsrc=rss

#### • Philippine election body to probe claims of vote-rigging

The poll administration body is to examine allegations of extortion and vote-rigging during the May 10 elections, following the arrest of five people who allegedly attempted to extort money from a party-list group.

Commissioner Gregorio Larrazabal said the Commission on Elections (Comelec) will conduct an investigation into allegations made by party-list group Buhay that five individuals who claimed to be members of the Comelec approached them and offered to ensure their win in the polls in exchange for 10 million pesos (Dh786,802)."We're doing something, we're not just pushing it aside," Larrazabal said in a television report.

Earlier, on Thursday, members of the supposed syndicate were arrested by agents of the National Bureau of Investigations (NBI) in a sting operation conducted at a hotel in Manilas Malate tourist district.

Read special coverage of the Philippine Elections

Joel Correras Pelo, Mary Anne Fujiwara, Maria Elizabeth Pabalan, Fudenciano Malinao and Wenceslao Malinao were arrested during the raid which was carried out by authorities on the basis of a complaint by a member of the Buhay party.

According to reports, the members of the syndicate were offering seats as 'nominees' of Buhay in exchange for large fees. The Party-list system works on the principle of proportional representation. However, under the current set-up, a particular party-list group, for example Buhay are allowed to nominate as many as three people. Although the allegations of bribery may be true, Comelec officials said it doesn't necessarily undermine the overall credibility of the political exercise.

The presidential palace said the incident should serve as a warning for candidates who receive similar unscrupulous offers.

Finding out more

Deputy Presidential Spokesman Gary Olivar said the public should be wary of such offers to facilitate solutions to their election concerns."Use common sense and ask for identification. Be inquisitive," he advised candidates.

Meanwhile, select members of the Senate and House of Representatives, sitting as the National Board of Canvassers, resumed the canvassing of votes from overseas absentee voting after taking a break on Thursday.According to reports, presidential candidate Benigno 'Noynoy' Aquino III and his Liberal party running mate Manuel 'Mar' Roxas are leading in the count of canvassed election returns from absentee voters.The May 10 election was the first time that an automated general election had been held in the country.

http://gulfnews.com/news/world/philippines/philippine-election-body-to-probe-claims-of-vote-rigging-1.633699

### • World awaits Philippines' FIA

TODAY starts a series of mass actions by journalists, workers, students, professionals, business and church leaders and civil- society groups in their vigorous final push for Congress to ratify the Freedom of Information (FOI) Act.

But the world waits and watches, too. More than just a Philippine story, the 14-year advocacy of Filipinos for Congress to enact the law has become a serious concern of

freedom of information advocates, scholars and members of parliament across the globe. At noon today, over 130 groups under the Right to Know, Right Now! Coalition will hold a motorcade from the University of the Philippines in Diliman, Quezon City (Metro Manila) to the House of Representatives to press lawmakers to ratify the Congress's bicameral conference committee report on the FOI Act.The motorcade participants will then join up with other FOI advocates who will assemble across the Old Batasan building in Quezon City starting at 1 p.m., to await the arrival of House members for a session called by Speaker Prospero Nograles.

FOI advocacy groups and 22 FOI advocates and scholars and members of parliament from Asia, Africa, America, Europe and the Pacific Islands sent a stirring message: the world awaits the ratification of the Philippines' FOI Act.

Congress must rush ratification

In a joint statement dated May 22, 2010, the FOI groups and advocates said that as the political leadership shifts from President Gloria Arroyo to apparently winning candidate Sen. Benigno Aquino 3rd, Congress must rush to ratify the measure.

The FOI Act, the groups said, "will no doubt put the Philippines solidly along the path of strong democracy and enhanced governance, and allow for the greater participation of all Filipinos in true nation-building."

"In a few weeks, the Philippines will see a newly elected government formally proclaimed. We congratulate the Philippines for the orderly conduct of the recently concluded national elections," the groups and advocates said.

But "before the government is formally turned over to new leadership, there is one crucial act that we, organizations and individuals from around the world, would like to support your leadership on," the groups said in their statement address to President Arroyo, Senate President Juan Ponce Enrile and Nograles.

This is none other than the adoption of the FOI Act, which is "fundamental to the respect of all human rights, as well as to democracy." As well, "transparency in the public sector enables meaningful participation, promotes accountability, mitigates corruption, and contributes to the realization of personal and collective goals."

"As advocates of freedom of expression, of the press, and of information, we have been following closely the Philippine movement for the passage of the Freedom of Information Act. The signatories cited that Article III, Section 7, of the Philippine Constitution "guarantees this key right, and we understand that this constitutional guarantee has been used in the Philippines to give direct effect to this right."

But, they added: "Experience around the world demonstrates that implementing

legislation is needed to give full effect to the right, including by spelling out procedures for its exercise and by describing the exceptions in detail.""A historic piece of legislation" if enacted, the groups said the FOI Act of the Philippines will become just the third such law in Southeast Asia. Only Thailand and Indonesia have enacted a right to information law," they said."Should the Philippine push succeed, this will not only benefit Filipinos but will also provide direction and momentum to the whole Southeast Asia region."

## Window of opportunity

Well aware that for lack of time, "the window of opportunity for passing the FOI Act is fast closing," the FOI groups and advocates exhorted the President, Enrile and Nograles to take on their leadership roles to assure its passage.

"We join Philippine groups advocating for the passage of the FOI Act in looking to your leadership as President of the Republic, Senate President, and Speaker of the House of Representatives, respectively, to ensure the ratification of the bicameral conference committee report when Congress resumes session on 24 May, and the signing of the FOI Act into law by the President immediately thereafter, the groups said.

"The international movement for free expression, press freedom, and the right to information assure you of our support," the groups said. "We are in solidarity with the Filipino people in anticipating your success in adopting the Freedom Information Act.

http://www.manilatimes.net/index.php/top-stories/18006-world-awaits-philippines-fia Congress set to canvass votes

Congress, which is due to constitute itself into the National Board of Canvassers today (Monday), will make the fastest proclamation of the president-elect and vice presidentelect in Philippine history, Senators Edgardo Angara and Juan Miguel Zubiri vowed on Sunday.

The two senators told dzBB's public affairs program Balitang Todo-Todo hosted by Nimfa Ravelo that they saw no major problems in making the board's canvassing of the votes for president and vice president the fastest ever recorded in its history.

"The early conceding of defeat by major candidates for president will facilitate the canvassing," Angara said.Sen. Manuel Villar Jr. of the Nacionalista Party and former Defense Secretary Gilbert Teodoro of Lakas-Kampi Christian Muslim Democrats (CMD) conceded to apparent president-elect Benigno Aquino 3rd a day after the May 10 elections.

Sen. Richard Gordon and Brother Eddie Villanueva followed later.

Former President Joseph Estrada, the only major candidate who has not conceded, trails Aquino by more than five million votes in partial unofficial vote count. "Even if those major candidates will still be represented by lawyers at the canvassing, there will be heated debates and points raised would merely be for the record or for future guidance because their principals had already conceded," Angara said.Zubiri said that proposed rules to govern the counting by the canvassers' board would assure the faster proclamation of the winners.

He pointed out that Senate President Juan Ponce Enrile had declared that no privileged speeches would be allowed during the canvassing. To facilitate the work, the House of Representatives and the Senate will form a canvassing committee to be composed of nine members from each chamber. Under the proposed rules, candidates for president and vice president could not be members of the canvassers' board.

This prohibition eliminates candidates for president Villar, Aquino, Gordon and Sen. Jamby Madrigal, and bets for vice president Senators Manuel Roxas 2nd and Loren Legarda.Zubiri is confident that the Senate can muster quorum when it meets at 1 p.m. today to discuss the rules, which will be adopted by both the House and the Senate in a joint session later Monday or by Tuesday before the actual canvassing starts.

Why wait?

The House and the Senate were originally set to meet as the National Board of Canvassers on May 31 but their leaders decided to advance it a week earlier."Almost 90 percent of the election returns were already in a week after the elections so why should we wait until May 31?" Zubiri asked.

He and Angara said that the canvassers' board would not entertain any allegations of an "electronic Garci" in the automated elections unless the allegations are supported by strong evidence.Virgilio "Garci" Garcillano, a former commissioner of the Commission on Elections (Comelec), was said to have rigged the 2004 elections in favor of candidate President Gloria, who eventually won against opposition standard-bearer Fernando Poe Jr.Also allegedly, he and President Arroyo were the ones caught in a tape conversation talking about the rigging but they both denied the accusations.

According to Zubiri and Angara, allegations of an electronic Garci should be presented before the Presidential Electoral Tribunal, not before the board. The canvassers' board "should not be used as venue to air complaints against the results of the elections," Zubiri said.

## Explaining discrepancies

He added that should there be any discrepancies between an electronic printout and a manually transmitted certificate of canvass (COC), that COC will be set aside.

The board "will invite both the (Comelec) and Smartmatic so they could explain any

discrepancies," Zubiri said, referring to poll body's partner in conducting the May 10 polls, the first fully automated balloting in the Philippines and Asia.

Meanwhile, Angara said that officials of foreign embassies should withhold sending any congratulatory messages to Aquino until after Aquino has been proclaimed as president-elect.

The embassies of the United States, China and Spain had sent such messages to Aquino even before the National Board of Canvassers could be convened. Angara called the messages "premature" even if Aquino was leading by a big margin. "I ask our friends in foreign governments to be patient and wait for the action by Congress because their congratulatory messages might be misinterpreted as putting pressure on the legislature to facilitate the proclamation," he said.

He, however, expressed the belief that the "premature" notes of congratulation were merely the result of ignorance of political procedures rather than of bad inten http://www.manilatimes.net/index.php/top-stories/17999-vote-counting-in-congress-begins

## • Former Thai PM Thaksin faces terror charges

A Thai court issued an arrest warrant Tuesday for ousted Prime Minister Thaksin Shinawatra on terrorism charges, accusing the fugitive former leader of fomenting two months of unrest in Bangkok that left 88 people dead. If found guilty of the charges, he could face the death penalty. Thaksin, who was ousted in a 2006 military coup and later fled abroad ahead of a corruption conviction, has been accused by the government of being a key force behind Red Shirt protesters who seized areas of downtown Bangkok before being overcome by army troops last week.

Thaksin has denied involvement. His lawyer said Tuesday the charge would undermine hopes of reconciliation in Thailand. The demonstrations have deepened rifts in Thai society between the mostly rural poor supporters of Thaksin and current Prime Minister Abhisit Vejjajiva, whose government they accuse of being oblivious to their plight.

On Monday, parliamentary opposition leaders moved to impeach Mr. Abhisit over his handling of the rioting. The measure, which would need approval in the Senate, and a move to censure top Cabinet officials were expected to be easily defeated if put to a vote. They were expected to be debated during a special session of Parliament next week, the Bangkok Post newspaper reported.

Life in the Thai capital was largely back to normal Tuesday — with roads and shops in the protest zone reopened — although businesses are still counting the cost of the violence, which culminated in a wave of arson by protesters targeting malls, banks and government buildings.

The Cabinet decided Tuesday that the city of 10 million and nearly a third of Thailand's provinces will remain under a nighttime curfew for another four days as a precaution against further unrest. The Department of Special Investigations (DSI) said that Thaksin committed, threatened to commit or supported terrorist acts.

http://www.washingtontimes.com/news/2010/may/25/former-thai-pm-thaksin-faces-terror-charges/

# • Foreign Relation

# Indonesia may join Philippine Peace Monitoring Team

An Indonesian mission is in the southern Philippines to assess developments between Philippine security forces and the rebel Moro Islamic Liberation Front.As Shirley Escalante reports from Manila, Indonesia could become the latest member of an International Peace Monitoring Team.

The Philippine government and the Moro Islamic Liberation Front have invited Indonesia to join the International Monitoring Team. It's seen as an attractive partner because - unlike Malaysia - Indonesia doesn't have a territorial dispute with the Philippines. A member of the Indonesian mission, Abdullah Kusumaningprang, says his country would be interested in socio-economic and development tasks if it joins the monitoring team. The European Union, Malaysia, Brunei, Libya and Japan are all members of the team http://www.radioaustralianews.net.au/stories/201005/2906815.htm?

## • Economic

# • Philippines to ban iron ore exports for 5 yrs

The Philippines is considering a five year moratorium on exports of iron ore till the completion of its two integrated steel processing plants.

According to country's Department of Environment and Natural Resources (DENR), the proposed ban comes from the need to conserve the resource for the possible establishment of iron or steel plants as well as the rights of the companies producing iron. The Philippines shipped 76,500 gross tons of iron ores and concentrates including roasted iron pyrites amounting to P84.4 million last year. The shipments were for China, Taiwan, Hong Kong and Japan.

With iron ore prices rising fast in the world market, the Department of Environment and Natural Resources is also mulling on an ambitious plan to build two integrated steel processing plants at a combined cost of \$3.2 billion in capital expenditure.

"If we have our own processing facility we can now dictate terms, same thing as what VALE of Brazil, BHP and Rio Tinto of Australia are doing to the market," said DENR.

The price of iron ore shot up to \$120 to \$130 per metric ton (MT) in the last two weeks, from \$70 per MT in 2009, helped by rising demand of car manufacturers and makers of

heavy machineries. The commodity was trading at \$140-\$145 per MT on Wednesday. The plant would have a rated capacity of 2.4 million MT a year, using iron ore deposits called magnetite which is being mined in small quantities in various parts of the country. http://uk.ibtimes.com/articles/20100528/philippines-ban-iron-ore-exports-foryrs.htm

### Bangkok to 'get back to business'

Municipal workers and volunteers clean up a road, four days after an army assault on an anti-government protest site, in downtown Bangkok on May 23, 2010.

Thailand's prime minister says Bangkok will get back to business on Monday after a massive clean-up following anti-government protests.Prime Minister Abhisit Vejjajiva says schools, streets and government agencies will reopen after being shut down during the recent clashes between security forces and "Red Shirt" protesters.

The stock exchange is also due to resume trading for the first time since Wednesday. It was among 36 major buildings torched by militant "Red Shirts".However, authorities have extended until Tuesday a curfew in Bangkok and 23 other provinces, saying it's needed "for security reasons."

http://www.radioaustralianews.net.au/stories/201005/2907130.htm?=

## • Bangkok cleans up, trade ready to resume business

Thai authorities launched a massive clean-up operation in Bangkok's charred commercial district yesterday as the city prepared for the resumption of business after the worst riots in modern history. Thailand's stock exchange and other financial markets will resume full-day trading today, after being closed on Thursday and Friday following a wave of arson and street battles when the army dispersed thousands of anti-government protesters. "Our trading system and those of our members are ready to resume operations," Stock Exchange of Thailand President Patareeya Benjapolchai said in a statement yesterday.

Thai stocks and the baht currency are seen likely to fall, with political risk rising and local markets yet to catch up with declines in the region over the euro zone crisis. Government offices and schools are also scheduled to reopen today, but a curfew in the city and 21 provinces was extended yesterday for two more nights. At least 54 people have been killed and over 400 injured since May 14. Almost 40 major buildings in the city were set on fire and the tourism and retail sectors have been devastated.

The situation should return to normal from tomorrow when traffic returns to the roads and schools and government agencies open," Prime Minister Abhisiti Vejjajiva said in a regular weekly broadcast to the nation. Abhisit said the curfew would remain in force for two more nights as a precautionary measure, but would last only five hours instead of the earlier eight.

The government is striking a balance between restoring public confidence on security and

minimizing the impact of the curfew on innocent people," he said. Police said a gunman fired pistol shots at a bank building in the city's suburbs in the early hours yesterday, but there were no casualties. It appeared to be an isolated incident, an official said. Otherwise, the city of 15 million looked eager for normal business to resume.

Thousands of volunteers, including hundreds of high school students, descended on the commercial district with brooms and garbage bags, carting away refuse and scrubbing graffiti off the walls. "It's very upsetting, it was a nightmare in Bangkok," said one of the students from Triam Udom Suksa school, considered among the city's most prestigious. "I am sad but we will bring it back to life.

### Troops withdrawn

Troops were mostly withdrawn from Bangkok and remaining checkpoints handed over to the police. The Skytrain and underground metro resumed skeleton services, with nearempty trains eerily passing above the devastated central commercial district, taken over by anti-government red-shirt protesters for more than two months. Workers were erecting a metal barrier around the ruins of the Central World, Southeast Asia's second-largest shopping mall, set on fire at the height of the riots.

The red shirts, mainly rural and urban poor, demand new elections, saying Abhisit lacks a popular mandate and is propped up by the military and a Bangkok elite that has disenfranchised them. Abhisit said in his broadcast that he did not wish to stay for his full term, which lasts until 2012, but did not confirm whether an earlier offer to the red shirts of a November election was still on the table.

The protesters had rejected that offer. "It is now up to me to decide whether that election is appropriate... I don't know what is going to happen next as some people have vowed to continue their struggle, calling for the resumption of the protest in June," Abhisit said. Red shirt leaders have said they will resume protests outside Bangkok next month, but the main anti-government Puea Thai party said it would bring a no-confidence motion against the government at a special session of Parliament today.

The government is likely to easily defeat the motion. The government will announce first quarter GDP figures today, which are likely to show the \$264 billion economy continued to recover well from the global financial crisis in the January-March period but was beginning to reflect the effects of the political crisis. Even the government says there could be a contraction in economic output in the second quarter. - Reuters

http://www.kuwaittimes.net/read\_news.php?newsid=MTMxOTM5NjI1MA==

### Arroyo buoyant after Philippine economy grows 7.3 percent

Philippine President Gloria Arroyo will hand over a booming economy when she steps down next month, her office said Thursday after data showed better-than-expected 7.3 percent growth in the first quarter.

The year-on-year expansion was the strongest in almost three years and gave some relief to Arroyo who has been portrayed by critics as a corrupt ruler more focused on improving her family's economic fortunes than the nation's. "It's obviously a great note to end the president's term with," Arroyo's spokesman, Gary Olivar, told AFP, pointing out the country had emerged strongly from the global financial crisis. "We have always said the idea was to leave the incoming administration with an economy that is better than when we found it."

The manufacturing sector, remittances from the millions of Filipinos working abroad and higher government spending were factors behind the promising first quarter figures, according to the National Statistical Coordination Board.

Board chief Romulo Virola told reporters it was the best performance since the 8.3 percent growth in the second quarter of 2007. He said gross domestic product (GDP) growth for all 2009 had also been revised upward from 0.9 percent to 1.1 percent because the manufacturing sector had done even better than estimated. "This is a glorious ending for the Arroyo administration and a good beginning for the incoming Aquino administration," Virola told reporters.

Arroyo is required constitutionally to step down on June 30 after more than nine years in power. She will be replaced by Benigno Aquino, a fierce critic who won national elections in a landslide this month. Economic Planning Secretary Augusto Santos said the government would soon raise its growth target for the year from 2.6-3.6 percent.

In seeking to be remembered as a sound economic manager, Arroyo has in recent months spoken repeatedly about her list of achievements, such as average annual GDP growth of more than four percent during her reign. Inflation has also been consistently lower — at an average of just over five percent — than under her immediate predecessors', while the unemployment rate has also remained well under double digits.

Nevertheless, critics accuse her of mismanaging the economy, saying the rich-poor divide has worsened and the Philippines has generally fallen further behind its Asian neighbours. The World Bank also said recently that growth over the past decade had not made a serious dent in tackling the nation's deep poverty.

Arroyo spokesman Olivar said charges that Arroyo mismanaged the economy were "hogwash". "All the numbers are there. This latest piece of news only confirms them," he said. The cash transfers from the roughly nine million Filipinos working abroad are equivalent to nearly 10 percent of the Philippines' economic output and are a major impetus for the consumption that fuels the domestic economy. afp

http://www.dailytimes.com.pk/default.asp?page=2010\05\28\story\_28-5-2010\_pg5\_32

### • Philippines economic growth quickens

The Philippine economy accelerated in the first quarter, underpinned by a rebound in exports and election-related spending.Gross domestic product rose a seasonally adjusted 3% compared with the previous three months, when the economy grew 0.9%.

On a year-to-year basis, the economy grew 7.3%, more robust than the 0.5% growth recorded in the same quarter of 2009 and from the revised 2.1% expansion posted in the fourth quarter, the National Statistical Coordination Board said Thursday.

"It's even possible we can exceed 7.3% ... from all indications, this 7.3% growth may be sustained for the rest of the year," said Economic Planning Secretary Augusto Santos. A strong rebound in manufacturing and remittances from overseas Filipino workers will support growth, he said. An upward revision of the 2.6% to 3.6% growth forecast for this year is likely, with the higher end of the band becoming the base target, Mr. Santos said.

The first-quarter data nudged Barclays Capital to revise its 2010 GDP forecast to 6% from 4.3% previously, said Prakriti Sofat, its regional economist. "Looking ahead, the outlook for consumption remains strong given our expectations that remittances will rise 10% in 2010."

Sustaining growth in the quarters ahead depends partly on maintaining monetary policy rates, she said. A review of the country's monetary-policy stance is scheduled for June 3. The Philippine central bank said Thursday an upgrade of economic targets is likely.

"The better-than-expected Q1 GDP bodes well for a possible upgrade of the growth outlook," said central-bank Gov. Amando Tetangco, in a text message to reporters. The central bank has projected inflation to average within 3.5% to 5.5% this year."We will reassess to see how this more upbeat GDP outlook would impact on investor sentiment, domestic demand and inflation expectations, as well as our inflation forecast," Mr. Tetangco said.

Considering that May inflation data will be released a day after the monetary policy meeting next Thursday, "a status quo is likely, which is good for the economy," Mr. Santos said.Mindful of the global economic slowdown, the Philippine central bank, among other measures, cut its key overnight rates by a total of two percentage points between December 2008 and July last year to record lows of 4% for borrowing and 6% for lending, and has held them at those levels since.

Downside risks to growth include the lingering concerns on Europe's debt woes and a looming La Nina phenomenon following a El Nino-induced drought, Mr. Santos said.

GDP growth for the whole of 2009 was also revised upward to 1.1% from 0.9%.

http://online.wsj.com/article/SB30001424052748704717004575269373292324564.html# mod=todays\_asia\_front\_section

## Social Front

## Government seeks to unite two Muslim rebel groups

The Office of the Presidential Adviser on the Peace Process (OPAPP) over the weekend welcomed moves made by the influential Organization of Islamic Conference (OIC) for the unification the Moro Islamic

Liberation Front (MILF) and the Moro National Liberal Front (MNLF) so the incoming administration can better pursue elusive peace in Mindanao."We express our profound appreciation to the OIC for its continued support in the Philippine quest for peace," OPAPP chief Annabelle Abaya said in a statement.

"I hail the initiative of the OIC to help bring the MNLF and MILF together to work with the Government of the Republic of the Philippines in pursuing the aspirations of the Bangsamoro," Abaya added.

She said that officer-in-charge Secretary General Ekmeleddin Ihsanuglo is now working closely with the MNLF and the MILF to unify their ranks for the peace and development of the Bangsamoro people in Mindanao.

During the 37th Session of the Council of Foreign Ministers (CFM) of the OIC in Tajikistan over the weekend, Ihsanuglo met with Al-Haji Murad Ebrahim, MILF chairman, and Nur Misuari, MNLF founding chair, for the two leaders to work together "for the peace and development of the Bangsamoro people" in southern Philippines.

Abaya said the new development is "a giant step in moving the peace forward and inspiring all peace-loving people worldwide that peace is better achieved by talk than by violence."It may be recalled that that a big fraction of MNLF members, who now constitute the MILF, broke ties with the Misuari-led group when they entered into a peace agreement with the government on September 2, 1996.

The peace agreement ended more than two decades of violence in southern Philippines, but the MILF still pursued its campaign which resulting in many violent clashes with government forces. In April this year, the Philippine government and the MNLF signed a Memorandum of Understanding in Tripoli Libya to adopt the proposals of the joint legal panels to enhance Repubic Act 9054, to create a fund mechanism for generating funds from OIC countries for the Southern Philippines Development Fund and to conduct consultations on still to be resolved issues.

RA 9054 is the law that strengthens the Autonomous Region of Muslim Mindanao (ARMM).In government's peace efforts with the MILF, formal peace negotiations in Kuala Lumpur resumed on December 8 last year after 16 months in the doldrums following the aborted signing of the controversial Memorandum of Agreement on Ancestral Domain (MOA-AD) which was declared as unconstitutional by the Supreme

Court.

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"United as Filipinos pushing concertedly the peace, we become a more potent, more effective force in creating greater security, progress and growth for Mindanao," Abaya said.

Abaya further said: "High hopes that in the forthcoming meeting in Surabaya next week, we may also firm up the mechanism for fund generation among OIC countries which we hope will lead to a mini Marshall Plan and prosperity to Mindanao."

James Konstantin Galvez

http://www.manilatimes.net/index.php/news/regions/17979-government-seeks-to-unite-two-muslim-rebel-groups

# Thai crisis affects Filipino community in Bangkok

The Red Shirts are gone but the mark they left on the streets of Bangkok serves as a grim reminder of the violence that gripped the nation for 2 months.

A busy area in Bangkok where high-end shopping, dining and business meet is now a memorial for the violent political past of Thailand's capital. The place is in total mess as there is rubbish as well as the personal belongings of the Red Shirts who camped out for weeks.Nearby are the ruins of the former Centro World Shopping Mall that was set ablaze by the Red Shirts. It was once among Bangkok's economic pride as it is the second largest shopping mall in Southeast Asia.Not far is the area of Pratunam, where Filipino merchants usually sell their products.

But the shops in Pratunam have been closed since the crisis. No Filipino merchants were in sight.The hotel owned by a Thai and Filipina couple, a favorite among Filipino merchants, is now running low on guests.The owner, called "Mr. V," said of the 87 rooms, only 5 are occupied."Most of my guests here are Asians, but because of the situation... no more, because of Thai politics," said Viwat Vannaying, president of Four Seasons International.

Meantime, there is not much life in the business of the Mabuhay Restaurant because there are no customers. Mabuhay Restaurant's Ma. Paz Capati told the ABS-CBN News crew: "Kayo nga lang ang pumunta dito ngayon, kayo 'yung una para sa araw na ito at sana naman meron pa." Other nearby Filipino shops were also closed.

But come hell or high water, as long as no one was injured and everyone is accounted for, Filipinos are expected to bounce right back, happy to be able to rebuild their lives.

http://www.abs-cbnnews.com/global-filipino/05/23/10/thai-crisis-affects-filipino-

community-bangkok

## Thailand

Political Front

## • Thai government widens political witch hunt

Despite its calls for "reconciliation" in the wake of last week's military's crackdown on "Red Shirt" protests, the Thai government is widening its witch hunt against alleged leaders, financial backers and supporters of the United Front for Democracy against Dictatorship (UDD).

Last Tuesday, a Thai court issued an arrest warrant for the exiled former Prime Minister Thaksin Shinawatra, on charges of "terrorism". Without providing any evidence, the Department of Special Investigations alleges that Thaksin committed, threatened to commit, or supported terrorist acts. Terrorism charges can bring the death penalty in Thailand.In targetting the UDD's figurehead Thaksin, the government of Prime Minister Abhisit Vejjajiva and its military backers are effectively branding the entire Red Shirt movement as terrorists. If Thaksin is guilty of "terrorism" for supporting the protests then similar trumped-up charges can be laid against any of the participants. During the final weeks of the two-month-long protests in Bangkok, Abhisit, his ministers and the progovernment media demonised demonstrators to justify the army's actions, which resulted in at least 88 dead and hundreds injured.

Having bloodily cleared Bangkok's streets, the Abhisit government is determined to suppress further protests. The security forces have detained at least 22 Red Shirt leaders and as of the middle of this week were looking for another 53. Nine of the detainees face terrorist charges and the others are being held for alleged violations of emergency laws. Those arrested are being held on a military base.

On Friday, Department of Special Investigations director-general Tharit Pengdit announced that his agency would seek arrest warrants next week for another layer of protest leaders, describing them as "third generation leaders". They are also to be charged with breaches of emergency laws. He gave no indication of how many warrants would be sought.

The detention of history lecturer Suttachai Yimpraset, who is being held incommunicado and without clear charges, has provoked protests by Chulalongkorn University academics. Suttachai was summoned last Monday, along with a former labour activist and editor of Red News, Somyos Prueksakasemsuk, to answer allegations that he had breached emergency laws. Associate professor Nualnoi Treerat questioned why suspects were being interrogated in isolation at a military camp. "It's creating a climate of fear and people will opt to silence themselves, for fear of being detained or arrested," she told the Bangkok Post.

The Washington Post reported yesterday that multimillionaire businessman Prayudh Mahagitsiri was the latest person to be added to "an expanding financial blacklist" prepared by the military-run Centre for the Resolution of the Emergency Situation (CRES). His bank accounts have been frozen and he has been ordered to provide details of all financial transactions since September. An emergency decree signed by military chief General Anupong Paochinda declared that the purpose of the financial measures was to root out "national security" threats and to "get rid of this problem effectively and immediately".

Together with Prayudh, 151 businessmen, lawyers, politicians and other alleged UDD financiers are on the blacklist. Their only "crime" appears to be their association with Thaksin. Twenty companies with connections to the Thaksin family are under investigation and require government permission to conduct virtually any financial transaction.

Thai-based author Chris Baker told the Washington Post: "This [crisis] is an ideological conflict mixed up with a business conflict. Business competition has always been muddled with political conflict. But this is much more vindictive."

Thaksin was ousted as prime minister in September 2006 in an army coup after falling out with Thailand's traditional elites, including the monarchy, over economic policy and the spoils of political office. After the military junta relinquished office, the pro-Thaksin People Power Party (PPP) won the 2007 elections but was forced out of office in what amounted to a judicial coup. Amid protracted anti-Thaksin protests, the PPP was declared illegal and Abhisit installed as prime minister in December 2008 with the political assistance of the military.

The bitter divisions in the ruling elites have now unleashed a broader movement among the rural and urban poor, who regarded Thaksin as their champion as a result of his limited handouts while in office. The UDD launched protests in mid-March to demand Abhisit's resignation and fresh elections, calculating that the pro-Thaksin Puea Thai would win. However, as the protests wore on and clashes erupted with the security forces, the protesters began to voice their own concerns about social inequality and poverty.

While the current political crackdown is being directed at UDD leaders, the government's chief aim is to suppress the eruption of wider social unrest. Despite claims yesterday by acting national police chief General Patcep Tanprasert that the situation was under control, the state of emergency is being maintained in Bangkok and 23 provinces in the country's impoverished north and northeast. Patcep announced that the current curfew might soon be lifted, but added that it could be imposed at any time. Some pro-UDD radio and TV stations remain closed and opposition websites blocked.

Patcep moved on Wednesday to tighten control over the northeast by transferring four

provincial police heads to inactive posts in Bangkok. The police officials are blamed for failing to stop city halls and government buildings from being torched amid local outrage over the military's killing of UDD protesters in Bangkok. Assistant army spokeswoman Lieutenant Siriya Khuengsirkul told the media that intelligence officials claim to have information that UDD supporters are moving underground and could be planning violent retaliation. The police and military are intensifying their surveillance, she said.

The security forces are acutely aware of the seething discontent among the rural poor over the bloodshed in Bangkok and the anti-democratic practices of the country's ruling elites. An article in the current issue of Time magazine reported on the widespread character of the anger among people in the impoverished northeast region, also known as Isaan. "In the city of Khon Kaen, a billboard on a main road is emblazoned with a doctored photo of Prime Minister Abhisit Vejjajiva, his aristocratic features bruised and battered," the article stated. "Even more chilling, everyone from matronly teachers to small business owners is openly calling for armed insurrection."

By widening the witch hunt against UDD leaders, the Abhisit government will only harden hostility among the urban and rural poor toward the ruling elites and ensure that further political upheavals are inevitable.

http://www.wsws.org/articles/2010/may2010/thai-m29.shtml

## • Thai PM says difficult to hold polls this year

Thai Prime Minister Abhisit Vejjajiva said on Saturday that holding of elections this year was unlikely."Obviously, it's a lot more difficult to hold elections by the end of the year," he said at a news conference. Abhisit said peace needed to be fully restored after deadly riots last week involving anti-government protesters and that a reconciliation plan needed to be implemented.

http://www.reuters.com/article/idUSSGE64S01I20100529?rpc=401&feedType=RSS&fe edName=hotStocksNews&rpc=401

• Economic front

## Protests Not Expected to Hurt Thai Economy

Thailand's economy was growing like gangbusters. On May 17, the central bank announced that the country had achieved its highest quarterly growth rate in 15 years, with figures showing a 12% year-on-year increase for the first three months of 2010. Two days later, soldiers used force to disperse antigovernment protesters who had paralyzed central Bangkok for weeks. Violence surrounding the two-month-long demonstrations left 86 dead and more than 1,000 wounded, sparking fears that this year's brief economic boom could dissolve into a bust.

Thailand's economy, however, is proving more resilient than expected. On Thursday,

May 27, the Bank of Thailand predicted gross domestic product would still grow between 4.3% and 5.8% for the year, nearly as high as the 6.2% forecast by the World Bank before the violence began. Economic analysts and the business community expressed cautious optimism that the fallout from the civil unrest would be limited and the country would enjoy a year of strong growth. "We think the central bank's estimate is reasonably accurate, although we are pegging growth at between 4% and 5%," says Supavud Saicheua, an economist with Phatra Securities in Bangkok. "But our forecast is uncertain," he added, citing concerns about Thailand's political and security situation and external factors. (See photos of the protests in Bangkok.)

Thailand did not escape from its recent woes unscathed. The University of the Thai Chamber of Commerce estimated damages from the protests at roughly \$4.6 billion and said they cost the country nearly 1.5% in growth. Those numbers could skyrocket if Thailand's political and social troubles aren't over, and it's not certain that they are.

But this week's positive forecasts are based on the growth driven by robust exports, which have not been seriously damaged by the country's political conflict. China's bottomless demand for Thai electronics, computer components, food products and raw materials has helped stoke its southern neighbor's economy; China now gobbles up 10% of all Thai goods shipped overseas. Exports now account for between 60% and 65% of the Thai economy — nearly double what they did in the late 1990s. The Thai sector suffering most severely from the unrest is tourism, which accounts for more than 6% of gross domestic product and is a key source of jobs and foreign-exchange earnings.

A small blessing is that the bloodshed took place during the low-tourism season. Industry executives hope that confidence in the country as a holiday destination can be restored before the start of the high season in October. "I'm pretty bullish on how Thailand will do economically this year. I believe we will have a relatively quick recovery — even in tourism," says William Heinecke, whose Thailand-based Minor Group owns 16 hotels around the country, along with fast-food and retail businesses. "Tourists were never in any danger, and there were no problems in many places tourists normally go, such as Phuket and Hua Hin." (Read about the end of Bangkok's siege.)

With anger over the government's crackdown still seething in some rural areas, warnings abound that Thailand could erupt into civil war. But Heinecke does not subscribe to that scenario. "Cool hearts will prevail," he says, claiming there hasn't been a single problem among his 25,000 employees around the country despite their differing political views.

Others, however, maintain that the situation is more precarious. While Thailand has shown great resilience during past troubles, "we should not simply think that every crisis will be overcome easily. The cycle of the recurrence of political breakdowns has become shorter and shorter," says Nandor von der Luehe, chairman of the Joint Foreign Chambers of Commerce of Thailand. The government needs to address the issues of economic inequality that helped spark the protests and ensure that a reconciliation process starts as soon as possible, he says. "If investors do not believe that the problem has been solved, then sooner or later investments will turn to more attractive places." (Watch a video of Bangkok before the surrender.)

Still, a lasting crisis in confidence has not yet come to pass. As head of Amata Corporation and owner of Thailand's largest industrial estates, Vikrom Kromadit depends on foreign and local investment to survive. While business was down during the two months of demonstrations, "industries that have already invested here are still looking to expand," he says. Investors who know the country well have not lost interest, but others may be more nervous, he adds.

While much of the public is looking to the government of Prime Minister Abhisit Vejjajiva to solve the issues of inequality and injustice that helped fuel the demonstrations, Heinecke says Thai businesses also have the power to effect positive change in society. "The business community will come together on this," he says. "People have said Thailand has changed and will never be the same. We can never return to what we were, but we can move on to something better."

http://www.time.com/time/world/article/0,8599,1992556,00.html?xid=rss-

world&utm\_source=feedburner&utm\_medium=feed&utm\_campaign=Feed%3A+time% 2Fworld+%28TIME%3A+Top+World+Stories%29

## • Thai political violence could cost over 4 bln USD: expert

The recent violent movement by the anti-government protestors could cost the Thai economy from about 138 billion baht (4.239 billion U.S. dollars) to 155 billion baht (4.761 billion U.S. dollars), Thanawat Polwichai, director of the Economic and Business Forecasting Centre at the University of the Thai Chamber of Commerce (UTCC), said on Thursday.

The country's gross domestic product (GDP) for the whole 2010 could be deducted by 1.4 percent to 1.6 percent due to the political violence, the Thai News Agency (TNA) quoted Thanawat as saying.

Hence, it is estimated the 2010 GDP will grow at 4.5 percent year on year, lower from the previous UTCC forecast of 6-7 percent, Thanawat said.The "red-shirt" protestors had occupied the Rajprasong Intersection, the main commercial area in central Bangkok, since early April before they ended their prolonged rally at 13:00 hours on May 19.

The death toll from a series of violent clashes between the anti-government protestors

and troops during March 12 to May 19 stood at 88 as some 1,885 others were wounded, Public Health Minister Jurin Laksanawisit said on May 25.

http://english.people.com.cn/90001/90777/90851/7002671.html

## • Thai exports provide much-needed boost for economy

Thailand said on Wednesday that its exports grew for a sixth straight month in April in a much-needed boost for the economy, which has been rocked by political unrest.

Shipments jumped 35.2 per cent to US\$14.1 billion in during the month as all sectors registered growth, while imports were up 46 per cent to US\$14.4 billion, the Commerce Ministry said, suggesting growing demand at home.Thailand posted a trade deficit of US\$266 million in April mostly because of fuel imports, after a trade surplus of US\$1.15 billion in March.

The key agriculture and processed food sector expanded 27.5 per cent while the manufactured goods shipments soared 37.1 per cent, the ministry said.

The Commerce Ministry said Thailand maintained its original target of export growth of 14 per cent for 2010, despite the unrest.

"The political unrest has not yet affected the Thai export sector as there was no shut down of airports or sea ports," she said."(The) curfew imposition will have a short term affect on the transportation of oil, but it will not affect the second quarter," she said.

Pornthiwa added Thai exports also benefited from Bank of Thailand efforts to stabilise the currency between 32 and 33 baht to US\$1.For the first four months of the year Thai exports rose 32.5 per cent year on-year and topped US\$58.5 billion.

Thailand has been hit by deadly political turmoil recently, while anti-government rallies paralysed parts of the capital for two months until last week, stunting domestic demand and causing major losses in tourism and retail industries. - AFP/fa

http://www.channelnewsasia.com/stories/afp\_world\_business/view/1059080/1/.html

• Thai central bank BOT to assess damages caused by political crisis The Bank of Thailand (BOT) on Wednesday (May 26) will discuss with executives from Thai and foreign commercial banks to assess damages caused to them by the violent movement of the anti-government protestors, a BOT senior official said Tuesday.

Thailand's central bank BOT earlier asked several banks how they had been affected by the violent movement, BOT deputy governor for financial institutions stability Krik Vanikkul said, the Bangkok Post's website reported.Preliminarily, it is found that the banking sector will be minimally affected by the political crisis, Krik said.

Outstanding loans of the commercial banks to large-sized businesses in the politicalaffected areas totaled 23 billion baht (705.962 million U.S. dollars), or only 0.3 percent of the commercial banking system's total lending, Sorasit Soontornkes, BOT assistant governor for group supervision, said.Even if the loans turn sour, it would not have any impact on the banking system, Sorasit said.The anti-government protestors had occupied the Rajprasong area, the main commercial area in central Bangkok, since early April before they ended their prolonged rally at 13:00 hours on May 19.

http://english.people.com.cn/90001/90777/90851/6999299.html

## • Political crisis to lower Thai GDP growth rate for 2010

The recent violent movement in capital Bangkok and upcountry would lower the gross domestic product's (GDP) growth for 2010 to stand at about 2.3 percent year on year, the Kasikornthai Research Center (KRC) said Tuesday, the Bangkok Post's website reported. Earlier, the KRC projected that the 2010's GDP expansion would range from 2.3 percent to 4.5 percent year on year."The prolonged anti-government rally which turned to riot on May 19 would cost the country as much as 230 billion baht (7.059 billion U.S. dollars) in damage caused by burned down buildings and lost revenue," Pimolwan Mahajchariyawong, assistant vice president at KRC said.

The anti-government protesters had occupied the Rajprasong area, the main commercial area in central Bangkok, since early April before they ended their prolonged rally at 13:00 hours on May 19.

http://english.people.com.cn/90001/90777/90851/6999302.html

## **Opposition finds 'irregularities' in budget**

The opposition Puea Thai Party has criticised the cabinet-endorsed 2011 budget bill, claiming allocations for several agencies seem to favour certain coalition parties.

Suchat Thadathamrongwet, former finance minister and chief of Puea Thai Party's economic team, yesterday said his team had found several irregularities in the bill which is to be reviewed by the House of Representatives today.Mr Suchat said the central budget in the 2011 budget bill was about 50 billion baht higher than in 2010.

At the same time, the budget for ministries under the care of certain coalition parties, for example, the Bhumjaithai and Chart Thai Pattana parties, had risen significantly.

For the Transport Ministry, under the supervision of Bhumjaithai and Chart Thai Pattana, the proposed budget is 76 billion baht. This compares with 54 billion baht last year.

For the Defence Ministry, supervised by the Democrat Party, the proposed budget rises to 170 billion baht from 150 billion baht in the 2010 Budget Act.

http://www.bangkokpost.com/news/local/37705/opposition-finds-irregularities-in-budget

Social Front

# • Another View: Thai violence stems from old tensions

THE current upheaval in Thailand might come to an end with the exhaustion of violence, when both sides reach bloody thresholds they are not willing to cross.Nothing settled,

with more turmoil to come.Knowledgeable eyes look at the region and see a situation that is complicated, violent and revolutionary, but they also see long-standing tensions among political and social elites.

Old unresolved fights with surrogates wearing red or yellow T-shirts.On one level, the marginalized rural poor are battling urban interests that seem quite content to ignore their troubles.The redshirted, and outlawed, Thais Love Thais party is a throwback to ex-Prime Minister Thaksin Shinawatra, who was forced out in a 2006 military coup.

Thaksin had alienated his political and social contemporaries with financial aid programs for poor villages that inspired political support.

In retaliation, his lucrative, tax-free sale of a family business to an investment company owned by the Singapore government was cast as an unpatriotic sale of Thai assets to a foreign entity.He was rousted from power and fled criminal charges.

The military was in charge and presided over a transition. In absence of a credible way to bring a credible political authority to power, the country has churned and roiled ever since. Yellow-shirted mobs, viewed as rent-a-crowds by detractors, supported the replacement government and expressed their loyalty to an aged king.

A generation ago, King Bhumibol Adulyadej had the popular affection and personal loyalty to quell another tumultuous time in the country. Through the current upheaval that royal glue has been missing. The king, in poor health, has been unwilling or unable to call for calm. For all of Thailand's economic and religious divides, the fight in the streets of Bangkok might well be about who inside a tight financial and social hierarchy runs the country.

Read more: http://www.sgvtribune.com/opinions/ci\_15159042#ixzz0pKLUvslz http://www.sgvtribune.com/opinions/ci\_15159042

### • Thailand extends censorship against anti-govt protesters

Thai authorities have banned four publications linked to an anti-government protest movement, the latest in a wave of censorship moves after a bloody crackdown on demonstrators seeking to topple Prime Minister Abhisit Vejjajiva. Thailand's army chief Anupong Paochina signed an order this week to ban three newspapers and one magazine associated with the "red-shirt" protesters at the centre of the worst rioting in modern Thai history last week. The bans to "protect national security" will further stifle communications by the protesters' United Front for Democracy Against Dictatorship (UDD). Breach of the bans carry a maximum jail term of two years. The move follows the blocking of scores of websites, community radio stations and the UDD's television station, People's Channel, under a state of emergency currently in place in Bangkok and 23 provinces. The latest bans are likely to draw criticism from media activists in a

country that has slipped from 65 in the world in 2002 for press freedom to 130 in 2009, according to the Paris-based Reporters Without Borders. The outlawed publications include the twice-weekly Truth Today newspaper, the weekly Thai Red News and Vivatha, and bi-monthly Voice of Taksin, which mimics the US news magazine, Time, and is named after the protest movement's figurehead, ousted Prime Minister Thaksin Shinawatra. reuters

http://www.dailytimes.com.pk/default.asp?page=2010\05\28\story\_28-5-2010\_pg4\_6 **Cambodia** 

## Political Front

• Cambodian PM says one country cannot fight against crimes and terrorism

Cambodia's Prime Minister Hun Sen said Tuesday that a single country cannot fight against crimes and terrorism, but joint cooperation.Eang Sophalett, spokesman of Prime Minister Hun Sen said the premier made such remarks during his meeting with an ASEANAPOL delegation in Phnom Penh.

"Samdech said that fighting against crimes and terrorism cannot be made alone by a single country, but needs joint cooperation among member states of Association of Southeast Asian Nations (ASEAN) and other states in the region," he was quoted as talking to the delegation.

Cambodia is hosting the 30th ASEANAPOL conference at which participants will discuss on how to further strengthen cooperation and mutual assistance among the police forces of the ASEAN member countries and the dialogue partners.

Nearly 300 high-ranking police officers from the ten ASEAN member countries and the dialogue partner countries including China, Japan, South Korea, Australia, New Zealand and the representatives of the ASEANAPOL Secretariat and Interpol are attending the four-day conference. They will discuss issues like terrorism, drug and weapon trafficking, maritime fraud and cybercrime, etc.

They will also update each other on developments on transnational crime and discuss how ASEANAPOL can increase relations with Interpol."The annual ASEANAPOL is a good opportunity for us to review the previous year cooperation and to exchange ideas, experience and discuss any measures to strengthen and broaden cooperation and mutual assistance in order to enable all ASEAN forces to have similar capacity, technical and material basis in fighting against transnational crime so as to ensure happiness in the region and the world," Cambodia's Police General Neth Savoeun said in his welcome speech.

http://english.people.com.cn/90001/90777/90851/6999300.html

# • Genocide charge a milestone for recognition of the rights of Vietnamese and Muslim minorities

A group of ethnic Vietnamese monks at a pagoda in the Cambodian capital Phnom Penh As judges at Cambodia's Khmer Rouge tribunal decide whether to include genocide as a charge in the closing order, advocates say prosecuting the crime would represent a milestone for official recognition of the rights of the country's Vietnamese and Muslim minorities."There is still discrimination against the Cham, so this sends an important message that Muslims in Cambodia are part of the country," Lor Chunty, a lawyer representing more than 200 Cham Muslim civil parties in the Extraordinary Chambers in the Courts of Cambodia (ECCC), told IRIN.

Estimates suggest there are more than 300,000 Cham Muslims living in Cambodia and put the number of ethnic Vietnamese much higher than the government figure of 100,000 – although the vast majority of Cambodia's 14.7 million people are Buddhist ethnic Khmers.Most of the 1.7 million Cambodians who died from overwork, starvation and murder during the ultra-Maoist regime's 1975-1979 reign of terror were Khmers.

However, in 1999, UN experts concluded that Khmer Rouge leaders should face charges for genocide, crimes against humanity and war crimes on strong evidence – including Khmer Rouge statements, eyewitness accounts and the nature and number of victims of each group – pointing to genocide against the Cham and Vietnamese as ethnic groups and against the Buddhist monkhood as a religious group. The ECCC has been trying five former top officials of the regime for war crimes and crimes against humanity. In December, the tribunal added genocide as a charge against the four remaining defendants for their alleged role in the slaughter of ethnic Vietnamese and Cham Muslims living in Cambodia.

The charge still needs to be finalized in the court's closing order, but it is expected to be sustained.Members of the Vietnamese and Muslim minorities who are participating in the court say it is necessary if the court's justice is to be thorough and help ensure they stand beside Khmers as first-class citizens in today's Cambodia.

The tribunal, said Deputy Prosecutor Anees Ahmed, "has to provide, to the extent possible, a true and complete historical account of the [the] crimes in all their manifestations, egregiousness and breadth".

## Respecting rights

Lyma Nguyen, a lawyer representing ethnic Vietnamese who lived through the Khmer Rouge era, and are now applying to be civil parties, said ethnic Vietnamese are still struggling to consolidate their place in Cambodian society."Even though most of the victims I represent have been living in Cambodia for many generations, many face discrimination to this day," she said.

Nguyen said the genocide charge would allow her clients to formally pursue the truth about why they were targeted and, in the process, "reconstitute their identity" as a distinct group in Cambodia whose rights need to be respected.

Antagonism towards ethnic Vietnamese living in Cambodia is compounded by centuries of conflict between Cambodia and its more powerful neighbour.

Vietnamese communities say they receive less government funding for schools and hospitals than Khmer communities.

They also point to the common use by Cambodians of the pejorative term yuon – which roughly translates as "barbarian" – to refer to Vietnamese, even those who are Cambodian citizens. Muslim communities, too, complain of being overlooked. "I'm a survivor and I want the court to know our suffering and our history," said one ethnic Vietnamese man who cannot be named for safety reasons. "We suffered and lost our relatives, so we want to see a fair trial for our ethnicity because we are human beings too."

Though he was born and lived his entire life in Cambodia, local authorities refuse to give him a citizen ID card, he claimed.Focusing on the plight of Cambodia's ethnic groups under the Khmer Rouge, he believed, could translate into greater attention for the prejudices they face today."The genocide charge makes us feel that our particular issues are being given attention," he said.

http://ionglobaltrends.blogspot.com/2010/05/cambodia-genocide-charge-milestonefor.html?utm\_source=feedburner&utm\_medium=feed&utm\_campaign=Feed%3A+blogs pot%2FzqKG+%28i+On+Global+Trends%29

### • ASEAN-EU Ministerial Meeting decides to push Phnom Penh Agenda

The 18th ASEAN-EU Ministerial Meeting has wrapped up in Madrid recently, and agreed upon a new indicative list of activities for 2011-2012 to further implement the Phnom Penh Agenda, an action program for closer ties between ASEAN and the EU which was agreed at last year's meeting, a statement received from the ASEAN Secretariat on Friday said. The meeting themed "Partners in Regional Integration" concluded on Wednesday.

With more than 30 years of mutually beneficial cooperation, ASEAN and the European Union have reached a new stage in its relations, a much more matured and higher level of cooperation after the entry into force of the ASEAN Charter and the Lisbon Treaty.

This new institutional change in the EU, and also in ASEAN, is expected to lead the way to regular and effective consultations between both parties.

The two-day meeting also exchanged views on issues of mutual interest and concern,

from regional and international issues, non- traditional and traditional security challenges, climate change and environment to the economic crisis and its aftermath. The 19th ASEAN-EU Ministerial Meeting will take place in Brunei Darussalam in 2012. http://english.people.com.cn/90001/90777/90851/7004215.html

- Geo-strategic Front
- Economic Front
- Cambodian Factories Seek Eco-Friendly Power Alternatives

Almost every day for the past 15 years Cheang Vet, a roadside mechanic near Phnom Penh's Cambodian-Japanese Friendship Bridge, has witnessed the constant flow of traffic making its way in and out of the capital by its main northeasterly access point. Green

But in the last decade, as the number of people employed in Cambodia's garment sector has increased from about 25,000 in 2000 to around 300,000 today, he has noticed a steady increase in one particular type of vehicle entering Phnom Penh: heavy-load trucks carrying huge stacks of firewood."There are at least 10 trucks a day carrying about two and a half tons of firewood," Mr. Vet estimated. "They tell me they are on their way to the garment factories on the other side of the city."

The majority of the country's garment factories — making clothes for brand names in the U.S. and European markets — use firewood to heat old-fashioned boilers that produce hot water for dying fabrics and steam for ironing.Some factories depend on firewood to supply all of their energy needs, according to industry experts.

Indeed, the use of firewood for energy is widely considered better for the environment than fossil fuels, as trees can be replanted to offset carbon emissions released during combustion. But replanting plans are limited here, while demand for firewood is growing. In the 1990s, large areas of Cambodia's rubber plantations — planted by the French in the early 20th century — had aged to the point where their yields of latex, the sap from which natural rubber is made, had dropped considerably, requiring extensive replanting.

Felling old trees made large quantities of rubber wood available to the emerging garment and brick factories in the Phnom Penh region.But, according to a report released last year by the French environmental organization Geres, this source of timber is running out.

The Geres report found that 69 of the 310 garment factories then registered with the manufacturers' association said they were using rubber wood to produce steam for ironing and dyeing clothes. In total, Geres estimated that garment factories burned around 65,000 cubic meters, or about 2.3 million cubic feet, of wood every month.

But a "critical period" started in 2009, the report said, "where rubber wood will not be available in sufficient quantity to supply the industrial sector its energy requirements."

Energy experts and environmentalists say that timber is now being obtained instead from the country's remaining natural-growth forests.

Graeme Brown, a private consultant working on natural resource management issues, said that a heightened demand for new rubber plantation acreage was leading to forest clearance, creating a "ready supply of natural forest timber."

With the costs of wood-fired heating far lower than the cost of electricity from the national grid — power prices in Cambodia are among the highest in the region because of poor infrastructure and the use of inefficient diesel generators — there are fears that demand for firewood will continue to grow.

Still, there are signs that Cambodia's garment factories, after a decade of efforts to improve labor standards, are now starting to concern themselves with environmental issues, too.

Albert Tan, vice president of Suntex, a Singaporean-owned garment factory in Phnom Penh, said the company had brought in a team of engineers from Malaysia to assess ways the factory could use less energy.Mr. Tan said that wasting less energy would allow the factory to burn less wood and would also reduce dependence on diesel-powered backup generators in the event of a power cut — a frequent occurrence in Cambodia."There are not many results yet, but some studies are going on to see how best we can be eco-friendly and take care of the environment," he said.

http://www.nytimes.com/2010/05/28/business/energy-environment/28iht-rbogwood.html

## • Cambodia likes to learn experience in mining sector

In the conclusion of the two-day conference on mining sector, Cambodian government was pleased to accept lessons learned and experiences shared by experts and key stakeholders on the issue. The two-day conference is organized by Cambodia's Ministry of Industry, Mines and Energy in collaboration with the United Nations Development Program in Cambodia.

Suy Sem, minister of Industry, Mines and Energy said, "In fact, the need for mineral resources is increasing steadily and minerals are inevitably needed for producing consumer goods, equipment and daily utensil as well as in construction of infrastructure and facility for the country.""It is obvious that development without production basis and dependent entirely on imports will lead to higher production cost. We, therefore, can conclude that economic development requires the support from the development of domestic resources, " he added.

On Wednesday, addressing at the opening of the conference, Cambodia's Prime Minister Hun Sen said that based on the researches, Cambodia has had more natural resources rather than just oil and gas, and that includes bauxite, gold, copper, zinc, iron ores among others.

### http://english.people.com.cn/90001/90777/90851/7002668.html

## Cambodia's PM says lessons on fiscal matters unnecessary

Cambodian Prime Minister Hun Sen has told a conference on good mining practices the country does not need any more lessons on how to manage expected revenues from mining industries. That comes ahead of a donor meeting next week where foreign nations will gather to decide how much to give the country for its budget.

Cambodian Prime Minister Hun Sen was in combative form when he said foreign organisations must stop giving lessons on fiscal transparency in the extractive industries sector.That comes after criticisms that millions of dollars paid in signing fees by French oil major Total and Australian mining house BHP Billiton failed to appear in the budget.

Hun Sen told the two-day mining conference that advising Cambodia how to manage unearned revenues was like telling someone how to cook a fish that was still in the water. The prime minister also rounded on Global Witness, a long-time critic of the government's track record on management of state assets.

He described the British-based NGO as a group of thieves that was in league with foreign organisations, and was trying to bring hard times to the Cambodian people.

In recent years foreign firms have signed dozens of exploration deals covering oil, gas, gold and bauxite.Critics say revenues fail to reach the budget.

The government says the signing fees went to a social fund. It is that budget which donors will talk about next week, when they gather for the annual donor conference.

Last year donor nations provided almost half of Cambodia's two billion dollar budget.

Global Witness said last month that ordinary Cambodians and donor nation taxpayers have the right to know what happens to revenues paid to Phnom Penh.

http://www.radioaustralianews.net.au/stories/201005/2910243.htm?=

## Social Front

## • Cambodian 'jungle woman' flees back to forest: father

Cambodia's "jungle woman," whose story gripped the country after she apparently spent 18 years living in a forest, has fled back to the jungle, her father and local police said Friday.

Rochom P'ngieng, now 29, went missing as a little girl in 1989 while herding water buffalo in Ratanakkiri province, around 600 kilometres (400 miles) northeast of the capital, Phnom Penh.In early 2007 the woman was brought from the jungle, naked and dirty, after being caught trying to steal food from a farmer. She was hunched over like a monkey, scavenging on the ground for pieces of dried rice.

"She must have fled back to the forest on Tuesday evening while she was going to take a

bath," Sal Lou, the man who says he is her father, told AFP by telephone."I and my son are looking for her in the middle forest now," he said, adding that he believed "forest spirits" guided her back to the dense jungle.

Local police chief Ma Vichet said the authorities had also begun a search but had found no sign of the woman."We also believe that she fled back to the jungle," Ma Vichet said. Immediately after being taken from the jungle in 2007, Rochom P'ngieng could not utter a word of any intelligible language, instead making what her father calls "animal noises." Cambodians described her as "jungle woman" and "half-animal girl" and since rejoining society she has battled bouts of illness after refusing food.

In December she began speaking normally, instead of making animal-type noises, and helping out around the house, according to her father. The jungles of Ratanakkiri -- some of Cambodia's wildest and most isolated -- are known to have hidden groups of hill tribes in the recent past.

In November 2004, 34 people from four hill tribe families emerged from the dense forest where they had fled in 1979 after the fall of the genocidal Khmer Rouge regime, which they had supported.Rochom P'ngieng has previously tried to flee back into the jungle but was stopped by her family

### Vietnam

## Political Front

## • Poll: Blumenthal popular among voters

About a week after acknowledging he "misspoke" about his military service during the Vietnam era, a new poll released Thursday shows Democratic Senate candidate Richard Blumenthal remains popular among Connecticut voters and maintains a double-digit lead in the race.

The Quinnipiac University Poll, conducted May 24-25, shows Blumenthal leading the endorsed Republican Senate candidate, former wrestling executive Linda McMahon, by a 56 percent to 31 percent margin in the race to fill the seat being vacated by the retiring Sen. Chris Dodd.Blumenthal had led McMahon 61 percent to 28 percent in a March 17 survey."It looks like Connecticut voters forgive Attorney General Richard Blumenthal, or feel that there is nothing to forgive in the Vietnam service flap," said poll director Douglas Schwartz. "While he has taken a hit with voters, his poll numbers were so high to begin with that he still maintains a commanding lead over Linda McMahon."

After the New York Times first reported on its website on May 17 that Blumenthal misstated his military service during Vietnam on various occasions, the longtime attorney general came forward at a news conference and acknowledged he unintentionally said he served "in" Vietnam when he meant "during" Vietnam.

Blumenthal served stateside as a Marine Reserve during the Vietnam era.Forty-one percent of voters said the controversy was very important or somewhat important to their vote in the general election, while 57 percent said it was not too important or not important at all.

Sixty-one percent said the controversy surrounding Blumenthal's misstatements didn't make a difference in how they plan to vote for the Democrat in November, while 33 percent said it makes them less likely to vote for him.

McMahon, who acknowledged her campaign provided the Times with some information for the article, received her party's endorsement last weekend, besting former Republican U.S. Rep. Rob Simmons, who announced Tuesday he was ending his campaign but leaving his name on the Aug. 10 primary ballot.

Simmons told the National Review this week that he does not think McMahon can win the general election, saying "No, I don't think so at all." Asked what he'll do if McMahon asks him for help on the trail, "he says he'll say he is 'preoccupied," the publication reported.

Will Blumenthal's misstep affect his candidacy?

May 24: CNBC's John Harwood joins MJ in the discussion of Blumenthal's misstatements on Vietnam.

Morning Joe

Simmons, who did not immediately return several calls from The Associated Press, said McMahon's biggest issue is her family's World Wrestling Entertainment, where she was the CEO until jumping into the Senate race last fall.

"While she was there, they had a mentally-handicapped character, Eugene, who they thought was humorous. I find that whole issue, and how it was handled by (McMahon), severely disappointing," Simmons told the National Review. He said McMahon has "countless entertainment products that she'll have to defend, especially when Democrats make them known to the public in coming months."

Politico.com reported Wednesday that the former congressman apologized for the remarks during an interview, calling them "a little harsh" and adding, "I talked too much and I'm sorry."

Despite her convention success, the new Quinnipiac poll shows that McMahon's popularity has worsened. When asked to give their opinion of McMahon, who said she will spend as much as \$50 million of her own money on the race, 32 percent said they had a favorable opinion while 39 percent had an unfavorable opinion and 27 percent hadn't heard enough about her. The March 17 survey showed 36 percent had a favorable opinion of her while 26 percent had an unfavorable opinion.

McMahon's campaign called the Quinnipiac Poll results "curious and perhaps odd," citing other recent polls that showed the race tighter."Connecticut voters are clearly frustrated with Washington, and they do not believe Washington will change by electing more career politicians. By every objective measure, Linda's message of economic recovery and job creation is resonating and this campaign has momentum," according to a statement from the campaign.

Blumenthal leads McMahon on all of the poll's questions about personal attributes, such as having the right experience to be a senator, caring about the needs and problems of people, strong leadership qualities and being honest and trustworthy.

The Democrat, however, took his biggest hit on the question of honesty and trustworthiness. While 60 percent agreed that he is, that's a 21 percentage point drop from a Jan. 14 Quinnipiac University poll in which 81 percent said he's honest and trustworthy. Forty-five percent of respondents said McMahon has those attributes.Quinnipiac conducted a telephone survey of 1,159 registered voters. The poll has a sampling error margin of plus or minus 2.9 percentage points.

http://www.msnbc.msn.com/id/37375535/ns/politics-white\_house/

- Geo-strategic Front
- Vietnam urged to sign cluster bomb treaty

This year is the time for Vietnam to sign the 2008 Convention on Cluster Munitions to facilitate the clean-up of unexploded ordnance (UXO) from the Vietnam War, according to a global peace organization.

Last week Vietnam was the third in a series of countries the Cluster Munition Coalition (CMC) is highlighting as part of a global campaign to promote signature and ratification of the Convention on Cluster Munitions. CMC is an international coalition of around 350 NGOs working in some 90 countries to encourage action against cluster bombs.

"With the entry into force of the convention on August 1 and the First Meeting of States Parties taking place in neighboring Laos on November 8-12, there will never be a better time for Vietnam to join the convention," said Thomas Nash, CMC Coordinator."The level and intensity of cooperation and assistance amongst states parties to the convention will be highest in the early stages of the life of the convention. By getting in early, Vietnam will have the greatest chance of securing assistance from other states," Nash told Thanh Nien Weekly.The Convention on Cluster Munitions, signed in Oslo in December 2008, bans the use, production, stockpiling and transfer of cluster munitions.

Official figures show that the US dropped 413,130 tons of sub-munitions on Vietnam between 1965 and 1973. Unexploded cluster sub-munitions still contaminate most of Vietnam's provinces and continue to claim civilian victims.

The leftover bombs and mines used by the Americans in the Vietnam War have left fallow 4,359 square kilometers of once-fertile soil, or 5.43 percent of the country's total arable land, the Ministry of Defense said in 2003. An August 2006 report by Clear Path International, an organization working to assist civilian victims of war, estimated that some 800,000 tons of unexploded ordnance and mines were still present in nearly seven million hectares of land, or about 20 percent of Vietnam.

The Technology Center for Bomb and Mine Disposal (BOMICEN) at the Ministry of Defense estimated in 2003 that UXO and landmines killed 1,110 people and injured 1,882 every year "on average."

### One-sided

Nguyen Van Huynh, a former diplomat and now Vice President of the Vietnam Foundation for Peace and Development, told Thanh Nien Weekly that Vietnam is being cautious about joining in because of some tough tasks laid down by the convention. The convention requires countries to clear affected areas within 10 years and destroy stockpiles of the weapon within eight. "That would be really tough for Vietnam to address the UXO legacy alone with such a pressing deadline," Huynh said.

"The burden should not be placed on Vietnam given that the UXO problem was created by other countries."The US Embassy's Chargé d'Affaires Harry Kamian told Thanh Nien Weekly that eliminating residual explosives from past conflicts is an important issue for the people of Vietnam. Since 1989, the US has provided over US\$43 million to help Vietnam address this challenge, he added.Huynh said many activists and organizations have told him that if Vietnam signs the convention, the US and other countries will be much more likely to step forward and increase their support for Vietnam.

But Nash of the Cluster Munition Coalition said he doubts the US will feel any obligation in this regard.Since the treaty was opened for signature in December 2008, 106 countries have signed and 32 have ratified it. But the US has not."The US has not signed and is unlikely to do so in the near future, so it will not be bound by the obligations to provide assistance," Nash said."It will always be difficult to change the way global superpowers like the US behave," he said.But Huynh acknowledged the humanitarian aspect of the convention and said he is convinced that Vietnam will sign it soon.Nash was even more hopeful, saying the convention is the best way to influence US policy on cluster bombs and increasing assistance to affected countries.

"The more affected and donor countries join the convention, the more powerful the influence on the US will be, even if the Obama administration remains outside for now," Nash said.Nash noted that the world has seen this kind of pressure working well on landmines. Even though the US has not yet signed the 1997 mine ban treaty, it has not

used or transferred antipersonnel mines since the global ban came into effect.

"Now Obama is reviewing US policy on the mine ban treaty and 68 senators have called on him to join the international community by acceding now. It may take some time, but the same pressure can work on cluster bombs."

### http://www.thanhniennews.com/2010/Pages/20100523170607.aspx

## • Vietnam still fighting effects of America's chemical war

Her children are 21 and 16 years old, but they still cry through the night, tossing and turning in pain.Tran Thi Gai, who rarely gets any sleep herself, sings them a mournful lullaby. "Can you feel my love for you? Can you feel my sorrow for you? Please don't cry."Gai's children - both with twisted limbs and confined to wheelchairs - were born in a village that was drenched with Agent Orange during the Vietnam war. She believes their health problems were caused by dioxin, a highly toxic chemical in the herbicide, which US troops used to strip communist forces of ground cover and food.

Thirty-five years after the end of the Vietnam war, its most contentious remaining legacy is Agent Orange. Eighty-two per cent of Vietnamese surveyed in a recent Associated Press-GfK Poll said the United States should be doing more to help people suffering from illnesses associated with the herbicide, including children born with birth defects.

After president George W. Bush pledged to work on the issue on a Hanoi visit in 2006, the US Congress has approved US\$9 million mostly to address environmental clean-up of Agent Orange. But while the US has provided assistance to Vietnamese with disabilities - regardless of their cause - it maintains that there is no clear link between Agent Orange and health problems.

Vietnamese officials say the US needs to make a much bigger financial commitment - US\$6 million has been allocated so far - to address the environmental and health problems unleashed by Agent Orange.

"Six million dollars is nothing compared to the consequences left behind by Agent Orange," said Le Ke Son, deputy general administrator of Vietnam's Environmental Administration. "How much does one Tomahawk missile cost?"

Tran Van Tram and Tran Thi Dan are desperate for help. Their four grown children crawl around the family home on all fours.Each of his children appeared healthy at birth, said Tram, 61. But after a year or so, they could not roll over. They never learned to talk.

Tram remembers watching US planes dump Agent Orange several times daily over his village in Quang Tri Province, near the former demilitarized zone that once divided North Vietnam and South Vietnam. He used to fish in nearby lakes and streams every day.

Now he and his ageing wife spend virtually all their time caring for the children. They shower the children outdoors, an ordeal for all concerned. Hoang, 26, sat on the patio

recently after his father hosed him down, and waited for his mother to pull his pants on. His spine is bent and he has a large lump on his back."I have no time for myself," said Dan, 59. "Even when I die, I will have no peace. I will always be worried about my children. Who will take care of them when we are gone?"

Dan says she can't believe it's a coincidence that many of her neighbours started having children with birth defects after the war ended."It's not just my family," she said. "Many families here are suffering the same problems. I'd like to see the United States government do more to help ease the pain of the war."

Between 1962 and 1971, the US military sprayed roughly 41 million litres of Agent Orange across large swaths of southern Vietnam. Dioxin stays in soil and the sediment at the bottom of lakes and rivers for generations. It can enter the food supply through fish and other animals.Vietnam says as many as four million of its citizens were exposed to the herbicide and as many as three million have suffered illnesses caused by it - including the children of people who were exposed during the war.

The US government says the actual number of people affected is much lower and that Vietnamese are too quick to blame Agent Orange for birth defects that can be caused by malnutrition or other factors."Scientists around the world have done a lot of research on dioxin and its possible health effects," said Michael Michalak, the US ambassador in Hanoi. "There is disagreement as to what's real and what isn't, about what the possible connections are."

That position frustrates many Vietnamese, who point out that the US government banned commercial use of the herbicide long ago and provides benefits to American veterans who were exposed to Agent Orange while serving in Vietnam.

The US Veterans Administration covers the medical treatment of American servicemen who were exposed to Agent Orange and subsequently developed one of 17 illnesses associated with dioxin. Children of exposed servicemen who were born with spina bifida also receive a medical benefit.

"American and Vietnamese Agent Orange victims haven't been treated the same way, and it's not fair," said Tran Xuan Thu, secretary general of the Vietnam Agent Orange Victims Association, whose suit against the US manufacturers of Agent Orange in 2005 was rejected by a US court. "It's not in keeping with the humanitarian traditions of the United States. I hope the American people will raise their voices and ask their government and the chemical companies to take responsibility."

US officials point out that an "association" has been established between Agent Orange and the illnesses on the list, but that the scientific evidence has not been high enough to establish a causal relationship. "We don't know if there's any linkage or not, but we believe in trying to do our best to take care of our veterans," Michalak said. "If Vietnam wants to take care of its veterans, then we think that is a very worthy cause."

The US spends just a small sliver of its budget in Vietnam on Agent Orange. Last year, it allocated US\$80 million for the fight against HIV/Aids in Vietnam, where the epidemic is relatively mild, but just US\$3 million for Agent Orange work.

A coalition of non-profit groups led by the Ford Foundation, which has been trying to draw attention to the herbicide's toxic legacy, spent more than the US government.Tests conducted by Hatfield Associates, a Canadian environmental firm, have shown that dioxin is within safe levels across most of Vietnam. But it is well beyond acceptable levels at a number of "hotspots" where US soldiers used to mix, store and load Agent Orange onto planes.

According to one estimate, cleaning up the three biggest hotspots - at former airbases in Danang, Phu Cat and Bien Hoa - could cost as much as US\$40 million.

Since 2006, at the request of the Vietnamese government, the United States has been focusing its Agent Orange work on Danang. Tests taken by Hatfield found extremely high levels of dioxin - up to 400 times accepted international limits - in soil samples taken near the site and in the blood of a few dozen people who lived near a contaminated lake on the old airbase, where they often went fishing.

Working with Vietnamese officials, the US government has sealed off the site to prevent further leakage of dioxin. They are now seeking ways to decontaminate the site, which is likely to cost millions of dollars.

Since 1989, Michalak said, the United States has spent US\$46 million to help Vietnamese with disabilities, but it does not keep track of how many of the beneficiaries have illnesses associated with Agent Orange. The current US-Vietnam efforts to enhance co-operation on the issue stand in marked contrast to their disagreements seven years ago, when the two sides attempted to conduct a study of birth defects in children whose mothers were exposed to Agent Orange.

The study fell apart amid bickering and finger-pointing. When the Vietnamese and American scientists failed to agree on how to design the US\$1 million project, the US National Institute on Environmental and Health Sciences withdrew funding.

A leaked US embassy memo written in 2003 captures the bitterness and suspicion that divided the two sides. Vietnam's claims about Agent Orange were "grossly exaggerated and unsupported by any objective measure," the memo said, dismissing Vietnam's concerns as a "propaganda campaign" to morally indict the US government and win financial compensation.

The memo, circulated in Hanoi by a former embassy staffer, was omitted from more than 100 pages of State Department documents released in response to a Freedom of Information Act request last year. Those documents also show that the US was deeply sceptical of Vietnam's assertions about Agent Orange. The US has shifted its tone sharply since the 2003 memo, but it has not changed its basic position: current science does not support Vietnamese claims about Agent Orange.

Vietnam says its own studies show that the rate of birth defects in areas sprayed with Agent Orange is four times higher than in areas that weren't sprayed, and the incidence of certain cancers was 10 times as high.David Carpenter, the US scientist who won funding for the ill-fated 2003 study, says there is little doubt that the herbicide is to blame for some of the birth defects.

"Dioxin is just a horrible chemical," Carpenter said. "There are a variety of factors that contribute to birth defects, and dioxin is certainly one of them. One need not be a rocket scientist to come to that conclusion."

http://www.scmp.com/portal/site/SCMP/menuitem.2af62ecb329d3d7733492d9253a0a0a 0/?vgnextoid=4735d155c75c8210VgnVCM100000360a0a0aRCRD&ss=Asia+%26+Wor ld&s=News

## • Economic Front

## • Vietnam to host World Economic Forum on East Asia 2010

Vietnam will hold the World Economic Forum on East Asia 2010 in Ho Chi Minh City on June 6-7 this year, spokeswoman of the Ministry of Foreign Affairs Nguyen Phuong Nga said at a press conference here on Thursday.

This is the first time Vietnam will have hosted such a big event themed "Enhancing Asia's leadership role," Nga said. About 450 delegates, who are leaders of the regional countries, executives of the world's leading companies, scholars and correspondents are expected to attend the event, she said. The WEF on East Asia will focus on four contents including the leading roles of Asia, global risks, green growth blueprint in Asia, and growth outlook of Asia in the future.

Vietnamese Prime Minister Nguyen Tan Dung will deliver a speech at the opening ceremony.

Prime Ministers of Laos, Cambodian and Myanmar have confirmed to attend the conference, said Nga.

http://english.people.com.cn/90001/90778/90858/90863/7002628.html

## • Vietnam's maritime economy gets top billing

Vietnam aims to develop its maritime economy so that the sector contributes more than half to the nation's GDP ten years from now, a senior official of the Vietnam Maritime Administration (VMA) said.

Do Duc Tien, the VMA's deputy director general, said the emphasis would be on shipbuilding, ports, petroleum and seafood to increase the GDP proportion from the current 30 percent or so."With the support of foreign and local investors, our maritime economy could contribute 53 to 55 percent of GDP by 2020," Tien said at the 8th ASEAN Ports and Shipping Exhibition and Conference in Ho Chi Minh City last week, which drew experts and potential investors from ten ASEAN nations and several other countries.

He said Vietnam would develop the national shipping fleet to a capacity of 8.5 to 9.5 million deadweight tons able to carry 110 to 126 million tons of commodities annually by 2015, and nearly 13.5 million deadweight tons and double the freight by 2020. The fleet should be 12 years old on average, he added.

As for ports, Tien said deep sea terminals and other ports would be built and expanded to handle 500 to 600 million tons per year by 2015, and double that by 2020.

According to the Vietnam Maritime Administration, the country's ports handled 251 million tons of incoming freight last year, compared to 181 million tons in 2007.

The nation's shipping output reached 81 million tons last year compared to 61.35 million tons in 2006 and was growing at an annual rate of 15 percent.

The fleet of nearly 1,600 ships totaled 6.3 million deadweight tons last year, compared to 1,200 ships and 4.38 million deadweight tons in 2007. Ho Kim Lan, secretary general of the Vietnam Seaports Association, said the global economic downturn of late had affected all industries involved in the maritime economy, but they were more optimistic now that the economy was recovering.

He said Vietnamese businesses were strong in port development and maritime services but not in shipping, where they were totally outclassed by the foreign competition. http://www.thanhniennews.com/2010/Pages/20100529110750.aspx

p.//www.maininennews.com/2010/Pages/20100529110/50.aspx

# • Vietnam's poor infrastructure impeding investment: experts

A container ship docks at a seaport in the southern province of Ba Ria-Vung Tau Foreign business associations said Wednesday that poor infrastructure and high transport costs are major obstacles that hinder investment into Vietnam.Jocelyn Tran, chairwoman of American Chamber of Commerce, said limitations in infrastructure will have negative impacts on foreign investment into Vietnam and the country's exports.

It is a problem that needs to be dealt with immediately, she said at the Vietnam Business Forum in Hanoi Wednesday.

Tony Foster, who heads an infrastructure sub-committee at the forum, said Vietnam is the least competitive among regional countries in terms of infrastructure. Due to the lack of

large seaports Vietnam has to spend around US\$1.7 billion every year to have local exports transported to Hong Kong or Singapore first.

Alain Cany, chairman of European Chamber of Commerce, said it will cost Vietnam \$70-80 billion to improve its infrastructure in the next ten years so that the country can maintain its competitive edge. He said Vietnam only needs 11-12 large seaports instead of 50-60 smaller ones. According to the Japan External Trade Organization (Jetro), it costs around \$1,570 to transport a 40 feet container from Da Nang to Yokohama, among the highest rates in the region.

Vo Hong Phuc, Minister of Planning and Investment, said the country has realized that infrastructure is its bottleneck in economic development.Improving infrastructure is actually one of the main focuses of the government's development plan in the next ten years, he said.

http://www.thanhniennews.com/2010/Pages/20100527124420.aspx

## Vietnam to raise coffee output, despite drought

Coffee production in Vietnam, the world's second-larger producer, will rise by 7.0% this year despite a prolonged dry season, which left parts of the country with its worst drought in a century.

Output will rebound due to 18.7m bags, or 1.12m tonnes, in 2010-11, after being dented last year by torrential rains during both flower and harvesting seasons in the main Dak Lak and Lam Dong growing districts in the south of the country.

While plantations were this time being dogged by a shortfall of rain since November, this has "fortunately not caused a substantial effect on coffee production", a report from US Department of Agriculture staff in Hanoi said."Growers are reporting that most coffee trees have good fruit setting and development of the cherries on their branches at this point in the growing season."

Rains on their way?

Dak Lak officials have reported only 2,500 hectares of plantations damaged by drought. Vietnam's overall plantings exceed 530,000 hectares.Furthermore, weather forecasters have predicted some rain, with scattered showers expected "near coffee areas" this week, favouring "flowering and early development of coffee, after the recent dry weather", according to DTN Meteorlogix.Earlier this year, parts of the country reported their driest dry season in at least 100 years, with water levels in the Red River falling to their lowest since records began in 1902.

Lack of guidance

The USDA bureau report also affirmed doubts over a government-backed stockpiling programme, aimed at shoring up local prices which have fallen in line with those in

London, the main market for the robusta beans which account for nearly all Vietnam's production.Vietnam coffee forecasts, 2010-11 (year-on-year change)

Arabica output: 480,000 bags (+6.7%)

Robusta output: 18.25m bags (+7.1%)

Total exports: 16.83m bags (unchanged)

Domestic use: 1.25m bags (+4.2%)

Year-end stocks: 2.51m bags (+43%)

Source: USDA attache report

"According to contacts from the Vietnamese coffee industry, this stockpiling plan will be implemented slowly because as of yet there are no detailed guidelines... on how to implement the scheme," the report said, citing uncertainty in particular over support for loans to back bean purchases.

Nonetheless, many in the industry believe the scheme has the potential for increasing Vietnam's ability to influence prices, with the country holding believed to hold only about 5% of world coffee stocks, way below its 15% share of production. The briefing forecast inventories jumping by more than 40% over the year. Robusta beans for July delivery closed unchanged at \$1,330 a tonne in London.

July arabica beans, which account for only about 3% of Vietnam's crop, ended 0.4% higher at 132.75 cents a pound in New York.

http://www.agrimoney.com/news/vietnam-to-raise-coffee-output-despite-drought-1756.html

# Social Front

# Vietnam to host Mekong meeting on infectious disease

Vietnam's Ministry of Health and the local US embassy will co-sponsor a conference in Hanoi to discuss an integrated approach to infectious disease in the lower Mekong region on June 17-18.

The two-day forum will bring together senior government officials from Cambodia, Laos, Thailand, and Vietnam, the low Mekong countries, as well as the US, according to a press release from the embassy.

The officials and international health experts will examine a range of topics primarily focused on international health regulations, counterfeit and substandard medicines, and regional successes in health research. The conference is expected to yield increased opportunities for communication and collaboration in the area of response to infectious disease threats.

http://www.thanhniennews.com/2010/Pages/20100527215653.aspx

# Singapore

# Political Front

# • Najib Arrives In Singapore For Two-Day Visit

Prime Minister Datuk Seri Najib Tun Razak arrived here Saturday night for a two-day visit to the city-state.Najib will meet his Singapore counterpart Lee Hsien Loong during a welcome dinner on Sentosa Island Sunday and attend the leaders' retreat at Shangri-La Hotel on Monday.

The prime minister, accompanied by his wife Datin Sri Rosmah Mansor, arrived here by car from Johor Baharu after attending several events in the Johor state for a full day today.Najib was received by Singapore's National Development Minister Mah Bow Tan on his arrival at Shangri-La Hotel here.

During the retreat, both the prime ministers and several members of their cabinets will discuss ways to enhance bilateral cooperation and exchange views on regional developments. Among the Malaysian ministers joining Najib in the retreat are Foreign Affairs Minister Datuk Seri Anifah Aman, International Trade and Industry Minister Datuk Seri Mustapa Mohamed, Transport Minister Datuk Seri Ong Tee Keat, Home Affairs Minister Datuk Seri Hishammuddin Tun Hussein, Minister in the Prime Minister's Department Tan Sri Nor Mohamed Yakcop and Johor Menteri Besar Datuk Abdul Ghani Othman.

http://www.bernama.com/bernama/v5/newsgeneral.php?id=500399

- Geo-Strategic Front
- Economic Front

# • Singapore opens Creative Industries Fair 2010

Singapore's creative industries, or CI, have registered steady growth over the years, the country's Acting Minister for Information, Communications and the Arts Lui Tuck Yew said on Friday.

Estimates indicate that the value-added growth of the CI has averaged about 6 percent annually between 2003 and 2008, the senior official said at the opening of the Creative Industries Fair 2010. For this period, annual employment growth has also averaged about 4 percent.

There is still much that can be done to leverage creative capabilities. The government will be rolling out a comprehensive suite of new initiatives to spur the adoption of design by enterprises soon. The initiatives include a design tax incentive, infusing design thinking for schools and workforce, and to set up collaborative spaces for design innovation.

http://english.people.com.cn/90001/90778/90860/6994895.html

• Singapore, Hong Kong surpass U.S. in economic competitiveness

Singapore and Hong Kong are the world's most competitive economies, an annual survey said Friday, demoting the United States from the top spot for the first time since 1993.

The study lists 58 economies according to 328 criteria that measure how the nations create and maintain conditions favorable to businesses - a formula that had favored the United States for 16 years."They are so close in the rankings, that it would be probably better to define them as a leading trio," said Stephane Garelli, professor at the Lausanne, Switzerland-based IMD business school, publisher of the World Competitiveness Yearbook.

Despite high unemployment and debt, and continued market instability, the United States was better placed than European nations and others to attract new investments and help companies grow."The U.S. has weathered the risk of the financial and economic crises thanks to the sheer size of its economy, a stronger leadership in business and an unmatched supremacy in technology," Garelli said.

Switzerland and Australia rounded out the top five. Then came Sweden, Canada, Taiwan, Norway, and Malaysia.China continued its rise in the survey, reaching 18th and highlighting that it is no longer dependent on foreign markets buying up its cheap exports. It led fellow emerging economies India, 31; Brazil, 38; and Russia, 51.

Debt-laden Greece actually improved in the 2010 ranking, rising six places to 46th.Venezuela ranked last for the fifth year in a row, preceded by Ukraine, Romania, Argentina, an

Read

more:

http://www.philly.com/philly/business/20100522\_Singapore\_\_Hong\_Kong\_surpass\_U\_S \_\_in\_economic\_competitiveness.html#ixzz0pKSQwzLq

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http://www.philly.com/philly/business/20100522\_Singapore\_\_Hong\_Kong\_surpass\_U\_S \_\_in\_economic\_competitiveness.html#axzz0pKS4IsE5

## • Singapore growing as commodities finance hub - SocGen

Societe Generale said on Tuesday Singapore has emerged as a major commodities financing centre in Asia and has even attracted Middle Eastern companies seeking funding.

The bank will hire two more traders to make a team of four in the commodities trading team based in Singapore, an executive said."Hong Kong is the financial centre, but in terms of oil Singapore is taking the lead," said Eric Saux, SocGen's managing director and head of energy and natural resources for Asia.

"Singapore has emerged over the last year as the centre for commodities financing. All

the banks except one have moved their commodities financing centres to Singapore," he said at the bank's roundtable session. There is also an unexpected trend of Middle East companies moving from Dubai to Singapore.

"Their view is to say that this crisis is not over yet, and therefore they are expecting more difficulty in the Middle East, especially to get some funding," Saux said."Because today the big consumer of commodities worldwide is Asia, it's better to be there and the safest place is Singapore."

Strong demand from China and India has boosted the commodities market such as oil and iron ore.SocGen also saw strong demand in Asia for coal, which can be regarded as a substitute when oil prices are high.

However, the problem with China is that most of its warehouse are full and it will take sometime to clear, while in India, logistics problems make it difficult to move commodities from one place to another, Saux said.Other Asian countries are also active in the commodities market, he said.

"Vietnam is getting more and more active, Indonesia is in better shape every year, and for Malaysia we are looking essentially oil, steel and palm oil sectors," Saux said.

Mergers and acquisitions as well as vertical integration of companies have offered more financing opportunity for SocGen.

"A number of Asian companies are growing and acquiring around the world," said Saux, adding big traders and producers are undergoing vertical integration to maximise profits. http://in.reuters.com/article/idINIndia-

48783720100525?rpc=401&feedType=RSS&feedName=businessNews&rpc=401

#### • Singapore closes popular beaches

Public beaches stained by an oil slick from a tanker damaged in a collision off Singapore have been closed ahead of the island's summer school holidays, officials said Thursday. A chocolate-like film covered a stretch of water along the popular East Coast Park after

crude from Tuesday's collision slipped out of a floating cordon at sea.

Officials maintained that most of the spill was still far from the shores of the city-state, which has one of the world's busiest ports and expects 11.5 million to 12.5 million tourists this year, more than double its population.

"The main oil slick is largely contained out at sea," a spokeswoman for the Maritime and Port Authority told AFP.A National Environment Agency advisory said "the extent of the impact is currently minimal, but will require some clean up over the next few days."

The NEA estimated that some 7.2 kilometres (4.5 miles) of beach and rock bunds along the east coast, as well as a canal, had been affected by the slick after wind and tide

conditions made containment at sea difficult.

The Malaysian-registered tanker MT Bunga Kelana 3 was carrying nearly 62,000 tonnes of crude when it collided Tuesday with the MV Waily, a bulk carrier registered in St Vincent and the Grenadines.

About 2,500 tonnes of crude leaked from a gash on the double-hulled tanker's port side, officials said. Such tankers are designed to limit spillage in case of a rupture. Emergency crews are using biodegradable dispersants and absorbent material to soak up the oil, while 3.3 kilometres of booms surround the main oil slick in a busy shipping lane straddling Singapore, Malaysia and Indonesia.

Signs have been put up to advise the public to stay away from the affected beaches until the cleaning is complete. The month-long school summer holiday starts on Friday, a public holiday.

On long weekends, Singaporeans, expatriates and tourists normally throng the park for swimming, barbecues and other activities.

Singaporean environmentalists were closely monitoring the situation and preparing to take part in the cleanup and animal rescue operations. Singapore, Thursday, AFP http://www.dailynews.lk/2010/05/28/wld01.asp

• New China ambassador to S'pore hopes to enhance trade & cultural exchanges

China's new ambassador to Singapore, Wei Wei, said one of his first mission is to prepare for celebrations to mark 20 years of bilateral relations.

He also aims to promote trade and cultural exchanges. As 54-year-old Mr Wei presents his credentials to President SR Nathan at the Istana on Thursday, he has already started on preparations for major celebrations for October this year.

"We want to take the chance to see what has worked out and what hasn't during these 20 years. With cultural activities from both sides, this could bring diplomatic relations to new heights," said Mr Wei.Another project underway is the establishment of a China Culture Centre in Singapore. It's the eighth such venue in the world - and the only in Southeast Asia.On Sino-Singapore relations, Mr Wei said the foundation has been laid for economic and cultural ties.And Singapore is an ideal place for the Chinese to venture out.

"Singapore is a good bridge for China to the outside world. Singapore has eastern and western qualities that make it an ideal city. As for China citizens working here, it's important to change the mindset. Back home, they're more conservative in their problemsolving. In Singapore, they open up," said Mr Wei.Mr Wei hopes to see more interaction between the leaders of the two countries, as well as increased business opportunities. Before he was appointed Ambassador to Singapore, Mr Wei was with China's Ministry of Foreign Affairs and was Ambassador to Brunei.

Other foreign heads of mission also presented their credentials at the Istana on Thursday. They were the Ambassador of the People's Democratic Republic of Algeria, Abdelkrim Belarbi, and the Ambassador of the Republic of Armenia, Armen Sargsyan. - CNA /ls http://www.channelnewsasia.com/stories/singaporelocalnews/view/1059437/1/.html

## • Singapore experience 'is valuable'

HIS Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince and Economic Development Board (EDB) chairman, yesterday asserted that linking decision-making practically and dynamically to the implementation of projects is among the defining factors of success of any country's development.

"Success is not solely confined to the execution of projects, but rather to maintaining their continuity as well, and the kingdom is keen to draw long-term visionary plans to ensure the sustainability of development projects and align them with development and growth schemes," he said as he received Singaporean Minister for National Development Mah Bow Tan.

"Bahrain is keen to avail pioneering development experiences and Singapore has among the most important ones in Asia," he said, expressing Bahrain's satisfaction with cooperation and co-ordination with Singapore, owing to the two countries' geopolitical similarities which motivate them to enhance ties.Mr Tan praised HRH the Crown Prince's key role in strengthening co-operation.

He briefed him on his country's invitation to Bahrain to the World Cities Summit which will address practical aspects of city governance and integrated approaches to urban development, in the presence of international leaders, experts, academicians and private sector officials.

He also hailed Bahrain International Circuit and King Fahad Causeway and expressed desire to visit them.

Municipalities and Agricultural Minister Dr Juma Al Ka'abi, EDB chief executive officer Shaikh Mohammed bin Essa Al Khalifa, Crown Prince's Court head Shaikh Khalifa bin Daij Al Khalifa and acting Singaporean Ambassador attended.http://www.gulf-dailynews.com/NewsDetails.aspx?storyid=279043

## • Leaking tanker off Singapore moved

The Malaysian oil tanker, MT Bunga Kelana 3, involved in a collision Tuesday with a bulk carrier in the Singapore Strait has been moved.

MT Bunga Kelana 3 was shifted to a Johor anchorage after the American Bureau of Shipping classification society certified that the vessel was safe to be moved, Bernama news agency reported Friday.Observers at the collision site in the Traffic Separation Scheme off Changi East and within the anchorages of Singapore's port waters reported that no significant oil leakage has been observed at the site.

Following the collision about 2,500 tons of crude oil was spilled. Tides and winds subsequently shifted the oil across the strait, with some floating oil polluting a 5-mile stretch of shoreline southeast of Changi. The fouled area includes public beaches.

Singapore's Maritime and Port Authority reported isolated patches of oil close to East Coast Park and Changi East and told journalists it was working to contain them by dispatching 21 vessels equipped with skimmers and by deploying containment booms. http://www.upi.com/Science\_News/Resource-Wars/2010/05/28/Leaking-tanker-off-Singapore-moved/UPI-95081275079764/

- http://news.yahoo.com/s/afp/20100528/wl\_asia\_afp/cambodiapeoplemissing
- Social Front

## Laos

- Political Front
- Laos, Cambodia further co-operation on Party Control Affairs

A bilateral meeting to further co-operation on Party Control Affairs between the Central Control Committee of the Lao People s Revolutionary Party (LPRP) and its counterpart from the Cambodian People s Party was held in Vientiane on 24 May.

The meeting was jointly chaired by Mr. Sinay Meunglavanh, member of the Party Central Committee and Vice Chairman of the Central Control Committee and H.E. Mean Sam An, member of the standing committee of the Cambodian People s Party.

At the meeting, Mr. Sinay expressed his pleasure to welcome and work with the Cambodian side and highly valued the visit here of the delegation as a big contribution to further strengthening the friendly relations and co-operation between the Lao People s Revolutionary Party and the Cambodian People s Party and hoped that such kind of relations and co-operation between the two parties will be further developed in the future. The discussion between the two sides has focused on the Party Control Affairs and the structure of the Party Control Committee. The trip to Laos took the Cambodian People s Party delegation to a number of cultural, historical and socio-economic development sites http://www.kplnet.net/english/news/newsrecord/26.05.2010/edn2.htm

- Economic Front
- Vietnam, Laos enhance economic, cultural cooperation

The Viet-Lao Power Joint Stock Company (VLPC) and the Electricite du Laos (EDL) have inked a deal to establish the Xekaman 1 Electricity Co. Ltd.

The agreement, which was signed by VLPC General Director Nguyen Thang Long and

EDL Executive Director Khammy Inthirat on May 21, is a step to accelerate the Xekaman 1 hydro-electric power project, an important investment cooperation project between Vietnam and Laos. The 322 MW Xekaman 1 project is being built at an investment of 441 million USD on the Xekaman river in Attapu province of Laos.

The project, together with the Xekaman Xansay hydro-electric power project, will supply over 1.2 billion KWh each year once they are inaugurated in 2014.

Meanwhile, a delegation of the State Committee for Overseas Vietnamese has concluded a fact-finding tour to Laos. The tour aims to implement a pilot project to promote Vietnamese language learning among overseas Vietnamese in Laos so as to help them use the mother tongue, preserve the traditional cultural identity and tighten the solidarity and mutual assistance in the community.

While in Laos from May 17-21, the delegation held working sessions with the Vietnamese embassy, the Vietnamese Association in Laos, representatives from the Vietnamese Business Association in Laos and Lao education experts. On this occasion, a seminar on the Vietnamese language learning and teaching methodology wa.

http://www.kplnet.net/english/news/newsrecord/24.05.2010/edn12.htm

### Laos, China prioritise 21 projects of transport and public works

The Lao and Chinese governments have prioritised 21 projects of public works and transport for the next five years 2011-2015 with an estimated investment of USD 771 million.

According to a meeting between the Ministry of Public Works and Transport of Laos and the Ministry of Communications of China held here last Friday, the projects to be implemented in Laos include 15 road and bridge development projects (USD 556 million), three airport development projects (USD 140 million), two waterborne transport improvement projects (USD 60 million) and one freight service project (USD 15 million).The Lao delegation was led by Minister of Public Works and Transport, Mr. Sommad Pholsena, and the Chinese side was led by Minister of Communications, Mr. LI Shenglin.

At the meeting Mr. Sommad expressed satisfaction on the successful cooperation between Laos and China in the past and recent years, which has contributed to the development of communication between the two countries.

Both sides also exchanged viewpoints on the repair of Road R3 (Nam Mang-Borten); the construction of the Mekong bridge in Done Khong district, the southernmost Champassak province; the improvement of road stretch along the Mekong riverside between Chinaimo T-junction and Hard Dorkkeo in Vientiane Capital; the embankment project in Hard Dorkkeo (Vientiane Capital) and other basic infrastructure development projects .

http://www.kplnet.net/english/news/newsrecord/25.05.2010/edn9.htm

#### Bridge construction in Oudomsay kicks off

The government will invest US\$ 50 million in constructing a bridge over the Mekong River between Park Baeng district, Oudomsay province and Ngeun district, Sayaboury province. The construction project is supported by the Chinese government s long term soft loan with 2 per cent interest. The bridge construction contract was signed here last week between Director of the Ministry of Public Works and Transport s Planning and Cooperation Department, Mr Math Sounmala and President of the China Road and Bridge Corporation, Mr Wen Gang.

Besides the bridge, a 52-km road will also be built to link Park Baeng district and Ngeun district in Sayaboury province, said Mr Math.This road will link the ferry port on the Mekong River in Park Baeng district and run to the Lao-Thai border checkpoint in Ngeun district with northern Thailand s Nan province, he continued.

The bridge construction project will begin shortly and is expected to be finished by 2015, said Mr Math.

The bridge is important for the northern Oudomsay province because it will bring investment and trade to Park Baeng and surrounding districts, which will help alleviate poverty in the area.Local communities are hoping for stronger economic growth and a rise in trade and investment once the bridge is built. The bridge will make it easier for villagers to transport their goods to sell in nearby markets. This will help the government come closer to achieving its goal of poverty eradication nationwide by 2020, said Mr Math.The signing ceremony was attended by Minister of Public Works and Transport Mr Sommat Pholsena, and Chinese Minister of Transport, Mr Li Shenglin http://www.kplnet.net/english/news/newsrecord/26.05.2010/edn9.htm

• Social Front

#### Brunei

### Political Front

### His Majesty Announces Major Cabinet Shake Up

In a much awaited announcement His Majesty the Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah ibni Al-Marhum Sultan Haji Omar 'Ali Saifuddien Sa'adul Khairi Waddien, Sultan and Yang Di-Pertuan of Negara Brunei Darussalam has reshuffled his cabinet and appointed Brunei's first woman minister and dropped some others.Yang Mulia Datin Hajah Adina binti Osman is Brunei's first woman deputy minister. And according to a royal decree, the State Mufti's office has been elevated to full minister.

The ministers who have been dropped are, Yang Berhormat Pehin Jawatan Luar Pekerma

Raja Dato Seri Utama Dr Ustaz Haji Awang Mohd Zain bin Haji Serudin, the long standing minister of Religious Affairs, another long serving, Minister of Education Yang Berhormat Pehin Orang Kaya Seri Lela Dato Seri Setia Awang Haji Abdul Rahman bin Dato Setia Haji Mohamed Taib, and Yang Berhormat Pehin Orang Kaya Setia Pahlawan Dato Seri Setia Dr Awang Haji Ahmad bin Haji Jumat, Minister of Culture, Youth and Sports. The major change comes five years after the previous reshuffle as according to a royal announcement at time of naming the previous cabine

http://www.brudirect.com/index.php/2010052922171/First-Stories/his-majestyannounces-major-cabinet-shake-up.html

## NewsLocal NewsBrunei To Host Asean-EU Meeting

Brunei Darussalam will host the 19th ASEAN-EU Ministerial Meeting in 2012, the Asean Secretariat said in a statement. The 18th Asean-EU Ministerial Meeting wrapped up last Wednesday in Madrid, and agreed upon a new indicative list of activities for 2011-2012 to further implement the Phnom Penh Agenda, an action programme for closer ties between ASEAN and the EU which was agreed at last year's meeting.

The meeting, themed "Partners in Regional Integration", was co-chaired by Mr Miguel Angel Moratinos, Minister of Foreign Affairs and Co-operation of Spain; Lady Catherine Ashton, the EU High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission; and His Royal Highness Prince Mohamed Bolkiah, Minister of Foreign Affairs and Trade of Brunei Darussalam.

The Secretary-General of Asean, Dr Surin Pitsuwan, expressed satisfaction at the renewed commitment from both ASEAN and the EU to intensify their relations. Dr Surin hoped that while Asean will internally determine how best to coordinate and enhance its collective representation to the EU, the latter would subsequently extend its support.

With more than 30 years of mutually beneficial cooperation, Asean and the European Union have reached a new stage in its relations, a much more matured and higher level of cooperation after the entry into force of the Asean Charter and the Lisbon Treaty.

This new institutional change in the EU, and also in Asean, is expected to lead the way to regular and effective consultations between both parties. The two-day meeting also exchanged views on issues of mutual interest and concern, from regional and international issues, non-traditional and traditional security challenges, climate change and environment to the economic crisis and its aftermath. -- Courtesy of Borneo Bulletin http://www.brudirect.com/index.php/2010052822138/Local-News/brunei-to-host-asean-eu-meeting.html

- Economic Front
- NewsLocal NewsBSP Continues Deep-Water Exploration

Brunei Shell Petroleum (BSP) is continuing with its deepwater exploration activities with the return of the "Frontier Phoenix" deepwater drillship.

In a statement, Dr Grahaeme Henderson, BSP Managing Director, said: "This is the same technologically advanced drillship that successfully drilled the last BSP deep-water well, Alap Alap, in 2009. This drillship is one of the world's most advanced. It is dynamically positioned at the location while drilling wells, without the use of anchors by using nine large thrusters or propellers.

"Coupled with state-of-the-art drilling techniques, the Frontier Phoenix is capable of drilling wells in water depths of up to 2,700m. Prior to its arrival in Brunei, the drillship has undergone further recertification on the thrusters, riser and blow out preventer systems, leading to full compliance with the high standards of BSP's Health, Safety and Environment criteria. -

The Frontier Phoenix drillship will be drilling a new deepwater well at Geronggong location, located in water depths of close to 1,000m.""BSP is fully committed to a high level of exploration activity to sustain current production and build future reserves for Brunei Darussalam."To mark the commencement of the exploration, a blessing ceremony was held on Wednesday at Pantai Muara in the presence of senior BSP officials and government representatives from the Petroleum Unit. -- Courtesy of Borneo Bulletin http://www.brudirect.com/index.php/2010052822129/Local-News/bsp-continues-deepwater-exploration.html

### • Agro and forest development plan met successful

The Party Cell of the Department of Planning, Ministry of Agriculture and Forestry, on 25 May held its 3rd meeting to review the implementation of its three-year activities and set its future development plan.

The meeting held at the Ministry of Agriculture and Forestry, Vientiane Capital drawing the attendance of Vice-Minister of Agriculture and Forest, Party Secretary Committee of the Ministry of Agriculture and Forestry, Mr. Khamchen Vongphosy and the Director of the Planning Department, Dr. Phouangparisack Pravongviengkham.Dr. Phouangparisack said that the operation of the agriculture and forestry sector over the past three years in compliance with the Party and state s the implementation of socio-economic development was yielding satisfactorily. Especially the political work of the Planning Department has so far played a flagship role to develop and upgrade Party members knowledge and technical operation.

He stated further that the Board of Party members of the Planning Department has so far given the Party s guideline and supervision on turning the policy into agriculture and forest development plan to the local mass organisations.

The ministry s Party members have also been trained in political ideology, management and technical expertise on turning Party s strategy into action plan.

The meeting was designed to disseminate the resolution of the 8th Party Congress and the 3rd Party Congress of the Ministry of Agriculture and Forestry and to ensure the achievement of the ongoing five-year plan of agriculture and forestry development (2006-2010) and next five-year one from 2011 to 2015.

The Department has prepared a future plan for ensuring the foodstuff security in the country, researched and set major goods, agricultural products and forests

produce. The meeting have also touched on the promotion of domestic quality product, local consumption and export, which would benefit the rural development and reduce poverty in remote areas.

http://www.kplnet.net/english/news/newsrecord/26.05.2010/edn5.htm

#### Social Front

